

SYNCHRONOSS TECHNOLOGIES INC

Form DEF 14A

April 10, 2007

Table of Contents

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

SCHEDULE 14A INFORMATION

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

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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

SYNCHRONOSS TECHNOLOGIES, INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

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

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

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

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

- o Fee paid previously with preliminary materials.
- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS To be Held May 10, 2007

PROXY STATEMENT FOR THE 2007 ANNUAL MEETING OF STOCKHOLDERS

QUESTIONS AND ANSWERS ABOUT THIS PROXY MATERIAL AND VOTING

PROPOSAL 1 ELECTION OF DIRECTORS

REPORT OF THE AUDIT COMMITTEE 1 The material in this report is not soliciting material, is not deemed filed with the SEC and is not to be incorporated by reference in any filing of Synchronoss Technologies, Inc. under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Proposal 2 RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

EQUITY SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

OTHER MATTERS

Table of Contents

April 10, 2007

Dear Stockholder:

You are cordially invited to attend the 2007 Annual Meeting of Stockholders of Synchronoss Technologies, Inc., which will be held at the Bridgewater Marriott Hotel, 700 Commons Way, Bridgewater, New Jersey 08807, on May 10, 2007, at 10:00 a.m. (local time).

Enclosed are the following:

our Notice of Annual Meeting of Stockholders and Proxy Statement for 2007;

our Annual Report on Form 10-K for 2006; and

a proxy card with a return envelope to record your vote.

Details of the business to be conducted at the Annual Meeting are given in the enclosed Notice of Annual Meeting and Proxy Statement. We encourage you to read these materials carefully.

It is important that your shares be represented and voted at the meeting. **WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, SIGN, DATE AND PROMPTLY RETURN THE ACCOMPANYING PROXY OR VOTING INSTRUCTION CARD IN THE PRE-ADDRESSED ENVELOPE PROVIDED, OR VOTE VIA THE INTERNET ACCORDING TO THE INSTRUCTIONS IN THE PROXY STATEMENT, AS SOON AS POSSIBLE TO ASSURE THAT YOUR SHARES WILL BE REPRESENTED AND VOTED AT THE ANNUAL MEETING. If you attend the Annual Meeting, you may vote your shares in person even though you have previously voted by proxy if you follow the instructions in the Proxy Statement.** As discussed in the Proxy Statement, returning the proxy or voting instruction card does not deprive you of your right to attend the Annual Meeting.

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

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

Sincerely,

Stephen G. Waldis
Chairman of the Board

Bridgewater, New Jersey
April 10, 2007

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

Table of Contents

SYNCHRONOSS TECHNOLOGIES, INC.

750 Route 202 South, Suite 600

Bridgewater, New Jersey 08807

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be Held May 10, 2007

To the Stockholders:

You are cordially invited to attend the Annual Meeting of Stockholders of Synchronoss Technologies, Inc., a Delaware corporation (the Company). The meeting will be held at the Bridgewater Marriott Hotel, 700 Commons Way, Bridgewater, New Jersey 08807, on May 10, 2007, at 10:00 a.m. (local time) for the following purposes:

1. To elect two members of the Company's Board of Directors to serve until the 2010 annual meeting of stockholders of the Company or until such persons' successors have been duly elected and qualified;
2. To ratify the selection by the Audit Committee of the Board of Directors of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending 2007; and
3. To act upon such other matters as may properly come before the meeting or any adjournments or postponements thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice. Only stockholders of record at the close of business on March 15, 2007, the record date, are entitled to notice of, and to vote at, the Annual Meeting and at any adjournments or postponements thereof. The stock transfer books will not be closed between the record date and the date of the Annual Meeting. A list of stockholders entitled to vote at the meeting will be available for inspection at Synchronoss' principal executive offices at the address listed above for the ten-day period prior to the Annual Meeting.

By order of the Board of Directors

Ronald J. Prague
Secretary

Bridgewater, New Jersey
April 10, 2007

IMPORTANT

You are cordially invited to attend the meeting in person. Whether or not you expect to attend the meeting, please complete, sign, date and promptly return the enclosed proxy card, or vote via the Internet as instructed in these materials, as promptly as possible in order to ensure your representation at the meeting. A return envelope (which is postage prepaid if mailed in the United States) is enclosed for your convenience. Even if you have voted by proxy, you may still vote in person if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must provide a valid proxy issued in your name from that record holder.

Table of Contents

**SYNCHRONOSS TECHNOLOGIES, INC.
750 Route 202 South, Suite 600
Bridgewater, New Jersey 08807**

**PROXY STATEMENT
FOR THE
2007 ANNUAL MEETING OF STOCKHOLDERS**

QUESTIONS AND ANSWERS ABOUT THIS PROXY MATERIAL AND VOTING

Why am I receiving these materials?

We sent you this Proxy Statement and the enclosed proxy card because the Board of Directors of Synchronoss Technologies, Inc. (sometimes referred to as the Company or Synchronoss) is soliciting your proxy to vote at the 2007 Annual Meeting of Stockholders (the Annual Meeting). You are invited 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 simply complete, sign and return the enclosed proxy card, or follow the instructions below to submit your proxy on the Internet. The Company intends to mail this Proxy Statement and accompanying proxy card on or about April 10, 2007 to all stockholders of record entitled to vote at the Annual Meeting.

Who can vote at the Annual Meeting?

Only stockholders of record at the close of business on March 15, 2007 will be entitled to vote at the Annual Meeting. On this record date, there were 32,315,252 shares of Company common stock (Common Stock) outstanding. All of these outstanding shares are entitled to vote at the Annual Meeting.

Stockholder of Record: Shares Registered in Your Name

If on March 15, 2007 your shares were registered directly in your name with the Company s transfer agent, American Stock Transfer & Trust Company, then you are a stockholder of record and may vote in person at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to fill out and return the enclosed proxy card or vote by proxy on the Internet as instructed below to ensure your vote is counted.

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

If on March 15, 2007 your shares were held in an account at a brokerage firm, bank, dealer, or other similar organization, then you are the beneficial owner of shares held in street name and these proxy materials are being forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker or other agent on 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 meeting unless you request and obtain a valid proxy from your broker or other agent.

What am I voting on?

There are two matters scheduled for a vote:

Election of Charles E. Hoffman and James M. McCormick as directors to the Company s Board of Directors to serve until the 2010 annual meeting of stockholders or until their successors have been duly elected and

qualified; and

Ratification of Ernst & Young LLP as the Company's independent registered public accounting firm for its fiscal year ending December 31, 2007.

Table of Contents

How do I vote?

You may either vote For all the nominees to the Board of Directors or you may abstain from voting for any nominee you specify. For the other matter to be voted on, you may vote For or Against or abstain from voting. The procedures for voting are fairly simple:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote in person at the Annual Meeting, vote by proxy using the enclosed proxy card or vote by proxy on the Internet. You may vote in person at the Annual Meeting only if you bring a form of personal picture identification with you. You may deliver your completed proxy card in person or you may vote by completing a ballot, which will be available at the meeting. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted.

To vote using the proxy card, simply complete, sign and date the enclosed proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us before the Annual Meeting, we will vote your shares as you direct.

To vote on the Internet, go to <http://www.voteproxy.com> to complete an electronic proxy card. You will be asked to provide the eleven-digit number beneath the account number on the enclosed proxy card. Your vote must be received by 11:59 p.m., Eastern Daylight Time on May 9, 2007 to be counted.

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

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

If you are a beneficial owner of shares registered in the name of your broker, bank, or other agent, you should have received instructions for granting proxies with these proxy materials from that organization rather than from the Company. A number of brokers and banks participate in a program provided through ADP Investor Communication Services which enables beneficial holders to grant proxies to vote shares via telephone or the Internet. If your shares are held by a broker or bank that participates in the ADP Investor Communication Services program, you may grant a proxy to vote those shares telephonically by calling the telephone number on the instructions received from your broker or bank, or via the Internet at ADP Investor Communication Services website at <http://www.proxyvote.com>.

To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker or bank included with these proxy materials, or contact your broker or bank to request a proxy form.

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of Common Stock you own as of March 15, 2007.

What if I return a proxy card but do not make specific choices?

If you return a signed and dated proxy card without marking any voting selections, your shares will be voted **For** the election of both nominees for director and **For** ratification of Ernst & Young LLP as the Company's independent registered public accounting firm. If any other matter is properly presented at the meeting, your proxy (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

Table of Contents

Can I change my vote after submitting my proxy?

Yes. You can revoke your proxy at any time before the final vote at the meeting. You may revoke your proxy in any one of three ways:

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

You may send a written notice that you are revoking your proxy to the Secretary of the Company at 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807.

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

Who is paying for this proxy solicitation?

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

What if I share an address with another stockholder?

A number of brokers with account holders who are Synchronoss Technologies, Inc. stockholders will be householding our proxy materials. A single proxy statement will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement and annual report, please notify your broker and direct your written request to Synchronoss Technologies, Inc., 750 Route 202 South, Suite 600, Bridgewater, NJ 08807 Attn: Secretary or contact Ronald J. Prague, Secretary at (866) 620-3940. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request householding of their communications should contact their broker.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, your shares are registered in more than one name or are registered in different accounts. Please complete, sign and return **each** proxy card to ensure that all of your shares are voted.

How are votes counted?

Votes will be counted by the inspector of election appointed for the meeting, who will separately count For and (with respect to proposals other than the election of directors) Against votes, abstentions and broker non-votes. Abstentions will be counted towards the vote total for each proposal, and will have the same effect as Against votes. Broker non-votes, as described in the next paragraph, have no effect and will not be counted towards the vote total for any proposal.

If your shares are held by your broker as your nominee (that is, in street name), you will need to obtain a proxy form from the institution that holds your shares and follow the instructions included on that form regarding how to instruct

your broker to vote your shares. If you do not give instructions to your broker, your broker can vote your shares with respect to discretionary items, but not with respect to non-discretionary items. Discretionary items are proposals considered routine under the rules of the New York Stock Exchange on which your broker may vote shares held in street name in the absence of your voting instructions. On non-discretionary items for which you do not give your broker instructions, the shares will be treated as broker non-votes.

Table of Contents

How many votes are needed to approve each proposal?

For the election of directors, the two nominees receiving the most For votes (among votes properly cast in person or by proxy) will be elected. Broker non-votes will have no effect.

To be approved, Proposal No. 2 to ratify the selection by the Audit Committee of the Board of Directors of Ernst & Young LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2007 must receive a For vote from the majority of issued and outstanding shares, present in person or represented by proxy at the Annual Meeting and entitled to vote thereon either in person or by proxy. If you Abstain from voting, it will have the same effect as an Against vote. Broker non-votes will have no effect.

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

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if a majority of all outstanding shares are represented by stockholders present at the meeting or by proxy. On the record date, there were 32,315,252 shares of Common Stock outstanding and entitled to vote. Thus 16,157,627 shares must be represented by stockholders present at the meeting or by proxy to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy vote or vote at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement.

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

Preliminary voting results will be announced at the Annual Meeting. Final voting results will be published in the Company's quarterly report on Form 10-Q for the second quarter of 2007.

When are stockholder proposals due for next year's Annual Meeting?

If you wish to submit a proposal for inclusion in next year's proxy materials or nominate a director, your proposal must be in proper form according to SEC Regulation 14A and Rule 14a-8, in conformance with the Company's Bylaws and submitted in writing to Synchronoss Technologies, Inc., 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807 Attn: Secretary to be received no later than the close of business on December 12, 2007. If you wish to submit a proposal to be presented at the 2008 Annual Meeting of Stockholders but which will not be included in the Company's proxy materials, your proposal must be submitted in writing and in conformance with our Bylaws to Synchronoss Technologies, Inc., 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807 Attn: Secretary not before January 25, 2008 and no later than February 23, 2008. As the rules of the SEC make clear, simply submitting a proposal does not guarantee that it will be included. You are advised to review the Company's Bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. You may obtain a copy of the Company's Bylaws by writing to Synchronoss Technologies, Inc., 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807, Attn: Secretary.

Table of Contents**PROPOSAL 1****ELECTION OF DIRECTORS**

Our Board of Directors currently consists of six directors and will consist of five directors following the Annual Meeting. Scott Yaphe has informed us that he intends to resign as a director of the Company effective as of May 10, 2007.

The two directors who are nominated for election to the Board of Directors this year, their ages as of April 10, 2007, their positions and offices held with the Company and certain biographical information are set forth below. Each director to be elected will hold office until the 2010 Annual Meeting of Stockholders and until his successor is elected, or until the director's death, resignation or removal. Each of the nominees listed below is currently a director of the Company who was previously elected by the stockholders. It is the Company's policy to encourage nominees for director to attend the Annual Meeting.

Directors are elected by a plurality of the votes properly cast in person or by proxy. The two nominees receiving the highest number of affirmative votes will be elected. Shares represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the two nominees named below. If any nominee becomes unavailable for election as a result of an unexpected occurrence, your shares will be voted for the election of a substitute nominee proposed by our current Board of Directors, if any. Each person nominated for election has agreed to serve if elected. We have no reason to believe that any nominee will be unable to serve.

Name	Age	Positions and Offices Held with the Company
Charles E. Hoffman	58	Director
James M. McCormick	47	Director

Nominees

Charles E. Hoffman, 58, has been a member of our board of directors since June 2006. Mr. Hoffman has served as the President and Chief Executive Officer of Covad Communications Group, Inc. since joining Covad in 2001. Prior to 2001, Mr. Hoffman was President and Chief Executive Officer of Rogers AT&T. Prior to his time with Rogers, Mr. Hoffman served as President, Northeast Region, for Sprint PCS. Preceding his time with Sprint PCS, Mr. Hoffman spent 16 years at SBC Communications in various senior management positions, including Managing Director-Wireless for SBC International. Mr. Hoffman also serves as a director of Chordiant Software, Inc. Mr. Hoffman received a bachelor of science degree and a master in business administration degree from the University of Missouri, St. Louis.

James M. McCormick, 47, is a founder of Synchronoss, has been a member of our board of directors since the Company's inception in 2000 and served as our Treasurer from September 2000 until December 2001. Mr. McCormick is founder and Chief Executive Officer of Vertek Corporation, a privately held professional services company serving the telecommunications industry. Prior to founding Vertek in 1988, Mr. McCormick was a member of the Technical Staff at AT&T Bell Laboratories. Mr. McCormick received a bachelor of science in computer science from the University of Vermont and a master of science degree in computer science from the University of California Berkeley.

**THE BOARD OF DIRECTORS RECOMMENDS
A VOTE IN FAVOR OF EACH NAMED NOMINEE.**

Continuing Director Term Ending in 2008

Thomas J. Hopkins, 50, has been a member of our board of directors since December 2004. Mr. Hopkins is a Managing Director of Colchester Capital, LLC, an investment and advisory firm. Prior to Colchester Capital, Mr. Hopkins was involved in investment banking, principally at Deutsche Bank (and its predecessor Alex, Brown & Sons), Goldman, Sachs & Co. and Bear Stearns. He began his investment banking career at Drexel Burnham Lambert. Prior to investment banking, Mr. Hopkins was a lawyer for several years. Mr. Hopkins received a bachelor of arts degree from Dartmouth College, a juris doctorate from Villanova

Table of Contents

University School of Law and a master in business administration degree from the Wharton School at the University of Pennsylvania.

Continuing Directors Term Ending in 2009

William J. Cadogan, 58, has been a member of our board of directors since October 2005. From April 2001 until December 2006, Mr. Cadogan served as a Senior Managing Director with Vesbridge Partners, LLC, formerly St. Paul Venture Capital, a venture capital firm. Mr. Cadogan served as Chief Executive Officer and Chairman of the board of directors of Mahi Networks, Inc., a leading supplier of multi-service optical transport and switching solutions, from November 2004 until its merger with Meriton Networks in October 2005. Prior to joining St. Paul Venture Capital in April 2001, Mr. Cadogan was Chairman and Chief Executive Officer of Minnesota-based ADC, Inc., a leading global supplier of telecommunications infrastructure products and services. Mr. Cadogan received a bachelor's degree in electrical engineering from Northeastern University and a master in business administration degree from the Wharton School at the University of Pennsylvania.

Stephen G. Waldis, 39, has served as Chairman of the Board of Directors since February of 2001 and has served as our President and Chief Executive Officer since founding Synchronoss in 2000. From 1994 to 2000, Mr. Waldis served as Chief Operating Officer at Vertek. From 1992 to 1994, Mr. Waldis served as Vice President of Sales and Marketing of Logical Design Solutions, a provider of telecom and interactive solutions. From 1989 to 1992, Mr. Waldis worked in various technical and product management roles at AT&T. Mr. Waldis received a degree in corporate communications from Seton Hall University.

Board of Directors and Committees of the Board

Meetings. During 2006, our board of directors held four regular meetings, six special meetings and acted by unanimous written consent on one other occasion. Each director attended at least 75% of the meetings of our board of directors and of each committee of which he served as a member during the period in which he served.

Independence of the Board of Directors. As required under the Nasdaq Global Market (Nasdaq) listing standards, a majority of the members of a listed company's board of directors must qualify as independent, as affirmatively determined by the board of directors. Our Board of Directors consults with our counsel to ensure that the Board of Directors' determinations are consistent with all relevant laws and regulations regarding the definition of independent, including those set forth in pertinent listing standards of Nasdaq, as in effect from time to time. Consistent with those considerations, after review of all relevant transactions or relationships between each director, or any of his family members, and the Company, its senior management and its independent registered public accounting firm, our Board of Directors has affirmatively determined that all of our directors are independent directors within the meaning of the applicable Nasdaq listing standards except for Stephen G. Waldis and James M. McCormick.

As required under Nasdaq listing standards, our independent directors meet in regularly scheduled executive sessions at which only independent directors are present. Mr. Cadogan presides over these executive sessions. Stockholders interested in communicating with the independent directors regarding their concerns or issues may address correspondence to a director, or to the independent directors generally, in care of Synchronoss Technologies, Inc. at 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807, Attn: Secretary. The Secretary has the authority to disregard any inappropriate communications or to take other appropriate actions with respect to any inappropriate communications. If deemed an appropriate communication, the Secretary will forward it, depending on the subject matter, to the chairperson of a committee of the Board or a particular director, as appropriate.

Board Structure and Committees. Our Board of Directors has established an Audit Committee, a Compensation Committee and a Nominating/Corporate Governance Committee. Our Board of Directors has delegated various

responsibilities and authority to its committees as generally described below. The Board of Directors has determined that each member of the Audit, Compensation and Nominating/Corporate Governance Committees meets applicable rules and regulations regarding independence and that each such member is free of any relationship that would interfere with his individual exercise of independent judgment

Table of Contents

with regard to the Company. The following table provides membership and meeting information for each of the Board of Directors committees during 2006:

Name	Audit	Compensation(2)	Nominating/Corporate Governance
Stephen G. Waldis			
William J. Cadogan	X	X(1)	X(1)
Charles E. Hoffman		X	
Thomas J. Hopkins	X(1)	X	
James McCormick			X
Scott Yaphe(3)	X		X
Total meetings in fiscal year 2006	5	8	1

(1) Committee Chairperson

(2) James McCormick resigned from the Compensation Committee on November 30, 2006.

(3) Scott Yaphe has informed us that he intends to resign from the Board effective as of May 10, 2007.

Audit Committee. The Audit Committee of our Board of Directors reviews and monitors our corporate financial statements and reporting and our external audits, including, among other things, our internal controls and audit functions, the results and scope of the annual audit and other services provided by our independent registered public accounting firm and our compliance with legal matters that have a significant impact on our financial statements. Our Audit Committee also consults with our management and our independent registered public accounting firm prior to the presentation of financial statements to stockholders and, as appropriate, initiates inquiries into aspects of our financial affairs. Our Audit Committee is responsible for establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and for the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters. In addition, our Audit Committee is directly responsible for the appointment, retention, compensation and oversight of the work of our independent registered public accounting firm, including approving services and fee arrangements. All related party transactions will be approved by our Audit Committee before we enter into them. Our Audit Committee charter can be found on the investor relations section of our website at www.synchronoss.com. Three directors comprise the Audit Committee: Thomas J. Hopkins, William J. Cadogan and Scott Yaphe. The Audit Committee met five times during 2006.

Our Board of Directors annually reviews the Nasdaq listing standards definition of independence for Audit Committee members and has determined that all members of our Audit Committee are independent (as independence is currently defined in Rule 4350(d)(2)(A)(i) and (ii) of the Nasdaq listing standards). In addition to qualifying as independent under the Nasdaq rules, each member of our Audit Committee can read and has an understanding of fundamental financial statements. Our Board of Directors has determined that Thomas J. Hopkins, Chairman of the Audit Committee, is an audit committee financial expert as defined by Item 407(d) of Regulation S-K of the Exchange Act. Our Board of Directors made a qualitative assessment of Mr. Hopkins' level of knowledge and experience based on a number of factors, including his formal education and experience. The designation does not impose on Mr. Hopkins any duties, obligations or liability that are greater than are generally imposed on him as a member of our Audit Committee and our Board of Directors, and his designation as an Audit Committee financial expert pursuant to this SEC requirement does not affect the duties, obligations or liability of any other member of our Audit Committee or

Board of Directors.

Compensation Committee. The Compensation Committee of our Board of Directors reviews, makes recommendations to the Board and approves our compensation policies and all forms of compensation and other benefits to be provided to our employees (including our executive officers and directors), including, among other things, annual salaries, bonuses, stock options, restricted stock grants and other incentive compensation arrangements. In addition, our Compensation Committee administers our stock option plans, including reviewing and granting stock options and restricted stock grants, with respect to our directors and employees (including executive officers). Our Compensation Committee also reviews and approves other

Table of Contents

aspects of our compensation policies and matters. A more detailed description of the Compensation Committee's functions can be found in our Compensation Committee charter. The charter can be found on the investor relations section of our website at www.synchronoss.com. All members of our Compensation Committee are independent (as independence is currently defined in Rule 4200(a)(15) of the Nasdaq listing standards). Our Compensation Committee met eight times during 2006. Three directors comprise our Compensation Committee: William J. Cadogan, Charles E. Hoffman and Thomas J. Hopkins. James M. McCormick served as a member of our Compensation Committee until his resignation from our Compensation Committee on November 30, 2006.

Neither Mr. Waldis, our Chief Executive Officer, nor Mr. Irving, our Chief Financial Officer, participates in the determination of his own compensation or the compensation of directors. However, Mr. Waldis and Mr. Irving do make recommendations to our Compensation Committee regarding the amount and the form of the compensation of the other executive officers and key employees and often participate in our Compensation Committee's deliberations about their compensation. No other executive officers participate in the determination of the amount or form of the compensation of executive officers or directors.

Our Compensation Committee has retained Watson Wyatt Worldwide, a human resources consulting firm (Watson Wyatt), as its independent compensation consultant. Watson Wyatt serves at the pleasure of the Compensation Committee rather than the Company and its fees are approved by the Compensation Committee. Watson Wyatt provides the Compensation Committee with data about the compensation paid by our peer group and other employers who compete with the Company for executive talent, updates the Compensation Committee on new developments in areas that fall within the Compensation Committee's jurisdiction and is available to advise the Compensation Committee regarding all of its responsibilities. Watson Wyatt also provides data and recommendations concerning the compensation of directors.

Compensation Committee Interlocks and Insider Participation. None of the members of our Compensation Committee was at any time during the 2006 fiscal year an officer or employee of the Company. No executive officer serves as a member of the Board of Directors or Compensation Committee of any other entity that has one or more executive officers serving as a member of our Board of Directors or Compensation Committee. In 2006, we did not make any loans to directors or executive officers relating to purchases of our common stock.

Nominating/Corporate Governance Committee. The Nominating/Corporate Governance Committee of our Board of Directors reviews and reports to our Board of Directors on a periodic basis with regard to matters of corporate governance, and reviews, assesses and makes recommendations on the effectiveness of our corporate governance policies. In addition, our Nominating/Corporate Governance Committee reviews and makes recommendations to our Board of Directors regarding the size and composition of our Board of Directors and the appropriate qualities and skills required of our directors in the context of the then current make-up of our Board of Directors. This includes an assessment of each candidate's independence, personal and professional integrity, financial literacy or other professional or business experience relevant to an understanding of our business, ability to think and act independently and with sound judgment and ability to serve our stockholders' long-term interests. These factors, and others as considered useful by our Nominating/Corporate Governance Committee, are reviewed in the context of an assessment of the perceived needs of our Board of Directors at a particular point in time. As a result, the priorities and emphasis of our Nominating/Corporate Governance Committee and of our Board of Directors may change from time to time to take into account changes in business and other trends, and the portfolio of skills and experience of current and prospective directors.

Our Nominating/Corporate Governance Committee charter can be found on the investor relations section of our website at www.synchronoss.com. The members of our Nominating/Corporate Governance Committee are William J. Cadogan, James M. McCormick and Scott Yaphe. All members of the Nominating/Corporate Governance Committee other than Mr. McCormick are independent (as independence is currently defined in Rule 4200(a)(15) of the Nasdaq

listing standards). The Nominating/Corporate Governance Committee held one meeting during 2006. Our Nominating/Corporate Governance Committee has established procedures for the nomination process and leads the search for, selects and recommends candidates for election to our Board of

Table of Contents

Directors. Consideration of new director candidates typically involves a series of committee discussions, the review of information concerning candidates and interviews with selected candidates. Candidates for nomination to our Board of Directors typically have been suggested by other members of our Board of Directors or by our executive officers. From time to time, our Nominating/Corporate Governance Committee may engage the services of a third-party search firm to identify director candidates. Our Nominating/Corporate Governance Committee also considers candidates proposed in writing by stockholders, provided such proposal meets the eligibility requirements for submitting stockholder proposals for inclusion in our next proxy statement and is accompanied by certain required information about the candidate. Candidates proposed by stockholders will be evaluated by our Nominating/Corporate Governance Committee using the same criteria as for all other candidates.

Code of Business Conduct. Our Board of Directors has adopted a code of business conduct that applies to all of our employees, officers (including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) and directors. The full text of our code of business conduct is posted on our website at www.synchronoss.com. If the Company makes any substantive amendments to the code of business conduct or grants a waiver from a provision of the code to any executive officer or director, the Company will promptly disclose the nature of the amendment or waiver on its website.

Stockholder Communications with the Board of Directors

Stockholders may communicate with the Board by sending a letter to Synchronoss Technologies, Inc., 750 Route 202 South, Suite 600, Bridgewater, New Jersey 08807, Attention: Secretary. Each such communication should set forth (i) the name and address of such stockholder, as they appear on our books and, if the shares of our Common Stock are held by a nominee, the name and address of the beneficial owner of such shares, and (ii) the number of shares of our Common Stock that are owned of record by such record holder and beneficially by such beneficial owner. The Secretary will review all communications from stockholders and regularly forward to the Board all correspondence that, in his opinion, deals with the functions of the Board or committees thereof, or that he otherwise determines to be appropriate for their attention.

Table of Contents**Director Compensation**

The following table sets forth all of the compensation awarded to, earned by, or paid to each person who served as a director during 2006, other than a director who also served as a named executive officer.

Name(a)	Fees Earned or Paid in Cash \$(b)	Stock Awards \$(c)	Option Awards \$(6)(d)	All Other Compensation \$(e)	Total \$(f)
William J. Cadogan(1)	52,500		78,532		131,032
Charles E. Hoffman(2)	20,000		70,118		90,118
Thomas Hopkins(3)	45,000		78,532		123,532
James McCormick(4)	35,000		78,532		113,532
Scott Yaphe(5)	37,500		78,532		116,032

- (1) Mr. Cadogan serves as the chair of both the Nominating/Corporate Governance Committee and Compensation Committee, and is a member of the Audit Committee.
- (2) Mr. Hoffman is a member of the Compensation Committee.
- (3) Mr. Hopkins serves as the chair of the Audit Committee and is a member of the Compensation Committee.
- (4) Mr. McCormick is a member of the Nominating/Corporate Governance Committee.
- (5) Mr. Yaphe is a member of the Nominating/Corporate Governance Committee and the Audit Committee. Mr. Yaphe has assigned his rights to any compensation and options received by him as a director to Calvert Capital Management Company
- (6) The value of option awards granted to our directors has been estimated pursuant to SFAS No. 123(R) for 2006. For the assumptions used for SFAS No. 123(R) value, see Footnote 2 to the Financial Statements for the Annual Report on Form 10-K for the year ended December 31, 2006. Our directors will not realize the estimated value of these awards until these awards are vested and exercised or sold. As of December 31, 2006, each director held options to purchase 25,000 shares Common Stock, the initial grant of options granted to the director in 2006.

Each non-employee member of our Board of Directors is entitled to receive an annual retainer of \$25,000. In addition, each non-employee director serving on our Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee is entitled to an annual retainer of \$7,500, \$5,000 and \$5,000, respectively, and the chair of each such committee is entitled to an additional annual retainer of \$15,000, \$10,000 and \$10,000, respectively. The retainer fees will be paid in four quarterly payments on the first day of each calendar quarter. Non-employee directors are also entitled to an initial stock option award to purchase 35,000 shares of our common stock upon such director's election to our Board of Directors under our 2006 Equity Incentive Plan. The option will become exercisable for 33% of the shares after one year of service as a director, with the balance vesting in equal monthly installments over the remaining two years. On the first Tuesday in January of each year, each non-employee director will receive an annual stock option award to purchase 10,000 shares of our common stock, which will vest in equal monthly installments over the following year. All such options will be granted at the fair market value on the date of the award. We

currently have a policy to reimburse directors for travel, lodging and other reasonable expenses incurred in connection with their attendance at board and committee meetings.

Table of Contents

Compensation of Executive Officers

Compensation Discussion and Analysis

This section discusses the principles underlying our executive compensation decisions and the most important factors relevant to an analysis of these decisions. It provides qualitative information regarding the manner and context in which compensation is awarded to and earned by our executive officers and places in perspective the data presented in the tables and other quantitative information that follows this section. The following discussion and analysis contains statements regarding future individual and company performance targets and goals. These targets and goals are disclosed in the limited context of our compensation programs and should not be understood to be statements of management's expectations or estimates of results or other guidance. We specifically caution investors not to apply these statements to other contexts.

Our compensation of executives is designed to attract, as needed, individuals with the skills necessary for us to achieve our business plan, to reward those individuals fairly over time, and to retain those individuals who continue to perform at or above our expectations. The objective of our executive compensation program is to align executive compensation with our long-term business objectives and performance. We rely upon judgment and not upon rigid guidelines or formulas in determining the amount and mix of compensation elements for each executive officer. Factors affecting our judgments include the nature and scope of the executive officer's responsibilities and his effectiveness in leading our initiatives to achieve corporate goals. We believe that the skill, talent, judgment and dedication of our executive officers are critical factors affecting the long-term value of our company. Therefore, our goal is to maintain an executive compensation program that will attract and retain qualified executives who are able to contribute to our long-term success and motivate them to a high level of performance.

Our executives' compensation has three primary components—salary, a yearly cash bonus, and stock option and/or restricted stock awards granted pursuant to our 2006 Equity Incentive Plan. These elements implement the compensation philosophy described above: (i) the salary component is designed to attract executives and reward satisfactory performance; (ii) the bonus component is tied to the Company's overall performance and an individual executive's contribution to our broader goals; and (iii) the option/restricted stock component is designed to retain key executives and align their ownership interests with our long-term success. In addition to these three compensation elements, we provide our executives with benefits that are generally available to our salaried employees.

We account for equity compensation paid to our employees under the rules of FAS 123(R), which requires us to estimate and record an expense over the service period of the award. Accounting rules also require us to record cash compensation as an expense at the time the obligation is incurred. We structure cash bonus compensation so that it is taxable to our employees at the time it becomes available to them.

Our Compensation Committee's current intent is to perform at least annually a strategic review of our executive officers' base compensation and restricted stock