

DICE HOLDINGS, INC.  
Form DEF 14A  
March 15, 2012  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A  
Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

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

Dice Holdings, 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:
- Fee paid previously with preliminary materials.  
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:

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March 14, 2012

Dear Fellow Stockholder,

I am pleased to invite you to our 2012 Annual Meeting of Stockholders, which will be held on Friday, April 20, 2012, at 9:00 a.m., local time, at the Grand Hyatt New York, Park Avenue at Grand Central, New York, New York 10017.

At the meeting, we will be electing one class of directors, considering the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2012, considering the approval, on an advisory basis, of the compensation of our executive officers, and considering the approval of the Dice Holdings, Inc. 2012 Omnibus Equity Award Plan, which we refer to as the "2012 Equity Plan."

The Board of Directors recommends a vote FOR (i) the election of the director nominee, (ii) the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm, (iii) the approval, on an advisory basis, of the compensation of our executive officers, and (iv) the approval of our 2012 Equity Plan.

You may vote your shares using the Internet or the telephone by following the instructions on the enclosed proxy card. Of course, you may also vote by returning the enclosed proxy card.

Only Dice Holdings, Inc. stockholders may attend the annual meeting. If you wish to attend the meeting in person, you will need to request an admission ticket in advance. You can request a ticket by following the instructions set forth in the proxy statement.

Thank you very much for your support of Dice Holdings, Inc.

Sincerely,

Scot W. Melland

Chairman, President and Chief Executive Officer

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DICE HOLDINGS, INC.

1040 Avenue of the Americas, 16th Floor

New York, New York 10018

March 14, 2012

NOTICE OF ANNUAL MEETING

Dice Holdings, Inc., a Delaware corporation (the “Company”), will hold its 2012 Annual Meeting of Stockholders (the “Annual Meeting”) at the Grand Hyatt New York, Park Avenue at Grand Central, New York, New York 10017, on Friday, April 20, 2012, at 9:00 a.m., local time, to:

1. Elect one Class II director, for a term of three years, or until his successor is duly elected and qualified;
2. Ratify the selection of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for the fiscal year ending December 31, 2012;
3. Hold an advisory vote on executive compensation;
4. Vote on the approval of the Dice Holdings, Inc. 2012 Omnibus Equity Award Plan; and
5. Transact any other business that may properly come before the Annual Meeting and any adjournments or postponements thereof.

Stockholders of record of Dice Holdings, Inc. common stock (NYSE: DHX) as of the close of business on March 13, 2012, are entitled to vote at the Annual Meeting and any adjournments or postponements thereof. A list of these stockholders will be available at the offices of the Company in New York, New York.

Whether or not you plan to attend the Annual Meeting in person, please sign and date the enclosed proxy card and return it promptly, or submit your proxy by telephone or the Internet. Any stockholder of record who is present at the Annual Meeting may vote in person instead of by proxy, thereby revoking any previous proxy.

Brian P. Campbell

Vice President, General Counsel and Corporate Secretary

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Important Notice Regarding the Availability of  
Proxy Materials for the Annual Meeting of Stockholders  
to be Held on April 20, 2012

The proxy statement and Annual Report on Form 10-K are available at [www.investor.diceholdingsinc.com](http://www.investor.diceholdingsinc.com). The means to vote is available by Internet at [www.investorvote.com/dhx](http://www.investorvote.com/dhx) or by calling 1-800-652-VOTE (8683).

Your Vote is Important

Please vote as promptly as possible

by using the Internet or telephone or

by signing, dating and returning the enclosed proxy card.

If you plan to attend the meeting, you must request an admission ticket in advance of the meeting. Tickets will be issued to registered and beneficial owners and to one guest accompanying each registered or beneficial owner.

Please note that if you hold your shares in "street name" (through a broker or other nominee), you will need to send a written request for a ticket, along with proof of share ownership, such as a copy of the portion of your voting instruction form showing your name and address, a bank or brokerage firm account statement or a letter from the broker, trustee, bank or nominee holding your shares, confirming ownership.

Requests for admission should be addressed to the Corporate Secretary, Dice Holdings, Inc., 1040 Avenue of the Americas, 16th Floor, New York, New York 10018 or by calling (212) 448-4181, and will be processed in the order in which they are received and must be requested no later than April 17, 2012. Please note that seating is limited and requests for tickets will be accepted on a first-come, first-served basis. On the day of the Annual Meeting, each stockholder will be required to present a valid picture identification such as a driver's license or passport with their admission ticket. Seating will begin at 8:30 a.m. and the meeting will begin promptly at 9:00 a.m., local time.

Cameras (including cell phones with photographic capabilities), recording devices and other electronic devices will not be permitted at the Annual Meeting.

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PROXY STATEMENT  
FOR ANNUAL MEETING OF STOCKHOLDERS

To be Held on April 20, 2012

This proxy statement is furnished to the stockholders of record of Dice Holdings, Inc., a Delaware corporation, in connection with the solicitation by the Company's Board of Directors of proxies for the 2012 Annual Meeting of Stockholders of the Company (the "Annual Meeting") to be held at the Grand Hyatt New York, Park Avenue at Grand Central, New York, New York 10017 on Friday, April 20, 2012, at 9:00 a.m., local time, and at any adjournments or postponements thereof, for the purpose of considering and acting upon the matters set forth in the accompanying Notice of Annual Meeting of Stockholders. In this proxy statement, we refer to Dice Holdings, Inc. as the "Company," "we" or "us."

This proxy statement and accompanying proxy and voting instructions are first being mailed on or about March 19, 2012 to holders of the Company's common stock, par value \$0.01 (the "Common Stock"), entitled to vote at the Annual Meeting. The presence in person or by proxy of the holders of a majority of the total number of shares of Common Stock entitled to vote at the Annual Meeting shall constitute a quorum for the transaction of any business at the Annual Meeting. Each owner of record of the Common Stock on the record date is entitled to one vote for each share. At the close of business on March 13, 2012, the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting, there were outstanding and entitled to vote 64,109,035 shares of the Common Stock. The shares of Common Stock are publicly traded on the New York Stock Exchange (the "NYSE") under the symbol "DHX."

At the Annual Meeting, one director (the "Class II Director") will be elected by a plurality of the votes cast in person or by proxy and eligible to vote at the Annual Meeting. The ratification of the selection of Deloitte & Touche LLP as the Company's independent registered public accounting firm will require the affirmative vote of a majority in voting power of shares of Common Stock present in person or by proxy and entitled to vote at the Annual Meeting. The advisory approval of executive compensation requires the affirmative vote of a majority of the votes cast on this Proposal. The approval of the 2012 Equity Plan requires the affirmative vote of a majority of the votes cast on this Proposal under relevant New York Stock Exchange rules, provided that the total votes cast on the Proposal represent over 50% in interest of all securities entitled to vote on the Proposal. Applicable Treasury Regulations also require the affirmative vote of a majority of the votes cast on the issue at the Annual Meeting to approve the performance based provisions of the 2012 Equity Plan. Our principal stockholders, which consist of certain affiliates of General Atlantic LLC (the "General Atlantic Stockholders") and certain affiliates of Quadrangle Group LLC (the "Quadrangle Stockholders," and together with the General Atlantic Stockholders, the "Principal Stockholders"), control approximately 26.6% of the Common Stock outstanding, and as a result, the Principal Stockholders may have a substantial impact on the outcome of the items up for vote. The Company expects the Principal Stockholders will vote (i) FOR the election of the Class II Director, (ii) FOR the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm, (iii) FOR the advisory approval of executive compensation, and (iv) FOR the approval of the 2012 Equity Plan.

Broker non-votes and shares with respect to which a stockholder abstains are included in determining whether a quorum is present. An abstention is not deemed to be a vote cast with respect to the election of directors, but will be considered a vote cast with respect to any proposal requiring the approval of the affirmative vote of a majority in voting power. Broker non-votes will not be considered votes cast. Only "FOR" and "AGAINST" votes are counted for purposes of determining the votes cast in connection with each proposal. Therefore, broker non-votes and abstentions will not be counted as a vote "FOR" the election of the director in Proposal 1 and will have no effect on determining whether the affirmative vote constitutes a majority of the votes cast with respect to Proposals 2, 3 and 4.

A broker non-vote occurs when a nominee holding shares for a beneficial owner does not vote on a particular proposal because the nominee does not have discretionary voting power on that item and has not received instructions from the beneficial owner. Under NYSE rules, proposals to elect directors and approve the appointment of the independent registered public accounting firm are considered discretionary items, which means that brokerage firms may vote in their discretion on these matters on behalf of clients who have not furnished voting instructions. Under Delaware law, an abstention or a broker non-vote will have no legal effect on the election of directors, and an abstention, but not a

broker non-vote, will have the same legal effect as a vote “against” the proposal to ratify the appointment of the independent registered public accounting firm.

All shares entitled to vote and represented by properly executed proxies received prior to the Annual Meeting, and not revoked, will be voted as instructed on those proxies. If no instructions are indicated, the shares will be voted as recommended by the Board of Directors. If any other matters are properly presented at the Annual Meeting for consideration, the persons named in the enclosed form of proxy will have discretion to vote on those matters in accordance with their own judgment to the same extent as the person signing the proxy would be entitled to vote. Stockholders will have the option to submit their proxies or voting instructions electronically through the Internet, by

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telephone or by using a traditional proxy card. Stockholders should check their proxy card or voting instructions forwarded by their broker, bank or other holder of record to see which options are available. The deadline for voting via the Internet or by telephone is 11:59 P.M., Eastern Daylight Time, on April 19, 2012. Stockholders submitting proxies or voting instructions via the Internet should understand that there may be costs associated with electronic access, such as usage charges from Internet access providers and telephone companies that would be borne by the stockholder.

Any stockholder of record may revoke a proxy at any time before it is voted by filing with the Corporate Secretary, at or before the taking of the vote at the Annual Meeting, a written notice of revocation or duly executed proxy, in either case dated later than the prior proxy relating to the same shares, or by attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not by itself revoke a proxy).

Any written notice of revocation or subsequent proxy should be delivered to Dice Holdings, Inc., 1040 Avenue of the Americas, 16th Floor, New York, NY 10018 Attention: Corporate Secretary, or hand delivered to the Corporate Secretary, before the taking of the vote at the Annual Meeting. To revoke a proxy previously submitted via the Internet or by telephone, a stockholder may simply submit a new proxy (including by means of the Internet or by telephone) at a later date before the taking of the vote at the Annual Meeting, in which case, the later submitted proxy will be recorded and the earlier proxy will be revoked.



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## DIRECTORS AND CORPORATE GOVERNANCE

## Board Structure

## Composition of our Board of Directors

During 2011, our board of directors consisted of seven directors. The board met seven times during fiscal 2011. Each director attended at least 75% of all of the meetings of the board and committees on which he or she served. Under the Company's Corporate Governance Guidelines, each director is expected to dedicate sufficient time, energy and attention to ensure the diligent performance of his or her duties, including by attending annual and special meetings of the stockholders of the Company and meetings of the board and committees of which he or she is a member.

Our amended and restated by-laws provide that our board of directors will consist of no less than five and no more than 20 persons. The exact number of members on our board of directors will be determined from time to time by resolution of a majority of our full board of directors. While our shareholders agreement among us, our Principal Stockholders and certain management stockholders (the "Management Stockholders"), dated July 23, 2007 (the "Institutional Shareholder Agreement"), requires that the board consist of at least eight directors, one of whom must be our Chief Executive Officer, our Principal Stockholders have duly waived this requirement. Our board is divided into three classes, with each director serving a three-year term and one class being elected at each year's annual meeting of stockholders. Mr. Bingham is currently serving as a Class II director (with a term expiring at the 2012 Annual Meeting) and has been nominated for reelection. Messrs. Barter, Melland and Wyman are currently serving as Class III directors (with a term expiring at the 2013 Annual Meeting). Messrs. Ezersky, Gordon and Hodgson are currently serving as Class I directors (with a term expiring at the 2014 Annual Meeting).

Under the Institutional Shareholder Agreement, each of the Principal Stockholders has the right to designate up to (1) three members of our board of directors if such Principal Stockholder owns 17.5% or more of our Common Stock, (2) two members of our board of directors if it owns less than 17.5% but at least 10% of our Common Stock and (3) one member of our board of directors if it owns less than 10% but at least 5% of our Common Stock. Each Principal Stockholder has agreed to vote its shares in favor of the directors designated by the other Principal Stockholder in accordance with the terms of the Institutional Shareholder Agreement. Initially, the Principal Stockholders each only designated two members to our board of directors. Currently, Mr. Ezersky has been designated as a member of our board of directors by the Quadrangle Stockholders and Messrs. Bingham and Hodgson have been designated as members of our board of directors by the General Atlantic Stockholders.

Set forth below is information relating to the Company's directors, including the Class II Director who is nominated for re-election at the Annual Meeting, as of March 14, 2012.

Name	Age	Position
Scot W. Melland(1)	49	Chairman, President and Chief Executive Officer
John W. Barter(2)	65	Director
H. Raymond Bingham(3)(4)	66	Director
Peter R. Ezersky(4)(5)(8)	51	Director
David S. Gordon(5)(6)	70	Director
David C. Hodgson(5)	55	Director
William W. Wyman(6)(7)	74	Director

(1) Chairman of the Nominating and Corporate Governance Committee through February 21, 2012, when he resigned from the Committee.

(2) Chairman of the Audit Committee.

(3) Class II Director nominated for re-election at the 2012 Annual Meeting.

(4) Member of the Compensation Committee.

(5) Member of the Nominating and Corporate Governance Committee. Mr. Gordon joined the Committee effective February 21, 2012.

(6) Member of the Audit Committee.

(7) Chairman of the Compensation Committee.

(8) Chairman of the Nominating & Corporate Governance Committee effective February 21, 2012.

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Scot W. Melland has been our President and Chief Executive Officer and a Director since joining our predecessor, Dice Inc., in April 2001. Prior to joining the Company, he served as President and Chief Executive Officer of Vcommerce Corporation since 1999. From 1996 to 1999, he served as Vice President and later Senior Vice President-Interactive Services for Cendant Corporation. Previously, Mr. Melland served as Vice President, Investments and Alliances for Ameritech (now AT&T). Mr. Melland began his career as a consultant, joining McKinsey & Company in 1985. He is a member of the boards of directors of Globalspec, Inc. and Career Resources Inc., a nonprofit workforce development agency in Connecticut. He holds a B.S. in economics from the University of Pennsylvania and a M.B.A. from Harvard University's Graduate School of Business Administration. Mr. Melland was appointed to serve as the Chairman of our board because his day to day leadership as our President and Chief Executive Officer provides him with intimate knowledge of our business, our business strategy and our industry.

John W. Barter has been a director since April 2007. From 1988 to 1994, he was Senior Vice President and Chief Financial Officer of AlliedSignal, Inc., now known as Honeywell International, Inc., an advanced technology and manufacturing company. From October 1994 until his retirement in December 1997, Mr. Barter was Executive Vice President of AlliedSignal, Inc. and President of AlliedSignal Automotive. After retiring from AlliedSignal, Inc., Mr. Barter served briefly as Chief Financial Officer of Kestrel Solutions, Inc., a privately-owned early stage company established to develop and bring to market a new product in the telecommunications industry, from January 2000 to May 2001. Kestrel filed a voluntary petition for bankruptcy protection in October 2002. Mr. Barter also serves on the board of directors of Genpact Limited. Mr. Barter was appointed to serve on our board based on his broad and extensive experience serving in management roles at other companies and his service on the board of directors of other public companies, both of which we believe enable him to provide effective oversight to our board. The board also considered Mr. Barter's prior experience as a chief financial officer, which was instrumental in his being selected to serve as Chairman of the Audit Committee.

H. Raymond Bingham has been a Director since July 2009. He is an Advisory Director of General Atlantic and served as a Managing Director from September 2006 to December 2009. He was Executive Chairman of the Board of Directors of Cadence Design Systems, Inc., a supplier of electronic design automation software and services, from May 2004 to July 2005, and served as a director of Cadence from November 1997 to July 2005. Prior to being Executive Chairman, he served as President and Chief Executive Officer of Cadence from April 1999 to May 2004 and as Executive Vice President and Chief Financial Officer from April 1993 to April 1999. Mr. Bingham also serves as a director of Spansion, Inc., Flextronics International Ltd., Oracle Corporation, Fusion-io, and STMicroelectronics N.V. Mr. Bingham was appointed to serve on our board pursuant to the Institutional Shareholder Agreement based on his broad and extensive experience serving in management roles at technology companies, including as chief financial officer, as well as his experience as an Advisory Director of General Atlantic. Mr. Bingham's significant service on the board of directors of other publicly-traded technology companies and his extensive knowledge and experience managing portfolio companies both within and outside our industry brings unique insight to our board.

Peter R. Ezersky has been a director since August 2005 and is a Managing Principal of Quadrangle. Prior to the formation of Quadrangle in March 2000, Mr. Ezersky was a Managing Director of Lazard Frères & Co. LLC and headed the firm's worldwide Media and Communications group. Prior to joining Lazard, Mr. Ezersky was a Vice President in the Mergers and Acquisitions group of The First Boston Corporation. Mr. Ezersky serves on the boards of directors of Cinemark, Get AS, Hargray Holdings, MGM and Protection One and on the Advisory Board of Bresnan Broadband. Mr. Ezersky received a J.D. from Yale Law School, where he was an editor of The Yale Law Journal and received a B.A., summa cum laude, in political science from Amherst College, where he was a member of Phi Beta Kappa. Mr. Ezersky was appointed to serve on our board pursuant to the Institutional Shareholder Agreement based on his extensive experience in investment banking, including as the head of the Media and Communications group at Lazard, as well as his experience as a Managing Principal of Quadrangle. Mr. Ezersky's significant service on the board of directors of other publicly-traded companies and his extensive knowledge and experience managing portfolio companies both within and outside our industry brings unique insight to our board.

David S. Gordon has been a director since December 2006 and is Principal of Gordon Advisory, LLC. He was the Chief Executive Officer and a director of the Milwaukee Art Museum from October 2002 until February 2008. Before that, he was the Secretary (Director) of the Royal Academy of Arts in London for six years. He also spent 12 years as

the Chief Executive Officer of The Economist Newspaper Ltd. He was associated with eFinancialNews for 10 years, first as a consultant and then as non-executive chairman and oversaw the sale of eFinancialCareers to us in 2006. Mr. Gordon also serves on the board of directors of Profile Books Ltd. Mr. Gordon was appointed to serve on our board based on his prior association with and intimate knowledge of eFinancialCareers and his experience as a chief executive officer. Mr. Gordon brings to the board expertise in business strategy and development as well as insight on doing business outside the United States.

David C. Hodgson has been a director since August 2005 and is a Managing Director of General Atlantic. He joined General Atlantic in 1982, helped found their partnership, and has over 25 years of experience identifying and assisting portfolio companies worldwide in all areas of their development. Mr. Hodgson serves on the boards of directors of a number of public

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and private companies including Pierpont Securities, InsightExpress, Inc., ipValue Management, Inc., Torex and TriNet Group, Inc. Mr. Hodgson graduated summa cum laude from Dartmouth College in 1978 with a degree in Mathematics and Social Sciences. He is a member of Phi Beta Kappa and received the Kemeny Prize in computing at his alma mater. In 1982, Mr. Hodgson received a M.B.A. from the Stanford University Graduate School of Business. Mr. Hodgson is chair of the board of the Echoing Green Foundation, a provider of fellowship support for not-for-profit entrepreneurs. He also serves as chair of the executive committee of the Manhattan Theatre Club and as a trustee of John Hopkins University and the Spence School in New York. Mr. Hodgson was appointed to serve on our board pursuant to the Institutional Shareholder Agreement based on his experience as a Managing Director of General Atlantic. Mr. Hodgson's significant experience creating value for portfolio companies and managing the challenges that they face provides important guidance to our company.

William W. Wyman has been a director since December 2006 and is currently an international management consultant, assisting corporate chief executives as an individual business advisor and counselor on a broad range of issues. During 2001, Mr. Wyman was Chief Executive Officer of Predictive Systems, Inc. From 1984 to 1995, Mr. Wyman was founder and managing partner of Oliver, Wyman & Company, management consultants to large financial institutions. From 1965 to 1984, Mr. Wyman held several positions at the international management consulting firm of Booz, Allen & Hamilton including President of the Management Consulting Group, member of the executive committee and member of the board of directors. He currently serves on the board of directors of Pegasystems and Allston Holdings LLC. He is a member of the Board of Advisors of The Sprout Group and Castle Harlan Partners. He is the co-founder of Wyman Worldwide Health Partners, serves as a trustee of the Dartmouth-Hitchcock Medical Center, and served as a trustee of the Hitchcock Clinic and the Mary Hitchcock Memorial Hospital from 1996 to 2008. He graduated from Colgate University in 1959, served in the United States Navy from 1959 to 1963, and graduated from the Harvard Business School in 1965. Mr. Wyman was appointed to serve on our board based on his significant experience serving in management roles at other operating companies and his service on the board of other publicly-traded companies. Mr. Wyman's management consulting expertise plays a key role in board discussions of our business strategy and was a key factor in his being selected to serve as Chairman of the Compensation Committee.

### Director Independence

We have determined that Messrs. Barter, Bingham, Ezersky, Gordon, Hodgson, and Wyman are independent as such term is defined by the applicable rules and regulations of the NYSE for purposes of serving on our board of directors. Additionally, each of these directors meets the categorical standards for independence established by our board, as set forth in our Corporate Governance Guidelines, which is posted on our website.

### Board Leadership Structure

Mr. Melland serves as both our Chief Executive Officer and the Chairman of our board of directors. We believe that combining the role of Chairman and CEO is appropriate for our Company because Mr. Melland is most familiar with our business strategy and our industry. We also believe that the combined role of Chairman and CEO facilitates the flow of information between the board and management and helps promote effective corporate governance. We also have independent board members that bring experience, oversight and expertise from outside the Company and our industry, as well as board members affiliated with our Principal Stockholders who bring extensive knowledge and experience from managing portfolio companies both within and outside our industry. The board meets as necessary in executive sessions of the non-management directors. At any such executive session, the non-management directors take turns serving as the presiding director as provided in the Company's Corporate Governance Guidelines.

### Corporate Governance

#### Controlled Company Status

The Common Stock is listed on the NYSE. As of February 22, 2011, we no longer qualified as a "controlled company" for purposes of NYSE rules. "Controlled companies" under those rules are companies of which more than 50% of the voting power is held by an individual, a group or another company. Previously, the General Atlantic Stockholders and Quadrangle Stockholders held more than 50% of the voting power, but as a result of two public offerings, this is no longer the case. As a "controlled company," we were eligible to take advantage of certain exemptions from NYSE governance requirements provided in the NYSE rules. Specifically, we were not required to have (1) a majority of

independent directors, (2) a Nominating and Corporate Governance Committee composed entirely of independent directors or (3) a Compensation Committee composed entirely of independent directors. Our Chief Executive Officer served as a member of our Nominating and Corporate Governance Committee through February 21, 2012 in accordance with the NYSE rules governing the transition period for formerly controlled companies.

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### Required Certifications

The Company has filed with the Securities and Exchange Commission (the "Commission"), as an exhibit to its Annual Report on Form 10-K, the certifications required by its Chief Executive Officer and Chief Financial Officer under Section 302 of the Sarbanes-Oxley Act of 2002. The Company has also timely submitted to the NYSE the Section 303A Annual CEO Certification for 2011, and such certification was submitted without any qualifications.

### Committees of the Board

Our board of directors has a standing Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. The following is a brief description of these committees.

#### Audit Committee

The members of the Audit Committee are:

John W. Barter (Chair)

David S. Gordon

William W. Wyman

The Audit Committee met seven times during fiscal 2011. Our Audit Committee assists the board in monitoring the audit of our financial statements, our independent registered public accounting firm's qualifications and independence, the performance of our audit function and independent registered public accounting firm, and our compliance with legal and regulatory requirements. The Audit Committee has direct responsibility for the appointment, compensation, retention (including termination) and oversight of our independent registered public accounting firm, and our independent registered public accounting firm reports directly to the Audit Committee. The Audit Committee also reviews and approves related-party transactions as required by the rules of the NYSE. The authority and responsibility of the Audit Committee is further set forth in its charter, which is available under the Investor Relations section of our website and in print to any stockholder who requests a copy from the Corporate Secretary.

Messrs. Barter, Gordon and Wyman qualify as "audit committee financial experts" under the rules of the Commission implementing Section 407 of the Sarbanes-Oxley Act of 2002. Messrs. Barter, Gordon and Wyman meet the independence and the experience requirements of the NYSE and the federal securities laws.

#### Audit Committee Report

The charter of the Audit Committee, which is available under the Investor Relations section of our website, specifies that the purpose of the Audit Committee is to assist the board in its oversight of:

the accounting and financial reporting processes of the Company, including the integrity of the financial statements and other financial information provided by the Company to its stockholders, the public, any stock exchange and others;

the Company's compliance with legal and regulatory requirements;

the Company's independent registered public accounting firm's qualifications and independence;

the audit of the Company's financial statements; and

the performance of the Company's internal audit function and independent registered public accounting firm, and such other matters as shall be mandated under applicable laws, rules and regulations as well as listing standards of the NYSE.

In carrying out these responsibilities, the Audit Committee, among other things:

monitors preparation of quarterly and annual financial reports by the Company's management;

supervises the relationship between the Company and its independent registered public accounting firm, including having direct responsibility for their appointment, compensation and retention; reviewing the scope of their audit services; approving audit and non-audit services; and confirming the independence of the independent registered public accounting firm; and

oversees management's implementation and maintenance of effective systems of internal and disclosure controls, including review of the Company's policies relating to legal and regulatory compliance, ethics and conflicts of interests and review of the Company's internal auditing program.

The Audit Committee schedules its meetings with a view to ensuring that it devotes appropriate attention to all of its tasks. The Audit Committee's meetings include, whenever appropriate, executive sessions in which the Audit

Committee meets

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separately with the Company's independent registered public accounting firm, the Company's internal auditors, the Company's Chief Financial Officer and the Company's General Counsel.

Management is responsible for the Company's financial reporting process, including the Company's internal control over financial reporting, and for the preparation of the Company's consolidated financial statements in accordance with generally accepted accounting principles. Deloitte & Touche LLP, as the Company's independent registered public accounting firm, is responsible for auditing those financial statements and expressing its opinion as to the fairness of the financial statement presentation in accordance with generally accepted accounting principles. Our responsibility is to oversee and review this process. We are not, however, professionally engaged in the practice of accounting or auditing and do not provide any expert or other special assurance as to such financial statements concerning compliance with laws, regulations or generally accepted accounting principles or as to auditor independence. We rely, without independent verification, on the information provided to us and on the representations made by management and the independent registered public accounting firm.

As part of its oversight of the preparation of the Company's financial statements, the Audit Committee reviews and discusses with both management and the Company's independent registered public accounting firm all annual and quarterly financial statements prior to their issuance. During fiscal 2011, management advised the Audit Committee that each set of financial statements reviewed had been prepared in accordance with generally accepted accounting principles, and reviewed significant accounting and disclosure issues with the Audit Committee. These reviews included discussion with the independent registered public accounting firm of matters required to be discussed pursuant to Statement on Auditing Standards No. 114 (Communication with Audit Committees), including the quality of the Company's accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. The Committee also discussed with Deloitte & Touche LLP matters relating to its independence, including a review of audit and non-audit fees and the written disclosures and letter from Deloitte & Touche LLP to the Audit Committee required by applicable requirements of the Public Company Accounting Oversight Board.

In addition, the Audit Committee reviewed key initiatives and programs aimed at maintaining the effectiveness of the Company's internal and disclosure control structure. As part of this process, the Audit Committee continued to monitor the scope and adequacy of the Company's internal auditing program, reviewing internal audit department staffing levels and steps taken to maintain the effectiveness of internal procedures and controls.

Taking all of these reviews and discussions into account, the undersigned Audit Committee members recommended to the board that the board approve the inclusion of the Company's audited financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011, for filing with the Commission.

Members of the Audit Committee:

John W. Barter (Chair)

David S. Gordon

William W. Wyman

Nominating and Corporate Governance Committee

The members of the Nominating and Corporate Governance Committee are:

Peter R. Ezersky (Chair)

David C. Hodgson

David S. Gordon

The Nominating and Corporate Governance Committee met six times in 2011. The Nominating and Corporate Governance Committee selects, or recommends that the board select, candidates for election to our board of directors, develops and recommends to the board of directors corporate governance guidelines that are applicable to us and oversees board of directors and management evaluations. The authority and responsibility of the Nominating and Corporate Governance Committee is further set forth in its charter, which is available under the Investor Relations section of our website and in print to any stockholder who requests a copy from the Corporate Secretary.

With respect to director nominees, the Nominating and Corporate Governance Committee, which the Chief Executive chaired through February 21, 2012 and which is currently chaired by Mr. Ezersky, (i) identifies individuals qualified to become members of the board (consistent with criteria approved by the board), (ii) reviews the qualifications of any

such person submitted to be considered as a member of the board by any stockholder or otherwise, (iii) conducts background checks of individuals the Nominating and Corporate Governance Committee intends to recommend to the board as director nominees and (iv) selects, or recommends that the board select, the director nominees for the next annual meeting of stockholders or to fill in vacancies on the board. In identifying and reviewing qualifications of candidates for membership on the board, the Nominating

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and Corporate Governance Committee evaluates all factors which it deems appropriate, including the requirements of the Company's Corporate Governance Guidelines and the other criteria approved by the board.

Pursuant to the Company's Corporate Governance Guidelines, the Nominating and Corporate Governance Committee will seek members from diverse professional and personal backgrounds who combine a broad spectrum of experience and expertise with a reputation for integrity. The assessment of candidates for the board includes an individual's independence, as well as consideration of diversity, age, skills and experience in the context of the needs of the board. The Nominating and Corporate Governance Committee also takes into account the Company's obligations with respect to board composition set forth in the Institutional Shareholder Agreement. The Nominating and Corporate Governance Committee assesses the effectiveness of its diversity policy set forth in the Corporate Governance Guidelines annually in connection with the nomination of directors for election at the annual meeting of stockholders. The composition of the current board reflects diversity in business and professional experience, skills, and age.

The Institutional Shareholder Agreement requires that our Nominating and Corporate Governance Committee consist of three members, including one director designated by the Quadrangle Stockholders, one director designated by the General Atlantic Stockholders and one director designated by the board (upon the recommendation of the Nominating and Corporate Governance Committee). Messrs. Ezersky and Hodgson were appointed to the Nominating and Corporate Governance Committee as the Quadrangle Stockholders' designee and the General Atlantic Stockholders' designee, respectively, under the Institutional Shareholder Agreement.

### Compensation Committee

The members of the Compensation Committee are:

William W. Wyman (Chair)

H. Raymond Bingham

Peter R. Ezersky

The Compensation Committee met six times in 2011. The Compensation Committee reviews and recommends policies relating to compensation and benefits of our directors and employees and is responsible for approving the compensation of our Chief Executive Officer and other executive officers. Our Compensation Committee also administers the issuance of awards under our equity incentive plans. The authority and responsibility of the Compensation Committee is further set forth in its charter, which is available under the Investor Relations section of our website and in print to any stockholder who requests a copy from the Corporate Secretary. For further information on the Compensation Committee's engagement of a compensation consultant and the role of our executive officers in determining or recommending the amount or form of executive and director compensation, please see the "Compensation Discussion & Analysis—benchmarking" and "—Management's Role in the Compensation-Setting Process" sections, below.

The Institutional Shareholder Agreement requires that our Compensation Committee consist of three members, including one director designated by the Quadrangle Stockholders, one director designated by the General Atlantic Stockholders and one independent director designated by the board (upon the recommendation of the Nominating and Corporate Governance Committee). Messrs. Bingham and Ezersky were elected to the Compensation Committee as the General Atlantic Stockholders' and the Quadrangle Stockholders' designee, respectively, under the Institutional Shareholder Agreement.

### Compensation Risks

The Compensation Committee has reviewed the Company's compensation policies and practices for all employees, including our executive officers, as they relate to risk management practices and risk-taking incentives and has determined that there are no risks arising from these policies and practices that are reasonably likely to have a material adverse effect on the Company. Frederick W. Cook & Company assisted in the Company's risk assessment. The Compensation Committee considers that our compensation programs incorporate several features which promote the creation of long-term value and reduce the likelihood of excessive risk-taking by our employees. These features include: (i) a balanced mix of cash and equity, annual and longer-term incentives, and types of performance metrics, (ii) the ability of the Compensation Committee to exercise negative discretion over all incentive program payouts, (iii) performance targets for incentive compensation that include both objective Company performance targets (such as

revenue and Adjusted EBITDA targets) and individual performance goals, (iv) time-based vesting of equity awards that encourages long-term retention, (v) a bonus pool for the majority of non-executive employees that is capped at an amount equal to a small percentage of each employee's annual base salary, and (vi) internal controls on commissions paid to employees in the sales division.

It is also our policy that the Compensation Committee will, to the extent permitted by governing law, have the sole and absolute authority to make retroactive adjustments to any cash or equity based incentive compensation paid to executive

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officers and certain other officers where the payment was predicated upon the achievement of certain financial results that were subsequently the subject of a restatement. Where applicable, we will seek to recover any amount determined to have been inappropriately received by the individual executive.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers who serve on our board of directors or Compensation Committee.

Corporate Governance Guidelines and Code of Conduct and Ethics

The board of directors has adopted Corporate Governance Guidelines, which set forth a flexible framework within which the board, assisted by its committees, directs the affairs of the Company. The Corporate Governance Guidelines address, among other things, the composition and functions of the board of directors, director independence, stock ownership by directors and compensation of directors, management succession and review, board committees and selection of new directors. A copy of the Company's Corporate Governance Guidelines is available under the Investor Relations section of our website and in print to any stockholder who requests a copy from the Corporate Secretary. The Company has also adopted a Code of Conduct and Ethics, which is applicable to all directors, officers and employees of the Company, including the principal executive officer, the principal financial officer and the principal accounting officer. A copy of the Company's Code of Conduct and Ethics is available under the Investor Relations section of our website and in print to any stockholder who requests a copy from the Corporate Secretary. If the Company amends or waives the Code of Conduct and Ethics with respect to the directors, Chief Executive Officer, Chief Financial Officer or principal accounting officer, it will post the amendment or waiver at the same location on its website.

Risk Management

The board has an active role in overseeing the Company's risk management. The board regularly reviews information presented by management regarding the Company's business and operational risks, including relating to security, privacy, credit and liquidity. The board committees also play an active role in managing the Company's risk. The Audit Committee reviews and discusses with management the Company's major financial risk exposures and the steps management has taken to monitor, control and manage such exposures. The Audit Committee reviews and discusses at least annually the Company's code of ethics and procedures in place to enforce the code of ethics and, if there are any amendment or waiver requests relating to the Company's code of ethics for the chief executive officer or senior financial officers, would review and make a determination on such requests. In addition, the Audit Committee reviews related party transactions and potential conflicts of interest related thereto. The Compensation Committee reviews the Company's overall compensation program and its effectiveness at linking both executive pay to performance and aligning the interests of our executives and our stockholders. The Nominating and Corporate Governance Committee manages risks associated with director independence. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board of directors is regularly informed through committee reports about such risks.

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### CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The Company has adopted a written Related Person Transaction Policy (the “policy”), which sets forth our policy with respect to the review, approval, ratification and disclosure of all related person transactions by our Audit Committee. In accordance with the policy, our Audit Committee has overall responsibility for the implementation and compliance with this policy.

For the purposes of the policy, a “related person transaction” is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we were, are or will be a participant and in which any related person (as defined in the policy) had, has or will have a direct or indirect material interest. A “related person transaction” does not include any employment relationship or transaction involving an executive officer and any related compensation resulting solely from that employment relationship which has been reviewed and approved by our board of directors or Compensation Committee.

Our policy requires that notice of a proposed related person transaction be provided to our legal department prior to entering into such transaction. If our legal department determines that such transaction is a related person transaction, the proposed transaction will be submitted to our Audit Committee for consideration at its next meeting. Under the policy, our Audit Committee may only approve those related person transactions that are in, or not inconsistent with, our best interests. In the event we become aware of a related person transaction that has not been previously reviewed, approved or ratified under our policy and that is ongoing or is completed, the transaction will be submitted to the Audit Committee so that it may determine whether to ratify, rescind or terminate the related person transaction.

Our policy also provides that the Audit Committee review certain previously approved or ratified related person transactions that are ongoing to determine whether the related person transaction remains in our best interests and the best interests of our stockholders. Additionally, we will also make periodic inquiries of directors and executive officers with respect to any potential related person transaction of which they may be a party or of which they may be aware.

#### Stockholder Agreement

The Institutional Shareholder Agreement contains restrictions on the ability of the Principal Stockholders and certain of our executive officers and managing directors, including Messrs. Melland, Durney, Silver, Campbell and Melde, who are “Management Stockholders” under the Institutional Shareholder Agreement, to transfer shares of our Common Stock and provisions related to registration rights granted to such stockholders.

In addition, the Institutional Shareholder Agreement contains provisions related to the composition of our board of directors and the committees of our board of directors and our corporate governance, which are more fully discussed under “Directors and Corporate Governance—Board Structure ” and “Directors and Corporate Governance—Corporate Governance.” If both Principal Stockholders hold less than 5% of our Common Stock, these provisions terminate.

#### Restrictions on Transfer

Under the Institutional Shareholder Agreement, neither of the Principal Stockholders may sell or transfer shares of our capital stock (except for transfers to certain permitted transferees or certain block sale transfers) without the consent of the other Principal Stockholder. A Management Stockholder may transfer all of his or her holdings.

Additionally, the Principal Stockholders and the Management Stockholders have agreed not to sell any shares during the period beginning 14 days prior to the effective date of a registration statement filed in connection with the exercise of demand or piggyback registration rights by any stockholder until the earlier of (1) 90 days after any public offering and (2) the expiration of the underwriters lock-up period for the applicable offering, provided that the Principal Stockholders and Management Stockholders have agreed that notwithstanding this provision, they will remain subject to the terms of any underwriter lock-up agreement for the applicable offering.

#### Other Provisions

Under the Institutional Shareholder Agreement, we have agreed that the doctrine of “corporate opportunity” will not apply against our Principal Stockholders in a manner that would prohibit them from investing in competing businesses or doing business with our clients and customers.

The Institutional Shareholder Agreement requires us to deliver to each stockholder who is a party to the agreement and owns 5% or more of our Common Stock in the aggregate certain monthly financial statements as soon as practicable after they



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are available, subject to customary confidentiality provisions. Additionally, except to the extent available on the Commission's EDGAR system, we are required to deliver to each stockholder who is a party to the agreement and owns 5% or more of our Common Stock copies of all financial statements, reports, notices and proxy statements and all regular and periodic reports, and registration statements or prospectuses filed by us with the Commission.

### Registration Rights

Under the Institutional Shareholder Agreement, each of the Principal Stockholders is entitled to certain demand registration rights, including the right to require us to effect a shelf registration if we are eligible to file registration statements on Form S-3.

Under the Institutional Shareholder Agreement, in a demand registration, the non-requesting Principal Stockholder and the Management Stockholders are entitled to piggyback registration rights with respect to any registration request made by a Principal Stockholder, subject to limited exceptions. If the registration requested by a Principal Stockholder is in the form of an underwritten offering, and if the managing underwriter of the offering determines that the number of securities proposed to be offered would have an adverse effect on the offering, the number of shares included in the offering will be determined as follows:

- first, shares offered by the Principal Stockholders and the Management Stockholders (but only to the extent such shares were not acquired pursuant to the exercise of options) (pro rata, based on the number of their respective shares requested to be included in such offering);
- second, shares offered by any other stockholders (pro rata, based on the number of their respective shares requested to be included in such offering); and
- third, shares offered by us for our own account.

The Institutional Shareholder Agreement also provides that each Principal Stockholder and Management Stockholder is entitled to piggyback registration rights with respect to any registration initiated by us, subject to certain limited exceptions. If we initiate a registration in the form of an underwritten offering, and if the managing underwriter of the offering determines that the number of securities proposed to be offered would have an adverse effect on the offering, then the number of shares included in the offering shall be determined as follows:

first, shares offered by us for our own account;

second, shares requested to be included by the Principal Stockholders and the Management Stockholders (pro rata, based on the number of their respective shares requested to be included in such offering);

third, shares offered by any other stockholders (pro rata, based on the number of their respective shares requested to be included in such offering).

In any piggyback registration, including our initial public offering, we have agreed to indemnify the participating Principal Stockholders and Management Stockholders and to pay all registration expenses (other than underwriting discounts and commissions and certain legal expenses of the selling stockholders).

The Company filed a registration statement on Form S-3 which became effective in May 2010. The Principal Stockholders and certain members of management and the board of directors sold shares in a public offering of our Common Stock in February 2011. In addition, the Company sold shares in the February 2011 public offering, the proceeds of which were used to purchase shares of Common Stock from certain members of the Company's directors and officers. In May 2011, only the Principal Stockholders sold shares in a public offering of our Common Stock. No shares were sold by the Company in the May 2011 public offering, and the Company did not receive any proceeds from the sale of shares by the Principal Stockholders. We incurred approximately \$250,000 in expenses related to the 2011 public offerings.

### Block Sales

Under the Institutional Shareholder Agreement, a Principal Stockholder may request to sell Common Stock in a block sale, provided that the Principal Stockholder gives written notice to us and the other Principal Stockholder. The other Principal Stockholder will then have the right to participate in the block sale on a proportional basis with the requesting Principal Stockholder. Each Principal Stockholder may make up to two block sales in any one-year period, and each block sale must recognize proceeds of at least \$20 million. These provisions terminate with respect to a Principal Stockholder if it owns less than 10% of our Common Stock.





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## EXECUTIVE COMPENSATION

## Compensation Committee Report

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management and, based on such review and discussions, the Compensation Committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference in the Company's Annual Report on Form 10-K.

## Members of the Compensation Committee:

William W. Wyman (Chair)

Peter R. Ezersky

H. Raymond Bingham

## Compensation Discussion and Analysis

## 2011 Overview

During 2011, along with conducting its normal oversight responsibilities, the Compensation Committee again reviewed the Company's compensation practices in light of the Company's performance and stock market valuation. The following table illustrates the Company's growth during the year ended December 31, 2011 in terms of revenue and net income relative to performance during the same period of 2010. The results include the impact of acquisitions.

	2011	2010	Change	%
	(\$ in thousands)			
Revenue	\$179,130	\$128,997	38.9	%
Net income	\$34,100	\$18,899	80.4	%

Using the peer group information and recommendations from Frederick W. Cook & Company (as described in more detail below), the Committee reviewed and confirmed, with minor adjustments, its policies governing senior management compensation including plans for annual salaries, incentive compensation and long-term equity compensation. The Committee reviewed the parameters for annual management equity awards and approved an annual option and restricted stock grant effective March 3, 2011. The Committee reviewed 2011 performance company-wide and for individual members of senior management and awarded bonuses as more fully described below.

## Compensation Program Philosophy and Objectives

At our 2011 annual meeting, our stockholders approved, on a nonbinding basis, the compensation of our named executive officers, as disclosed pursuant to compensation disclosure rules of the SEC on our annual proxy statement for 2010. The Compensation Committee viewed the strong support from our stockholders as a sign that our compensation program for our named executive officers was designed and implemented to the satisfaction of our stockholders, and we have generally retained the same compensation program for 2011. Our primary objective with respect to executive compensation is to provide competitive compensation and benefits to attract, retain, motivate and reward the highest quality executive officers, while supporting our core values and strategic initiatives. A further key objective is to create a pay-for-performance culture such that a substantial portion of each executive officer's compensation is contingent on, and variable with, achievement of objective corporate and individual performance goals and other objective measures of success.

In addition, we aim to establish compensation plans that align the performance of our executive officers with our business plan and strategic objectives and promote the interests of stockholders by focusing management on achieving strong short-term (annual) performance in a manner that supports and ensures our long-term success and profitability. Finally, it is a key objective to ensure that compensation provided to executive officers remains reasonable and responsible yet competitive relative to the compensation paid to similarly situated executives at comparable companies. It is essential that our overall compensation levels be sufficiently competitive to attract talented leaders and motivate those leaders to achieve superior results. At the same time, our executive compensation programs are intended to be consistent with our focus on controlling costs.

In addition to rewarding corporate and individual performance, our compensation program is designed to reward the level of responsibility of, and the position undertaken by, an executive. Total compensation and accountability should

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increase with position and responsibility. As a result, total compensation is higher for individuals with greater responsibility and greater ability to influence our achievement of targeted results and strategic initiatives. Additionally, as position and responsibility increases, a greater portion of the executive officer's total compensation is performance-based pay contingent on the achievement of performance objectives. In the same way, equity-based compensation is higher for persons with higher levels of responsibility, making a significant portion of their total compensation dependent on long-term stock appreciation.

### The Process of Setting Executive Compensation

Our Compensation Committee meets throughout the year to evaluate the performance of our named executive officers, to determine their bonuses for the prior fiscal year, to establish the individual and corporate performance objectives for each executive for the current fiscal year, to set their base salaries for the next fiscal year, to determine the portion of total compensation that will be contingent, performance-based pay, and to consider and approve any grants of equity incentive compensation. Our Compensation Committee also reviews the appropriateness of the financial measures used in incentive plans and the degree of difficulty in achieving specific performance targets. Our Compensation Committee engages in an active dialogue with our Chief Executive Officer concerning strategic objectives and performance targets.

Our Compensation Committee establishes, together with the performance objectives, targeted annual cash compensation levels (i.e. maximum achievable compensation) for each of the named executive officers by determining each named executive officer's base salary and amount of bonus compensation upon achievement of performance targets. In preparing the target amounts, the size of one individual element of compensation does, in some respects, affect the Compensation Committee's determination of what the targeted amount of other components of compensation should be. For example, each executive's base pay is used as a basis for calculating a target contribution percentage for purposes of establishing the bonus pool. As a general proposition, the Compensation Committee attempts to determine the overall best mix of fixed and incentive compensation. In making this determination, the Compensation Committee is guided by the compensation philosophy described above. The Compensation Committee also considers historical compensation levels, the relative compensation levels among our senior executive officers and the competitive pay practices at other companies using third-party compensation studies and surveys performed by independent organizations. We use these third-party compensation studies as a basis for comparing and setting individual elements of executive compensation for the named executive officers because they provide compensation information for companies in our industry and also provide comprehensive compensation information not obtainable from public sources. The Compensation Committee also considers industry conditions, corporate performance versus a peer group of companies and the overall effectiveness of our compensation program in achieving desired performance levels. The Compensation Committee, taking into account the advice of Frederic W. Cook & Company, an independent compensation consulting firm retained by the Compensation Committee, identified the following peer group of companies based on size and business focus for comparison purposes in determining compensation for 2011: Art Technology Group, ComScore, Constant Contact, Dealertrack Holdings, Internet Brands, Kenexa, Limelight networks, Liquidity Services, Liverperson, LogMeIn, LoopNet, RightNow Technologies, Tech Target, XO Group, Inc. (f/k/a The Knot), Travelzoo and Websense.

We believe that internal pay equity is an important factor to be considered in establishing compensation for our officers. The Compensation Committee has not established a policy regarding the ratio of total compensation of the Chief Executive Officer to that of the other officers, but it does review compensation levels to ensure that appropriate pay equity exists, which is determined in the Compensation Committee's discretion based on our Compensation Committee members' experience with, and knowledge of, other companies' practices. The Compensation Committee intends to continue to review internal compensation equity and may adopt a formal policy in the future if we deem such a policy to be appropriate.

### Benchmarking

The Compensation Committee does not believe that it is appropriate to establish compensation levels primarily based on benchmarking. While we recognize that our compensation practices must be competitive in the marketplace, such marketplace information is one of the many factors that we consider in assessing the reasonableness of compensation. When the Compensation Committee determines whether a named executive officer should receive an increase in

salary, the Compensation Committee sometimes reviews independent compensation studies in order to compare the compensation received by comparable executives in similar-sized companies to ensure that the compensation we award is competitive in the marketplace, as detailed in the section “The Process of Setting Executive Compensation” above. Frederic W. Cook & Company conducted a comprehensive review of our compensation programs for executive officers in 2010 to assist in establishing the 2011 executive compensation program. The purpose of these reviews was to assess the design and competitive positioning of our compensation programs and to make recommendations for change, if appropriate, to be implemented as part of our compensation program going forward. For 2011, the Compensation Committee took into account the Frederick W. Cook & Company analysis to evaluate and determine the compensation for Mr. Melland, Mr. Durney, Mr. Silver and Mr. Campbell. Frederick W. Cook & Company also continues to advise the Compensation Committee from time to time on our compensation

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program and related executive compensation matters.

### Management's Role in the Compensation-Setting Process

Our Chief Executive Officer, Mr. Melland, plays a significant role in the compensation-setting process. Mr. Melland evaluates the performance of the other named executive officers, recommends business performance targets and objectives for the other named executive officers and recommends salary and bonus levels and option awards for other executive officers. Mr. Durney recommends salary and bonus levels and option awards for Mr. Campbell. All recommendations of Mr. Melland and Mr. Durney are subject to Compensation Committee approval. The Compensation Committee discusses the recommendations with Mr. Melland or Mr. Durney, as appropriate, and then makes its decisions in its sole discretion. Similarly, Mr. Melland's compensation, performance targets and objectives are discussed among the members of the Compensation Committee and the Compensation Committee sets Mr. Melland's compensation.

Mr. Melland helps the Compensation Committee set its agenda for meetings and participates in committee meetings at the committee's request. He provides background information regarding our strategic objectives, evaluates the performance of the senior executive officers, and makes compensation recommendations for senior executive officers. Other executives also prepare information for each Compensation Committee meeting.

### Elements of Executive Compensation

#### Base Salary

Base pay provides executives with a base level of regular income. In determining a named executive officer's base salary, we consider the executive's qualifications, experience and industry knowledge, the quality and effectiveness of their leadership at our company, the scope of their responsibilities and future potential, the goals and objectives established for the executive, the executive's past performance, the base salary paid to officers in comparable positions at companies who are reflected in independent studies, internal pay equity and other factors as deemed appropriate. In addition, we consider the other components of executive compensation and the mix of performance pay to total compensation. The Compensation Committee does not apply any specific weighting to these factors.

Annually, the Compensation Committee reviews each executive's past salary and performance, and general economic conditions in our industry, and decides whether or not to adjust the salary. Adjustments, if any, are implemented effective as of January 1 in the case of Messrs. Melland, Durney, Silver and Benson, and effective typically on anniversary date in the case of Mr. Campbell. Subject to the limitations found in each executive's employment agreement we entered into with each of the executives, the Compensation Committee can increase or decrease an executive's base salary at its discretion.

For 2011, the Compensation Committee approved a change in the annual base salary of Mr. Benson from approximately \$220,100 (reflecting £142,000 converted at US\$1.55 for each £1) to approximately \$233,600 (reflecting £146,000 converted at US\$1.60 for each £1) in connection with the change in his title and responsibilities. The base salaries for Messrs. Melland (\$500,000), Durney (\$365,650), Silver (\$325,000) and Campbell (\$291,000) remained flat from 2010 to 2011.

#### Senior Bonus Plan

Our bonus program is intended to motivate and reward performance by providing cash bonuses based upon meeting and exceeding performance goals. We award annual cash bonuses under our Senior Bonus Plan for achievement of specified performance objectives with a time horizon of one year or less. We make awards from an established bonus pool. The Compensation Committee determines the total size of our bonus pool by taking into account our qualitative and financial performance. Within the parameters of the overall pool, there are separate sub-pools allocated to the performance of the individual operating units. The Compensation Committee determines the size of an award that we make to a particular executive by considering his or her individual performance as measured against pre-set performance targets and objectives and his or her individual impact on our overall performance. We believe this pool-based bonus system helps to foster teamwork and ensures that all executives work together as one in the interest of our performance. The current structure of the plan has been in place since 2004.

In determining the annual cash bonuses awarded to each named executive officer under our Senior Bonus Plan, the Company takes into account many of the same factors that it considers when determining base salaries, with particular

focus on the Committee's evaluation of the named executive officer's performance in the preceding fiscal year. Similar to the determinations with respect to base salary and equity incentives, the Committee considers all relevant factors taken as a whole in setting the applicable annual cash bonus award for the fiscal year.

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The revenue target and the Adjusted EBITDA target for bonus pool purposes are set on an annual basis. Each of these components is selected because they are best reflective of business performance, and they are equally weighted because they are both critical in assessing the success of the business. In December 2010, our proposed 2011 bonus plan was presented to the board and the final plan was approved in January 2011. For purposes of funding the senior bonus pool for 2011, the Compensation Committee established a target for revenue of \$177.1 million and a target for Adjusted EBITDA of \$77.2 million. The revenue target for purposes of the Senior Bonus Plan was not intended to be in accordance with U.S. GAAP and includes various adjustments that cause the measurement amount to differ from our actual results. Likewise, the Adjusted EBITDA target includes various adjustments, such as the exclusion of stock based compensation and the exclusion of the accrual for the senior bonus.

Actual and target revenue and Adjusted EBITDA do not include the impact of acquisitions during the year.

Additionally, the actual revenue and Adjusted EBITDA results are adjusted to use foreign exchange rates that were assumed when the target amounts were determined, therefore eliminating the impact of changes in exchange rates. We calculate our total bonus pool by taking a percentage of each executive's base compensation and contributing that amount to the total bonus pool for our executives. In 2011, this target contribution percentage was 100% for Mr. Melland as Chief Executive Officer, 60% for Mr. Durney as Chief Financial Officer, 60% for Mr. Silver as Senior Vice President, 50% for Mr. Benson as Managing Director of Energy and Managing Director of International and 35% for Mr. Campbell as Vice President and General Counsel. We multiply this percentage by the executive's annual base compensation to obtain each executive's targeted pay contribution to the pool.

The total bonus pool available for the named executive officers and other senior executives designated by the Compensation Committee is funded in the following way:

30% of the pool is funded automatically;

35% is funded according to the percentage of the revenue target achieved; and

35% is funded according to the percentage of the Adjusted EBITDA target achieved.

For 2011, if our actual results are lower than 85% of the revenue target or the Adjusted EBITDA target, the 35% of the bonus pool to be funded upon achieving the applicable target is not funded. If 85% of the applicable target is achieved, 50% of the 35% to be funded with respect to the applicable target is funded. If our actual revenue or Adjusted EBITDA falls between 85% and 100% of the applicable target, the amount to be funded for each target to the bonus pool increases from 50% to 100% of the applicable 35% portion of the bonus pool on a pro-rata basis. Further, for 2011, the size of our bonus pool would increase by 10% for each 1% that our actual revenue exceeds our revenue target (the "revenue multiplier"), provided that actual Adjusted EBITDA is also equal to or greater than the sum of (1) the Adjusted EBITDA target plus (2) 50% of the amount by which actual revenue exceeds our revenue target. (If actual Adjusted EBITDA exceeds our Adjusted EBITDA target but actual revenue does not exceed our revenue target, the bonus pool does not increase.)

If our actual revenue exceeds our target amount, and our actual Adjusted EBITDA performance is sufficient such that the bonus pool is increased as described above, then the contribution we make to the bonus pool in respect of each executive's base compensation can be increased so that each individual's "base compensation contribution" to the bonus pool can be as much as two times their targeted base compensation contribution. In 2011, for purposes of the bonus pool, the actual revenue was \$177.4 million and the actual Adjusted EBITDA amount was \$79.3 million. Because our actual revenues for bonus pool purposes were above our targets, the bonus pool funding was increased by 2% and, accordingly, we multiplied each executive officer's targeted base compensation contribution amount by 102% to determine how much would be contributed to the bonus pool with respect to his or her base compensation. As a result, the total bonus pool for the Senior Bonus Plan for 2011 was \$2.5 million. The five named executive officers plus 32 other members of senior management participated in the Senior Bonus Plan and were eligible for bonuses out of the total bonus pool.

The Compensation Committee then reviews each executive's performance against his individual performance objectives (set forth below) and may further increase or decrease the percentage for any particular executive if that executive has had a significant impact in helping us achieve superior company performance. We believe this ensures that executives whose performance is outstanding receive proportionately larger bonuses as a reward. It is possible that any single participant may be allocated a bonus from the bonus pool in an amount up to a maximum of two times



his or her targeted base compensation contribution to the bonus pool, if his or her performance warrants such a payout based on the Compensation Committee's qualitative assessment of the executive's performance against his or her goals and objectives. Similarly, it is also possible that any participant in the Senior Bonus Plan may be allocated less than his or her targeted base compensation contribution to the bonus pool, based on his or her performance against his or her goals and objectives.

The 2011 performance goals and objectives for Mr. Melland consist of:

- achieving 2011 financial and operating targets, including revenue, EBITDA, and operating cash flow;
- upgrading the product features and functionality of Dice's major services;

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building our Energy and Healthcare verticals;  
improving security and efficiency across our technology platforms;  
• further developing the organization and infrastructure to support multiple brands and geographies;  
and

pursuing growth opportunities in new verticals or related services.

The 2011 performance goals and objectives for Mr. Durney consist of:

ensuring timely, accurate and informative metric and financial reporting;  
managing external reporting and investor relations;  
overseeing the expansion and integration of the Energy vertical;  
leading corporate development and treasury activities;  
coordinating the execution of global strategic planning; and  
updating the roadmap for enhancing shareholder value.

The 2011 performance goals and objectives for Mr. Silver consist of:

achieving 2011 North American revenue, billings and EBITDA targets;  
upgrading Dice, ClearanceJobs and AllHealthcareJobs product features and performance;  
increasing brand awareness and elevating the perception of all of our brands;  
building momentum in the healthcare business; and  
supporting the Energy vertical and corporate initiatives.

The 2011 performance goals and objectives for Mr. Benson consist of:

achieving 2011 revenue and EBITDA targets for Dice Energy brands;  
continue development of services(s) for the Asian marketplace;  
successfully integrating Rigzone and WorldwideWorker product platforms; and  
evaluating business development and acquisition opportunities outside of North America.

The 2011 performance goals and objectives for Mr. Campbell consist of:

maintaining our legal files and endeavoring to ensure compliance with applicable laws and regulations;  
monitoring spam and ensuring our compliance with privacy legislation;  
• providing legal and deal-related support to sales negotiations and documentation; and

helping support strategic expansion initiatives, including managing the legal issues surrounding acquisitions.

Based on input received from Mr. Melland and Mr. Durney with respect to each of their direct reports, the Compensation Committee determines in its sole discretion the extent to which such individuals' goals and objectives are achieved. For 2011, Mr. Melland was awarded a bonus equal to 100% of his basic bonus allocation based on meeting his performance goals and objectives and due to the overall management of the business. For 2011, the Compensation Committee made adjustments to the bonus pool allocations as a result of individual performance for Messrs. Durney (105%), Silver (97%), Benson (103%) and Campbell (96%).

Equity Incentives

We believe that equity compensation is the most effective means of creating a long-term link between the compensation provided to executives and gains realized by our stockholders, as the value of stock-based compensation is dependent upon long-term appreciation in stock price. Accordingly, we believe stock options and restricted stock grants should be a significant part of the total mix of executive compensation. For 2011, the mix was two-thirds restricted stock and one-third options. The Compensation Committee believed this allocation was appropriate for enhanced retention and to attempt to balance the prior historical equity compensation practice which had been primarily options. Under our 2005 Omnibus Stock Plan and our 2007 Equity Award Plan, all restricted stock grants typically vest over four years, with 25% vesting occurring on each annual anniversary date. Stock options incorporate the following features:

the term of the grant does not exceed 10 years;  
the grant price is not less than the fair market value of our Common Stock on the date of grant; and  
• options typically vest over four years, with the first 25% typically vesting on the first anniversary of the vesting commencement date, and 6.25% vesting quarterly thereafter.



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We continue to use stock options and restricted stock as a long-term incentive vehicle because:

Stock options and restricted stock align the interests of executives with those of the stockholders, support a pay-for-performance culture, foster employee stock ownership, and focus the management team on increasing value for the stockholders.

• Stock options are performance based: all the value received by the recipient from a stock option is based on the growth of the stock price above the option price.

• Restricted stock grants encourage our executives to hold shares of our common stock, and incentivize our executives to increase the value of shares of our common stock through contributions to long-term performance.

Stock options and restricted stock help to provide a balance to the overall compensation program: while cash bonuses focus on the achievement of annual performance targets, the structure and vesting for stock options and restricted stock awards creates incentive for increases in stockholder value over a longer term.

• The vesting period encourages executive retention and the preservation of stockholder value.

In determining the number of options or restricted stock to be granted to each named executive officer, the Compensation Committee takes into account (1) the individual's position, scope of responsibility, and ability to affect company performance and stockholder value; (2) the Compensation Committee's evaluation of the named executive officer's performance in preceding fiscal years; (3) the extent to which the long-term equity award grant value is competitive with our peer group companies for long-term equity award grants for comparable positions in the Company's industry; (4) any extraordinary changes that have occurred (such as a significant change in responsibilities or a promotion); and (5) the value and potential value for the executive of the other elements of the Company's compensation program and the value of stock options and restricted stock in relation to such other elements of total compensation.

In addition, the Committee considers the following material factors that have particular relevance to long-term equity grants: (1) the Company-wide equity budget (which is the aggregate grant values of all long-term equity awards available for grant to Company employees, expressed as a percentage of the Company's market capitalization), which is taken into account in determining the relative size of awards granted to the named executive officers to ensure there is sufficient value available for grant to the other eligible employees of the Company; and (2) the named executive officer's unrealized value from previous grants, including the number of options currently held by him or her and the level of options granted in prior years (with an emphasis on the extent to which outstanding equity grants are still unvested and thus continue to represent substantial retentive value). As with the determinations with respect to other elements of compensation, the Committee considers all relevant factors taken as a whole in setting the applicable equity grant for the fiscal year.

In March 2011, the Compensation Committee approved an option grant to key members of our management team, including Messrs. Melland, Durney, Silver, Benson and Campbell. This was part of an annual grant of equity awards and part of our overall compensation program. Restricted stock was also granted in March 2011 to Messrs. Melland, Durney, Silver, Benson and Campbell. In determining the size of the equity grants for our named executive officers, the Compensation Committee took into account the material factors set forth above, in conjunction with the Frederick W. Cook & Company analysis. As part of its overall review of the Company's compensation program, the Compensation Committee set a seven year term for the stock options, consistent with the 2010 option grant.

### Employee Benefits

Executive officers participate in other employee benefit plans generally available to all employees on the same terms, such as a 401(k) plan with a Company matching contribution. In addition, certain executive officers participate in a Supplemental Disability Plan. These plans are designed to enable us to attract and retain our workforce in a competitive marketplace.

### Severance and Change-in-Control Arrangements

We believe that companies should provide reasonable severance benefits to executive officers due to the greater level of difficulty they face in finding comparable employment in a short period of time and greater risk of job loss or modification as a result of a change in control transaction than other employees. By reducing the risk of job loss or reduction in response, the change in control provision helps ensure that our executive officers support potential change in control transactions that may be in the best interests of our stockholders, even though the transaction may create

uncertainty in their personal employment situation, and are necessary to ensure that our total employment package for them remains market competitive. Each named executive officer is entitled to receive severance benefits under the terms of his or her employment agreement upon either termination by us without cause or resignation by the executive for good reason. For details on our change of control severance plan, see “—Potential Post-Employment Payments Upon Termination or Change in Control .” We award severance payments in the event of a termination related to a change of control to ensure that each executive is focused on our best interests, even if

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that means working himself or herself out of a job.

The executive's employment agreements previously provided for accelerated vesting of stock options upon certain terminations of employment, and were silent as to the vesting of restricted stock. The employment agreements were amended to treat restricted stock and other stock and stock-based awards in a manner that is consistent with the treatment of stock options for vesting acceleration purposes, as approved by the Compensation Committee in March 2011.

**Reasonableness of Compensation**

After considering all components of the compensation paid to the named executive officers in respect of 2011 we considered the total compensation reasonable because:

• Management and the Company performed extremely well in 2011 coming out of the downturn in the economic environment.

• The total compensation levels for the named executive officers are comparable with those of similarly situated executives in comparable companies.

**Tax and Accounting Considerations**

We generally seek to maximize the deductibility for tax purposes of all elements of compensation. For example, we have consistently issued nonqualified stock options that will result in a tax deduction to us upon exercise.

Section 162(m) of the Internal Revenue Code (the "Code") generally disallows a tax deduction to public corporations for compensation (other than qualified performance-based compensation) in excess of \$1.0 million paid to our named executive officers (other than our Chief Financial Officer) in any fiscal year. We are submitting our 2012 Equity Plan to our stockholders for their approval to continue to permit our cash bonuses and equity-based awards to qualify for exemption from the application of the provisions of Section 162(m). The Compensation Committee reviews compensation plans in light of applicable tax provisions, including Section 162(m), and may revise compensation plans from time to time to maximize deductibility. However, the Compensation Committee may approve compensation that does not qualify for deductibility when we deem it to be in our best interests.

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## Summary Compensation Table For Fiscal Year 2011

The following table sets forth the cash and non-cash compensation paid by us or incurred on our behalf to our named executive officers during 2011, our last completed fiscal year.

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$)(1)	Option Awards (\$)(1)	Non-Equity Incentive Plan Compensation (\$)(2)	All Other Compensation (\$)(3)	Total (\$)
Scot W. Melland(4) Chairman, President & Chief Executive Officer	2011	500,000	841,000	443,960	511,000	8,250	2,304,210
	2010	497,923	182,400	536,892	936,300	8,250	2,161,765
	2009	440,000	—	462,000	321,500	6,840	1,230,340
Michael P. Durney Senior Vice President, Finance and Chief Financial Officer	2011	365,650	406,000	221,980	235,000	8,250	1,236,880
	2010	365,691	121,600	357,928	410,900	8,250	1,264,369
	2009	355,000	—	308,000	207,500	7,503	878,003
Thomas M. Silver Senior Vice President, North America	2011	325,000	406,000	221,980	193,000	11,000	1,156,980
	2010	325,000	115,520	340,032	365,200	8,250	1,154,002
	2009	312,577	—	361,000	161,500	10,048	845,125
Brian P. Campbell Vice President Business and Legal Affairs, General Counsel and Secretary	2011	290,992	174,000	95,134	100,000	8,250	668,376
	2010	282,920	48,640	143,171	185,400	8,250	668,381
	2009	277,000	—	123,200	94,500	56,516	551,216
John P.R. Benson(5) Managing Director, Energy; Managing Director, International	2011	233,600	174,000	95,134	122,400	—	625,134
	2010	220,100	48,640	143,171	198,400	25,395	635,706
	2009	216,346	—	123,200	79,285	10,148	428,979

Represents the aggregate grant date fair value of restricted stock or stock options granted during the year in accordance with the Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”) Topic 718, Stock Compensation (disregarding any forfeiture assumptions). These amounts do not correspond to the (1) actual value that may be realized by our named executive officers for these awards. See Note 12 to our consolidated financial statements and “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies—Stock and Stock—Based Compensation” included in our Annual Report on Form 10-K for the assumptions made in determining these values.

(2) Represents awards made pursuant to the Senior Bonus Plan and earned during the year indicated, although the awards were actually paid in the following year.

This amount represents employer contributions to our 401(k) plan, except for Mr. Benson where amounts represent a contribution made by us to his pension plan and represents the equivalent of National Insurance payments that would have been due and payable to him, but for his contribution of his bonus to his pension plan. For 2009, this (3) amount also includes reimbursements of medical expenses pursuant to the terms of the Company’s health reimbursement account plan of \$324, \$987, \$1,798 and \$50,000 for Messrs. Melland, Durney, Silver and Campbell, respectively.

(4)

Mr. Melland is also a member of our board of directors but does not receive any additional compensation for his services in this capacity.

(5) All compensation amounts for Mr. Benson have been converted from British Pounds to U.S. dollars at an exchange rate of US\$1.60, US\$1.55, and US\$1.57 for each £1 for 2011, 2010 and 2009, respectively.



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## Grants of Plan-Based Awards For Fiscal Year 2011

The following table details grants to our named executive officers during 2011:

	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)		All Other Stock Awards: Number of Shares of Stock(#)(2)	All Other Option Awards: Number of Securities Underlying Options(#)(3)	Exercise Price of Option Awards(\$)	Grant Date Fair Value of Stock and Option Awards(\$)(4)
		Target Bonus Payments(\$)	Maximum Bonus Payments(\$)				
Scot W. Melland	3/3/2011				70,000	\$ 14.50	443,960
	3/3/2011			58,000			841,000
		500,000	1,000,000				
Michael P. Durney	3/3/2011				35,000	\$ 14.50	221,980
	3/3/2011			28,000			406,000
		219,390	438,780				
Thomas M. Silver	3/3/2011				35,000	\$ 14.50	221,980
	3/3/2011			28,000			406,000
		195,000	390,000				
Brian P. Campbell	3/3/2011				15,000	\$ 14.50	95,134
	3/3/2011			12,000			174,000