

NCR CORP
Form DEF 14A
March 15, 2019
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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

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

NCR CORPORATION

(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.

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- (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):

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March 15, 2019

NCR Stockholders,

Thank you for your support and for welcoming me as I assumed the role of NCR's President and Chief Executive Officer in April 2018.

Upon joining NCR, one of my first priorities was to meet with many of our employees and customers. During my travels, I was consistently struck by the power of the NCR brand. Everywhere we went, the NCR brand preceded us. NCR has a brand that lets us walk into any bank, any retailer and any restaurant in the world. I also saw the passion and enthusiasm of our 34,000 employees worldwide and the strength and differentiation of our global sales, service and distribution network.

However, I also found many opportunities for needed improvement, including elevating our focus on the customer, simplifying and streamlining NCR and getting high quality products to market in a timely fashion. So, we spent a substantial portion of 2018 getting back to the basics to better align NCR for growth.

We focused on taking care of our customers, improving execution around new product introductions and breaking down organizational silos through our Accelerated Customer Activation Teams (ACATs). ACATs are co-located, cross-functional teams with a single goal – deliver products that are customer referenceable. We also significantly evolved the composition of the NCR Executive Leadership Team. Additionally, we entered 2019 organized for success, focus and accountability by forming new Business Units dedicated to Banking, Retail and Hospitality. These initiatives established the foundation to build a stronger, more efficient NCR and elevated the deep connections that we have with our customers.

Our team also focused on our long-term growth strategy, which we unveiled at the New York Stock Exchange in November 2018. There, we highlighted our plan for creating stockholder value. This plan is driven by three components. First, invest in top-line revenue growth. Second, shift our business mix to recurring revenue streams and software and services-led offerings. Third, optimize NCR's spend to improve operating margins.

We will seek to drive top-line revenue growth by investing in six strategic growth platforms. These platforms are product areas where we believe we have differentiators that we can leverage to achieve our growth objectives. In addition to these growth areas, we will continue to make acquisitions that expand our product offerings, add value to existing products or give us closer connections to our customers through new sales and services channels. For example, our acquisition of JetPay gives us an end-to-end payments platform and unlocks incremental recurring revenue streams.

Our priority for 2019 is clear: return to profitable growth. NCR enters 2019 with improving execution and a very simple goal – keep our customers happy and satisfied so that they come back and buy more.

We have made tremendous progress. I am proud of our team and their commitment to our customers, as well as the energy and excitement they have shown in support of reshaping the future of NCR.

While there is more work left to be done, I believe we are on the right path to returning NCR to growth and elevating the value we offer to our global customers. We are well-positioned to help retailers, banks and restaurants compete in

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an evolving landscape of physical and digital consumers.

Thank you for your confidence in NCR, as well as your continued feedback and for sharing our vision of NCR's future.

Sincerely,

Michael D. Hayford

President and Chief Executive Officer

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**NOTICE OF 2019 ANNUAL MEETING
AND PROXY STATEMENT**

March 15, 2019

Dear Fellow NCR Stockholder:

I am pleased to invite you to attend the 2019 Annual Meeting of Stockholders (the Annual Meeting) for NCR Corporation, a Maryland corporation (NCR or the Company), that will be held on April 24, 2019, at 9:00 a.m. Eastern Time. This year s Annual Meeting will again be a virtual meeting of stockholders. You will be able to attend the Annual Meeting and vote and submit questions during the Annual Meeting via a live webcast by visiting www.virtualshareholdermeeting.com/NCR2019. As in the past, prior to the Annual Meeting you will be able to authorize a proxy to vote your shares at www.proxyvote.com on the matters submitted for stockholder approval at the Annual Meeting, and we encourage you to do so.

The accompanying notice of the Annual Meeting and proxy statement tell you more about the agenda and procedures for the Annual Meeting. The proxy statement also describes how the Board of Directors of the Company operates and provides information about our director candidates, director and executive officer compensation and certain corporate governance matters. I look forward to sharing more information with you about NCR at the Annual Meeting.

As in prior years, we are offering our stockholders the option to receive NCR s proxy materials via the Internet. We believe this option allows us to provide our stockholders with the information they need in an environmentally conscious form and at a reduced cost.

Your vote is important. Whether or not you plan to virtually attend the Annual Meeting, I urge you to authorize a proxy to vote your shares as soon as possible. You may authorize a proxy to vote your shares on the Internet or by telephone, or, if you received the proxy materials by mail, you may also authorize a proxy to vote your shares by mail. Your vote will ensure your representation at the Annual Meeting regardless of whether you attend via webcast on April 24, 2019.

Sincerely,

Frank M. Martire

Executive Chairman

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS OF NCR CORPORATION

Time:

9:00 a.m. Eastern Time

Date:

Wednesday, April 24, 2019

Place:

Virtual Meeting via webcast at www.virtualshareholdermeeting.com/NCR2019

Purpose:

The holders of shares of common stock, par value \$0.01 per share (the "common stock"), and shares of Series A Convertible Preferred Stock, liquidation preference \$1,000 per share (the "Series A Convertible Preferred Stock"), of NCR Corporation, a Maryland corporation ("NCR" or the "Company") will, voting together as a single class, be asked to:

Consider and vote upon the election of eight directors identified in this proxy statement to serve until the next annual meeting of stockholders following their election and until their respective successors are duly elected and qualify;

Consider and vote to approve, on an advisory basis, the compensation of the named executive officers (Say On Pay), as described in these proxy materials;

Consider and vote upon the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019;

Consider and vote upon a directors' proposal to amend and restate the charter of the Company to eliminate the supermajority provisions contemplated by the Maryland General Corporation Law and the Company's charter and make certain conforming changes to the charter; and

Transact such other business as may properly come before the Annual Meeting and any postponement or adjournment of the Annual Meeting.

The holders of the Series A Convertible Preferred Stock will, voting as a separate class, be asked to:

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Consider and vote upon the election of two directors identified in this proxy statement to serve until the next annual meeting of stockholders following their election and until their respective successors are duly elected and qualify.

Other Important Information:

Record holders of NCR's common stock and Series A Convertible Preferred Stock at the close of business on February 22, 2019 may vote at the meeting.

Your shares cannot be voted unless they are represented by proxy or in person by the record holder attending the meeting via webcast. **Even if you plan to attend the meeting via webcast, please authorize a proxy to vote your shares.**

If you wish to attend the webcast at a location provided by the Company, the Company's Maryland counsel, Venable LLP, will air the webcast at its offices located at 750 E. Pratt Street, Suite 900, Baltimore, MD 21202. Please note that no members of management or the Board of Directors will be in attendance at this location. If you wish to attend the meeting webcast at Venable LLP's office, please follow the directions for doing so set forth on the 2019 Annual Meeting of Stockholders Reservation Request Form found at the end of this proxy statement.

By order of the Board of Directors,

James M. Bedore

Executive Vice President, General Counsel and Secretary

March 15, 2019

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on April 24, 2019

This proxy statement and NCR's 2018 Annual Report on Form 10-K are available at www.proxyvote.com.

NCR Corporation

864 Spring Street NW

Atlanta, Georgia 30308-1007

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NCR CORPORATION
2019 ANNUAL MEETING PROXY STATEMENT

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Proxy Statement General Information

What is the purpose of these proxy materials?

We are making this proxy statement, notice of annual meeting and our 2018 annual report available to stockholders beginning on or about March 15, 2019 in connection with the solicitation by the Board of Directors (the Board) of NCR Corporation, a Maryland corporation (NCR, the Company, we or us), of proxies for the 2019 Annual Meeting of Stockholders, and any postponements or adjournments thereof (the Annual Meeting), to be held via a live webcast at 9:00 a.m. Eastern Time, on April 24, 2019, for the purposes set forth in these proxy materials.

How do I attend the Annual Meeting?

The Annual Meeting will be a virtual meeting of stockholders, which allows stockholders the ability to more easily attend the Annual Meeting without incurring travel costs or other inconveniences. If you are a record stockholder, a proxy for a record stockholder or a beneficial owner of either (i) NCR's common stock, par value \$0.01 per share (the common stock), or (ii) NCR's Series A Convertible Preferred Stock, liquidation preference \$1,000 per share (the Series A Convertible Preferred Stock), in either case with evidence of ownership, you will be able to attend the Annual Meeting and vote and submit questions during the Annual Meeting via a live webcast by visiting www.virtualshareholdermeeting.com/NCR2019, which provides our stockholders rights and opportunities to vote and ask questions equivalent to in-person meetings of stockholders. The Annual Meeting will convene at 9:00 a.m. Eastern Time, on April 24, 2019.

If you wish to attend the webcast at a location provided by the Company, our Maryland counsel, Venable LLP, will air the webcast at its offices located at 750 E. Pratt Street, Suite 900, Baltimore,

MD 21202. Please note that no members of management or the Board will be in attendance at this location. If you wish to attend the Annual Meeting via webcast at Venable LLP's office, please complete and return the 2019 Annual Meeting of Stockholders Reservation Request Form found at the end of this proxy statement.

How do I access the proxy materials?

We are providing access to our proxy materials (including this proxy statement, notice of annual meeting and our 2018 annual report) over the Internet pursuant to rules adopted by the Securities and Exchange Commission (SEC). Beginning on or about March 15, 2019, we will send Notices of Internet Availability of Proxy Materials (each, a Notice) by mail to stockholders entitled to notice of or vote at the Annual Meeting. The Notice includes instructions on how to view the electronic proxy materials on the Internet, which will be available to all stockholders beginning on or about March 15, 2019. The Notice also includes instructions on how to elect to receive future proxy materials by email. If you choose to receive future proxy materials by email, next year you will receive an email with a link to the proxy materials and proxy voting site, and will continue to receive proxy materials in this manner until you terminate your election. We encourage you to take advantage of the availability of our proxy materials on the Internet.

Will I receive a printed copy of the proxy materials?

You will not receive a printed copy of the proxy materials unless you specifically request one. Each Notice includes instructions on how to request a printed copy of the proxy materials, including the applicable proxy card, or cards, for the Annual Meeting if you are a record holder, or the applicable voting instruction form, or forms, if you are a

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beneficial owner, at no cost to you. In addition, by following the instructions on the Notice, you can elect to receive future proxy materials in printed form by mail. If you choose to receive future proxy materials in printed form by mail, we will continue to send you printed materials pursuant to that election until you notify us otherwise.

What does it mean if I receive more than one Notice?

We are taking advantage of the householding rules adopted by the SEC that permit us to deliver only one Notice to stockholders who share an address, unless otherwise requested. This allows us to reduce the expense of delivering duplicate Notices to our stockholders who may have more than one stock account or who share an address with another NCR stockholder.

If you have multiple common stock record accounts or multiple Series A Convertible Preferred Stock record accounts and you have received only one Notice with respect to your common stock or Series A Convertible Preferred Stock, and/or if you share an address with a family member who is an NCR stockholder and you have received only one Notice:

- you may write us at 864 Spring Street NW, Atlanta, Georgia 30308-1007, Attn: Investor Relations, or call us at 1-800-225-5627, to request separate copies of the proxy materials at no cost to you; and
- if you no longer wish to participate in the householding program, please call 1-866-540-7095 to opt-out or revoke your consent.

If you have multiple NCR common stock record accounts or multiple Series A Convertible Preferred Stock record accounts and you have received multiple copies of the Notice with respect to either your common stock or Series A Convertible Preferred Stock, and/or if you share an address with a family member who is an NCR stockholder and you

have received multiple copies of the Notice, and you wish to participate in the householding program, please call 1-866-540-7095 to opt-in.

Please note that if you hold both common stock and Series A Convertible Preferred Stock, you can expect to receive a separate Notice for each class of stock. These notices are separate, and will not be combined even if you have opted in or consented to householding. See What if I hold both common stock and Series A Convertible Preferred Stock below.

What am I being asked to vote on?

The holders of shares of common stock and shares of Series A Convertible Preferred Stock, voting together as a single class, are being asked to consider and vote on the following items:

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- Election of eight directors to serve until the next annual meeting of stockholders following their election and until their respective successors are duly elected and qualify;
- An advisory vote to approve the compensation of the named executive officers (Say on Pay), as described in these proxy materials;
- Ratification of the appointment of PricewaterhouseCoopers LLP (PricewaterhouseCoopers) as our independent registered public accounting firm for the fiscal year ending December 31, 2019; and
- A directors proposal to amend and restate the charter of the Company to eliminate the supermajority provisions contemplated by the Maryland General Corporation Law and the Company s charter and make certain conforming changes to the charter.

The holders of the Series A Convertible Preferred Stock, voting as a separate class, also will consider and vote on the election of two directors to serve until the next annual meeting of stockholders

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following his election and until his successor is duly elected and qualifies.

Why are the common stockholders being asked to vote on the election of only eight Directors?

A total of ten director nominees will be voted upon at the Annual Meeting. The holders of shares of common stock and shares of Series A Convertible Preferred Stock, voting together as a single class, are being asked to vote on eight of the ten director nominees to serve until the next annual meeting of stockholders following their election and until their respective successors are duly elected and qualify: Richard L. Clemmer, Robert P. DeRodes, Deborah A. Farrington, Michael D. Hayford, Kurt P. Kuehn, Linda Fayne Levinson, Frank R. Martire and Matthew A. Thompson.

The holders of Series A Convertible Preferred Stock, voting separately, as a class, are entitled to elect two of the ten director nominees. Our outstanding shares of Series A Convertible Preferred Stock were originally issued to certain entities affiliated with The Blackstone Group L.P. (Blackstone) under an Investment Agreement dated November 11, 2015, and amended as of March 13, 2017 (the Investment Agreement). The Investment Agreement and the terms of the Series A Convertible Preferred Stock provide that Blackstone is entitled, as long as it beneficially owns at least 50% of the common stock that it beneficially owned, on an as-converted basis, at the time of its initial investment, to separately designate two nominees for election as a director, whom the Board shall include in its nominees for election, and that only holders of the Series A Convertible Preferred Stock have the right to vote for these nominees. The term of each of those nominees, Gregory R. Blank and Chinh E. Chu, expires at the Annual Meeting, and Blackstone has designated Mr. Blank and Mr. Chu as its Purchaser Designees (as such term is defined in our charter) to be nominated by the Board as directors to serve until the next annual meeting of stockholders following their election and until their successors

are duly elected and qualify. The holders of Series A Convertible Preferred Stock will vote separately, as a class, on the election of Messrs. Blank and Chu at the Annual Meeting.

How does the Board recommend that I vote my shares?

The Board recommends a vote:

- FOR the election of each of the eight director nominees to be elected by holders of shares of common stock and shares of Series A Convertible Preferred Stock, voting together as a single class;
- FOR the election of the director nominees to be elected exclusively by the holders of Series A Convertible Preferred Stock voting separately as a class;
- FOR the advisory vote to approve the compensation of the named executive officers (Say On Pay), as described in these proxy materials;

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- FOR ratification of the appointment of PricewaterhouseCoopers as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019; and
- FOR the directors' proposal to amend and restate the charter of the Company to eliminate the supermajority provisions contemplated by the Maryland General Corporation Law and the Company's charter and make certain conforming changes to the charter.

Who is entitled to vote at the Annual Meeting?

Record holders of our common stock and/or Series A Convertible Preferred Stock at the close of business on the record date for the Annual Meeting, February 22, 2019 (the Record Date), are entitled to notice of and to vote at the Annual Meeting.

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How many votes do I have?

Each record holder of common stock will have one vote for each share of common stock held on the Record Date on each matter that is properly brought before the Annual Meeting and on which holders of common stock are entitled to vote. There were 118,942,554 shares of common stock outstanding on the Record Date.

Each record holder of Series A Convertible Preferred Stock will have a number of votes equal to the largest number of whole shares of common stock into which such shares are convertible on the Record Date on each matter that is properly brought before the Annual Meeting and on which holders of Series A Convertible Preferred Stock are entitled to vote together with common stock as a single class. In addition, each record holder of Series A Convertible Preferred Stock will have one vote for each share of Series A Convertible Preferred Stock on each matter that is properly brought before the Annual Meeting and on which holders of Series A Convertible Preferred Stock are entitled to vote separately, as a class. As of the Record Date, there were 867,869 shares of Series A Convertible Preferred Stock outstanding, which as of such date were convertible into 28,928,677 shares of common stock.

Are there any requirements on how the holders of Series A Convertible Preferred Stock must vote?

Under the Investment Agreement, at the Annual Meeting Blackstone is required to vote its shares of Series A Convertible Preferred Stock in favor of each of the director nominees who are also being voted on by holders of common stock, in favor of the Say On Pay proposal, and for ratification of the appointment of PricewaterhouseCoopers as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2019, as described in these proxy materials. Blackstone is entitled to vote in its

discretion on the other proposals described in this proxy statement, and the other holders of the Series A Convertible Preferred Stock are entitled to vote in their discretion on all matters described in this proxy statement.

How do I vote my shares?

Your vote is important. Your shares can be voted at the Annual Meeting only if you are present (via attendance at the Annual Meeting by webcast) or if your shares are represented by proxy. Even if you plan to attend the Annual Meeting webcast, we urge you to authorize a proxy to vote your shares in advance.

If you hold both common stock and Series A Convertible Preferred Stock, you will need to vote, or authorize a proxy to vote, each class of stock separately. Please be sure to vote or authorize a proxy to vote for each class of stock separately so that all of your votes can be counted. For more information, see "What if I hold both common stock and Series A Convertible Preferred Stock" below.

You can authorize a proxy to vote your shares of common stock or Series A Convertible Preferred Stock electronically by going to www.proxyvote.com, or by calling the toll-free number (for residents of the United States and Canada) listed on the applicable proxy card. Please have your proxy card (or cards) in hand when going online or calling. ***If you authorize a proxy to vote your shares electronically, you do not need to return the applicable proxy card.*** If you received proxy materials by mail and want to authorize your proxy by mail, simply mark the applicable proxy card, and then date, sign and return it in the applicable postage-paid envelope provided so it is received no later than April 23, 2019.

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Your shares of common stock or Series A Convertible Preferred Stock will be voted at the Annual Meeting as directed by your electronic proxy, the instructions on your proxy card or voting instructions if (i) you are entitled to vote those

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shares; (ii) your proxy for those shares was properly executed or properly authorized electronically; (iii) we received your proxy for those shares prior to the Annual Meeting; and (iv) you did not revoke your proxy for those shares prior to or at the Annual Meeting. The method by which you vote or authorize a proxy to vote your shares will in no way limit your right to attend and vote at the Annual Meeting webcast if you later decide to do so.

Please note that if you hold any of your shares through a bank, broker or other nominee (*i.e.*, in street name), you may be able to authorize your proxy for those shares by telephone or the Internet as well as by mail. You should follow the instructions you receive from your bank, broker or other nominee to vote these shares. Also, if you hold any of your shares in street name, you must obtain a legal proxy executed in your favor from your bank, broker or nominee to be able to vote those shares in person at the Annual Meeting. Obtaining a legal proxy may take several days.

What if I hold both common stock and Series A Convertible Preferred Stock?

Some of our stockholders may hold both common stock and Series A Convertible Preferred Stock. If you are a holder of both common stock and Series A Convertible Preferred Stock, you can expect to receive a separate Notice for each class of stock (or a separate set of printed proxy materials if you previously elected to receive proxy materials in printed form).

You will need to vote, or authorize a proxy to vote, each class of stock separately in accordance with the instructions set forth herein and on the applicable proxy cards or voting instruction forms. Voting, or authorizing a proxy to vote, only your common stock will not also cause your shares of Series A Convertible Preferred Stock to be voted, and vice versa.

If you hold both common stock and Series A Convertible Preferred Stock, please be sure to vote or authorize a proxy to vote for each class of stock separately so that all of your votes can be counted.

How do I vote shares held under the NCR Direct Stock Purchase and Sale Plan?

If you are a participant in the Direct Stock Purchase and Sale Plan (the DSPP) administered by our transfer agent, Equiniti Trust Company, for NCR, any proxy you authorize will also have the authority to vote the shares of NCR common stock held in your DSPP account. Equiniti Trust Company, as the DSPP administrator, is the stockholder of record of that plan and will not vote those shares unless you provide it with instructions, which you may do by telephone, the Internet or mail.

If I authorized a proxy, can I revoke it and change my vote?

Yes, you may revoke a proxy at any time before it is exercised at the Annual Meeting by: