

Primoris Services Corp
Form DEF 14A
April 11, 2017
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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 X

Filed by a Party other than the Registrant O

Check the appropriate box:

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

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.
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- (1) Amount Previously Paid:
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 - (3) Filing Party:
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-

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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 2017 Annual Meeting of Stockholders of Primoris Services Corporation, a Delaware corporation (NASDAQ:PRIM), to be held on Friday, May 5, 2017, at 9:00 a.m., Central Time, in the Maple Room at the Ritz-Carlton Hotel, located at 2121 McKinney Avenue, Dallas, Texas 75201.

During the Annual Meeting, we will discuss each item of business described in the accompanying Notice of the 2017 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, 2016, a copy of which is included with the 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 to 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

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PROXY STATEMENT

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2100 McKinney Avenue, Suite 1500

Dallas, Texas 75201

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**NOTICE OF THE
2017 ANNUAL MEETING OF STOCKHOLDERS**

To Be Held On May 5, 2017

April 10, 2017

To our Stockholders:

The 2017 Annual Meeting of Stockholders of Primoris Services Corporation, a Delaware corporation, will be held on Friday, May 5, 2017, at 9:00 a.m., Central Time, in the Maple Room at the Ritz-Carlton Hotel, located at 2121 McKinney Avenue, Dallas, Texas 75201.

Only stockholders that owned shares of our common stock at the close of business on April 6, 2017 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:

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1. to elect three Class C Directors to hold office for a three-year term expiring at the Annual Meeting of Stockholders to be held in 2020 or until a successor is elected and qualified. The Board of Directors has nominated Robert A. Tinstman, David L. King and John P. Schauerma n for election as Class C Directors at the meeting;
2. to provide a non-binding advisory vote approving the Company's executive compensation program;
3. to provide a non-binding advisory vote on the proposed timeline for seeking executive compensation advisory votes in the future;
4. to ratify the appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017; 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
Executive Vice President, General Counsel and Secretary

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2100 McKinney Avenue, Suite 1500

Dallas, Texas 75201

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PROXY STATEMENT

FOR THE

2017 ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON MAY 5, 2017

SOLICITATION

This Proxy Statement, being mailed and made available electronically (on our Company website at *www.prim.com*) to stockholders on or about April 10, 2017, is being sent to you by the Board of Directors (the **Board) of Primoris Services Corporation in connection with our 2017 Annual Meeting of Stockholders (the **Annual Meeting**). The Annual Meeting will take place at 9:00 a.m. Central Time, on Friday, May 5, 2017, in the Maple Room at the Ritz-Carlton Hotel, located at 2121 McKinney Avenue, 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 three Class C Directors, will vote on an advisory, non-binding basis, on the Company's executive compensation program and the proposed timeline for seeking executive compensation non-binding advisory votes in the future 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, 2017. 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

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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 as of April 6, 2017 (the Record Date), or their duly appointed proxies, may attend the Annual Meeting. You may need to bring personal identification. Gaining admission to the Annual Meeting depends on how your stock ownership is recorded with 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 directly in your name 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 51,437,305 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. There is no stockholder statutory right of appraisal or dissent with respect to any matters 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

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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.

Stockholder of record & beneficial owner

All stockholders are invited to attend the Annual Meeting. All shares that have been properly voted and not revoked will be voted at the Annual Meeting. 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 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.

Voting in person at the Annual Meeting You may vote in person at the Annual Meeting. If you choose to do so, please bring the enclosed proxy card and 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.

Voting without attending the Annual Meeting Please complete and properly sign and date the accompanying proxy card and return it to the Transfer Agent in the accompanying pre-addressed envelope.

Changing your vote after returning your proxy card 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; or
- executing and delivering a later dated proxy card to our Secretary; or
- attending and voting by ballot in person at the Annual Meeting.

Beneficial Owner of Shares

If your shares are held in a stock brokerage account, 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 the stockholder of record how to vote your shares. Your broker, bank or nominee has enclosed a voting instruction card for your use.

Voting without attending the Annual Meeting Please follow the instructions provided by your broker, bank or nominee. You may vote by mail by completing, signing and dating the voting instruction cards provided by your broker, bank or nominee and mailing them to such entities in the accompanying pre-addressed envelopes.

Changing your vote after returning your proxy card You may submit new voting instructions by contacting your broker, bank or other nominee. You may also vote at the Annual Meeting in person by following the instructions in the next section below.

Voting in person at the Annual Meeting You may vote in person at the Annual Meeting by obtaining a signed legal proxy from the record holder (e.g., your broker, bank or nominee) prior to the meeting. Please bring your signed legal proxy and proof of identification to the meeting.

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 individual receiving the largest number of votes for each position will be elected.

In voting on Proposal 1, the election of Directors, you may vote FOR the nominee or your vote may be WITHHELD with respect to the nominee. A properly executed proxy marked ABSTAIN with respect to any other matter will not be voted,

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although it will be counted for purposes of determining whether there is a quorum. An abstention on any matter other than election of Directors will have the effect of a negative vote on that matter. If you are a beneficial owner, 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 Executive 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 a Form 8-K filing 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 C Directors.

- FOR Proposal No. 2, the advisory, non-binding vote approving the Company's executive compensation program.

- FOR Proposal No. 3, the advisory, non-binding vote on the proposed timeline for seeking executive compensation advisory votes in the future, the Board recommends a 3-year timeline.

- FOR Proposal No. 4 to ratify the appointment of Moss Adams, LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

Unless you give other instructions on your proxy card, the individual(s) 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 or by a proxy solicitation firm. 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 2018 Annual Meeting

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 2018 proxy materials must be received on or before the close of business on the day that is 120 days prior to March 31, 2018. Proposals for inclusion in our 2018 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 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 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

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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 2018 Annual Meeting of Stockholders in early 2018.

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 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 2018 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.

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.

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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 and discussed on page 15 in the section entitled Selection of Board Nominees . All Directors and Director nominees will be required to submit a completed directors and officers questionnaire as part of the nominating process. At the discretion of the Nominating and Corporate Governance Committee, the process may also include interviews and additional background and reference checks for non-incumbent nominees.

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, nor 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 eight 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 the Class C Directors Robert A. Tinstman, David L. King and John P. Schauerman expire at the upcoming 2017 Annual Meeting.

In February 2017, the Board of Directors Nominating and Corporate Governance Committee recommended to the Board the nomination of Robert A. Tinstman, David L. King and John P. Schauerman for re-election as Class C Directors for three-year terms expiring at the 2020 Annual Meeting, or until their successors are elected and qualified or their earlier death, resignation or removal. These recommendations were adopted unanimously by the Board. If the nominees become unavailable for any reason, or if any vacancy occurs before the election at the 2017 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 nominees receiving the highest number of votes will be elected as Class C 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.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ROBERT A. TINSTMAN, DAVID L. KING AND JOHN P. SCHAUERMAN AS CLASS C DIRECTORS TO HOLD OFFICE UNTIL OUR ANNUAL MEETING OF STOCKHOLDERS TO BE HELD IN 2020 OR UNTIL THEIR RESPECTIVE SUCCESSORS ARE DULY ELECTED AND QUALIFIED OR UPON THEIR EARLIER DEATH, RESIGNATION OR REMOVAL.

Information Regarding Directors and Director Nominees

The following table sets forth information regarding our current Directors, including the Class C Director nominees up for election at the Annual Meeting. There are no family relationships among any Directors, nominees or named executive officers of the Company. To our knowledge, there are no material proceedings to which any Director or executive officer is a party adverse to the Company or has a material interest adverse to the Company.

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Name	Position with our Company	Age	Director Since
<i>Class C Directors whose terms will expire at the 2017 Annual Meeting and are re-nominated for terms ending at the 2020 Annual Meeting:</i>			
Robert A. Tinstman	Independent Director	70	2009
David L. King	Director, President and Chief Executive Officer	64	2015
John P. Schauerman	Independent Director	60	2016
<i>Class A Directors whose terms will expire at the 2018 Annual Meeting:</i>			
Brian Pratt	Director and Chairman of the Board	65	2008
Thomas E. Tucker	Independent Director	74	2008
Peter C. Brown	Independent Director	73	2009
<i>Class B Directors whose term will expire at the 2019 Annual Meeting:</i>			
Stephen C. Cook	Independent Lead Director	67	2008
Peter J. Moerbeek	Director, Executive Vice President, Chief Financial Officer	69	2008

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The person named in the enclosed proxy card will vote to elect Robert A. Tinstman, David L. King and John P. Schauerman as Class C 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.