Global Eagle Entertainment Inc.
Form DEFR14A
May 04, 2018

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

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 pursuant to Rule 14a-11(c) or Rule 14a-12

Global Eagle Entertainment Inc.

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No fee required.

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EXPLANATORY NOTE

We are filing this Amendment No. 1 to our Definitive Proxy Statement on Schedule 14A that we filed with the U.S. Securities and Exchange Commission on April 27, 2018 to revise Proposal 2 therein. Although the revisions only affect Proposal 2, we have restated the entire Proxy Statement herein for our stockholders convenience.

We have revised Proposal 2 to correct typographical errors under Summary of the Amended Plan Share reserve and award limits on page 53 of the original Proxy Statement. We have also revised Proposal 2 to request that our stockholders approve an Amended and Restated 2017 Omnibus Long-Term Incentive Plan (the Amended and Restated 2017 Omnibus Plan). The only difference between the current 2017 Omnibus Long-Term Incentive Plan (the Current 2017 Omnibus Plan) and the proposed Amended and Restated 2017 Omnibus Plan that we have submitted for stockholder approval is an increase in number of shares available for issuance thereunder by two million shares. This is the same proposed amendment and share increase that we described in the original Proxy Statement. All other terms of the Current 2017 Omnibus Plan remain unchanged.

We revised this Proxy Statement as described above prior to printing and mailing it to our stockholders, such that our stockholders will only receive the revised Proxy Statement. We have also posted this revised Proxy Statement on our website at *www.globaleagle.com* under Investor Relations Financial Info.

April 27, 2018

Global Eagle Entertainment Inc.

6100 Center Drive, Suite 1020

Los Angeles, California 90045

Dear Fellow Stockholders:

We cordially invite you to attend the 2018 Annual Meeting of Stockholders of Global Eagle Entertainment Inc. on Monday, June 25, 2018, at 12:00 p.m. (Pacific Time) at 6100 Center Drive, Third Floor, Los Angeles, California.

You can find details about the business that we will conduct at the Annual Meeting as well as other information about the Annual Meeting in the attached Notice of 2018 Annual Meeting of Stockholders and Proxy Statement. As a stockholder, we will ask you to vote on a number of proposals.

Whether or not you plan to attend the Annual Meeting, your vote is important. After reading the attached Notice of 2018 Annual Meeting of Stockholders and Proxy Statement, please promptly submit your proxy or voting instructions.

On behalf of the management team and your Board of Directors, thank you for your continued support and interest in our company.

Sincerely,

Josh Marks

Chief Executive Officer and Director

Notice of 2018 Annual Meeting of Stockholders

June 25, 2018

12:00 p.m. (Pacific Time)

The 2018 Annual Meeting of Stockholders of Global Eagle Entertainment Inc. (the Annual Meeting) will be held on June 25, 2018 at 12:00 p.m. (Pacific Time) at 6100 Center Drive, Third Floor, Los Angeles, California for the following purposes:

AGENDA:

1. **Elect Stephen Hasker, Jeff Leddy and Josh Marks as Class I members of our Board of Directors;**

2. **Approve an Amended and Restated 2017 Omnibus Long-Term Incentive Plan to increase the number of shares available for grant thereunder by two million shares;**

3. **Approve (on an advisory basis) the compensation of our named executive officers for 2017;**

4. **Ratify (on an advisory basis) the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018; and**

5. **Transact any other business that properly comes before the Annual Meeting and any adjournment or postponement thereof.**

We describe these items of business in more detail in the Proxy Statement accompanying this Notice.

Only stockholders of record as of the close of business on April 26, 2018 are entitled to receive notice of, and to vote at, the Annual Meeting and any and all adjournments or postponements thereof. Stockholders who hold shares in street name may vote through their brokers, banks or other nominees.

Regardless of the number of shares you own or whether you plan to attend the Annual Meeting, please vote. All stockholders of record can vote (i) over the Internet by accessing the Internet website specified on the enclosed proxy card and following the instructions provided to you, (ii) by calling the toll-free telephone number specified on the enclosed proxy card and following the instructions when prompted, (iii) by written proxy by signing and dating the enclosed proxy card and returning it to us pursuant to the instructions under Other Matters How do I vote? on page 67 of this Proxy Statement or (iv) by attending the Annual Meeting and voting in person.

We encourage you to receive all proxy materials electronically. If you wish to receive these materials electronically, please follow the instructions on the proxy card. See also Other Matters Electronic Access to Proxy Statement and Annual Report on page 71 of the Proxy Statement for more information in this regard.

By Order of the Board of Directors,

Stephen Ballas

Executive Vice President, General Counsel and Corporate Secretary

April 27, 2018

HOW DO I VOTE?

INTERNET	BY PHONE	BY MAIL	IN PERSON
Visit the website listed on your proxy card	Call the telephone number on your proxy card	Sign, date and return your proxy card in the enclosed envelope	Attend the Annual Meeting

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 25, 2018

This Notice of 2018 Annual Meeting and Proxy Statement and our 2017 Annual Report are available on our website at *www.globaleagle.com* under Investors Financial Info.

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PROXY STATEMENT

FOR THE 2018 ANNUAL MEETING OF STOCKHOLDERS

To Be Held on June 25, 2018

This Proxy Statement is being furnished to stockholders of record of Global Eagle Entertainment Inc. (Global Eagle, the Company, we, us or our) as of the close of business on April 26, 2018 in connection with the solicitation by our Board of Directors (Board) of proxies for our 2018 Annual Meeting of Stockholders (the Annual Meeting) to be held at 6100 Center Drive, Third Floor, Los Angeles, California on Monday, June 25, 2018, at 12:00 p.m. (Pacific Time), or at any and all adjournments or postponements thereof, for the purposes stated in the Notice of 2018 Annual Meeting of Stockholders. This Proxy Statement and the enclosed form of proxy is being sent to our stockholders on or about May 9, 2018.

INTRODUCTORY INFORMATION

Why am I receiving these materials?

We have sent you these proxy materials because our Board is soliciting your proxy to vote at the Annual Meeting, including at any adjournments or postponements of the Annual Meeting. We invite you to attend the Annual Meeting to vote on the proposals described in this Proxy Statement. However, you do not need to attend the meeting to vote your shares. Instead, you may complete, sign and return the enclosed proxy card, or follow the instructions below to submit your proxy over the telephone or through the Internet.

How do I attend the Annual Meeting?

Stockholders may participate in the Annual Meeting by visiting 6100 Center Drive, Third Floor, Los Angeles, California on Monday, June 25, 2018, at 12:00 p.m. (Pacific Time). We discuss how to vote in person at the Annual Meeting below under Other Matters How do I vote? on page 67.

Who can vote at the Annual Meeting?

Only our stockholders of record at the close of business on April 26, 2018 (which is the record date for the Annual Meeting) will be entitled to vote at the Annual Meeting. On this record date, there were 90,936,719 shares of our common stock outstanding and entitled to vote. For ten days prior to the Annual Meeting, during normal business hours, we will make available for examination by any stockholder a complete list of all stockholders on the record date. We will make this list available at our offices at 6100 Center Drive, Suite 1020, Los Angeles, CA 90045. We will also make this list of stockholders available at the Annual Meeting.

Stockholders of Record: Shares Registered in Your Name

If at the close of business on April 26, 2018 your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record. As a stockholder of record, you may vote in person during the meeting or vote by proxy.

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

If at the close of business on April 26, 2018 you held your shares in an account at a brokerage firm, bank, dealer or other similar organization, rather than in your own name, then you are a beneficial owner of shares held in street name and that organization will forward these proxy materials to you. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent regarding how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting without a legal proxy.

INTRODUCTORY INFORMATION

What am I voting on?

The matters scheduled for a vote are to:

1. Elect Stephen Hasker, Jeff Leddy and Josh Marks as Class I members of our Board (each to serve for a three-year term);
2. Approve an Amended and Restated 2017 Omnibus Long-Term Incentive Plan (the Amended and Restated 2017 Omnibus Plan);
3. Approve (on an advisory basis) the compensation of our named executive officers for 2017, as disclosed in this Proxy Statement; and
4. Ratify (on an advisory basis) the appointment of KPMG LLP (KPMG) as our independent registered public accounting firm for the fiscal year ending December 31, 2018.

What are the recommendations of our Board?

Unless you give other instructions on your signed proxy card, or by telephone or on the Internet, the persons named as proxy holders on the proxy card will vote in accordance with the recommendations of our Board. We set forth the recommendations of our Board, together with a description of each item, in this Proxy Statement. In summary, our Board recommends a vote:

FOR the election of Stephen Hasker, Jeff Leddy and Josh Marks as Class I members of our Board (each to serve for a three-year term) (*see* Proposal 1);

FOR the approval of an Amended and Restated 2017 Omnibus Plan (*see* Proposal 2);

FOR the approval (on an advisory basis) of the compensation of our named executive officers for 2017 (*see* Proposal 3); and

FOR the ratification (on an advisory basis) of the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2018 (*see* Proposal 4).

How many votes do I have?

For each matter that we are submitting for your vote, you have one vote for each share of common stock that you owned at the close of business on April 26, 2018.

How many votes are needed to approve each proposal?

For Proposal 1 (the election of our Class I director nominees), the three director nominees will be elected if the votes cast FOR each such director nominee exceed the votes cast AGAINST that nominee. Votes to ABSTAIN and broker non-votes are not considered votes cast, and so will have no effect on the outcome of the nominee s election.

To be approved, Proposal 2 (the approval of an Amended and Restated 2017 Omnibus Plan) must receive FOR votes from the holders of a majority of the votes cast, *i.e.*, the votes cast FOR the Proposal must exceed the votes cast as AGAINST. Votes to ABSTAIN and broker non-votes are not considered votes cast, and so will have no effect on the outcome of this Proposal.

To be approved, Proposal 3 (the advisory approval of the compensation of our named executive officers for 2017) must receive FOR votes from the holders of a majority of votes cast, *i.e.*, the votes cast FOR the Proposal must exceed the votes cast as AGAINST. Votes to ABSTAIN and broker non-votes are not considered votes cast, and so will have no effect on the outcome of this Proposal. The outcome of this vote is advisory only, and will not be binding on us.

To be approved, Proposal 4 (the advisory ratification of the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2018) must receive FOR votes from the holders of a majority of the votes cast, *i.e.*, the votes cast FOR the Proposal must exceed the votes cast as AGAINST. Votes to ABSTAIN and broker non-votes are not considered votes cast, and so will have no effect on the outcome of this Proposal. (Note that in the absence of instructions from you, your broker may use its discretion to vote your shares on this Proposal. See Other Matters What are broker non-votes ? on page 70.) The outcome of this vote is advisory only, and will not be binding on us.

PROPOSAL 1 ELECT CLASS I DIRECTOR NOMINEES

(STEPHEN HASKER, JEFF LEDDY AND JOSH MARKS)

Our Board currently consists of three classes (Classes I, II and III). Our stockholders elect one class of directors each year. All directors are elected for three-year terms or until their successors are elected and qualified, or, if sooner, until the director s death, resignation or removal.

At the Annual Meeting, our stockholders will vote to elect our Class I director nominees (Stephen Hasker, Jeff Leddy and Josh Marks), all of whom are incumbent directors. If elected, the Class I directors will each have a term expiring at the 2021 Annual Meeting of Stockholders. We set forth below on page 5 under Directors and Executive Officers information concerning each nominee for director. Each director nominee has agreed to serve if elected, and we have no reason to believe that any director nominee will be unable to serve the Company for the full three-year term.

Required Vote

This is an uncontested Board election. As such, under our by-laws, each nominee must receive the affirmative vote of a majority of the votes cast on his election, *i.e.*, the votes cast FOR such director nominee must exceed the votes cast AGAINST. Shares represented by executed proxies (but with no marking indicating FOR or AGAINST the nominee) will be voted FOR the election of the director nominees. Votes to ABSTAIN and broker non-votes are not considered votes cast, and so will have no effect on the outcome of the nominee s election. If any nominee becomes unavailable for election as a result of an unexpected occurrence (such as his death prior to the Annual Meeting), your shares will be voted FOR the election of a substitute nominee that we proposed.

Board Recommendation

OUR BOARD RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF STEPHEN HASKER, JEFF LEDDY AND JOSH MARKS AS CLASS I MEMBERS OF OUR BOARD AS OUTLINED IN THIS PROPOSAL 1.

DIRECTORS AND EXECUTIVE OFFICERS

Directors

Name	Class I *(Term Expires at Upcoming 2018 Annual Meeting)*	Class II *(Term Expires at 2019 Annual Meeting)*	Class III *(Term Expires at 2020 Annual Meeting)*
Jeff Leddy, Board Chair	X		
Edward L. Shapiro, Lead Independent Director		X	
Jeffrey E. Epstein*	X		
Stephen Hasker	X		
Josh Marks	X		
Robert W. Reding			X
Jeff Sagansky		X	

Harry E. Sloan		X	
Eric Sondag			X
Ronald Steger			X
Eric Zinterhofer			X
Total directors in Class	4	3	4

* *Mr. Epstein has served on our Board since February 2013. He will not stand for re-election and will retire from our Board at the expiration of his current term at the Annual Meeting. We are grateful for his many years of service to our company.*

CLASS I DIRECTORS

Terms Expiring (and nominated for re-election) at the 2018 Annual Meeting of Stockholders

Stephen Hasker

Age: 48

Director Since:

April 2015

Stephen Hasker has been a member of our Board since April 2015. He has served on the board of directors of Appen Limited (ASX: APX) since April 2015, where he is a member of its Nomination and Remuneration Committee. He has been Chief Executive Officer of CAA Global since January 2018. He was previously the Global President and Chief Operating Officer of Nielsen Holdings PLC (NYSE: NLSN) from December 2015 to December 2017, and prior to that served as Nielsen s President, Global Products from November 2009 to January 2014. Mr. Hasker joined Nielsen in 2009 from McKinsey & Company, where he was a partner in McKinsey s Global Media, Entertainment and Information practice from 1998 to 2009. Prior to McKinsey, Mr. Hasker spent five years in several financial roles in the United States, Russia and Australia. Mr. Hasker has an undergraduate degree from the University of Melbourne and an MBA and a Masters in International Affairs from Columbia University. He is a member of the Australian Institute of Chartered Accountants.

Board Committees:

Audit, Compensation

We believe Mr. Hasker is qualified to serve on our Board due to his operational experience as Chief Executive Officer of CAA Global and as a public company executive at Nielsen N.V., and his overall experience with media and entertainment businesses.

Jeff Leddy

Age: 63

Director Since:

February 2013

Executive Chairman of the Company and Chairman of the Board Since:

April 2018

Board Committees:

None

Jeff Leddy has been Executive Chairman of our Company and Chairman of our Board of Directors since April 2018 and has served as a member of our Board of Directors since February 2013. He served as our Chief Executive Officer from February 2017 to March 2018. Mr. Leddy previously served as Chief Executive Officer of Verizon Telematics, Inc. (formerly Hughes Telematics, Inc. prior to its acquisition by Verizon Communications in July 2012) from December 2006 until January 2015 and served as a member of its board of directors from April 2006 to July 2012. From 2005 to 2011, he served on the boards of directors of various Hughes Communications-affiliated companies. From April 2003 through December 2006, Mr. Leddy served as Chief Executive Officer and President of SkyTerra Communications, Inc., and he served on its board of directors from 2006 to 2008. Prior to becoming Skyterra s Chief Executive Officer, Mr. Leddy served in the roles of President, Chief Operating Officer and Senior Vice President of Operations for that company. Mr. Leddy has a BA in Physics from the Georgia Institute of Technology and an MS in Electrical Engineering from Stanford University.

We believe Mr. Leddy is qualified to serve on our Board due to his extensive experience with satellite communications and telematics businesses and extensive executive experience, including his public company experience as a chief executive officer and director.

DIRECTORS AND EXECUTIVE OFFICERS

Josh Marks **Age: 41** **Director Since:** **April 2018** **Board Committees:** **None**	Josh Marks joined our company in August 2015 and has served as our Chief Executive Officer and as a member of our Board of Directors since April 2018. He previously served as our Executive Vice President, Connectivity from April 2017 to March 2018, as our Executive Vice President, Aviation Connectivity from July 2016 to March 2017 and as our Senior Vice President, Operations Solutions from August 2015 through June 2016. From January 2011 to August 2015, Mr. Marks was the Chief Executive Officer and a Director of Marks Systems, Inc. (d/b/a masFlight), an aviation big-data analytics company that he co-founded and that we acquired in August 2015. From February 2008 to December 2010, Mr. Marks was the Chief Financial Officer and a Director of eJet Aviation Holdings, a provider of VIP aircraft maintenance services, and the Executive Director of the American Aviation Institute, a commercial aviation policy think-tank. From 2003 to 2008, Mr. Marks served as a senior executive of MAXjet Airways, a transatlantic premium airline he co-founded. Earlier in his career, Mr. Marks served as Associate Director of the George Washington University aviation institute and held key roles at two technology companies, Virtualis Systems (acquired by Allegiance Telecom) and VelociGen (acquired by SOA Software). Mr. Marks has a BA and an MBA from Harvard University.

We believe Mr. Marks is qualified to serve on our Board due to his broad aviation and transportation experience and extensive experience with companies in the technology and analytics industries.

CLASS II DIRECTORS

Terms Expiring at the 2019 Annual Meeting

Jeff Sagansky **Age: 66**	Jeff Sagansky has been a member of our Board since January 2013. (He also served as our President from 2011 when we were formed as a special purpose acquisition company until January 2013 when we consummated our business combination with Row 44 and Advanced Inflight Alliance AG.) Mr. Sagansky has served on the board of directors of Platinum Eagle Acquisition Corp. (Nasdaq: EAGL) since December 2017 and on the board of directors of WillScot Corporation (Nasdaq: WSC) since November 2017, where he is a member of that board s Nominating and Corporate Governance Committee and its Compensation Committee. He served on the board of

Director Since:

May 2011

Board Committees:

Audit, Compensation

directors of Scripps Networks Interactive, Inc. (Nasdaq: SNI) from June 2008 to April 2018, and was a member of that board's Audit Committee and its Corporate Governance Committee; Videocon d2h Limited (Nasdaq: VDTH) from May 2016 to April 2018, and was a member of that board's Audit Committee; and Starz Entertainment (Nasdaq: STRZA, STRZB) from January 2013 until December 2016, and was a member of that board's Audit Committee and its Compensation Committee. Mr. Sagansky was also previously President of Silver Eagle Acquisition Corp. (a special purpose acquisition company) from April 2013 until its business combination with Videocon in March 2015; President, CEO and a member of the board of directors of Double Eagle Acquisition Corp. (a special purpose acquisition company) from June 2015 until its business combination with WillScot in November 2017; Chairman of RHI Entertainment, Inc. from 2009 to 2011; and Co-Chairman and interim chief executive officer of Peace Arch Entertainment Group, Inc. from 2007 to 2008. Mr. Sagansky has a BA from Harvard College and an MBA from Harvard Business School.

We believe Mr. Sagansky is qualified to serve on our Board of Directors due to his extensive executive leadership experience with the management and operations of companies in the entertainment sector, including public companies in the television industry, as well as his depth of experience in the media and entertainment industries generally.

Edward L. Shapiro
Age: 53
Director Since:
February 2013
Lead Independent Director Since:
April 2018
Board Committee:
Governance

Edward L. Shapiro has been our Lead Independent Director since April 2018 and a member of our Board since February 2013. He served as our Board Chair from February 2013 through March 2018. He served as a Managing Partner of PAR Capital Management, Inc. from 1997 to December 2016. Prior to joining PAR Capital, Mr. Shapiro was a Vice President at Wellington Management Company, LLP, and before that an analyst at Morgan Stanley & Co. Mr. Shapiro has served on the board of directors of United Continental Holdings, Inc. (NYSE: UAL) since April 2016, and he served on the board of US Airways from 2005 to 2008. Mr. Shapiro also served on the board of directors of SONIFI Solutions, Inc. from November 2010 to December 2016. Mr. Shapiro has a BS in Economics from the Wharton School of the University of Pennsylvania and an MBA from UCLA Anderson School of Management.

We believe Mr. Shapiro is qualified to serve on our Board due to his extensive experience with travel, media and related businesses, considerable expertise in finance and financial matters, deep understanding of our aviation connectivity business through his service to Row 44 (one of our predecessor companies prior to our business combination with Row 44 and Advanced Inflight Alliance AG in January 2013) and the airline industry.

Harry E. Sloan

Harry E. Sloan has been our Board since 2011. (He also served as our Chairman and Chief Executive Officer from 2011 when we were formed as a special purpose acquisition company until January 2013 when we consummated our business combination with Row 44 and Advanced Inflight Alliance AG.) Mr. Sloan served on the board of directors of Videocon d2h Limited (Nasdaq: VDTH) from May 2016 to April 2018, where he was a member of that board s Nomination, Remuneration and

Age: **68**

Director Since:

May 2011

Board Committee:

Governance (Chair)

Compensation Committee. Mr. Sloan was also previously Chairman and Chief Executive Officer of Silver Eagle Acquisition Corp. (a special purpose acquisition company) from April 2013 through its business combination with Videocon in March 2015. From November 2010 to December 2013, Mr. Sloan served on the board of directors of Promotora De Informaciones, S.A. (NYSE: PRIS) (also known as PRISA). From 2005 to 2009, Mr. Sloan served as Chairman and Chief Executive Officer of Metro-Goldwyn-Mayer, Inc., and was its Chairman until 2011. From 1990 to 2001, Mr. Sloan was Chairman and Chief Executive Officer of SBS Broadcasting, S.A., a company that he founded in 1990, and he served as its Executive Chairman until 2005. Mr. Sloan currently serves on the Board of Visitors of the

1990, and he served as its Executive Chairman until 2005. Mr. Sloan currently serves on the Board of Visitors of the UCLA Anderson School of Management and on the Executive Board of UCLA School of Theater, Film and Television. Mr. Sloan has a BA from the University of California, Los Angeles and a JD from Loyola Law School.

We believe Mr. Sloan is qualified to serve on our Board due to his extensive background and experience as an executive in the media and entertainment industries and his substantial mergers-and-acquisitions experience.

CLASS III DIRECTORS

Terms expiring at the 2020 Annual Meeting

Robert W. Reding

Age: **68**

Director Since:

January 2013

Board Committee:

Compensation (Chair)

Robert W. Reding has been a member of our Board since January 2013. He has been a consultant in the commercial airline industry since January 2012. Prior to that, from September 2007 until December 2012, Mr. Reding was Executive Vice President Operations for American Airlines and Executive Vice President of AMR Corporation. Prior to that, Mr. Reding served as Senior Vice President Technical Operations for American Airlines from May 2003 to September 2007. Mr. Reding joined AMR Corporation in March 2000 and served as Chief Operations Officer of its AMR Eagle division through May 2003. Prior to joining AMR Corporation, Mr. Reding served as President and Chief Executive Officer of Reno Air (from 1992 to 1998) and as President and Chief Executive Officer of Canadian Regional Airlines (from 1998 to 2000). Mr. Reding is a graduate of the United States Air Force pilot training program and served as an officer and pilot flight examiner with the United States Air Force from 1972 to 1979. He has an FAA Air Transport Pilot Rating for Douglas DC-9-MD-80 and Boeing 737 series aircraft and has accumulated over 10,000 hours as a commercial pilot. He has served as a board member of various aviation, civic and charitable organizations. Mr. Reding has a BS in Aeronautical Engineering from California State Polytechnic University and an MBA from Southern Illinois University.

We believe Mr. Reding is qualified to serve on our Board due to his operating and management experience, including more than 30 years of experience in the airline industry.

DIRECTORS AND EXECUTIVE OFFICERS

Eric Sondag **Age: 42** **Director Since:** **April 2018** **Board Committees:** **Audit, Governance**	Eric Sondag has been a member of our Board since March 2018. He is a Partner at Searchlight Capital Partners, a private equity firm, where he has worked since 2011. Mr. Sondag has served on the board of directors of Gymboree Group Inc. (OTCMKTS: GMBE) since October 2017 and on the board of directors of Cengage Learning Holdings II Inc. (OTCMKTS: CNGO) since April 2014. Mr. Sondag also serves on the board of advisors for Georgetown University s McDonough School of Business. Prior to joining Searchlight Capital Partners, Mr. Sondag worked at GTCR Golder Rauner in Chicago in various capacities. Mr. Sondag has a BS from Georgetown University and has completed the Executive Management Program at INSEAD in Singapore.

We believe Mr. Sondag is qualified to serve on our Board due to his extensive investment experience in the media and technology industries.

Ronald Steger **Age: 64** **Director Since:**	Ronald Steger has been a member of our Board since April 2017 and has served as our Audit Committee Chair since June 2017. He has served on the board of directors of Overseas Shipholding Group, Inc. (NYSE: OSG) since August 2014 and currently serves on that board s Audit Committee (as chair) and its Corporate Governance & Risk Committee. Mr. Steger will also join the board of directors of Great Lakes Dredge & Dock Corporation (Nasdaq: GLDD) in May 2018. Mr. Steger previously served on the board of directors of International Seaways Inc. (NYSE: INSW) from November 2016 to June 2017, where he served on that board s Audit Committee and its Corporate Governance & Risk Assessment Committee. Since September 2015, Mr. Steger has served as the Senior Technical Advisor to the Effectus Group, an accounting advisory firm based in Silicon Valley, and since February 2014, he has served on the Advisory Board of ATREG, Inc., a global advisory firm specializing in

April 2017

Board Committee:

Audit (Chair)

the semiconductor and related advanced technology verticals. Mr. Steger began his career with KPMG in 1976 and was admitted into its partnership in 1986. He served as an SEC Reviewing Partner at KPMG from 2003 to 2013 and retired from KPMG in December 2013. Mr. Steger has a BS in Accounting from Villanova University.

We believe Mr. Steger is qualified to serve on our Board due to his experience serving on boards of public companies and his extensive background in accounting.

Eric Zinterhofer

Age: **46**

Director Since:

April 2018

Board Committee:

Compensation

Eric Zinterhofer has been a member of our Board since March 2018. He is a Founding Partner at Searchlight Capital Partners, a private equity firm, where he has worked since 2010. Mr. Zinterhofer has served on the board of directors of Hemisphere Media Group, Inc. (Nasdaq: HMTV) since October 2016, and is a member of that board s Executive Committee; on the board of directors of Charter Communications, Inc. (Nasdaq: CHTR) since November 2009, and is a member of that board s Compensation and Benefits Committee, its Finance Committee and its Nominating and Governance Committee; on the board of directors of Liberty Latin America Ltd. (Nasdaq: LILA) since December 2017; and on the board of directors of Roots Corporation (TSE: ROOT) since December 2015. He previously served on the board of directors of Dish TV India Ltd. (NSE: DISHTV) from December 2009 to March 2017, and on the board of directors of General Communication Inc. (FRA: CG1) from March 2015 to March 2018.

Prior to co-founding Searchlight Capital Partners, Mr. Zinterhofer was a senior partner at Apollo Global Management in New York. Mr. Zinterhofer has a BA from the University of Pennsylvania and an MBA from Harvard Business School.

We believe Mr. Zinterhofer is qualified to serve on our Board due to his extensive investment experience in the media and technology industries and as a director of a large telecommunications company.

Executive Officers

Our current executive officers are as follows:

Name	Age	Title
Jeff Leddy	63	Executive Chairman of the Company
Josh Marks	41	Chief Executive Officer
Paul Rainey	42	Executive Vice President and Chief Financial Officer
Walé Adepoju	46	Executive Vice President and Chief Strategy Officer
Stephen Ballas	42	Executive Vice President, General Counsel and Corporate Secretary
Per Norén	53	Executive Vice President and Chief Commercial Officer
Sarlina See	47	Senior Vice President and Chief Accounting Officer

The following is biographical information for our current executive officers (other than our Company s Executive Chairman Jeff Leddy and our CEO Josh Marks, who are members of our Board and whose biographical information we have provided under Directors and Executive Officers Directors on page 5).

Paul Rainey

Paul Rainey joined our company as Chief Financial Officer in April 2017. Mr. Rainey previously served as Chief Financial Officer of Harris CapRock Communications from May 2014 to April 2017. Prior to Harris CapRock Communications, Mr. Rainey served as Chief Financial Officer of General Electric Company s (NYSE: GE) Lighting Professional Solutions business from March 2013 to April 2014 and as Chief Financial Officer of its Power Equipment business from March 2010 to February 2013. Prior to March 2010, Mr. Rainey served in two senior financial planning and analysis roles at General Electric from January 2007 to March 2010 and from October 2003 to October 2005. Between those appointments, Mr. Rainey served as a FamilyLife missionary from November 2005 to December 2006. Mr. Rainey currently serves on the boards of directors of Cutwell 4 Kids and America Responds with Love, and previously served on the boards of directors of Hesed Consulting, Georgia CASA and the Notre Dame Business Advisory Council. Mr. Rainey has a MS in Accountancy and a BBA in Finance and Computer Applications from the University of Notre Dame.

Walé Adepoju

Walé Adepoju joined our company in July 2014 and has been our Executive Vice President and Chief Strategy Officer since April 2018. He previously served as our Executive Vice President, Media & Content from September 2016 to March 2018 and as our Chief Commercial Officer from May 2014 through August 2016. From September 2013 to April 2014, Mr. Adepoju was Chief Operating Officer of Advanced Inflight Alliance AG (AIA) (one of our predecessor companies prior to our business combination with Row 44 and AIA in January 2013) and previously served as AIA s Chief Strategy Officer from April 2012 to August 2013. From May 2000 to April 2012, Mr. Adepoju served as Managing Director at IMDC Aviation Consulting. Prior to IMDC, Mr. Adepoju served as Director of Strategy at Spafax, which is affiliated with the advertising and public-relations company WPP PLC. Earlier in his career, Mr. Adepoju worked as an air transport analyst providing investment advice on aerospace companies and products. Mr. Adepoju has a degree in Manufacturing Engineering and a Masters in Air Transport Management from Cranfield University.

Stephen Ballas

Stephen Ballas joined our company as General Counsel and Corporate Secretary in April 2016 and has been our Executive Vice President, General Counsel and Corporate Secretary since September 2016. Prior to that, Mr. Ballas was a Senior Vice President and Deputy General Counsel at CBRE Group, Inc. (NYSE: CBG) from July 2013 to April 2016. From July 2011 to July 2013, Mr. Ballas served as a Senior Counsel at CBRE Global Investors, which is CBRE Group s real estate

DIRECTORS AND EXECUTIVE OFFICERS

investment management arm. He served as a Vice President at GSO Capital Partners, the credit-investment arm of The Blackstone Group (NYSE: BX), from 2010 to 2011, and as a Senior Counsel at the New York-based hedge fund TPG-Axon Capital from 2007 to 2010. Mr. Ballas was a corporate associate at the law firm of Simpson Thacher & Bartlett LLP from 2002 to 2007. Mr. Ballas has a BA in Economics from Duke University and a JD from Georgetown Law School.

Per Norén

Per Norén joined our company in March 2017 and has served as our Executive Vice President and Chief Commercial Officer since April 2018. He previously served as our Senior Vice President, Aviation Connectivity from March 2017 to March 2018. From August 2007 to February 2017, Mr. Norén held several senior positions at The Boeing Company, including as its Chief Customer Officer for Digital Aviation from January 2016 to February 2017, as its Vice President, Digital Solutions from January 2013 to December 2015 and as its Vice President, Information Services from January 2010 to December 2012. He was previously President and Chief Executive Officer of Carmen Systems, a technology, analytics and software company for the aviation and transportation industries, from 1998 to 2007. Mr. Norén graduated from the Swedish Military Academy and the Gothenburg School of Business, Economics and Law at The University of Gothenburg, Sweden. He also has a degree from the Executive Education Program at Harvard Business School.

Sarlina See

Sarlina See joined our company as Chief Accounting Officer in May 2017. Ms. See previously served as Global Business Unit Controller of Stanley Oil & Gas, which is a division of Stanley Black & Decker, Inc. (NYSE: SWK), from May 2013 to May 2017. From January 2008 through May 2013, Ms. See served as the Global Controller at Digital Energy, a division of GE Energy Connections (which is a business unit of General Electric Company). Prior to that, Ms. See held other senior finance positions and audit roles at various General Electric Company business units from 1997 to 2007. Ms. See has a BBA in Accounting from Idaho State University and is a licensed Certified Public Accountant in the State of Idaho.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Director Independence

Pursuant to Nasdaq Listing Rules, our Board must affirmatively determine that a majority of the members of our Board qualify as independent. Consistent with this requirement, based on a review and assessment performed by our General Counsel of all relevant identified transactions and relationships between each of our directors, or any of their family members, and us, our senior management and our independent registered public accounting firm, our Board affirmatively determined that each of our current directors (other than Messrs. Leddy and Marks, who are our Executive Chairman and our CEO, respectively) meets the standards of independence under applicable Nasdaq Listing Rules. In making this determination, our Board found all of our directors (other than Messrs. Leddy and Marks) to be free of any relationship that would impair his individual exercise of independent judgment with regard to the Company. Our Board also determined that each member of its Audit Committee and of its Compensation Committee is independent under Nasdaq Listing Rules applicable to service on those committees.

Board Leadership Structure

The Board annually elects a director to be chairperson of the Board. The Board Chair may or may not be an officer of the Company. The Board believes that it should decide whether to have an officer also serve as the Board Chair based on its business judgment after considering relevant factors, including the specific needs of the business and what is in the best interests of the Company s stockholders.

If the individual elected as Board Chair is an officer of the Company, or if the Board Chair is not independent, the Board believes that a Lead Independent Director should be appointed to help ensure robust independent leadership on the Board. When this is the case, the independent directors elect the Lead Independent Director. The Board will consider rotating the Lead Independent Director, if any, at such intervals as the Board determines based on the recommendation of its Corporate Governance & Nominating Committee (the Governance Committee).

The Lead Independent Director will preside at any meeting of the Board at which the Board Chair is not present, including at executive sessions for independent directors, at meetings or portions of meetings on topics where the Board Chair or the Board raises a possible conflict of interest involving the Board Chair, and when requested by the Board Chair. The Lead Independent Director may call meetings of the independent directors or of the Board, at such time and place as he or she determines. In addition, the Lead Independent Director will facilitate communication between the Board Chair and the independent directors; will review and have the opportunity to provide input on meeting agendas and meeting schedules for the Board; and will perform such other duties as the Governance Committee may from time to time establish.

Currently, Mr. Leddy (who is our Company s Executive Chairman) also serves as our Board Chair, and Mr. Shapiro serves as our Lead Independent Director.

Meetings of the Board

Our Board met six times during 2017. During 2017, each Board member attended at least 75% of the aggregate number of meetings held for the Board and for the committees on which he served. Under our Board s Corporate Governance Guidelines, all Board members are expected to attend our annual stockholders meetings. All of our then directors (other than Messrs. Hasker, Sloan and Sagansky) attended our 2017 Annual Meeting of Stockholders.

Independent Director Meetings

Our non-management directors generally meet in executive session, *i.e.*, without management present, each time that the Board convenes for a regularly scheduled meeting. Our Lead Independent Director will generally preside over executive sessions of our independent directors.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Code of Ethics

We have a Code of Ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. Our Code of Ethics is available on our website at *www.globaleagle.com* under Investors Governance. We adopted our Code of Ethics to promote honest and ethical conduct and compliance with applicable governmental laws, rules and regulations.

Corporate Governance

We are committed to maintaining the highest standards of business conduct and corporate governance, as set forth in the following table and description of key governance policies.

GOVERNANCE HIGHLIGHTS

Eleven directors, all of whom are independent (other than our Board Chair and Company s Executive Chairman Jeff Leddy and our CEO Josh Marks)	Pay-for-performance compensation program, which includes performance-based annual cash bonus payments (our AIP bonuses) and performance-based equity grants (our PSU awards)
Appointment of a Lead Independent Director	Annual say on pay votes, with most recent favorable say on pay vote over 99%
Regular executive sessions of independent directors	Stock ownership requirements for CEO and directors
Risk oversight by the Board and its key committees	Policy restricting trading, pledging and hedging of our stock
All directors attended at least 75% of Board and Board committee meetings	Majority voting requirement for directors in uncontested elections
No over-boarding by our directors on other public-company boards (*i.e.*, serve on more than five public company boards)	Currently no poison pill takeover defense plans

Our key governance policies include:

Corporate Governance Guidelines. Our Board has adopted Corporate Governance Guidelines to provide a framework for effective corporate governance at our company. These guidelines describe the principles and practices that the Board will follow in carrying out its corporate-governance responsibilities. For example, under these guidelines, our directors may not be over-boarded, *i.e.*, serve on more than five public-company boards (with service on our Board constituting one of the five) without the consent of our Governance Committee.

Related Party Transactions Policy. Our Audit Committee has a related party transactions policy whereby our Audit Committee must review and approve related party transactions between us and our directors, executive officers, their family members and our significant stockholders because these transactions may give rise to potential conflicts of interest. See Related Party Transactions Policy and Transactions Related Party Transactions Policy beginning on page 64.

Whistleblower Policy and Procedures. Our Whistleblower Policy and Procedures direct our Audit Committee to investigate complaints (received directly or through management) regarding:

- fraud or deliberate error in the preparation, evaluation, review or audit of our financial statements;
- fraud or deliberate error in the recording and maintaining of our financial records;
- deficiencies in or noncompliance with our internal accounting controls;
- misrepresentations or false statements to or by our senior officers or accountants regarding a matter contained in our financial records;
- our financial reports or audit reports; and
- deviations from full and fair reporting of our financial condition.

To this end, we maintain an EthicsPoint whistleblower hotline (staffed by a third-party vendor) to provide all of our current and former employees, vendors, customers, stockholders and other stakeholders with an anonymous and confidential method to report misconduct by us or our personnel. The hotline is available to report concerns regarding the financial-reporting, record-keeping and control matters covered by our Whistleblower Policy and Procedures. It is also available for compliance-related concerns; concerns regarding other inappropriate and illegal workplace conduct, such as fraud, criminal and other illegal acts; employment and human-resources complaints (*e.g.*, discrimination and harassment); and concerns regarding enterprise-related risk. The hotline is reachable toll-free at (866) 422-3580 or at *www.globaleagle.ethicspoint.com*.

Conflicts of Interest Policy. Our Governance Committee has a Conflicts of Interest Policy to address actual, potential and apparent conflicts of interest that may arise in connection with personal and professional relationships. Under this policy, directors and executive officers must disclose all conflicts of interest to the Board, which must approve any conflicted transaction.

Equity Award Policy. Our Board has an Equity Award Policy to ensure that equity awards issued under our equity incentive plans are generally made on a regular schedule and duly approved by our independent Compensation Committee. Our management equity grants of traditional time-based restricted stock units and options are generally issued every year at the Compensation Committee meeting during the Spring, and our performance-based restricted stock units are generally issued every year at the Compensation Committee meeting during the Fall. In addition, the pricing date for equity grants must generally occur during an open-window trading period or two full business days after our next earnings release (whichever occurs first), and cannot precede the date on which the Compensation Committee actually approves the issuance of the award.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Information Regarding Committees of the Board of Directors

Our Board has an Audit Committee, a Compensation Committee and a Corporate Governance & Nominating Committee. We have posted the charter for each of our Board committees on our website at *www.globaleagle.com* under Investors Governance. The following table provides the current membership (as of April 2018) and the total number of meetings during 2017 for each of these Board committees.

Name	Audit	Compensation	Corporate Governance & Nominating
Jeff Leddy, Board Chair			
Edward L. Shapiro, Lead Independent Director			X
Jeffrey E. Epstein[(1)]			X
Stephen Hasker	X	X	
Josh Marks			
Robert W. Reding		X*	
	X	X	

Jeff Sagansky			
Harry E. Sloan			X*
Eric Sondag	X		X
Ronald Steger	X*		
Eric Zinterhofer		X	
Total meetings in 2017	9	5	3

*Committee Chair

(1) Mr. Epstein will retire from our Board at the expiration of his current Class I term at the Annual Meeting.

Role of the Board and Its Committees in Risk Oversight

Below is a description of each committee of our Board.

Audit Committee All members of our Audit Committee are financially literate. Two of our Audit Committee members (Ronald Steger and Stephen Hasker) also qualify as an audit committee financial expert as defined in applicable SEC rules because each of them meets the requirement for past employment experience in finance or accounting, has the requisite professional certification in accounting or has comparable experience. The responsibilities of our Audit Committee include:

- reviewing the Company s annual audited financial statements and quarterly financial statements with management and our independent registered public accounting firm;

- appointing our independent registered public accounting firm, determining the compensation of our independent registered public accounting firm and pre-approving our engagement of our independent registered public accounting firm for audit and non-audit services to be performed by that independent registered public accounting firm and the related fees for those services;
- overseeing our independent registered public accounting firm;
- meeting with our independent registered public accounting firm to discuss the audit and quarterly reviews;
- reviewing with our independent registered public accounting firm and management the adequacy of our internal controls over financial reporting, and any significant findings and recommendations with respect to those controls;
- establishing procedures for the receipt, retention and treatment of complaints regarding internal accounting controls or auditing matters and, if applicable, submissions by employees of concerns regarding questionable accounting or auditing matters;
- meeting periodically with management to review and assess our enterprise risk exposures and the manner in which those risks are being monitored and controlled;
- reviewing and approving all related party transactions;
- understanding the impact of our operating and control environment on our financial reporting;
- overseeing our implementation of new GAAP standards and use of non-GAAP financial measures; and
- reviewing any material charges under GAAP and the facts and circumstances supporting the relevant analysis.

Compensation Committee Our Compensation Committee is responsible for overseeing matters relating to the compensation of our Company s Executive Chairman, CEO and other executive officers as well as the administration of our incentive-based plans for those officers and of our equity-based compensation plans. The functions of our Compensation Committee include:

- determining and reviewing, on an annual basis, our compensation philosophy and policies;

determining the compensation of our Company s Executive Chairman and our CEO (who are not present during that determination) and our other executive officers;

determining, or recommending to our Board for determination, the compensation of members of our Board and other committees thereof in connection with Board and committee service;

reviewing and discussing the Compensation Discussion and Analysis disclosure with management, recommending to the Board its inclusion in our annual proxy statement and preparing a report for inclusion in our proxy statement that certifies that the Compensation Committee has discharged this duty; and

reviewing our compensation practices and the relationship among risk, risk management and compensation in light of our objectives, including the design of compensation practices to avoid encouraging excessive risk-taking.

Compensation Committee Interlocks and Insider Participation During 2017, none of the members of our Compensation Committee was a current or former employee of our Company. Jeff Sagansky served as our President from 2011 until 2013, as described above under Directors and Executive Officers Directors on page 5, and is a party to a registration rights agreement described under Related Party Transactions Policy and Transcations Related Party Transactions beginning on page 64. Jeff Leddy, who served as our CEO from February 2017 to March 2018 and who now serves as our Company s Executive Chairman, served on our Compensation Committee in early 2017, but resigned from that role upon becoming our CEO.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

No interlocking relationships exist between our Board or our Compensation Committee and the board of directors or the compensation committee of any other entity. This means that none of our executive officers serves, or in the past year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our Board or our Compensation Committee.

Governance Committee Our Governance Committee is responsible for overseeing the selection of persons to be nominated to serve on our Board and for assisting our Board in developing and ensuring compliance with our foundational and corporate-governance policies and documents. The functions of our Governance Committee include:

- identifying and recommending to our Board individuals qualified to serve as directors of the Company;
- advising our Board with respect to its composition, procedures and committees, including establishing criteria for annual performance evaluations of our Board committees and our Board;
- advising our Board with respect to proposed changes to the Company s certificate of incorporation, by-laws and corporate-governance policies; and
- advising our Board with respect to communications with our stockholders.

Director Nominations

Our Governance Committee has the responsibility of identifying, assessing and recommending potential director candidates to our Board. Potential candidates are generally interviewed by our Board Chair and the Chair of our Governance Committee prior to their nomination, and may be interviewed by other directors and members of senior management. The Governance Committee then meets to consider and approve the final candidates, and makes its recommendation to the Board for a candidate s appointment or election to the Board.

Our Governance Committee considers the following criteria when evaluating director candidates: (i) senior-level management and decision-making experience; (ii) a reputation for integrity and abiding by exemplary standards of business and professional conduct; (iii) ability to devote time and attention necessary to fulfill the duties and responsibilities of a director; (iv) a record of accomplishment in his or her respective fields, with leadership experience in a corporation or other complex organization, including government, educational and military institutions; (v) independence and the ability to represent all of our stockholders; (vi) compliance with legal and Nasdaq listing requirements; (vii) sound business judgment; (viii) reputation for candor and integrity; (ix) judgment, skills, geography and other measures to ensure that the Board as a whole reflects a range of viewpoints, backgrounds, skills, experience and expertise; (x) maritime, government and digital media experience; and (xi) the needs of the Board. Although the Governance Committee does not have a formal policy regarding diversity in making its recommendations, the Governance Committee respects that a board of directors should reflect diversity in background, education, business experience, gender, race, ethnicity, culture, skills, business relationships and associations and other factors that will contribute to the highest standards of governance of the Company, and reviews its effectiveness in achieving that diversity when assessing the composition of the Board from time to time.

The Governance Committee also considers candidates that our stockholders propose as potential director nominees. We did not make any material changes in 2017 or in 2018 to the procedures by which stockholders may recommend nominees to our Board.

Majority Voting to Elect Directors

Our by-laws have a majority vote requirement in uncontested elections. Under this requirement, in order for a nominee to be elected in an uncontested election, the nominee must receive the affirmative vote of a majority of the votes cast on his or her election (*i.e.*, the votes cast FOR a nominee must exceed the votes cast as AGAINST). Votes to

ABSTAIN with respect to a nominee and broker non-votes are not considered votes cast, and so will not affect the outcome of the nominee s election. See Other Matters What are broker non-votes ? on page 70.

The Company maintains a plurality vote standard in contested director elections (*i.e.*, where the number of nominees exceeds the number of directors to be elected).

Director Resignation Policy Upon Change of Employment

Our Board s Corporate Governance Guidelines require that our directors tender their resignation (subject to our Board accepting it) upon a change of their employment. The Governance Committee will then consider whether the change in employment has any bearing on the director s ability to serve on our Board, and will make a recommendation to the Board regarding whether to accept the tendered resignation. Our Board will then determine whether to accept or reject the tendered resignation.

Stockholder Communications with the Board of Directors

Stockholders who wish to communicate with the Board or an individual director may send a written communication to the Board or the director addressed to our Corporate Secretary at 6100 Center Drive, Suite 1020, Los Angeles, CA 90045. Each communication must set forth the name and address of the stockholder on whose behalf the communication is sent and the number of our shares that the stockholder beneficially owns on the date of the communication.

Our Corporate Secretary will review the communication to determine whether it is appropriate for presentation to the Board or the director. Examples of inappropriate communications include advertisements, solicitations or hostile communications. Our Corporate Secretary will submit appropriate communications to the Board through the Board Chair, or directly to the full Board or the director, on a periodic basis.

Director Compensation

Members of our Board who are not employees (outside directors) are provided compensation for their service. We have an Outside Director Compensation Program that is intended to compensate fairly each outside director with cash and equity compensation for the time and effort required to serve as a member of our Board. Our Compensation Committee periodically evaluates market data provided by its independent compensation consultant, Frederic W. Cook & Co., Inc., (FW Cook) to determine the appropriate total compensation of our outside directors and structure of the compensation program. In addition, our equity incentive plan places an annual limit of $400,000 on cash and equity compensation that we may provide to our outside directors.

In April 2017, based on benchmarking information that FW Cook provided, our Compensation Committee determined that our total outside director compensation was near the 25th percentile of our comparator group. We discuss our comparator group under Executive Compensation Compensation Benchmarking on page 23.

Annual Cash Retainer and Cash Chair Fees. Each outside director receives a cash retainer of $75,000 per calendar year for his or her service on the Board. In addition, if our Board Chair is a non-management director, he or she receives an additional $25,000 per calendar year for his or her service as Board Chair; the Chair of our Audit Committee receives an additional $25,000 per calendar year for his or her service as Chair of that committee; and the Chair of our Compensation Committee receives an additional $10,000 per calendar year for his or her service as Chair of that committee.

Equity Compensation. Each outside director also receives equity compensation with a grant date fair value of $100,000 per calendar year for his or her service on the Board. For their service from January 2017 to June 2017, each outside director received an equity grant (with a total grant date value of $50,000), half the value of which consisted of RSUs and the other half of which consisted of non-qualified stock options. In June 2017, however, our Compensation Committee

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

determined that all future equity compensation for Board service should consist only of RSUs, to be granted to each director on the date of each annual stockholders meeting to align with an outside director s year of service. These RSUs vest on the earlier of the one-year anniversary of the grant date and the next annual stockholders meeting. Accordingly, each of our outside directors received a $100,000 equity grant in June 2017 with these vesting terms for service through the 2018 Annual Meeting.

The table below provides summary information concerning compensation paid or accrued by us during 2017 to or on behalf of our then outside directors for services rendered as directors during 2017.

Name of Outside Director	Cash Compensation ($)	Stock Option Awards ($)	RSU Awards[5] ($)	Other Compensation ($)	Total ($)
Jeff Leddy[1]	12,250	7,044	7,044		26,338
Robert W. Reding	83,583[2]	25,000	125,000		233,583
Jeffrey E. Epstein	87,292[3]	25,000	125,000		237,292
Harry E. Sloan	75,000	25,000	125,000		225,000
Jeff Sagansky	75,000	25,000	125,000		225,000
	100,000	25,000	125,000		250,000

Edward L. Shapiro				
Stephen Hasker	75,000	25,000	125,000	225,000
Ron Steger[(4)]	66,458	10,359	110,359	187,176

* *The compensation listed in the table above appears higher than we describe above for the Outside Director Compensation Program because our outside directors received stub equity grants ($25,000 in stock options and $25,000 in RSUs) for service on our Board from January through June 2017 in order to align with our new annual meeting to annual meeting director equity grant cycle implemented in mid-2017. These stub equity grants vested in full in June 2017.*

\# *David Davis, our former CEO, was also a director during 2017, but he was not an outside director during 2017 and therefore did not receive any additional compensation for his service as a director. As such, he is not listed in the table above. Eric Sondag and Eric Zinterhofer joined our Board in 2018 and neither served as one of our directors nor received any compensation from us during 2017. Our CEO Josh Marks also joined our Board in 2018, but he is not an outside director and as such does not receive any additional compensation for his service as a director.*

(1) Jeff Leddy was an outside director until February 2017 (when he became CEO) and so received compensation for board service and as Chair of our Compensation Committee during early 2017. He became our CEO in February 2017 and ceased receiving compensation for his director service at that time. Mr. Leddy now serves as our Company s Executive Chairman and so is not an outside director, and as such does not currently receive any additional compensation for his service as a director.

(2) In connection with Mr. Leddy s appointment as the Company s CEO in February 2017, the Board reconstituted its committees and appointed Mr. Reding as Chair of the Compensation Committee at that time. Mr. Reding received a prorated fee (approximately $8,583) for his 2017 service as the Chair of our Compensation Committee.

(3) In June 2017, Mr. Epstein resigned from our Audit Committee. Mr. Epstein received a prorated fee (approximately $12,292) for his 2017 service as the Chair of our Audit Committee until his resignation from that Committee. Mr. Epstein will retire from our Board at the expiration of his current Class I term of the Annual Meeting.

(4) Mr. Steger joined our Board in April 2017 and received prorated cash and equity compensation for his director service during 2017. In addition, Mr. Steger received a prorated fee for service (approximately $12,708) for his service as Chair of the Audit Committee from June 2017 through the end of 2017.

(5) The RSUs granted to directors in 2017 for service between July 2017 and June 2018 cliff vest on the earlier of June 30, 2018 and the date of our 2018 Annual Meeting.

Outside Director Stock Ownership Requirements

To align the interests of our Board members with the interests of our stockholders, our Board s Governance Committee has adopted Stock Ownership Guidelines for our Outside Directors. Under the Guidelines, each outside director must retain ownership of our stock equal to three times the value of the annual cash retainer paid for Board service pursuant to our Outside Director Compensation Program as in effect from time to time. If at any time an outside director has not satisfied these Guidelines, the director must retain 100% of the shares remaining after payment of taxes and any exercise price upon exercise of stock options, upon the vesting of restricted stock or upon the settlement of vested RSUs. We count toward compliance with the Guidelines any shares that that our outside director owns outright (either directly or beneficially, *e.g.*, through a family trust) and vested restricted stock or RSUs held by the outside director. We do not count toward Guideline compliance (i) any shares held by mutual, hedge or other investment funds in which the outside director is a general partner, limited partner or investor, (ii) unexercised, outstanding stock options (whether or not vested), (iii) unvested/unearned restricted stock or RSUs and (iv) shares transferred or paid to an outside director s employer pursuant to that employer s policies.

Although the Outside Director Stock Ownership Guidelines are not applicable to our CEO because he is an employee director (and as such is not an outside director), we have also adopted Stock Ownership Guidelines applicable to our CEO. See Executive Compensation Additional Elements of Our Compensation Program beginning on page 30.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

For the 2017 fiscal year, our named executive officers (NEOs) (as defined under SEC rules) were the following executive officers:

Name	Current Title (as of April 2018)
Jeff Leddy	Executive Chairman (former Chief Executive Officer)
David M. Davis	Former Chief Executive Officer
Paul Rainey	Executive Vice President and Chief Financial Officer
Thomas Severson	Former Chief Financial Officer
Josh Marks	Chief Executive Officer (former Executive Vice President, Connectivity)
Walé Adepoju	Executive Vice President and Chief Strategy Officer (former Executive Vice President, Media & Content)
Stephen Ballas	Executive Vice President, General Counsel and Corporate Secretary

With respect to the foregoing NEOs:

CEO Changes. Mr. Davis separated from the Company effective February 20, 2017. Jeff Leddy became CEO on February 21, 2017 and served as CEO through March 31, 2018. On April 1, 2018, Mr. Leddy became our Company s Executive Chairman, and Mr. Marks became our CEO.

CFO Changes. Mr. Severson separated from the Company effective February 20, 2017. Mr. Rainey joined as our CFO on April 3, 2017.

Business Highlights

We have completed several acquisitions since our business combination with Row 44 and AIA in January 2013, and, as a result, our Company has grown and our executive compensation programs and philosophies have evolved over time. Throughout 2017, we continued to invest significant time and effort in growing our businesses, continuing to add to our capabilities and further defining our business strategy. Key accomplishments in 2017 included:

We refinanced our former credit facilities with a new $500 million senior-secured term loan and a new $85 million senior-secured revolving credit facility, which improved our access to capital with a lower effective interest rate.

We appointed Jeff Leddy as our CEO. He provided stability to the Company by navigating us through executive turnover and guiding us through a difficult 2016 audit process. As a result, he has positioned us for long-term growth.

We hired Paul Rainey as our CFO. Mr. Rainey was an important addition to our executive team because he has significant experience in our industries and a strong financial background, and he has begun the process of transforming our finance and accounting organization.

We started the process to explore capital-raising transactions with value-add investors. This capital-raising effort ultimately resulted in a $150 million investment by Searchlight Capital Partners in early 2018. The investment of debt capital strengthened our liquidity so that we can fund and support our growth initiatives. In addition, we plan to leverage Searchlight s wealth of technology, media, communications and operational expertise.

Important Compensation Decisions for 2017

2017 Annual Cash Incentive (AIP) Compensation

We believe that the compensation of our executive officers and employees should tie closely to the performance of our company so that their interests are aligned with those of our stockholders. Despite management achieving several strategic accomplishments in 2017 that we believe positioned us well for the future, our Compensation Committee determined in February 2018 that our expected 2017 financial results fell short of our internal targets for the year. As such, our Compensation Committee determined that none of our NEOs would receive an Annual Incentive Plan (AIP) cash bonus for 2017.

Replacement of our CEO and CFO in 2017

David M. Davis (former CEO)

On February 17, 2017, Mr. Davis s employment as our CEO and his service as a member of our Board terminated.

Because we treated the separation as an involuntary termination without cause, Mr. Davis received a severance payment in the form of a one-time cash payment equal to $1,094,000 (175% of his then-current annual base salary). (This amount equaled his contractual severance entitlement under his employment agreement.) Given that we had completed the 2016 performance year but not yet paid or determined 2016 AIP cash bonuses at the time of Mr. Davis s separation, the Committee determined it was appropriate to provide him his 2016 AIP bonus if and when paid for the 2016 performance year and as calculated under the AIP. However, our Compensation Committee subsequently determined not to award any of our executive officers AIP cash bonuses for the 2016 performance year, and so Mr. Davis ultimately did not receive any 2016 AIP bonus. The Compensation Committee also agreed to reimburse Mr. Davis for up to $10,000 for his outside legal expenses incurred in negotiating his separation from the Company.

On February 20, 2017, we also entered into a consulting agreement with Mr. Davis pursuant to which Mr. Davis agreed to provide consulting and advisory services to the Company for three months following his separation date. Further, that agreement provided that any equity held by Mr. Davis would continue to vest until the termination date of his consulting period. Mr. Davis ceased providing consulting services to us in May 2017.

We also agreed to provide Mr. Davis up to one year following the end of that consulting period (*i.e.*, until May 2018) to exercise any stock options vested through the completion of his consulting period.

Tom Severson (former CFO)

On February 20, 2017, Mr. Severson s employment as our CFO terminated. Because we treated the separation as an involuntary termination without cause, Mr. Severson received severance in the form of continued payments of his salary for 12 months following his separation. (This severance amount equaled his contractual severance entitlement under his employment agreement.) Also, as required by his employment agreement, we agreed to provide him his 2016 AIP bonus if and when paid for the 2016 performance year and as calculated under the AIP. However, our Compensation Committee subsequently determined in April 2017 not to award any of our executive officers AIP bonuses for the 2016 performance year, and so Mr. Severson ultimately did not receive any 2016 AIP bonus.

All of Mr. Severson s unvested options and restricted stock units were immediately forfeited upon his separation from the Company.

2017 Retention Bonuses

In April 2017, the Compensation Committee approved retention bonuses for some of our executive officers to incentivize them to remain with the Company. As a result, Messrs. Adepoju, Ballas and Marks received retention bonuses of $185,000, $115,000 and $175,000, respectively, payable in three equal installments on June 30, September 30 and December 30, 2017, subject to continuous employment through each date. Messrs. Adepoju, Ballas and Marks all remained continuously employed by the Company through December 30, 2017, and therefore each received the full amount of his retention bonus.

EXECUTIVE COMPENSATION

Compensation Policies and Practices

Independence	Our Board has a Compensation Committee that is 100% independent under Nasdaq and SEC rules. The Compensation Committee engages its own independent compensation consultant (currently FW Cook) and confirms each year that the consultant has no conflicts of interest and is independent.
No Hedging	We have a policy prohibiting all directors and employees from engaging in any hedging transactions with respect to our securities. This policy prohibits purchases of any financial instrument that would permit a director, officer or employee to own our securities but without the full risks and rewards of that ownership.
Compensation Clawback Policy	We have a compensation clawback policy that permits us, subject to the discretion and approval of our Board, to recover certain performance-based cash and equity incentive compensation paid to any current or former Section 16 officer if there is a restatement of our financial results in certain circumstances.
Director Stock Ownership Guidelines	We have Stock Ownership Guidelines for Outside Directors that require our outside directors to retain shares valued at three times their annual cash retainer for director service until they meet the required stock ownership threshold.
CEO Stock Ownership Guidelines	We have Stock Ownership Guidelines for our CEO that require our CEO to retain shares valued at three times his or her annual base salary until he or she meets the required stock ownership threshold.
Equity Award Policy	We have an Equity Award Policy that is designed to maintain the integrity of our equity award process, including for the timing and value of awards. The Equity Award Policy sets the general timing of our equity grants and imposes controls around those grants and around any award made outside of the normal equity grant cycle.
No Single Trigger Change in Control Payments	None of our NEOs has single trigger change in control payments or benefits (including automatic accelerated vesting of equity awards upon a change in control only).

No Tax Gross-Ups We do not provide tax gross-ups to any of our NEOs.

Executive Compensation Philosophy and Objectives

We operate in highly competitive industries providing media, content, connectivity and data analytics to markets across air, sea and land, which are characterized by frequent technological advances, rapidly changing market requirements and the regular emergence of new market entrants. To succeed in this environment, we must continuously develop and refine new and existing products and services, devise new business models and demonstrate an ability to quickly identify and capitalize on new business opportunities. To achieve these objectives, we need a highly talented and seasoned team of business professionals. We believe that the compensation of our executive officers should be closely tied to the long-term performance and growth of our Company so that their interests are aligned with those of our stockholders.

Consistent with this philosophy, the following core principles provide a framework for our executive compensation philosophy:

- to provide a competitive compensation package to attract and retain talented executive officers, who drive success for our Company, our stockholders, our customers and our employees;

- to reward the achievement of corporate and individual objectives that promote the growth and profitability of our business; and

- to align the interests of our executive officers with those of our stockholders by providing both short-term incentive compensation (our AIP cash bonus program) and long-term incentive compensation (our equity program).

We strive to balance incentives that promote long-term, sustainable performance and that discourage inappropriate risk-taking. We believe that our metrics and targets for earning performance-based incentives, such as the revenue and Adjusted EBITDA targets for our AIP program in 2017, are consistent with our business objectives and our goal of increasing stockholder value over the long-term.

Roles of Our Compensation Committee and Chief Executive Officer in Compensation Decisions

Our Compensation Committee is responsible for reviewing and approving compensation for all of our executive/Section 16 officers. This includes approving the goals, target compensation opportunities and actual payouts for our executive/Section 16 officers under our AIP cash bonus program and long-term incentive program, and the overall design and terms of the compensation programs in which our executive/Section 16 officers participate. Our CEO recommends to the Compensation Committee the compensation packages for all of our executive/Section 16 officers (other than for our Company s Executive Chairman and our CEO), including base salary changes, AIP bonus targets (and actual AIP payouts) and equity and any other incentive awards.

In carrying out its responsibilities, the Compensation Committee considers a number of factors, including:

- our historical and projected future performance;
- an evaluation of the competitive market based on available data and the collective experience of the members of the Compensation Committee with other similar companies, as well as based on recommendations of the Compensation Committee s independent compensation consultant, FW Cook;
- the executive officer s experience and expertise;
- retention needs; and
- the compensation levels of our other executive officers at that time.

Compensation Committee s Independent Compensation Consultant

FW Cook is our Compensation Committee s independent compensation consultant. FW Cook reports directly to our Compensation Committee, attends committee meetings and provides advice to the Compensation Committee Chair and the Compensation Committee. FW Cook prepares analyses for the Compensation Committee based on its review of market data, including compensation levels at, and the financial performance of, a comparator group of companies identified for the relevant compensation period. FW Cook meets with the Compensation Committee to solicit input on job scope, performance, retention issues and other factors that it views as relevant. FW Cook also assists in the development of recommendations on compensation-program design and pay opportunities for executive officers.

FW Cook does not provide any services to us other than the services that it provides to our Compensation Committee. Our Compensation Committee has assessed the independence of FW Cook pursuant to, and based on the factors set forth in, SEC and Nasdaq rules, and determined no conflicts of interest exist in respect of its engagement of FW Cook.

Compensation Benchmarking

We review and benchmark annually our compensation practices that support our ability to retain and motivate our existing leadership talent and attract new leadership talent to our Company. This effort includes a review of the competitiveness of our executive compensation practices in the global markets in which we compete for talent; the historical practices of the companies that we have acquired over the past several years; a review of the consistency of pay across our company; and an assessment of how our compensation programs support our short- and long-term business objectives.

* Adjusted EBITDA is a non-GAAP financial measure. See Annex A for a discussion of how we define Adjusted EBITDA.

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Based on recommended changes from FW Cook, for purposes of determining our compensation for our executive officers for 2017, our comparator group included the following companies:

Avid Technologies, Inc.	Ixia
Calix Inc.	Netgear Inc.
CSG Systems International, Inc.	ShoreTel, Inc.
Gogo Inc.	Silver Spring Networks, Inc.
GTT Communications, Inc.	Synchronoss Technologies, Inc.
Harmonic, Inc.	TiVo Corporation
IMAX Corporation	ViaSat Inc.
Infinera Corporation	Vonage Holdings Corp.
Iridium Communications Inc.	

This group included 17 then publicly-traded U.S. companies in the technology and media industries. FW Cook then provided a competitive analysis of target pay opportunities and incentive-program design practices based on the comparator companies. We utilized this comparator group and FW Cook s analysis in preparing 2017 compensation proposals to the Compensation Committee in Spring 2017. Our Compensation Committee considered this benchmarking information in reaching its determinations regarding the compensation of our executive officers for 2017.

In December 2017, based on a review of other technology and media businesses with revenue and enterprise value between $200 million and $2 billion, our Compensation Committee removed Ixia and ShoreTel, Inc. from our comparator group for 2018 compensation benchmarking (because they had been taken private) and removed ViaSat (given its much larger size relative to us). Our Compensation Committee added National CineMedia, Inc. and Shutterstock to the comparator group because they are size-appropriate media-and-content-related businesses. Our new comparator group that our Compensation Committee used for 2018 executive-officer compensation benchmarking was:

Avid Technologies, Inc.	Infinera Corporation
Calix Inc.	Iridium Communications Inc.
National CineMedia, Inc.	Netgear Inc.
CSG Systems International, Inc.	Shutterstock, Inc.
Gogo Inc.	Silver Spring Networks, Inc.
GTT Communications, Inc.	Synchronoss Technologies, Inc.
Harmonic, Inc.	TiVo Corporation
IMAX Corporation	Vonage Holdings Corp.

With these changes, the resulting comparator group for 2018 now includes 16 U.S. public companies. When our Compensation Committee determined the comparator group in December 2017, we were positioned slightly above the median by revenue relative to the comparator group, and our enterprise value ranked at the 25th percentile of the comparator group. Our Compensation Committee considered benchmarking information from this comparator group in reaching its determinations regarding the compensation of our executive officers for 2018.

Say-on-Pay Vote Result

At our 2017 Annual Meeting, over 99% of the votes cast on our say-on-pay proposal were voted in favor of our compensation paid to our named executive officers for 2016. Our Board and our Compensation Committee reviewed these vote results when evaluating our executive compensation policies and decisions, and our Compensation Committee will continue to consider the results of our say-on-pay votes when making future compensation decisions for our executive officers.

Elements of Executive Compensation

We believe the compensation packages of our NEOs for 2017 were consistent with our compensation objectives, as outlined in the following table. This table sets forth the key elements of the 2017 compensation provided to our NEOs, along with the primary objective associated with each element of compensation.

Compensation Element	Type	Primary Objective
Base salary	Fixed annual cash payment	Attract and retain high-performing and experienced leaders at a competitive level of salary.
Annual performance-based cash compensation (short-term at-risk cash incentive compensation) under our Annual Incentive Program	Variable annual cash bonus	Motivate and reward executives for achieving annual Adjusted EBITDA and/or revenue goals and the achievement of strategic goals at the Company, department and individual level. See Executive Compensation Annual Cash Incentive (AIP) Compensation beginning on page 26.
Long-term at-risk equity incentive compensation (Options, RSUs and PSUs)	Equity with multi-year vesting	Align the interests of our NEOs with stockholder interests, encourage the maximization of stockholder value and retain key executive officers over the long term.

Compensation Mix

For 2017, our Compensation Committee reviewed the comparator-group data as described above and approved target levels and a mix of fixed and variable compensation for our executive officers. To tie our executive compensation programs to our performance, we weighted the targeted 2017 total compensation package more towards variable AIP and long-term equity incentives than towards fixed (*i.e.*, base salary) compensation. The charts below show the target mix* of each element of the 2017 total compensation package for (1) Mr. Leddy (our CEO from February 2017 to the end of that year) and (2) the rest of our 2017 NEOs that remain currently employed with us:

*

The mix of fixed and variable compensation in the charts above is based on our stock price on the date of Compensation Committee approval of the equity awards and not our stock price on December 21, 2017 (which was the date of stockholder approval of our 2017 Omnibus Long-Term Incentive Plan under which those equity awards were issued).

2017 Compensation Decisions

Base Salary

We set our executive officers base salaries based on the scope of their responsibilities, historical job performance and individual experience. We also aim to set base salaries at levels generally comparable with those of executive officers in similar positions and with similar responsibilities at comparable companies as necessary to attract and retain our executive officers. Our Compensation Committee reviews base salaries for our executive officers at least annually, and may further adjust salaries from time to time as it determines.

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The table below shows the annual base salary rate (as of December 31, 2017) for each of our 2017 NEOs:

Name	Annual Base Salary Rate at December 31, 2017 ($)	Changes to Annual Base Salary Rate (if any) during 2017
Jeff Leddy	625,000	None. Mr. Leddy commenced employment as our CEO on February 21, 2017 at an annual base salary rate of $625,000 and did not receive any salary adjustment during the remainder of 2017.
David M. Davis		None. Mr. Davis ceased employment with our company on February 17, 2017.
Paul Rainey	375,000	Mr. Rainey commenced employment as our CFO on April 3, 2017 at an annual base salary rate of $375,000 and did not receive any salary adjustment during the remainder of 2017.
Thomas Severson		None. Mr. Severson ceased employment with our company on February 20, 2017.
Josh Marks	385,000	Increased from $335,000 effective April 1, 2017.
Walé Adepoju	428,506	Increased from $418,055 effective April 1, 2017.
Stephen Ballas	350,000	Increased from $335,000 effective April 1, 2017.

Annual Cash Incentive (AIP) Compensation

Our Compensation Committee determined in June 2017 that the AIP payouts for our NEOs for 2017 should be structured as follows:

- 40% of the AIP payout was to be based on achievement against an Adjusted EBITDA target,
- 30% of the AIP payout was to be based on achievement against a consolidated revenue target, and
- 30% of the AIP payout was to be based on achievement (based on a performance rating scaled from 1 to 5, with a rating of 4 constituting target level of performance) against Company and individual strategic objectives identified for each NEO (as described below).

In addition, in June 2017:

Our Compensation Committee determined that in order for the Company to make any payouts under the AIP for 2017, the Company s actual Adjusted EBITDA must exceed 90% of the target Adjusted EBITDA goal set by the Compensation Committee.

Our Compensation Committee determined that executive officers could earn from 0% to 150% of their target AIP amounts for the 2017 performance year based on actual achievement against the performance targets established for each of the three metrics outlined above.

The following table sets forth the full-year AIP bonus target (as a percentage of base salary and in dollar amount) for each of our NEOs for 2017 (other than Messrs. Davis and Severson who did not participate in the 2017 AIP given their departure from our company in early 2017), and assumes no proration for mid-year employment start dates during 2017:

Name	2017 AIP Bonus Target (% of Salary)	2017 AIP Bonus Target ($)
Jeff Leddy	100%	625,000
Paul Rainey	75%	281,250
Josh Marks	75%	288,750
Walé Adepoju	75%	321,380
Stephen Ballas	75%	262,500

The following table sets forth the performance metrics under the AIP for 2017 and the relative weighting of those metrics in determining AIP bonuses for our NEOs for 2017:

Performance Metric	Weighting	Target (millions) ($)
Adjusted EBITDA	40%	*
Consolidated Revenue	30%	*
Company and Individual Strategic Goals	30%	Described below for each NEO

* *In February 2018, after considering our Company s then-expected performance results for 2017, the Compensation Committee determined that our financial performance fell below expectations and as such that our NEOs for 2017 would not receive any AIP cash bonus for the 2017 performance year, irrespective of our Company s actual 2017 financial performance.*

The following table sets forth the strategic/individual goals for each of our NEOs for 2017 (other than Messrs. Davis and Severson who did not participate in the 2017 AIP given their departure from our company in early 2017):

Name	Strategic/Individual Goals
Jeff Leddy	Develop strategic direction for the Company Structure the company for profitable growth Consolidate operations from previous acquisitions Build global finance and IT leadership team

	Continue to develop relationships with key stakeholders and customers
Paul Rainey	Build global finance and accounting leadership team Support leadership to improve liquidity position Develop and implement IT strategy, including unified ERP system Improve and maintain compliance with SEC reporting requirements Improve control environment
Josh Marks	Retain Connectivity customers and achieve new Connectivity wins across aviation, maritime and land Improve the performance and cost-efficiency of our global satellite network Recruit commercial, operational and engineering leaders and integrate management teams Realize network infrastructure and technology synergies through consolidation of EMC business
Walé Adepoju	Retain key Media & Content customers and achieve new Media & Content customer wins Improve overall Media & Content customer satisfaction Streamline content purchasing processes and delivery Grow content distribution business Diversify lab services offerings
Stephen Ballas	Continue development of corporate-governance framework and policies Continue development of Legal & Compliance Department organization structure and processes Continue development and execution of compliance program Execute on identified M&A initiatives in a cost-effective manner Improve Legal & Compliance Department cost structure, without material diminution in client service Collaborate with CFO on SEC reporting and improvement of control environment, as appropriate

EXECUTIVE COMPENSATION

In February 2018, our Compensation Committee evaluated our Company s and executive officers 2017 actual performance achievement as measured against the financial and strategic goals initially established for them.

At that time, and as noted above, after considering our Company s then-expected performance results for 2017, the Compensation Committee determined that our financial performance fell below expectations and as such that our NEOs for 2017 would not receive any AIP cash bonus for the 2017 performance year, irrespective of our Company s actual 2017 financial performance and the NEO s performance against his Company and individual strategic goals.

Long-Term Incentive Compensation (Equity-Based)

We currently use stock options, RSUs and PSUs to reward long-term performance. We believe that providing a meaningful portion of an executive officer s total compensation package in the form of equity awards vesting over multi-year periods aligns the long-term incentives of our executive officers with the interests of our stockholders. Our equity award program takes into consideration, among other things, our pool of shares available for grant under our equity plan, the rate at which we deplete our pool of shares available for grant, our annual equity usage rates, the extent to which prior years grants continue to properly motivate the employee to achieve our overall goals and corresponding levels of dilution to our stockholders resulting from such awards.

Time-Vesting Stock Options and Restricted Stock Units (RSUs)

In April 2017, our Compensation Committee approved long-term incentive grants with time-vesting vesting requirements for our NEOs for 2017 that consisted entirely of RSUs. Our time-vesting RSUs generally vest in four equal annual installments, with the first installment generally vesting on the first anniversary of the vesting commencement date (which is generally the date of grant) and the remaining installments generally vesting annually thereafter (subject to continuous service on each vesting date).

Our executive officers also receive our time-vesting non-qualified stock options from time to time. With respect to these time-vesting non-qualified stock options, 25% of the shares underlying such options generally vest on the first anniversary of the vesting commencement date (which is generally the date of grant) and the balance generally vests in equal monthly installments over the following 36 months (subject to continuous service on each vesting date).

Total Shareholder Return Performance-Based Restricted Stock Units (PSUs)

Our Compensation Committee implemented a PSU program in 2016 to incorporate into our ongoing long-term incentive program a new long-term performance-based incentive instrument with vesting tied to our multi-year stock-price performance.

Our PSUs granted in September 2017 vest based on the Company s Total Shareholder Return (TSR) relative to the TSR of the constituents of the Russell 2000 Index over a three-year performance period commencing on the grant date. Vesting is further subject to the recipient s continuous employment through the third anniversary of the grant date. The Company granted the PSUs as a target number of PSUs, with the actual number of PSUs later vesting to be based on the Company s relative TSR percentile ranking versus the constituents of the Russell 2000 as measured at the end of the three-year performance period, as follows:

TSR Percentile Ranking	Share Payout as a % of Target PSUs*
80^{th} Percentile or Greater	150% (Maximum)
60^{th} Percentile	100% (Target)
30^{th} Percentile or Less	0%

* Payout percentage linearly interpolated for performance between the 30^{th} and 60^{th} percentiles and between the 60^{th} and 80^{th} percentiles.

The table below shows the Compensation Committee s grant value of RSUs, stock options and PSUs awarded to our NEOs for 2017. Award values are based on our stock price on the date of Compensation Committee approval, while the amounts shown in the Summary Compensation Table reflect the grant date fair value on December 21, 2017, which was the date of stockholder approval of our 2017 Omnibus Long-Term Incentive Plan.

Name	Restricted Stock Units ($)	Stock Options ($)	PSUs (at Target) ($)	2017 Aggregate Long-Term Incentive Total ($)
Jeff Leddy[(1)]	1,244,000	2,470,000		3,714,000
David M. Davis[(2)]				
Paul Rainey[(3)]	325,000	325,000	100,000	750,000
Thomas Severson[(2)]				
Josh Marks	577,500		192,480	769,480
Walé Adepoju	642,759		214,231	888,500
Stephen Ballas[(4)]	200,000		66,600	266,600

Our Compensation Committee approved these equity awards in early 2017. However, given the lack of remaining share availability at that time under our former equity plan, we deferred the issuance of these awards until our stockholders approved our 2017 Omnibus Long-Term Incentive Plan at our 2017 annual stockholders meeting on December 21, 2017. For purposes of the equity compensation disclosure above, we consider the grant date to be December 21, 2017, whereas the values in the table reflect the award value on the Compensation Committee approval date, as indicated in the narrative preceding the table.

(1) Mr. Leddy commenced employment as our CEO on February 21, 2017 and his negotiated compensation package did not include any PSUs.

(2) Messrs. Davis and Severson ceased employment on February 17 and 20, 2017, respectively, and therefore did not receive any equity awards for 2017.

(3) Mr. Rainey commenced employment as our CFO on April 3, 2017 and his compensation package reflects a negotiated mix of RSUs, stock options and PSUs.

(4) With respect to Mr. Ballas, the Company s practice prior to June 2016 was to grant a large, one-time front loader award of stock options and RSUs upon hiring a new executive officer, with the expectation that either no additional grant or a smaller grant would be made the following year. Mr. Ballas received his front loader equity award on his employment commencement date in April 2016, and therefore received a smaller total equity award during 2017.

2018 Compensation Decisions Regarding 2017 NEOs

2017 AIP Determination

As noted above, in February 2018, our Compensation Committee determined not to award any of our executive officers AIP cash bonuses for the 2017 performance year.

Jeff Leddy

In March 2018, in connection with the Board s appointment of Mr. Leddy to the position of Executive Chairman of the Company effective April 1, 2018, the Compensation Committee determined that Mr. Leddy s annual base salary rate would become $300,000 upon his assuming the Executive Chairman role. (This was a reduction from his then-current $625,000 annual base salary rate while CEO). In addition, or Compensation Committee determined that he would not be eligible for any AIP bonus for his service as Executive Chairman (versus his prior AIP target while CEO of 100% of his annual base salary). The Compensation Committee did not make any additional changes to Mr. Leddy s compensation arrangements, and he continues to participate as a Tier II participant in the Company s Change in Control and Severance Plan for Senior Management. For further information regarding our Change in Control and Severance Plan for Senior Management, please refer to Executive Compensation Executive Severance Plan on page 30.

Josh Marks

In March 2018, in connection with the Board s appointment of Mr. Marks as the Company s CEO effective April 1, 2018, the Compensation Committee determined that, effective April 1, 2018, Mr. Marks annual base salary rate would become $500,000 upon his assuming the CEO role. (This was an increase from his previous $385,000 annual base salary rate while Executive Vice President, Connectivity). In addition, our Compensation Committee determined that his AIP bonus

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target for the 2018 performance year would be 100% of his base salary (versus his prior AIP target while Executive Vice President, Connectivity of 75% of his annual base salary). Mr. Marks continues to participate in the Company s Change in Control and Severance Plan for Senior Management as a Tier II participant. The Compensation Committee also determined that Mr. Marks would be entitled to a one-time relocation expense reimbursement and temporary living expenses in Los Angeles, California through April 2018, and that if the Company terminates Mr. Marks employment without Cause or if Mr. Marks terminates his employment for Good Reason (each as defined in the Company s Change in Control and Severance Plan for Senior Management), then the Company will reimburse Mr. Marks for his lease termination and relocation expenses.

Paul Rainey

In April 2018, in connection with the Company s annual merit increase assessment process for all employees, our Compensation Committee approved an increase to Mr. Rainey s salary to $384,375 (from $375,000), effective April 1, 2018. The Compensation Committee did not change any other elements of Mr. Rainey s compensation.

Stephen Ballas

In April 2018, in connection with the Company s annual merit increase assessment process for all employees, our Compensation Committee approved an increase to Mr. Ballas s salary to $358,750 (from $350,000), effective April 1, 2018. The Compensation Committee did not change any other elements of Mr. Ballas s compensation.

Walé Adepoju

Our Compensation Committee did not make any changes to Mr. Adepoju s compensation in 2018.

Additional Elements of Our Compensation Program

No Single Trigger Change in Control Payments We do not have any agreements or plans with our executive officers that provide for single trigger change in control payments or benefits (*i.e.*, automatic accelerated vesting of equity awards upon a change of control only).

Executive Severance Plan In April 2017, our Compensation Committee approved a Change in Control and Severance Plan for Senior Management (our Executive Severance Plan), in which all of our executive officers (including all currently employed 2017 NEOs) now participate. Participants in the Executive Severance Plan are not eligible to participate in any other severance plan sponsored by the Company. Our Compensation Committee adopted the Executive Severance Plan because it believes that the Executive Severance Plan is reflective of current compensation practices and trends and will help ensure retention and continuity of our executive officers. The Compensation Committee further believes that the Executive Severance Plan is essential to recruiting, retaining and developing high-quality executive talent in a competitive job market because it provides protection to the executive officer if the Company does not retain him or her in certain circumstances.

Participants under the Executive Severance Plan are eligible to receive (i) severance benefits upon a qualifying termination of employment, including enhanced benefits for a qualifying termination that occurs within a window period surrounding a change in control of the Company, and (ii) accelerated and continued vesting in respect of equity awards held by them if their employment terminates without Cause or for Good Reason (each such term as defined in the Executive Severance Plan).

Participants are eligible to receive severance and vesting benefits based on being designated a Tier I, II or III participant under the plan. Although Mr. Leddy was entitled to be designated as a Tier I participant under the plan upon becoming our CEO, he elected to be treated as a Tier II participant. Mr. Marks made a similar election upon becoming our CEO in April 2018 and is also a Tier II participant. All of our other executive officers may be designated as Tier II or Tier III participants under the plan. All of our other currently-employed 2017 NEOs are designated as Tier II participants.

The Executive Severance Plan provides participants with the following severance payments and benefits upon a termination of employment either (1) by the Company other than for Cause or (2) by the participant for Good Reason (each such capitalized term as defined in the Executive Severance Plan) (a Qualifying Termination):

- if the Qualifying Termination occurs at any time outside of the Change in Control Protection Period (as defined below):
  - a lump-sum cash payment equal to (a) 1.75 for the Tier I participant, 1.0 for Tier II participants or 0.5 for Tier III participants, *multiplied by* (b) the participant s annual base salary; and

- payment of a pro-rated portion of the participant s annual cash bonus award for the year of termination (with the bonus calculated based on actual performance);

if the Qualifying Termination occurs upon, within 120 days prior to or within two years following, a Change in Control (as defined in the Executive Severance Plan) (the Change in Control Protection Period):

- a lump-sum cash payment equal to (a) 2.0 for the Tier I participant, 1.0 for Tier II participants or 0.5 for Tier III participants, *multiplied by* (b) the sum of (1) the participant s annual base salary *plus* (2) his or her target annual cash bonus award; and

- payment of a pro-rated portion of the participant s annual cash bonus award for the year of termination (with the bonus calculated based on the greater of (a) the actual annual bonus such participant would have earned and (b) the participant s target annual cash bonus);

payment of any unpaid annual bonus in respect of a prior fiscal year (or performance period already completed) that ended on or before the date of termination (without any requirement to remain employed through the payment date to earn such bonus);

continued health care coverage for up to 12 months post-termination for Tier I and Tier II participants, and for up to 6 months for Tier III participants, with the participant paying his or her side of the premiums;

outplacement assistance for up to 12 months post-termination for Tier I and Tier II participants, and for up to 6 months for Tier III participants; and

with respect to Tier I and Tier II Participants, vesting of equity awards as follows (unless the underlying equity award agreement provides for more favorable vesting, in which case such agreement shall control):

- with respect to any outstanding time-vesting equity awards held by the participant:

  - if the Qualifying Termination occurs at any time outside of the Change in Control Protection Period, accelerated vesting of a pro-rated portion of all outstanding and unvested equity awards based on (i) the number of days employed from the grant date through the date of termination *plus* (ii) 365 days; or

- if the Qualifying Termination occurs within the Change in Control Protection Period, immediate and fully accelerated vesting of all outstanding and unvested equity awards (or their as-assumed, -converted or -replaced awards as described below under Treatment of Equity Awards Held by Non-Terminated Participants upon a Change in Control); and

- with respect to any outstanding performance-vesting equity awards held by the participant, unvested shares subject thereto will be eligible to vest and, if applicable, become exercisable in accordance with the terms of the applicable award agreement evidencing such award.

The participant s receipt of severance payments and benefits under the Executive Severance Plan is conditioned upon his or her execution of an effective release of claims against the Company and compliance with restrictive conditions set forth in the Executive Severance Plan, including a condition prohibiting the solicitation of the Company s customers and employees that remains in effect for a restricted period following termination. This restricted period is 21 months for the Tier I participant, 12 months for the Tier II participants and 6 months for the Tier III participants, as such period may be reduced or eliminated (x) by the Compensation Committee or (y) if and to the extent required to comply with the laws of the jurisdiction in which the participant was primarily providing services to the Company immediately prior to such termination.

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Treatment of Equity Awards Held by Non-Terminated Participants upon a Change in Control

The Executive Severance Plan provides that if the participant remains employed on the date on which a Change in Control occurs, then:

- with respect to any outstanding time-vesting equity awards held by the participant:
  - if the Company s successor does not assume, convert or replace such awards with publicly-traded equity securities (or their equivalent) having an equivalent value (and vesting schedule), the awards, to the extent unvested, will immediately vest in full; or
  - if the Company s successor so assumes, converts or replaces such awards, the awards will remain subject to vesting in accordance with their terms (including the provisions described above regarding the treatment of such award upon a Qualifying Termination); and
- with respect to any outstanding performance-vesting equity awards held by the participant, unvested shares subject thereto will be eligible to vest and, if applicable, become exercisable in accordance with the terms of the applicable award agreement evidencing such award.

CEO Stock Ownership Guidelines We have Stock Ownership Guidelines for our CEO that require that our CEO retain shares valued at three times his or her annual base salary. If the threshold is not met, then our CEO may not sell any of his or her net shares (*i.e.*, after permitted sales for tax withholdings) acquired upon the exercise of stock options or the settlement of vested RSUs.

No Tax Gross-Ups We do not provide tax gross-ups to our executive officers.

No Hedging Transactions We have a policy prohibiting all of our directors, officers and employees from engaging in hedging or monetization transactions that would permit the director, officer or employee to own Company securities but without the full risks and rewards of ownership. We adopted this policy because we believe that all of our directors, officers and employees should be aligned with our stockholders long-term interests, and we believe these sorts of hedging transactions would misalign their incentives in that regard.

Compensation Clawback Policy We have a compensation clawback policy that permits us, subject to the discretion and approval of the Board, to recover certain performance-based cash and equity incentive compensation (*e.g.*, our AIP cash bonus awards) paid to any current or former Section 16 officer (as so designated by the Board or its Compensation Committee under Rule 16a-1(f) of the Exchange Act) in the event of a restatement of our financial results in certain circumstances. Specifically, the policy provides that (i) if we are required to restate our financial statements due to material non-compliance by us with any financial reporting requirement under securities laws, (ii) fraud or willful misconduct contributed to the restatement and (iii) any executive officer received a recoverable incentive-based compensation award in excess of the amount that he or she would have received had the restated financial statements been in effect for the period in which the incentive-based compensation amount was awarded, our Board may elect to recover the overpayment. The policy permits clawback from any executive officer who received an award overpayment, irrespective of whether the executive officer contributed to the fraud or willful misconduct. Our Board can clawback awards subject to the clawback for up to three years after the award vests or is granted.

Tax Deductibility and Accounting Implications As a general matter, our Compensation Committee takes into account the various tax and accounting implications and costs of compensation to our executive officers. Although our incentive compensation programs was intended to allow the company to make awards to executive officers that are deductible under Section 162(m) of the Internal Revenue Code, U.S. tax laws have recently changed in this regard. Commencing with the 2018 fiscal year, the performance-based compensation exception to the deductibility limitations under Section 162(m) will no longer apply, and the deduction limitation under Section 162(m) will instead apply to compensation paid to our named executive officers. Our Compensation Committee may seek ways to limit the impact of these changes to Section 162(m) of the Internal Revenue Code, but our Compensation Committee believes that the new tax deduction limitation should not compromise our ability to establish and implement compensation and incentive programs that support the compensation objectives described above under Executive Compensation Philosophy and Objectives. Achieving these objectives and maintaining required flexibility in this regard may result in compensation that is not deductible for federal income tax purposes.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the foregoing Compensation Discussion and Analysis contained in this Proxy Statement. Based on this review and discussion, the Compensation Committee has recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Respectfully submitted,

COMPENSATION COMMITTEE

Robert W. Reding, Chair

Stephen Hasker

Jeff Sagansky

Eric Zinterhofer

This Compensation Committee Report is not soliciting material, is furnished to, but not deemed filed with, the SEC and is not deemed to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Securities Act, or the Exchange Act, whether made before or after the filing date hereof and irrespective of any general incorporation language in any such filing.

EXECUTIVE COMPENSATION

Executive Compensation Tables

Summary Compensation Table

The following table shows the compensation earned in respect of 2017, 2016, and 2015 by each of our 2017 NEOs for the years in which they were NEOs (as determined pursuant to the SEC s disclosure requirements for executive compensation in Item 402 of Regulation S-K).

Name and Current Principal Position (unless otherwise indicated)	Year	Salary[(1)] ($)	Bonus[(2)] ($)	Stock Awards[(3)] ($)	Option Awards[(4)] ($)	Non-Equity Incentive Plan Compensation[(5)] ($)	All Other Compensation[(6)] ($)	Total ($)
Jeff Leddy[(7)] *Executive Chairman of the Company, Former CEO*	2017	535,256		519,639	584,630		44,875	1,684,400[(14)]
David M. Davis[(8)] *Former CEO*	2017	85,336					1,103,750	1,189,086
	2016	562,625		1,058,192	562,316		54,300	2,237,433
	2015	537,671		399,997	386,790	516,313		1,840,771
Paul Rainey[(9)] *CFO*	2017	280,047		342,132	236,667			858,846
Thomas Severson[(10)] *Former CFO*	2017	47,788					302,935	350,723
	2016	116,667		672,800	648,000		46,400	1,483,867
Josh Marks[(11)]	2017	372,500	175,000	620,058			57,492	1,225,050

CEO, Former Executive Vice President, Connectivity								
Walé Adepoju[12] *Chief Strategy Officer, Former Executive Vice President, Media & Content*	2017	425,893	185,000	690,128			2,075	1,303,096
	2016	415,542		387,496	521,146			1,324,184
	2015	406,027		199,998	193,395	280,373		1,079,793
Stephen Ballas *Executive Vice President, General Counsel, and Corporate Secretary*	2017	346,250	115,000	214,739			1,724	677,713
	2016	243,734	50,000[13]	553,487	407,605			1,253,916

(1) Amounts set forth in this column reflect the amounts actually received by the NEO as salary payments during 2017, and therefore represent a blend of the salary rates applicable to the NEO throughout the year where the NEO experienced a salary change mid-year.

(2) Amounts set forth in this column reflect the amounts earned by the NEO during 2017 as cash retention bonuses described under Executive Compensation 2017 Retention Bonuses on page 21. The amount for Mr. Ballas for 2016 reflects a $50,000 sign-on bonus when he joined the Company. See also footnote 13 to this table below.

(3) Amounts set forth in this column represent the grant date fair value of stock-based awards (RSUs and PSUs) granted during the year computed in accordance with Accounting Standards Codification Topic No. 718, Compensation Stock Compensation (ASC 718). For 2017, we determined the aggregate grant date fair value of the stock awards reflected in these columns using the valuation methodology and assumptions set forth in Note 12. Common Stock, Stock-Based Awards and Warrants to our consolidated financial statements in our 2017 Annual Report on Form 10-K (2017 Form 10-K).

(4) Amounts set forth in this column represent the grant date fair value of stock-based awards granted during the year computed in accordance with ASC 718. For 2017, we determined the aggregate grant date fair value of the stock option awards reflected in these columns using the valuation methodology and assumptions set forth in our 2017 Form 10-K.

(5) Amounts set forth in this column reflect the amounts earned by the NEO during the applicable year as payments under the AIP.

(6) Amounts set forth in this column for 2017 include: (1) for Mr. Leddy, approximately $12,042 for outside director cash compensation related to his service as an outside director from January 2017 to February 2017, approximately $27,000 for commuting expenses between Mr. Leddy s primary residence and the Company s Los Angeles, California headquarters and approximately $5,833 for 401(k) employer matching contributions; (2) for Mr. Davis, approximately $1,093,750 as severance, approximately $9,000 for commuting expenses between Mr. Davis primary residence and the Company s Los Angeles, California headquarters and approximately $1,000 for 401(k) employer matching contributions; (3) for Mr. Severson,

approximately $302,211 as severance and approximately $724 for 401(k) employer matching contributions; (4) for Mr. Marks, approximately $56,818 for relocation benefits for his relocation to Miramar, Florida so that he could work principally out of our Miramar, Florida offices and approximately $674 for 401(k) employer matching contributions; (5) for Mr. Adepoju, approximately $2,075 for 401(k) employer matching contributions; and (6) for Mr. Ballas, approximately $1,723 for 401(k) employer matching contributions. Amounts set forth in this column for 2016 include: (1) for Mr. Davis, approximately $50,000 for commuting expenses between his primary residence and the Company s Los Angeles, California headquarters and $4,300 for 401(k) employer matching contributions; and (2) for Mr. Severson, $41,900 for housing cost benefits associated with his temporary relocation to Los Angeles during our CFO transition in late 2016, and $4,500 for 401(k) employer matching contributions.

(7) Mr. Leddy became our CEO on February 21, 2017 and ceased serving in that role in March 2018. He became Executive Chairman of the Company on April 1, 2018.

(8) Mr. Davis separated from the Company effective February 20, 2017.

(9) Mr. Rainey became our CFO on April 3, 2017.

(10) Mr. Severson became our CFO in August 2016 and separated from the Company on February 20, 2017.

(11) Mr. Marks was our Executive Vice President, Connectivity from April 2017 to March 2018. He became our CEO on April 1, 2018.

(12) Mr. Adepoju was our Executive Vice President, Media & Content from September 2016 to March 2018. He became our Chief Strategy Officer on April 1, 2018.

(13) This amount represents a $50,000 sign-on bonus that Mr. Ballas received when he joined the Company.

(14) As noted in footnote 6 to this table, the compensation reported for Mr. Leddy includes compensation related to his service as an outside director from January 2017 to February 2017.

EXECUTIVE COMPENSATION

Grants of Plan-Based Awards in 2017

The following table sets forth information relating to our grants in 2017 of plan-based awards in 2017 to our 2017 NEOs. Messrs. Davis and Severson did not receive any grants in 2017 because they separated from the Company in February 2017 before our Compensation Committee had approved any awards for the year. Our Compensation Committee approved these Equity Awards in early 2017. However, given the lack of remaining share availability at that time under our former equity plan, we deferred the issuance of these Awards until our stockholders approved our 2017 Omnibus Long-Term Incentive Plan at our 2017 annual stockholders meeting on December 21, 2017. For purposes of the equity compensation disclosure below, we consider the grant date to be December 21, 2017.

	Estimated Future Payouts Under Non-Equity Incentive Plan Awards[1]			Estimated Future Number of Shares Under Equity Incentive Plan Awards[2]			RSUs: Number of Shares of Stock or Units	Stock Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Gran Fa Va of S and C Awa
Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	(#)[3]	(#)[4]	($/sh)	($
12/21/2017							2,194			
12/21/2017								5,029	3.21	
2/17/2017	156,250	625,000	937,500							
12/21/2017							200,000			51

	12/21/2017								350,000	6.22	20
	12/21/2017								650,000	6.22	37
M.											
	4/3/2017	93,750	187,500	562,500							
	12/21/2017							101,246			26
	12/21/2017								232,026	3.21	23
	12/21/2017				1,038	31,152	46,728				8
s on											
	4/28/2017	96,250	288,750	577,500							
	12/21/2017							179,906			46
	12/21/2017				1,998	59,962	89,943				15
	4/28/2017	107,127	321,380	642,759							

u										
	12/21/2017							200,236		51
	12/21/2017				2,224	66,738	100,107			17
n										
	4/28/2017	87,500	262,500	525,000						
	12/21/2017							62,305		16
	12/21/2017				692	20,768	31,152			5

(1) Represents potential 2017 AIP cash bonus payouts under the AIP at threshold, target and maximum levels of performance. As previously noted under 2017 Executive Compensation Annual Cash Incentive (AIP) Compensation beginning on page 26, none of our 2017 NEOs received an AIP bonus payment for the 2017 performance year. The Threshold figure however assumes that the Company achieved the minimum level of performance necessary to fund the AIP in 2017, and further assumes that the Company achieved a threshold level of consolidated revenue for 2017 and a 2 performance rating for each executive officer for his strategic/individual goal achievement. The Target figure assumes that the Company achieved the target level of Adjusted EBITDA under the AIP for 2017, and further assumes the Company achieved its target consolidated revenue for 2017 and a 4 performance rating for each executive officer for his strategic/individual goal achievement. The Maximum figure reflects the maximum bonus that the NEO could earn for 2017 under the terms of the AIP.

(2) Represents number of PSUs granted in 2017 at threshold, target and maximum levels of performance. PSUs granted in 2017 cliff vest in September 2020, based on the Company s relative total shareholder return (TSR) versus the constituents of the Russell 2000 index over a three-year performance period from September 2017 to September 2020 subject to continuous employment on the vesting date. In order for any of the PSUs to be

earned, relative TSR achievement during the performance period must exceed the 30th percentile ranking amongst the Russell 2000 constituents. For purposes of calculating the threshold number of unvested PSUs outstanding under the award in this table, we have assumed that PSUs (initially awarded as a target number of PSUs) will be awarded at the end of their three-year performance period at the minimum performance threshold for the awards to be granted (*i.e.*, achievement at the 31st relative TSR percentile ranking). Under the terms of the PSUs awards, no PSUs will be awarded for relative TSR performance below this threshold.

(3) For all recipients (other than Mr. Leddy): Represents RSUs that generally vest in four equal annual installments (with the first installment vesting in April 2018) subject to continuous employment on each vesting date. For Mr. Leddy, his RSUs vest in three equal installments on the first, second and third anniversary of employment commencement date (which was February 21, 2017), subject to continuous service through the applicable vesting date.

(4) Represents non-qualified stock options that have a seven-year term. For all recipients (other than Mr. Leddy): Stock options generally vest and become exercisable with respect 25% of the underlying shares in April 2018, and vest in 36 equal monthly annual installments thereafter, subject to continuous employment on each vesting date. For Mr. Leddy, his stock options consist of (a) a fully-vested option representing the right to purchase 350,000 shares and (b) an option representing the right to purchase 650,000 shares, vesting in equal monthly installments commencing on February 21, 2017 (with the first installment vesting on March 21, 2017) over the following three years, subject to continuous service through the applicable vesting date.

(5) Amounts reflect the grant date fair value of equity awards using a Monte-Carlo simulation computed in accordance with ASC 718. We provide information regarding the assumptions used to calculate the value of the equity awards in Note 12. Common Stock, Stock-Based Awards and Warrants to our consolidated financial statements in our 2017 Form 10-K.

Outstanding Equity Awards at 2017 Year-End

The following table sets forth the equity-based awards held by our 2017 NEOs that were outstanding on December 31, 2017.

As described under Executive Compensation Important Compensation Decisions for 2017 beginning on page 20, Messrs. Davis and Severson separated from our employ in February 2017.

		Option/Stock Appreciation Awards					Stock Awards		
Name	Grant Date	Number of Securities	Number of Securities	Option Exercise Price	Option Expiration Date	Equity Incentive Awards:	Equity Incentive Awards:	RSUs: Number of Shares	RSUs: Market Value of

		Underlying Unexercised Options Exercisable (#)	Underlying Unexercised Options Unexercisable (#)	($)		Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)[10]	Market Value of Unearned Shares, Units or Other Rights Not Vested ($)[11][12]	or Units of Stock That Have Not Vested (#)	Shares or Units of Stock That Have Not Vested ($)[11]
Jeff Leddy	2/19/2013	25,000[4]		10.00	2/19/2018				
	3/16/2015	21,067[4]		13.15	3/16/2020				
	3/16/2015	10,533[4]		13.15	3/16/2020				
	3/10/2016	15,444[4]		9.25	3/10/2021				
	12/21/2017[1]	5,029[4]		3.21	4/3/2024				
	12/21/2017[1]	350,000[5]		6.22	2/21/2024				
	12/21/2017[1]	180,556[6]	469,444[6]	6.22	2/21/2024				
	12/21/2017[1]							200,000[8]	458,000
David M. Davis	1/31/2013	675,000[7]		10.00	1/31/2018				
	1/13/2014	20,833[7]		16.70	1/13/2019				
	7/9/2014	70,833[7]		11.43	7/9/2019				
	3/16/2015	45,645[7]		13.15	3/16/2020				
	3/16/2016	49,550[7]		9.25	3/10/2021				
	10/11/2016					293[13]	3671		
Paul Rainey	12/21/2017[2]							101,246[9]	231,853
	12/21/2017[2]	232,026[7]		3.21	4/3/2024				
	12/21/2017[2]					934	2,139		

EXECUTIVE COMPENSATION

		Option/Stock Appreciation Awards						Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Option Exercise Price ($)	Option Expiration Date	Equity Incentive Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(10)	Equity Incentive Awards: Market Value of Unearned Shares, Units or Other Rights Not Vested ($)(11)(12)	RSUs: Number of Shares or Units of Stock That Have Not Vested (#)	RSUs: Market Value of Shares or Units of Stock That Have Not Vested ($)(11)
Thomas Severson									
Josh Marks	8/3/2015							32,500(9)	74,425
	8/3/2015	77,083(7)	107,917(7)	12.51	8/3/2020				
	10/11/2016					1,140	2,611		
	12/21/2017(3)							179,906(9)	411,985

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