

Primoris Services Corp
Form DEF 14A
April 09, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

PRIMORIS SERVICES CORPORATION
(Name of Registrant as Specified In Its Charter)

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

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- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies:
 - (2) Aggregate number of securities to which transaction applies:
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2100 McKinney Avenue, Suite 1500
Dallas, Texas 75201
www.prim.com

Dear Stockholder:

On behalf of the Board of Directors, I am pleased to invite you to attend the 2012 Annual Meeting of Stockholders of Primoris Services Corporation, a Delaware corporation (NASDAQ:PRIM), to be held on Friday, May 4, 2011, at 9:00 a.m., Central Time, at the Rosewood Crescent Hotel, located at 400 Crescent Court, Dallas, Texas 75201.

During the Annual Meeting, we will discuss each item of business described in the accompanying Notice of the 2012 Annual Meeting of Stockholders and Proxy Statement. We encourage you to carefully read these materials and the Annual Report to Stockholders on SEC Form 10-K for the fiscal year ended December 31, 2011, which is included with this Notice and the Proxy Statement.

Please participate in our Annual Meeting of Stockholders by signing, dating and promptly mailing your enclosed proxy card to ensure the presence of a quorum. **Your vote is important, whether or not you plan to attend.** I hope you will ensure that your shares are represented and voted by completing and returning the enclosed proxy card. If you plan attend the Annual Meeting of Stockholders, you will have the right to revoke your proxy and vote in person if you so desire. If you hold your shares through an account with a broker, nominee, fiduciary or other custodian, please follow the instructions you receive from them to vote your shares.

Thank you for your ongoing support of and continued interest in Primoris Services Corporation.

Sincerely,

Brian Pratt

Chairman of the Board, Chief Executive Officer and President

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Dallas, Texas 75201
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PROXY STATEMENT

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2100 McKinney Avenue, Suite 1500
Dallas, Texas 75201
www.prim.com

**NOTICE OF THE
2011 ANNUAL MEETING OF STOCKHOLDERS**

To Be Held On May 4, 2012

April 9, 2011

To our Stockholders:

The 2012 Annual Meeting of Stockholders of Primoris Services Corporation, a Delaware corporation, will be held on Friday, May 4, 2012, at 9:00 a.m., Central Time, at the Rosewood Crescent Hotel, located at 400 Crescent Court, Dallas, Texas 75201.

Only stockholders of record that owned shares of our common stock at the close of business on April 4, 2012 are entitled to vote at the Annual Meeting. A list of our stockholders will be made available at our principal executive offices at 2100 McKinney Avenue, Suite 1500, Dallas, Texas 75201 during ordinary business hours for ten days prior to the Annual Meeting and will also be available at the Annual Meeting.

At the Annual Meeting, we will consider the following proposals, which are described in detail in the accompanying Proxy Statement:

(1) to elect three Class A Directors to hold office for a three-year term expiring at the Annual Meeting of Stockholders to be held in 2015 or until their respective successors are elected and qualified. The Board of Directors has nominated the following persons for election as Class A Directors at the meeting: Brian Pratt, Thomas E. Tucker and Peter C. Brown;

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(2) to ratify the appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012; and

(5) to transact such other business as may properly come before the Annual Meeting and all adjournments or postponements thereof.

PLEASE VOTE PROMPTLY YOUR PROXY IS REVOCABLE AND YOU MAY VOTE IN PERSON AT THE MEETING IF YOU WISH.

References to Primoris, the Company, we, us or our in this Notice and the accompanying Proxy Statement refer to Primoris Services Corporation and its subsidiaries and affiliates, unless otherwise indicated.

By Order of the Board of Directors,

John M. Perisich
Senior Vice President, General Counsel and Secretary

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www.prim.com

PROXY STATEMENT

FOR THE
2012 ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON MAY 4, 2012.

SOLICITATION

This Proxy Statement, being mailed and made available electronically (on our Company website at *www.prim.com*) to stockholders on or about April 9, 2012, is being sent to you by the Board of Directors (the **Board) of Primoris Services Corporation in connection with our 2012 Annual Meeting of Stockholders (the **Annual Meeting**). The Annual Meeting will take place at 9:00 a.m. Central Time, on Friday, May 4, 2012, at the Rosewood Crescent Hotel, located at 400 Crescent Court, Dallas, Texas 75201. You are cordially invited to attend the Annual Meeting and are requested to vote on the proposals described in this Proxy Statement.**

Purpose of the Annual Meeting

At the Annual Meeting, our stockholders will vote to elect each of three Class A Directors and will vote to ratify the appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012. In addition, management will report on our performance over the last fiscal year and, following the Annual Meeting, respond to questions from stockholders.

Materials provided

The Board sent you this Proxy Statement and the enclosed proxy card in order to solicit your proxy to vote your shares at the Annual Meeting. As a stockholder, you are invited to attend the meeting and are entitled to vote on the items of business described in this Proxy Statement.

Annual Meeting attendance

All stockholders of record as of April 4, 2012 (the Record Date), or their duly appointed proxies, may attend the Annual Meeting. You will need to bring personal identification. Admission to the Annual Meeting depends on how your stock ownership is recorded by our transfer agent, Continental Stock Transfer & Trust Company (the Transfer Agent). If your stock is held in the name of a bank, broker or other holder of record and you plan to attend the Annual Meeting, please obtain proof of ownership, such as a current brokerage account statement or certification from your broker. If your stock is registered with our Transfer Agent, all you need is proof of identity; no proof of ownership is needed.

Voting at the Annual Meeting

Holders of our common stock (Common Stock) as of the close of business on the Record Date will be entitled to vote at the Annual Meeting. On the Record Date, there were 51,245,369 shares of Common Stock outstanding, each of which is entitled to one vote with respect to each matter to be voted on at the Annual Meeting.

Quorum requirement

The presence at the Annual Meeting, in person or by proxy, of the holders of a majority of the voting power of all outstanding shares of Common Stock entitled to vote shall constitute a quorum for the transaction of business. Proxies marked as abstaining (including proxies containing broker non-votes) on any matter to be acted upon by stockholders will be treated as present at the meeting for purposes of determining a quorum but will not be counted as votes cast on such matters.

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Stockholder of record & beneficial owner

Most of our stockholders hold their shares through a stockbroker, bank or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of Record

If your shares are registered directly in your name with the Transfer Agent, you are considered the stockholder of record, and these proxy materials are being sent directly to you by us. As the stockholder of record, you have the right to grant your voting proxy directly to us or to vote in person at the Annual Meeting. We have enclosed a proxy card for you to use.

Beneficial Owner of Shares Held in Street Name

If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by your broker, bank or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker on how to vote your shares and are also invited to attend the Annual Meeting. Because you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting except as noted below under *How do I vote my shares in person at the Annual Meeting?* If you hold shares in street name, your broker, bank or nominee has enclosed a voting instruction card for you to use in directing the broker or nominee regarding how to vote your shares.

Voting in person at the Annual Meeting

Shares held directly in your name as the stockholder of record may be voted in person at the Annual Meeting. If you choose to do so, please bring the enclosed proxy card or proof of identification. Even if you plan to attend the Annual Meeting, we recommend that you vote your shares in advance as described below so that your vote will be counted if you later decide not to attend the Annual Meeting. Shares held beneficially in street name may be voted in person at the meeting if you obtain a signed legal proxy from the record holder (e.g., your broker, bank or nominee) giving you the right to vote the shares in person.

Voting without attending the Annual Meeting

If you complete and properly sign the accompanying proxy card and return it to the Transfer Agent, your shares will be voted as you direct on the proxy card. If you are a stockholder of record, follow the instructions included with your proxy card. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, bank or nominee. For instructions on how to vote, please refer to the instructions included on your proxy card or, for shares held beneficially in street name, the voting instruction card provided by your broker, bank

or nominee.

Stockholders of record may submit proxies by completing, signing and dating their proxy cards and mailing them in the accompanying pre-addressed envelopes. Our stockholders who hold shares beneficially in street name may vote by mail by completing, signing and dating the voting instruction cards provided by their brokers, banks or nominees and mailing them to such entities in the accompanying pre-addressed envelopes.

Changing your vote after returning your proxy card

If you are a stockholder of record, you can revoke your proxy before it is exercised by:

- delivering written notice of revocation of the proxy to our Secretary prior to the Annual Meeting;
- executing and delivering a later dated proxy card to our Secretary; or
- attending and voting by ballot in person at the Annual Meeting.

If you are the beneficial owner of your shares held in street name, you may submit new voting instructions by contacting your broker, bank or other nominee. You may also vote in person at the Annual Meeting if you obtain a legal proxy as described above in *In person voting at the Annual Meeting*. All shares that have been properly voted and not revoked will be voted at the Annual Meeting.

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Required votes to approve each item

Each outstanding share of Common Stock is entitled to one vote on each proposal at the Annual Meeting. All matters require the existence of a quorum at the Annual Meeting. All proposals require an affirmative vote of the majority of shares represented in person or by proxy. Election of Directors is determined by plurality voting. The three individuals receiving the largest number of votes will be elected.

In the election of Directors, you may vote FOR any of the nominee(s) or your vote may be WITHHELD with respect to any of the nominee(s). A properly executed proxy marked ABSTAIN with respect to any other matter will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention on any matter other than election of Directors will have the effect of a negative vote on that matter. If you hold your shares in street name through a broker, bank or other nominee, shares represented by broker non-votes (when the broker indicates they do not have their customer's direction on how to vote, nor has discretionary authority on how to vote) will be counted in determining whether there is a quorum but will not be counted as votes cast on any matter.

Inspector of elections

Our Senior Vice President, General Counsel and Secretary, John M. Perisich, will act as Inspector of Elections and oversee the voting results. The Inspector of Elections will also determine the presence of a quorum.

Voting results of the Annual Meeting

We will announce preliminary voting results at the Annual Meeting and will publish final results in a Current Report on Form 8-K to be filed with the Securities and Exchange Commission (SEC) within four business days of the Annual Meeting.

Board recommendations

The Board recommends a vote:

- FOR Proposal No. 1 to elect each of the three Class A Directors.

- FOR Proposal No. 2 to ratify the appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

Unless you give other instructions on your proxy card, the individual named as proxy holder on the proxy card will vote in accordance with the recommendations of the Board.

Expense of soliciting proxies

We will pay the costs for the solicitation of proxies, including the cost of preparing and mailing this Proxy Statement. Proxies are being solicited primarily by mail, but the solicitation by mail may be followed-up by solicitation in person, or by telephone or facsimile, by our regular employees without additional compensation for such proxy solicitation activity. We will reimburse brokers, banks and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to our stockholders.

Stockholder proposal deadline for the 2013 Annual Meeting

The rules of the SEC establish the eligibility requirements and the procedures that must be followed for a stockholder's proposal to be included in a public company's proxy materials. Under those rules, proposals submitted for inclusion in our 2013 proxy materials must be received on or before the close of business on the day that is 120 days prior to April 9, 2013. Proposals for inclusion in our 2013 proxy materials must comply with the procedures set forth in Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the Exchange Act).

In addition to the requirements of the SEC, our Amended and Restated Bylaws (Bylaws) provide that in order for a proposal to be properly brought before an Annual Meeting of Stockholders, it must be either (1) specified in the notice of the meeting given by us, (2) otherwise brought before the meeting by or at the direction of our Board, or (3) properly brought before the meeting by a stockholder entitled to vote at the meeting and who complies with the following notice procedures: (i) the stockholder must give timely notice thereof in writing of the business to be brought before such meeting to our

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Secretary, and (ii) such business must be a proper matter for stockholder action under the Delaware General Corporation Law. Our Bylaws provide that to be timely, a stockholder's notice must be delivered to our Secretary at our principal executive offices not less than 45 days prior to the first anniversary of the date on which we first mailed our proxy materials for the preceding year's Annual Meeting. If the date of the subsequent year's Annual Meeting of Stockholders is changed by more than 30 days from the date of the prior year's meeting, notice by the stockholder for the subsequent year's Annual Meeting must be delivered to our Secretary within a reasonable time prior to our mailing of the proxy materials for the subsequent year's Annual Meeting of Stockholders. We expect to announce the date of the 2013 Annual Meeting of Stockholders in early 2013.

If a stockholder proposes to nominate for election or reelection a director, the stockholder's notice must include all information relating to such director nominee that is required to be disclosed in solicitation of proxies for election of directors in an election contest, or otherwise required, in each case, pursuant to Regulation 14A and Rule 14a-11 under the Exchange Act.

For any business that a stockholder desires to bring before an annual meeting, the stockholder's notice must comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder, and must include the following:

- a brief description of the proposal and the reasons for the proposal;
- the name and address of such stockholder, and of such beneficial owner, as they appear on our books;
- the class and number of shares of Common Stock which are owned beneficially and of record by such stockholder or such beneficial owner;
- a representation that the stockholder is a holder of record of Common Stock entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination; and
- a representation whether the stockholder or the beneficial owner intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of our outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies from stockholders in support of such proposal or nomination.

Any stockholder who intends to present a proposal at the 2013 Annual Meeting of Stockholders must send the proposal via standard mail, overnight delivery or other courier service, to Primoris Services Corporation, 2100 McKinney Avenue, Suite 1500, Dallas, Texas 75201, Attention: Secretary.

Information about Primoris Services Corporation

We maintain a corporate website at www.prim.com. Visitors to the Investor Relations section of our website can view and print copies of our SEC filings, including this Proxy Statement and Forms 10-K, 10-Q and 8-K. Copies of the charters for our Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee and our Code of Ethics, are also available through our website. Alternatively, stockholders may obtain, without charge, copies of all of these documents by writing to Investor Relations at the Company's headquarters. Please note that the information contained on our website is not incorporated by reference in, or considered to be a part of, this Proxy Statement.

Documents not incorporated by reference into this Proxy Statement

The Audit Committee Report and the Compensation Committee Report are not deemed filed with the SEC and shall not be deemed incorporated by reference into any prior or future filings made by us under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act, except to the extent that we specifically, and in writing, incorporate such information by reference.

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MATTERS TO COME BEFORE THE MEETING

PROPOSAL 1 ELECTION OF DIRECTORS

(Item 1 on Proxy Card)

General Information

We currently have a classified Board consisting of nine members. Five of our Directors are independent Directors as determined under NASDAQ listing rules. Our Directors are divided into three classes (Class A, Class B and Class C). Directors in each class are elected to serve for three-year terms that expire in successive years. The terms of Class A Directors Brian Pratt, Thomas E. Tucker and Peter C. Brown expire at the upcoming 2012 Annual Meeting.

In March 2012, the Board of Directors Nominating and Governance Committee recommended to the Board the nomination of Brian Pratt, Thomas E. Tucker and Peter C. Brown for re-election as Class A Directors for three-year terms expiring at the 2015 Annual Meeting, or until their successors are elected and qualified or their earlier death, resignation or removal. If the nominees decline to serve or become unavailable for any reason, or if any vacancy occurs before the election at the 2012 Annual Meeting (although we know of no reason to anticipate that this will occur), the proxies may be voted for such substitute nominees as the Board may designate.

Each nominee has consented to being named in this Proxy Statement and has agreed to serve if elected. If a quorum is present and voting, the three nominees receiving the highest number of votes will be elected as Class A Directors. Abstentions and broker non-votes have no effect on the result of the vote; however, abstentions and broker non-votes will be counted as shares present for purposes of determining the presence of a quorum.

Information Regarding Directors and Director Nominees

The following table sets forth information regarding our current Directors, including the Class C Director nominees for election at the Annual Meeting. There are no family relationships among any Directors, nominees or named executive officers of the Company.

Name	Position with our Company	Age	Director Since
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Class A Directors whose terms will expire at the 2012 Annual Meeting and are re-nominated for terms ending at the 2015 Annual Meeting:

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Brian Pratt	Director, Chairman of the Board, Chief Executive Officer and President	60	2008
Thomas E. Tucker	Independent Director	69	2008
Peter C. Brown	Independent Director	68	2009

Class B Directors whose terms will expire at the 2013 Annual Meeting:

John P. Schauerman	Director, Executive Vice President, Corporate Development	55	2008
Stephen C. Cook	Independent Lead Director	62	2008
Peter J. Moerbeek	Director, Executive Vice President, Chief Financial Officer	64	2008

Class C Directors whose terms will expire at the 2014 Annual Meeting:

Eric S. Rosenfeld	Independent Director	54	2006
Michael D. Killgore	Director, Executive Vice President and Director of Construction Services	55	2010
Robert A. Tinstman	Independent Director	65	2010

The person(s) named in the enclosed proxy will vote to elect nominated Brian Pratt, Thomas E. Tucker and Peter C. Brown as Class A Directors, unless you withhold this authority to vote for the election of any or all of the nominees by marking the proxy to that effect.

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OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR BRIAN PRATT, THOMAS E. TUCKER AND PETER C. BROWN AS CLASS A DIRECTORS TO HOLD OFFICE UNTIL OUR ANNUAL MEETING OF STOCKHOLDERS TO BE HELD IN 2015 OR UNTIL THEIR RESPECTIVE SUCCESSORS ARE DULY ELECTED AND QUALIFIED OR UPON THEIR EARLIER DEATH, RESIGNATION OR REMOVAL.

Director Biographies and Special Skills

Nominees for Reelection at the 2012 Annual Meeting (Class A)

BRIAN PRATT has been a Director and our Chairman as well as our President and Chief Executive Officer since July 2008. Mr. Pratt directs strategy, establishes goals and oversees our operations. Since 1983, he served as the President, Chief Executive Officer and Chairman of the Board of Primoris and its predecessor, ARB, Inc., a California corporation. Prior to July 2008, Mr. Pratt was the majority owner of Primoris. Mr. Pratt has over 30 years of hands-on operations and management experience in the construction industry. Mr. Pratt completed four years of courses in Civil Engineering at California Polytechnic College in Pomona.

Mr. Pratt has an intimate knowledge of our business, employees, culture, competitors and the effect on our business of various government policies. We believe that his long history and experience with Primoris, his significant ownership position and his in-depth knowledge of the construction industry demonstrate that Mr. Pratt is well qualified to serve on our Board.

THOMAS E. TUCKER has served as one of our Directors since July 2008. He is currently Chairman of Pennhill Land Company, a real estate development and investment company, where he has worked since he founded the company in 1983. He served as a Board Member of RSI Holding Corporation, a privately held national manufacturer of cabinets for homes, from 2002 to November 2008. Prior to that, he served as an Advisory Board Member of ORCO Block Company, a Southern California manufacturer of block products, and Gemini Investors, a Boston based Investment Capital firm. Mr. Tucker also serves as a board member of the Segerstrom Center for the Arts in Orange County, California. Mr. Tucker received a B.S. in Business from the University of Southern California.

We believe that Mr. Tucker's experience as a founder and executive officer of a large real estate development company, his expertise in the real estate development business and his directorships of both private and public companies qualify him to serve on our Board. The Board determined that Mr. Tucker meets the NASDAQ rules for independence and is therefore an independent director.

PETER C. BROWN joined our Board on February 6, 2009. He has served from 1974 to 2005 as President and is currently Senior Principal Stockholder of Brown Armstrong Accountancy Corporation, a regional provider of tax, audit, consulting and business services headquartered in Bakersfield, California. Mr. Brown received a B.S. in Accounting from the University of Arizona. He is a member of the American Institute of Certified Public Accountants, the California Society of Certified Public Accountants and the Colorado Society of Certified Public Accountants.

We believe that Mr. Brown's qualifications to serve on our Board include his in-depth knowledge and understanding of generally accepted accounting principles, his background in taxation regulations, experience in preparing, auditing and analyzing financials statements and

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understanding of the responsibilities and functions of audit committees. The Board determined that Mr. Brown meets the NASDAQ rules for independence and is therefore an independent director.

Directors with Terms Expiring at the 2013 Annual Meeting (Class B)

JOHN P. SCHAUERMAN was named as our Executive Vice President, Corporate Development effective February 6, 2009, and has served as a Director since July 2008. He served as the Chief Financial Officer of Primoris from February 2008 to February 2009. He also served as a Director of Primoris and its predecessor entity from 1993 to July 2008. He joined our wholly-owned subsidiary, ARB, Inc., in 1993, as Senior Vice President. In his current role, he is responsible for developing and integrating our overall strategic plan, including the evaluation and structuring of new business opportunities and acquisitions. Prior to joining ARB, Inc., he was Senior Vice President of Wedbush Morgan Securities. Mr. Schauerman received a B.S. in Electrical Engineering from UCLA and an M.B.A. from Columbia Business School.

We believe that Mr. Schauerman's qualifications to serve on our Board include his knowledge of our business, employees, culture, competitors and the effect on our business of various government policies.

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STEPHEN C. COOK has served as one of our Directors since July 2008 and in May 2010 was appointed by the Board as Lead Director of the Company. He has served as President and principal stockholder of Fieldstone Partners, a Houston, Texas-based investment banking firm, focused primarily on corporate merger and acquisition advisory services, since 1990. He has over 30 years of experience in the investment banking business, including 10 years with Rotan Mosle, Inc., a Texas-based regional investment firm and underwriter where he served as co-head of the corporate finance department and as a Director of the firm. Mr. Cook received an A.B. in Economics from Princeton University and an M.B.A. from Harvard Business School.

We believe that Mr. Cook's qualifications to serve on our Board include his business and investment banking experience and his wealth of knowledge of mergers and acquisitions. The Board has determined that Mr. Cook meets the NASDAQ rules for independence and is therefore an independent director.

PETER J. MOERBEEK was named our Executive Vice President, Chief Financial Officer effective February 6, 2009. He has served as one of our Directors since July 2008 and was Chairman of the Audit Committee until February 2009. From 2006 through February 2009, he was the Chief Executive Officer and a founder of a private equity-funded company engaged in the acquisition and operation of water and wastewater utilities. From August 1995 to June 2006, Mr. Moerbeek held several positions with publicly traded Southwest Water Company, a California based company which provides water and wastewater services, including Director from 2001 to 2006; President and Chief Operating Officer from 2004 to 2006; President of the Services Group from 1997 to 2006; Secretary from 1995 to 2004; and Chief Financial Officer from 1995 to 2002. From 1989 to 1995, Mr. Moerbeek was the Vice President of Finance and Operations for publicly traded Pico Products, Inc., a manufacturer and distributor of cable television equipment. Mr. Moerbeek received a B.S. in Electrical Engineering and an MBA from the University of Washington and is a licensed certified public accountant.

We believe that Mr. Moerbeek's qualifications to serve on our Board include his experience as the chief operating officer and the chief financial officer of a NASDAQ listed company, as well as his in-depth knowledge and understanding of generally accepted accounting principles, experience in analyzing financial statements, understanding of internal control over financial reporting and his understanding of audit committee functions.

Nominees with Terms Expiring at the 2014 Annual Meeting (Class C)

MICHAEL D. KILLGORE was appointed a Director on December 18, 2009. He was named as our Executive Vice President, Director of Construction Services in March 2010. He is responsible for overall operations management for our East Construction Services and West Construction Services business segments. He has been employed by James Construction Group and its predecessor companies since 1977 and was Chief Executive Officer of James Construction Group from 2007 to 2010. Mr. Killgore received a B.S. Civil Engineering degree from Louisiana Tech University in 1978. He is a registered Civil and Environmental Engineer in the state of Louisiana.

We believe that Mr. Killgore's knowledge and experience as a senior executive of a major construction firm and his knowledge and understanding of the construction industry qualify him to serve on our Board.

ROBERT A. TINSTMAN was appointed a Director on December 18, 2009. Mr. Tinstman is currently the President of Tinstman and Associates, LLC. From 1974 to 1999, he was employed by Morrison Knudsen and served as its President/Chief Executive Officer for the period

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1995 to 1999. Mr. Tinstman was the Executive Chairman of James Construction Group from 2002 to 2007. Mr. Tinstman is a registered Professional Engineer in the state of Idaho. He graduated from University of Wisconsin, Platteville, with a B.S., Mining Engineering in 1968.

Mr. Tinstman is also a director on the following public company boards: IDA CORP, Inc., where he is chairman of the compensation committee; Home Federal Bancorp, where he is a member of the audit committee and chairman of the compensation committee; and CNA Surety, where he was a member of the audit committee and chairman of the compensation committee through June 2011.

We believe that Mr. Tinstman's qualifications to serve on our Board include his experience as President and Chief Executive Officer of one of the largest construction companies in the United States as well as his wealth of knowledge of business systems and construction operations. The Board determined that Mr. Tinstman meets the NASDAQ rules for independence and is therefore an independent director.

ERIC S. ROSENFELD has served as one of our Directors since 2006. He was Chairman of the Board, Chief Executive Officer and President of Rhapsody Acquisition Corp. from its founding in 2006 through its merger with Primoris in July 2008. Mr. Rosenfeld has been the President and Chief Executive Officer of Crescendo Partners, L.P., an investment firm, since its formation in November 1998. From 1985 to 1998, Mr. Rosenfeld was a managing director at CIBC Oppenheimer and its predecessor company Oppenheimer & Co., Inc. Mr. Rosenfeld has also served as chairman and/or director on the boards of various companies. Mr. Rosenfeld received an A.B. in Economics from Brown University and an M.B.A. from Harvard Business School.

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We believe that Mr. Rosenfeld's business and investment banking expertise and his directorships on both private and public companies qualify him to serve on our Board. The Board determined that Mr. Rosenfeld meets the NASDAQ rules for independence and is therefore an independent director.

Board Compensation

Compensation information for Mr. Pratt, Mr. Moerbeek, Mr. Killgore and Mr. Schauerman are reported in the Summary Compensation Table under Executive Compensation as we do not pay employee Directors any additional compensation for their service as Directors.

From July 2008 through May 5, 2011, all compensation for non-employee independent Directors was paid in cash. At a meeting on May 6, 2011, the Board of Directors adopted changes to the compensation program for the non-employee directors based on a recommendation by the Compensation Committee. The plan was the result of Compensation Committee deliberations including information provided by an independent consulting firm.

Current compensation includes the following components:

- Cash payments of \$27,500 made for the second and fourth calendar quarters of each year.

- In lieu of cash payments in the first and third calendar quarters of each year, the Directors will be issued restricted common stock with an approximate value of \$36,667. The number of shares will be determined using the average of the closing prices of the Company common stock on NASDAQ for the one-month period prior to the beginning of the quarter. The shares will be issued pursuant to the Primoris 2008 Long-Term Incentive Plan. The shares will be restricted for a period of one year from the date of issuance.

- Additional annual cash compensation as follows:
 - \$20,000 to the Chairman of the Audit Committee
 - \$15,000 to the Chairman of the Compensation Committee
 - \$15,000 to the non-employee chairman of any other committees established by the Board of Directors.

In addition, Directors are reimbursed for expenses incurred in connection with Board and Board Committee meetings and assignments.

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The table below details the compensation earned by our non-employee Directors in 2011.

Non-Employee Director	Fees Earned or Paid in Cash	Non-Equity Incentive Plan Compensation	All Other Compensation (1)	Total
Peter C. Brown	\$ 88,000	\$	\$ 36,667	\$ 124,667
Stephen C. Cook	\$ 83,000	\$	\$ 36,667	\$ 119,667
Eric S. Rosenfeld	\$ 70,500	\$	\$ 36,667	\$ 107,167
Robert A. Tinstman	\$ 78,000	\$	\$ 36,667	\$ 114,667
Thomas E. Tucker	\$ 70,500	\$	\$ 36,667	\$ 107,167

(1) *Stock Awards and Option Awards:* Non-employee Directors were issued shares of restricted common stock in the third quarter of 2011, with a value of \$36,667 based on the average closing price of stock for July 2011. The Company has never issued stock options for Director compensation.

Stockholder Communications with the Board of Directors

Stockholders may communicate with any of our Directors, including our Chairman, or the Chairman of any of the Committees of the Board, or the non-management Directors, as a group, by writing to them at Primoris Services Corporation, c/o Secretary, 2100 McKinney Avenue, Suite 1500, Dallas, Texas 75201. Please specify to whom your correspondence should be directed. The Secretary will promptly forward all correspondence to the Board or any specific committee member, as indicated in the correspondence, except for mass mailings, job inquiries, surveys, business solicitations or advertisements, or patently offensive or otherwise inappropriate material. Our Secretary may forward certain correspondence, such as product-related or service-related inquiries, elsewhere within the Company for review and possible response.

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PROPOSAL 2 RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

(Item 2 on Proxy Card)

General

We are asking the stockholders to ratify the Audit Committee's appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012. The firm is a registered public accounting firm with the Public Company Accounting Oversight Board (PCAOB), as required by the Sarbanes-Oxley Act of 2002 and the rules of the PCAOB. In the event the stockholders fail to ratify the appointment, the Audit Committee will reconsider this appointment. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company and our stockholders.

A Moss Adams, LLP representative is expected to attend the 2012 Annual Meeting of the Stockholders. He will have an opportunity to make a statement if he desires to do so and will be available to respond to appropriate stockholder questions.

The affirmative vote of a majority of the shares of Common Stock present, in person or by proxy, entitled to vote at the Annual Meeting is required to approve the ratification of the appointment of Moss Adams, LLP as our independent registered public accounting firm for 2012.

THE BOARD RECOMMENDS A VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF MOSS ADAMS, LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2012.

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STOCK OWNERSHIP

Security Ownership of 5% or Greater Stockholders, Directors, Director Nominees and Executive Officers

The following table sets forth information with respect to beneficial ownership of Common Stock for (i) those persons known by management of the Company to beneficially own 5% or more of our Common Stock (other than executives and Directors), (ii) each Director and Director nominee, (iii) the Named Executive Officers (as defined below) listed in the Summary Compensation Table under Executive Compensation, and (iv) all of our executive officers and Directors as a group. The information for the officers and Directors is provided as of April 6, 2012 and the information for 5% or more stockholders is as of the most recent filings with the SEC.

Beneficial ownership is determined under the rules of the SEC and generally includes voting or investment power with respect to securities. To our knowledge, the persons named in the table have sole voting and investment power and shared voting and investment power, as indicated below, with respect to all shares of Common Stock beneficially owned, subject to community property laws where applicable.

For each individual and group included in the table below, percentage ownership is calculated by dividing the number of shares beneficially owned by such person or group plus the number of shares of Common Stock that such person or group has the right to acquire on or within 60 days after April 6, 2012 divided by the sum of the 51,245,369 shares of Common Stock outstanding on April 6, 2012, plus the number of shares of Common Stock that such person or group has the right to acquire on or within 60 days after April 6, 2012. The Company is not aware of any arrangement or pledge of Common Stock that could result in a change of control of the Company.

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Name	Amount and Nature of Beneficial Ownership (1)				Shared and Sole Voting Power Total	Percentage of Common Stock Outstanding (2)
	Shared Investment Power	Sole Investment Power	Shared Voting Power	Sole Voting Power		
5% or Greater Stockholders:						
None						
Named Executive Officers and Directors:						
Brian Pratt (3)	97,810	16,049,958	97,810	16,049,958	16,147,768	31.51%
Scott E. Summers (4)	23,205	1,122,494	1,133,172	12,527	1,145,699	2.24%
John P. Schauerman (5)		1,241,533	1,241,533		1,241,533	2.42%
John M. Perisich (6)		140,428		140,428	140,428	*
Eric S. Rosenfeld (7)	106,840	828,749	106,840	828,749	935,589	1.83%
Peter J. Moerbeek		27,377		27,377	27,377	*
Stephen C. Cook		5,544		5,544	5,544	*
Thomas E. Tucker (8)	8,136	29,444	8,136	29,444	37,580	*
Peter C. Brown		5,444		5,444	5,444	*
Michael D. Killgore		631,986		631,986	631,986	1.23%
Robert A. Tinstman		5,444		5,444	5,444	*
Timothy R. Healy		462,384		462,384	462,384	*
All Directors, nominees and executive officers as a group (14 individuals)					21,494,803	41.94%

* Indicates beneficial ownership of less than one percent of total outstanding Common Stock.

- (1) This table lists voting securities, including shares held of record, shares held by a bank, broker or nominee for the person's interest and shares held through family trust arrangements.
- (2) Beneficial shares with both sole and shared voting power as a percentage of Common Stock outstanding as of April 6, 2012, or 51,245,369 shares.
- (3) Includes 16,049,958 shares of Common Stock held directly by Brian Pratt and indirectly by Barbara Pratt, as the spouse of Mr. Pratt, and 97,810 shares of Common Stock owned directly by Ms. Pratt and indirectly by Mr. Pratt.
- (4) Represents 12,527 shares of Common Stock owned directly by Scott E. Summers and 1,109,967 shares of Common Stock owned directly by the Summers Family Trust, and indirectly by Scott E. Summers, as trustee of the trust. Additionally, 23,205 shares of stock are held by Scott Summer's children's trusts with Patrick Summers, the brother of Scott E. Summers, as trustee of the children's trusts.
- (5) Represents 1,241,533 owned directly by the Schauerman Family Trust and indirectly by John P. Schauerman and Claudia H. Schauerman as trustees.
- (6) Represents 140,428 shares of Common Stock owned directly by the Perisich Family Trust dated July 11, 2007 and indirectly by John M. Perisich, as trustee of the trust.
- (7) Includes 828,749 shares of Common Stock held directly by Eric Rosenfeld, 106,840 shares of Common Stock held by the Rosenfeld 1991 Children's Trust, of which Mr. Rosenfeld's wife is the sole trustee
- (8) Includes 5,444 shares of Common Stock held directly by Thomas E. Tucker, 24,000 shares of Common Stock held by the Tucker Family Trust U/A dated 12/21/1998, a revocable trust, of which Thomas E. Tucker is a trustee and beneficiary, 3,303 shares of

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Common Stock held by SaraJen Capital, LLC, a California Limited Liability Company, of which Mr. Tucker is a one-third member and sole manager with full dispositive power over such shares, and 4,833 shares of Common Stock held by Josephine Tucker-Arenson TTEE U/A DTD 4-30-1996, of which Mr. Tucker holds power of attorney.

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our officers, Directors and persons who own more than ten percent (10%) of a registered class of our equity securities to file reports of securities ownership and changes in ownership with the SEC.

As of the date of this Proxy Statement, and based solely on our review of the copies of such reports furnished to us and written representations from our executive officers and Directors, we believe that all reports needed to be filed by current Section 16 reporting persons have been timely filed for the year ended December 31, 2011, with the exception of one Form 4 for Eric S. Rosenfeld and one Form 4 for Michael D. Killgore, which were not filed on a timely basis.

CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

We believe that effective corporate governance is an important element of our long-term success and ability to create value for our stockholders. Our Board periodically reviews our existing corporate governance policies and practices, as well as related provisions of the Sarbanes-Oxley Act of 2002, current and proposed rules of the SEC, and the corporate governance requirements of NASDAQ. Based on its review, the Board has approved charters, policies, procedures and controls that we believe promote and enhance our corporate governance, accountability and responsibility and promote a culture of honesty and integrity.

Our Code of Ethics and the charters for each of our Board committees are available on the Investor Relations section of our website at www.prim.com, and copies are available free of charge upon request to our Secretary at Primoris Services Corporation, 2100 McKinney Avenue, Suite 1500, Dallas, Texas 75201.

Board Independence

The listing standards of NASDAQ require that companies have a board of directors with at least a majority of independent directors. For a Director to qualify as independent, the Board must affirmatively determine that the Director has no material relationship with us, either directly or as a partner, stockholder or officer of an organization that has a relationship with us which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. To assist it in making independence determinations, the Board has adopted independence standards based on NASDAQ rules. Under these standards, a Director is not independent if:

- The Director is, or has been within the last three years, one of our or our subsidiaries' employees, or the Director has an immediate family member who is, or has been within the last three years, one of our executive officers;

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- The Director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in compensation from us (other than compensation for Board or Committee service, compensation to a family member who is an employee but not an executive officer, or benefits under a tax-qualified retirement plan or non-discretionary compensation);
- The Director is, or has a family member that is, a partner in, or a controlling stockholder or an executive officer of, any organization to which we made, or from which we received, payments for property or services in the current year or any of the last three years that exceed 5% of the recipient's consolidated gross revenues for that year or \$200,000, whichever is greater, other than payments arising solely from investments in our securities or payments under non-discretionary charitable contribution matching programs;
- The Director or an immediate family member is currently employed, or has been employed within the last three years, as an executive officer of another company where any of our present executive officers serves or has served on that company's compensation committee; or
- The Director is, or has a family member that is a current partner of our outside auditor, or was a partner or employee of our outside auditor who worked on our audit at any time during any of the past three years.

On the basis of the Board Independence Standards identified above, the Board has determined that Messrs. Brown, Cook, Rosenfeld, Tinstman and Tucker are independent under the NASDAQ listing standards. The Board has also determined that each member of our Audit Committee qualifies as independent under Rule 10A-3 of the Exchange Act.

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Board Structure and Committee Composition

The Board has (i) an Audit Committee, (ii) a Compensation Committee, and (iii) a Nominating and Corporate Governance Committee. The Board and its Committees meet throughout the year on a set schedule and also hold special meetings and act by written consent from time to time, as appropriate. The Board held a total of five meetings, the Audit Committee held six meetings, the Compensation Committee held six meetings and the Nominating and Corporate Governance Committee held two meetings. There were a total of 19 Board and Committee Meetings during 2011. The independent Directors meet in executive session at meetings of the Board and Committees as necessary. The Independent Directors met in executive session twice during 2011.

Mr. Pratt, our Chief Executive Officer also serves as the Chairman of the Board. The Board believes that as a result of his significant ownership of Primoris stock and his knowledge as Chief Executive Officer since 1983, there is no benefit to be derived by separating the positions of Chairman and Chief Executive Officer. As the Company continues to grow, the Board will review the advisability of separating the two positions. In May 2010, Mr. Cook was appointed by the Board as the Lead Director, responsible for chairing the Board meetings in the absence of the Chairman, chairing executive sessions, acting as the principal liaison between the Chairman and the independent Directors and serving as the contact Director for shareholders.

The Board and the Compensation Committee do not make decisions regarding an executive officer's compensation in the presence of such executive officer. The compensation of our Chief Executive Officer and all other executive officers are determined or recommended to the Board of Directors for determination by independent directors constituting a majority of the board of directors independent directors in a vote in which only independent directors participate.

Director nominees are selected or recommended for the Board of Directors selection by independent directors constituting a majority of the Board of Directors independent directors in a vote in which only independent directors participate.

Other than two meetings Mr. Rosenfeld could not attend, each Director attended all Board meetings held during the period for which such person served as a Director in 2011. In addition, other than Mr. Rosenfeld, each Director attended all of the meetings held by all Board committees on which such person served (during the periods that such person served). Mr. Rosenfeld attended one of the two Nominating and Corporate Governance Committee meetings during the year 2011.

Each of the Board committees operates under a written charter adopted by the Board. The Board committee charters are available on our website at www.prim.com.

The members of the Board committees are identified in the following table:

Director (1)	Audit Committee	Compensation Committee	Nominating and Corporate Governance
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	Committee		
Brian Pratt			Chair
John P. Schauerman			
Eric S. Rosenfeld			X
Peter J. Moerbeek			
Stephen C. Cook	X	Chair	
Thomas E. Tucker	X		X
Peter C. Brown	Chair	X	
Michael D. Killgore			
Robert A. Tinstman		X	
Number of Meetings held in 2011	6	6	2

(1) Messrs. Brown, Cook, Rosenfeld, Tinstman and Tucker are independent Directors.

Audit Committee

The Audit Committee consists of three persons, all of whom are independent under the NASDAQ listing standards. Members of the Audit Committee must also satisfy additional SEC independence requirements, which provide that they may not accept directly or indirectly any consulting, advisory or other compensatory fee from the Company other than compensation in their capacity as Director, or otherwise be an affiliated person of us. The Board has determined that Audit Committee members Messrs. Brown, Cook and Tucker all satisfy the applicable SEC independence requirements.

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The Audit Committee oversees our accounting and financial reporting processes, internal control systems, independent auditor relationships and the audits of our financial statements. Among other matters, the Audit Committee's responsibilities include the following:

- selecting and hiring our independent registered public accounting firm;
- evaluating the qualifications, independence and performance of our independent registered public accounting firm;
- reviewing and approving the audit and non-audit services to be performed by our independent registered public accounting firm;
- overseeing the administration of management's process for the design, review of adequacy, implementation and effectiveness of our internal controls established for finance, accounting, legal compliance and ethics;
- reviewing management's assessment of internal control and steps taken to monitor and control our exposure to financial risk;
- overseeing the administration of management's process of reviewing the design, adequacy, implementation and effectiveness of our critical accounting and financial policies;
- overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to our financial statements of accounting matters;
- reviewing with management and our independent registered public accounting firm the results of our annual and quarterly financial statements; and
- reviewing and approving any related party transactions.

Audit Committee Financial Expert. The Board has also determined that Mr. Brown is the Audit Committee financial expert as defined under SEC rules and regulations.

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Independent Registered Public Accounting Firm Fees and Services

All fees billed by Moss Adams, LLP, have been approved in advance by the Audit Committee of the Board of Directors. The following is a summary of the fees billed for professional services for the fiscal years ended December 31, 2011 and 2010:

Fee Category	Calendar Year	
	2011 Fees	2010 Fees
Audit Fees (1)	\$ 586,000	\$ 553,000
Audit Related Fees (2)	178,400	115,000
Tax Fees (3)	71,107	275,000
Total Fees	\$ 835,507	\$ 943,000

(1) Fees for audit services consist of the fees associated with the annual audit, for quarterly SAS 100 reviews and reviews of our Quarterly Reports on Form 10-Q.

(2) Audit related fees include proxy filings, registration statement and standalone audits for Primoris subsidiaries.

(3) Tax fees include professional services rendered for tax compliance (preparation and review of tax returns), tax advice and tax planning.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee has, by resolution, adopted policies and procedures regarding the pre-approval of the performance by Moss Adams, LLP of certain audit and non-audit services. Moss Adams, LLP has been instructed that it may not perform any service unless the approval of the Audit Committee is obtained prior to the performance of the services, except as may otherwise be provided by law or regulation. All services listed above were approved by the Audit Committee.

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Audit Committee Report

The following report of the Audit Committee does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any other filing by us under the Securities Act or the Securities Exchange Act, except to the extent we specifically incorporate this report by reference.

The primary purpose of the Audit Committee is to assist the Board in fulfilling its responsibility to oversee (i) the integrity of our financial statements, (ii) the independent registered public accounting firm's qualifications, independence and performance, (iii) our accounting and financial reporting processes, (iv) our compliance with financial legal and regulatory requirements, and (v) the audits of our financial statements. The Audit Committee is directly responsible for the appointment, compensation and oversight of the work of the independent registered public accounting firm. The independent registered public accounting firm reports directly to the Audit Committee.

Management has the primary responsibility for the preparation of the financial statements and the reporting process. Our management has represented to the Audit Committee that the consolidated financial statements for the fiscal year ended December 31, 2011 were prepared in accordance with generally accepted accounting principles. Our independent registered public accounting firm is responsible for auditing these consolidated financial statements. In the performance of its oversight function, the Audit Committee reviewed and discussed the audited consolidated financial statements with management and the independent registered public accounting firm. The Audit Committee discussed with management the critical accounting policies that were applied in the preparation of our consolidated financial statements. The Audit Committee also discussed with management the process for certifications by our Chief Executive Officer and our Executive Vice President, Chief Financial Officer. The Audit Committee discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees), as amended by Statement on Auditing Standards No. 90 (Audit Committee Communications).

In addition, the Audit Committee received from the independent registered public accounting firm the written disclosures required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and discussed with them their independence from the Company and its management. The Audit Committee also evaluated whether the independent registered public accounting firm's provision of non-audit services to us was compatible with the auditor's independence and determined it was compatible.

The Board determined that the Audit Committee members meet the independence requirements of Rule 10A-3 of the Exchange Act and applicable NASDAQ independence rules.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board, and the Board approved, the inclusion of the audited consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2011 for filing with the Securities and Exchange Commission.

February 23, 2012

Peter C. Brown (Chairman)

Stephen C. Cook

Thomas E. Tucker

Compensation Committee

The members of the Compensation Committee of the Board are Messrs. Cook (Chairman), Brown and Tinstman. All three of the members of the Compensation Committee meet the independence requirements of NASDAQ listing standards. The Chairman of the Compensation Committee is Mr. Cook.

The Compensation Committee monitors and assists the Board in determining compensation for our senior management and Directors. The Board and the Compensation Committee do not make decisions regarding an executive officer's compensation in the presence of such executive officer. After the Compensation Committee analyzes compensation issues related to our Chief Executive Officer and other executive officers, it makes a recommendation to the Board's independent Directors. The compensation of our Chief Executive Officer and all other executive officers is then recommended to the Board for determination by independent directors constituting a majority of the Board's independent directors in a vote in which only independent directors participate. The Compensation Committee has the following authority and responsibilities, among others, with respect to our Director and executive compensation plans:

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- Reviewing the goals and objectives of our executive compensation programs and recommending to the Board any changes to these goals and objectives;
- Reviewing our executive compensation plans and recommending to the Board the adoption of new or amendments to existing plans;
- Evaluating annually the performance of the Chief Executive Officer and recommending to the independent members of the Board his or her compensation level based on this evaluation;
- Evaluating annually the performance of the other executive officers of the Company and its subsidiaries and recommending to the independent members of the Board the compensation level of each based on this evaluation;
- Reviewing and recommending to the independent members of the Board, concurrently with the Board's Audit Committee, any employment, severance or termination arrangements made with any executive officer of the Company or its subsidiaries; and
- Evaluating the appropriate level and types of compensation for Board and Committee service by non-employee Directors and recommending any changes to the Board.

The Compensation Committee has the power to form subcommittees for any purpose that it deems appropriate and may delegate to such subcommittee such power and authority as the Compensation Committee may deem appropriate, provided it does not delegate to a subcommittee any power or authority required by any law, regulation or listing standard to be exercised by the Compensation Committee as a whole. The Compensation Committee may consider the recommendations of our Chief Executive Officer in determining the level of compensation of the executive officers of the Company and subsidiaries. The Compensation Committee has the authority to retain such independent consultants or advisers as it deems necessary and appropriate, including compensation consultants, to advise it with respect to amounts or forms of executive or director compensation, and may rely on the integrity and advice of any such advisers. The Compensation Committee also has the sole authority to retain a compensation consultant to assist it in carrying out its responsibilities, including the sole authority to approve the consultant's fees and other retention terms, such fees to be borne by us, and to terminate any such consultant.

In 2011, the Committee engaged Cogent Compensation Partners as an independent consultant to assist the Committee and in February 2012, replaced them with Pay Governance, LLC. Prior to their engagement, neither Cogent Compensation Partners nor Pay Governance performed any services for the Company. Pay Governance assists the Committee in meeting its responsibilities.

Compensation Committee Interlocks and Insider Participation

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No interlocking relationship exists between any member of our Board and any member of the board of directors or compensation committee of any other companies, nor has such interlocking relationships existed in the past.

Shareholder Advisory Say on Pay Vote

In our 2011 proxy, we said that we believed that seeking shareholder approval advisory votes every third year would provide the most efficient form of communication and would lend itself to the long-term nature of the compensation plans for our management. At the 2011 annual meeting, of those votes that expressed a position on the frequency of pay, 76.25% recommended an advisory vote every three years. After deliberation, the Compensation Committee and the Board adopted the position of asking for an advisory vote every three years.

Compensation Committee Report

The Compensation Committee of the Board of Directors has reviewed and discussed with management the Compensation Discussion and Analysis contained elsewhere in this Proxy Statement. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included herein and incorporated by reference into the Company's Annual Report on Form 10-K for the year ended December 31, 2011.

March 27, 2012

Stephen C. Cook (Chairman)

Peter C. Brown

Robert A. Tinstman

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Nominating and Corporate Governance Committee

The members of the Nominating and Corporate Governance Committee are Messrs. Pratt (Chairman), Rosenfeld and Tucker. The Board has determined that two of the three members (Messrs. Rosenfeld and Tucker) meet the criteria required under applicable SEC and NASDAQ listing standards for independence. The Chairman of the Nominating and Corporate Governance Committee is our Chairman of the Board, Chief Executive Officer and President, Brian Pratt.

The Nominating and Corporate Governance Committee assists the Board by identifying individuals qualified to become Directors consistent with criteria established by the Board. After the Nominating and Corporate Governance Committee identifies qualified individuals, it makes a recommendation to the Board's independent Directors. Director nominees are selected by a majority of the Board's independent directors in a vote in which only independent directors participate. Among other matters, the Committee's responsibilities include the following:

- evaluating the composition, size and governance of the Board and its committees and making recommendations regarding future planning and the appointment of Directors to committees of our Board;
- administering a policy for evaluating and considering nominees for election to the Board;
- overseeing the evaluation of our Board as a whole;
- reviewing our corporate governance principles and providing recommendations to the Board regarding possible changes; and
- developing and reviewing our Code of Ethics and assuring it is appropriate for us.

Selection of Board Nominees

In identifying Board nominees, we have reviewed individuals who are known to our officers or Directors, or individuals with significant industry or other relevant experience. Following the establishment of our Nominating and Corporate Governance Committee, the Nominating and Corporate Governance Committee has reviewed the qualifications of potential Director candidates in accordance with its Charter.

The Nominating and Corporate Governance Committee's consideration of a candidate as a Director includes assessment of the individual's understanding of our business, the individual's professional and educational background, skills, expertise, potential time commitment, and other criteria established by the Nominating and Corporate Governance Committee from time to time. To provide such a contribution to us, a Director

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must generally possess one or more of the following, in addition to personal and professional integrity:

- experience in corporate management;
- experience in our industry;
- experience as a board member or officer of a publicly held company;
- diversity of expertise and experience in substantive matters related to our business; and
- practical and mature business judgment.

The Nominating and Corporate Governance Committee has adopted its own procedures for evaluating the suitability of potential Director nominees, including qualifications for a financial expert and financially literate members for the Audit Committee.

Stockholder Nominations

The rules of the SEC establish the eligibility requirements and the procedures that must be followed for inclusion of a stockholder's proposal in a public company's proxy materials. Under those rules, proposals submitted for inclusion in our proxy materials must be received on or before the close of business on the day that is 120 days prior to the date on which we released to stockholders our proxy statement for the prior year's Annual Meeting of Stockholders. Proposals for inclusion in our proxy materials must comply with the procedures set forth in Rule 14a-8 under the Exchange Act.

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In addition to the requirements of the SEC, our Bylaws provide that in order for a proposal to be properly brought before an annual meeting of stockholders, it must be either (1) specified in the notice of the meeting given by us, (2) otherwise brought before the meeting by or at the direction of our Board or (3) properly brought before the meeting by a stockholder entitled to vote at the meeting and who complies with the following notice procedures: (i) the stockholder must give timely notice in writing of the business to be brought before such meeting to our Secretary, and (ii) such business must be a proper matter for stockholder action under the Delaware General Corporation Law. Our Bylaws provide that to be timely, a stockholder's notice must be delivered to our Secretary at our principal executive offices not less than 45 days prior to the first anniversary of the date on which we first mailed our proxy materials for the preceding year's Annual Meeting. If the date of the subsequent year's Annual Meeting of Stockholders is changed by more than 30 days from the date of the prior year's meeting, notice by the stockholder for the subsequent year's Annual Meeting must be delivered to our Secretary within a reasonable time prior to our mailing of the proxy materials for the subsequent year's Annual Meeting of Stockholders. We expect to announce the date of the 2013 Annual Meeting of Stockholders in early 2013.

If a stockholder proposes to nominate for election or reelection a Director, such stockholder's notice shall set forth all information relating to such Director nominee that is required to be disclosed in solicitation of proxies for election of Directors in an election contest, or otherwise required, in each case pursuant to Regulation 14A and Rule 14a-11 under the Exchange Act.

The Nominating and Corporate Governance Committee will consider all stockholder recommendations for candidates for the Board, which should be sent to the Nominating and Corporate Governance Committee, c/o Secretary, Primoris Services Corporation, 2100 McKinney Avenue, Suite 1500, Dallas, Texas 75201.

The Nominating and Corporate Governance Committee will evaluate recommendations for Director nominees submitted by Directors, management or qualifying stockholders in the same manner, using the criteria stated above. All Directors and Director nominees will be required to submit a completed directors' and officers' questionnaire as part of the nominating process. The process may also include interviews and additional background and reference checks for non-incumbent nominees, at the discretion of the Nominating and Corporate Governance Committee.

Ad-Hoc Succession Planning Committee

In May 2011, the board of directors established a Succession Planning Committee on an ad hoc basis and appointed Mr. Tinstman as Committee Chair. The purpose of the Committee is to coordinate the efforts of the board and executive management in establishing the processes, procedures and practices that the board and management will use to meet their succession planning responsibilities. The Committee Chair has met with other independent directors, our chief executive officer and executive recruiting firms, and he is currently developing a formal proposal and action plan for the board.

Board Role in Risk Oversight

Our Board is responsible for oversight of our Company's risks. As with all companies, and especially with construction companies, we face a variety of risks in our business. Many of these risks have been included in Item 1A, Risk Factors in our Annual Report on Form 10-K, filed on March 5, 2012.

While we can give no assurances that we will be able to identify or mitigate all possible risks in advance, the Board believes that having a system in place for risk management and implementing strategies responsive to our risk profile and exposures is the best way to identify in a timely manner specific material risks. In order to more efficiently provide oversight of these material risks, the Board has designated certain risk oversight responsibilities to relevant Board committees. The Audit Committee has the direct responsibility for risk oversight relating to accounting matters, financial reporting, enterprise, legal and compliance risks. To assist in this risk oversight function, the Audit Committee obtains assistance from the following: (1) our Chief Financial Officer, who is responsible for managing our risk management function, (2) our General Counsel, who is responsible for the Company's third party insurance programs and (3) our independent registered public accounting firm. The Audit Committee meets periodically with management and the independent auditors to review financial exposures. The Compensation Committee is responsible for risks related to employment policies and our compensation and benefits systems. The Nominating and Corporate Governance Committee oversees risks associated with our Code of Conduct, including compliance with listing standards for independent directors and committee assignments. The committee chairmen report any risk-related matters to the full Board at the next Board meeting and special meetings of the Board, if necessary.

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While the Board is responsible for risk oversight, the day-to-day risk management is the responsibility of the operating management and executive officers. Unlike some publicly traded companies, our executive officers maintain a significant ownership interest which results in an increased level of awareness about risk management and risk oversight throughout the management team and the Company.

Code of Ethics

The Company has a Code of Ethics that complies with the rules and regulations adopted by the SEC and NASDAQ listing standards and are applicable to all of our Directors, officers and employees. The Code of Ethics is available in the Investor Relations section of our website at www.prim.com. We intend to post amendments to, or waivers, if any, from our Code of Ethics (to the extent applicable to our Directors or its Chief Executive Officer, Principal Financial Officer, or Principal Accounting Officer) at this location on our website. Among other matters, this Code of Ethics is designed to promote:

- honest and ethical conduct;

- avoidance of conflicts of interest;

- full, fair, accurate, timely and understandable disclosure in reports and documents that we file with, or submit to, the SEC and in our other public communications;

- compliance with applicable governmental laws and regulations and stock exchange rules;

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