WIRELESS TELECOM GROUP INC
Form DEF 14A
April 30, 2010

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

SCHEDULE 14A

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

Filed by the Registrant x
Filed by a Party other than the Registrant o

Check the appropriate box:
o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e) (2))**
x Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material under Rule 14a-12

WIRELESS TELECOM GROUP, 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):
x No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(4) 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):

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1) Amount previously paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

WIRELESS TELECOM GROUP, INC.
25 Eastmans Road
Parsippany, NJ 07054
(973) 386-9696

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To be held on June 8, 2010

To the Stockholders of Wireless Telecom Group, Inc.:

NOTICE IS HEREBY GIVEN that the annual meeting of stockholders of Wireless Telecom Group, Inc., a New Jersey corporation (the Company), will be held at the Sheraton Parsippany Hotel, 199 Smith Road, Parsippany, New Jersey 07054, on June 8, 2010, at 10:00 a.m., local time (the Meeting), for the following purposes:

1. To elect each of Adrian Nemcek, Hazem Ben-Gacem, Henry L. Bachman, Rick Mace, Joseph Garrity, Glenn Luk and Paul Genova as a member of the Company s board of directors, for a term of one year or until their respective successors are elected and qualified; and

2. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The board of directors of the Company unanimously recommends that you vote FOR each of the seven nominees to the board of directors.

The close of business on April 28, 2010 has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Meeting. Accordingly, only stockholders of record at the close of business on that date will be entitled to vote at the Meeting. A copy of the Company s 2009 annual report is being mailed concurrently with this proxy material to all stockholders of record.

All stockholders are cordially invited to attend the Meeting. Whether or not you expect to attend, you are requested to sign, date and return the enclosed proxy promptly. Stockholders who execute proxies retain the right to revoke them at any time prior to the voting thereof by (i) filing written notice of such revocation with the Secretary of the Company, (ii) submission of a duly executed proxy bearing a later date or (iii) voting in person at the Meeting. Attendance at the Meeting will not in and of itself constitute revocation of a proxy. Any written notice revoking a proxy should be sent to: Robert Censullo, Secretary, Wireless Telecom Group, Inc., 25 Eastmans Road, Parsippany, New Jersey 07054. A return envelope, which requires no postage if mailed in the United States, is enclosed for your convenience.

By Order of the Board of Directors,
Robert Censullo
Secretary
Dated: April 30, 2010

WIRELESS TELECOM GROUP, INC.
25 Eastmans Road
Parsippany, NJ 07054
(973) 386-9696

PROXY STATEMENT
ANNUAL MEETING OF STOCKHOLDERS
June 8, 2010

This Proxy Statement and accompanying proxy card is furnished in connection with the solicitation by the Board of Directors of Wireless Telecom Group, Inc., a New Jersey corporation (the Company), of proxies in the enclosed form for the Annual Meeting of Stockholders to be held at the Sheraton Parsippany Hotel, 199 Smith Road, Parsippany, New Jersey 07054, on June 8, 2010, at 10:00 a.m., local time, and for any adjournment or adjournments thereof, for the purposes set forth in the foregoing Notice of Annual Meeting of Stockholders (the Meeting). To obtain directions to be able to attend the meeting and vote in person, contact Robert Censullo at (973) 386-9696. The persons named in the enclosed proxy form will vote the shares of the Company s common stock, par value $.01 per share (the Common Stock), for which they are appointed in accordance with the directions of the stockholders appointing them. In the absence of such directions, such shares will be voted FOR Proposal 1 set forth herein and, in their best judgment, will be voted on any other matters as may come before the Meeting. Any stockholder giving a proxy has the power to revoke such proxy at any time before it is voted by (i) filing written notice of such revocation with the Secretary of the Company, (ii) submission of a duly executed proxy bearing a later date or (iii) voting in person at the Meeting. Attendance at the Meeting will not in and of itself constitute a revocation of a proxy. Any written notice revoking a proxy should be sent to: Robert Censullo, Secretary, Wireless Telecom Group, Inc., 25 Eastmans Road, Parsippany, New Jersey 07054. A return envelope, which requires no postage if mailed in the United States, is enclosed herewith for your convenience.

The principal executive offices of the Company are located at 25 Eastmans Road, Parsippany, New Jersey 07054. The approximate date on which this Proxy Statement and the accompanying form of proxy will first be mailed to the Company s stockholders is May 7, 2010.

This proxy statement, together with our annual report to shareholders and a form of proxy card, is available on the Company s website at www.wtcom.com. Shareholders may also obtain a copy of these materials by writing to Wireless Telecom Group, Inc., Attention: Robert Censullo, Secretary.

The Company will pay the cost of soliciting proxies. To date, the Company has paid approximately $3,000 for proxy services and estimates the total cost of solicitation not to exceed $12,000. In addition to solicitation by use of the mails, proxies may be solicited from the Company s stockholders, by the Company s directors, officers and employees in person or by telephone, telegram or other means of communication. Such directors, officers and employees will not be additionally compensated but may be reimbursed for reasonable out-of-pocket expenses incurred in connection with such solicitation. Arrangements will be made with brokerage houses, custodians, nominees and fiduciaries for forwarding of proxy materials to beneficial owners of shares held of record by such brokerage houses, custodians, nominees and fiduciaries and for reimbursement of their reasonable expenses incurred in connection therewith.

The Company will only send one set of proxy materials to two or more stockholders who share one address, unless we have received contrary instructions from one or more of the stockholders at that address. This procedure is referred to as Householding. Each stockholder subject to Householding will continue to receive a separate proxy card or voting instruction card.

We will promptly deliver, upon written or oral request, a separate copy of our annual proxy materials to a stockholder at a shared address to which a single copy was previously delivered. If you received a single set of proxy materials for this year, but you would prefer to receive your own copy, you may direct requests for separate copies to Robert Censullo, Secretary, Wireless Telecom Group, Inc., 25 Eastmans Road, Parsippany, New Jersey 07054 or call us at (973) 386-9696. Likewise, if your household currently receives multiple copies of proxy materials and you would like to receive one set, please contact us at the address and telephone number provided.

OUTSTANDING SHARES AND VOTING RIGHTS

Only holders of record of shares of the Company s Common Stock as of the close of business on April 28, 2010 (the Record Date) are entitled to vote at the Meeting. On the Record Date, there were 25,658,203 shares of Common Stock outstanding and entitled to be voted at the Meeting. As of the Record Date, there were 494 holders of record of the Company s Common Stock. Each outstanding share of Common Stock as of the Record Date is entitled to one (1) vote on all matters to be acted upon at the Meeting. A complete list of stockholders of record entitled to vote at the Meeting will be available for inspection by any stockholder for any purpose germane to the Meeting for 10 days prior to the Meeting during ordinary business hours at the Company s headquarters located at 25 Eastmans Road, Parsippany, New Jersey 07054.

Most of the Company s stockholders hold their shares through a stock brokerage account, bank or other nominee, rather than directly in their own name. There are some distinctions between shares held as a holder of record and those beneficially owned. If your shares of Common Stock are registered directly in your name with the Company s transfer agent, American Stock Transfer & Trust Company, you are considered, with respect to those shares, the holder of record, and these proxy materials have been sent directly to you. As the holder of record, you have the right to grant your voting proxy directly to the persons named on the enclosed proxy card or to vote in person at the Meeting. A proxy card is enclosed with this proxy statement for you to use. If your shares of Common Stock are held in a stock brokerage account or by a bank or other nominee, you are considered the beneficial owner of shares held in street name , and these proxy materials are being forwarded to you by your broker or nominee who is considered, with respect to those shares, the holder of record. As the beneficial owner, you have the right to direct your broker or nominee how to vote and are also invited to attend the Meeting. However, since you are not the holder of record, you may not vote these shares in person at the Meeting. Your broker or nominee has enclosed a voting instruction card with this proxy statement for you to use in directing the broker or nominee how to vote your shares. Shares of Common Stock held in street name may be voted in person by you only if you obtain a signed proxy from the holder of record giving you the right to vote the shares.

The presence, in person or by properly executed proxy, at the Meeting of the holders of shares entitled to cast a majority of the votes at the Meeting is necessary to constitute a quorum in order to transact business at the Meeting. If a quorum is present, the affirmative vote of a plurality of the votes cast at the Meeting is required to elect each of the nominees named in this proxy statement as a director of the Company. A plurality means that the nominees who receive the highest number of votes cast FOR will be elected as directors. All other matters submitted to a vote of stockholders require the affirmative vote of a majority of the votes cast at the Meeting for approval.

In the election of directors, you may vote FOR all of the nominees or your vote may be WITHHELD with respect to one or more of the nominees. You may vote FOR, AGAINST or ABSTAIN for any other proposals. For purposes of determining the number of votes cast with respect to a matter, only those votes cast FOR or AGAINST a proposal are counted. Broker non-votes, if any are submitted by brokers or nominees in connection with the Meeting, will not be counted as votes FOR or AGAINST for purposes of determining the number of votes cast. Broker non-votes are shares held by brokers or nominees as to which voting instructions have not been received from the beneficial owners or the persons entitled to vote those shares and the broker or nominee does not have discretionary voting power under the applicable securities exchange rules. Shares as to which a stockholder or broker withholds from voting or as to which a shareholder or broker abstains will be treated as shares that are present for purposes of determining the presence of a quorum. Withhold votes, however, will not be counted FOR the election of any nominees, and abstentions will not be counted FOR or AGAINST a proposal. Withhold votes, abstentions and broker non-votes will have no effect on the outcome of any proposal presented at the Meeting. Proxy ballots are received and tabulated by the Company s transfer agent and certified by the inspector of election.

PROPOSAL 1.
ELECTION OF DIRECTORS

General

The Company s by-laws provide that the Company s board of directors shall consist of up to nine members. The number of directors constituting the Company s board of directors, as determined by the Company s board of directors, is currently fixed at seven, and at present, there are seven directors serving on the Company s board of directors. At the Meeting, the Company s shareholders will be asked to vote for the election of seven nominees to serve on the Company s board of directors until the next annual meeting of shareholders or until their respective successors are elected and qualified.

If a proxy is properly executed but does not contain voting instructions, it will be voted FOR the election of each of the nominees named below as a director of the Company. Proxies cannot be voted for a greater number of persons than seven. Management has no reason to believe that any of the nominees named below will not be a candidate or will be unable to serve as a director. However, in the event that any of the nominees should become unable or unwilling to serve as a director, the proxies may be voted for such substitute nominees as the Company s board of directors may designate.

Director Nominees, Current Directors and Executive Officers of the Company

Set forth below are the names, ages and descriptions of the backgrounds, as of April 28, 2010, of each of the director nominees, current directors and executive officers of the Company.

Name	Age	Position
Adrian Nemcek(1)(2)(4)	63	Chairman of the Board
Hazem Ben-Gacem(1)	40	Director
Henry L. Bachman(1)(2)(3)(4)	80	Director
Joseph Garrity(1)(3)(4)	54	Director
Paul Genova(1)	54	Director, Chief Executive Officer, President and Chief Financial Officer
Glenn Luk(1)	31	Director
Rick Mace(1)(2)(3)	55	Director

(1) Director Nominee

(2) Current Member of Nominating and Governance Committee

(3) Current Member of Compensation Committee

(4) Current Member of Audit Committee

Adrian Nemcek, a director nominee, was President of the Motorola Networks business from January 2005 until his retirement in March 2006, and has 36 years of experience in the wireless industry. Mr. Nemcek expanded the scope of the Motorola Networks business to provide cellular radio access, IP networks, telco wireline access, WiMAX wireless access platforms, embedded communications and computer platforms, as well as providing customers with a services and applications management business focused in these areas. Prior to heading the Networks business, from August 2002 to December 2004, he served as Executive Vice

President and led global sales and strategy functions for the Motorola Cellular Networks business following five years in Europe leading the GSM Systems business. Mr. Nemcek s experience spans both the cellular and Private Mobile Radio (PMR) markets. He has successfully led product development for several generations of handheld and infrastructure communications products. Adrian s leadership spanned new technology development, supply chain, marketing and worldwide business line management. He currently serves on the Illinois Institute of Technology (IIT) Board of Trustees, the AirHop Communications, Inc. Board of Directors, and the Auburn University Wireless Board of Advisors. The Company s board of directors selected Mr. Nemcek to serve as a director and its chairman because of his extensive experience as an executive in the wireless industry.

Hazem Ben-Gacem, a director nominee, was appointed a director of the Company on July 1, 2005. Mr. Ben-Gacem is a Managing Director at Investcorp and a founding partner of its technology private equity activities since its inception in 2001. Between 1994 and 2001, Mr. Ben-Gacem was a member of Investcorp s European leveraged buyout team, where he was responsible for the origination and execution of new leveraged buyout investments in Europe, including the buyouts of Leica Geosystems, Breguet and Ebel in Switzerland and Helly Hansen in Norway. Mr. Ben-Gacem currently sits on, or has sat on, the boards of directors of Acta Technologies and KGB (previously Info NXX) in the U.S., Spectel, Conduit and Objectstar in Ireland, Utimaco Safeware AG (Frankfurt Stock Exchange) and Mania Technologies AG (Frankfurt Stock Exchange) in Germany and Moneybookers Limited, TDX Group and Sophos plc in the UK. Prior to joining Investcorp, Mr. Ben-Gacem was a member of Credit Suisse First Boston s Mergers & Acquisitions team in New York. Mr. Ben-Gacem is a graduate of Harvard University where he received a B.A. in Economics with honors, and currently serves of the Dean s Council for the Harvard Kennedy School of Government. The Company believes that Mr. Ben-Gacem s significant experience on the boards of several companies, as well as his experience in the technology industry, qualifies Mr. Ben-Gacem to serve on the Company s board of directors.

Henry L. Bachman, a director nominee, became a director of the Company in January 1999 and has a career of over 50 years in the electronics industry. From 1951 to 1996, Mr. Bachman served as Vice President of Hazeltine, a subsidiary of Marconi Aerospace Systems Inc., Advanced Systems Division, on a full-time basis and currently provides consulting services to them on a part-time basis. Mr. Bachman was President of The Institute of Electrical and Electronics Engineers (IEEE). Mr. Bachman has a Bachelor s degree and Master of Science degree from Polytechnic University and completed the Advanced Management Program at Harvard Sloan School of Management. The Company s board of directors selected Mr. Bachman to serve as a director because of his history of serving the Company for over a decade, in addition to his significant experience in the electronics industry.

Joseph Garrity, a director nominee, became a director of the Company in July 2007. Mr. Garrity served in various capacities from 1991-2005 including; Executive Vice President, Chief Financial Officer, Chief Operating Officer and Director of 4 Kids Entertainment, a New York Stock Exchange Listed company. For more than six years prior to such time, Mr. Garrity was a Senior Audit Manager for Deloitte & Touche LLP. In January 2006, Mr. Garrity became chairman of the board of trustees of a private college, and in January 2007 became partner in a capital investment fund. Mr. Garrity has 24 years experience in executive financial management and is a CPA and a member of the NYSSCPA s and the AICPA. Mr. Garrity s significant tenure as the chief financial officer of a public company, as well as his financial background, qualifies him to serve on the Company s board of directors.

Paul Genova has served as the Company s Chief Executive Officer and member of the board of directors since November 2009 and the Company s CFO since September 2003. From March 2004 until July 2005, Mr. Genova served as a director of the Company and from September 2005 to January 2006, Mr. Genova served as interim Chief Executive Officer of the Company. From 1994 to February 2002, Mr. Genova served as Chief Financial Officer of Wilson Logistics, Inc., a supply chain management and industrial services provider. From 1985 to 1994, Mr. Genova worked with Deloitte & Touche LLP as a Senior Audit Manager, working with various global manufacturing companies. Mr. Genova is a CPA and has a Bachelor of Science degree in Accounting from Manhattan College. The Company s board of directors selected Mr. Genova to serve as a director of the Company because of his history as the Company s President, as well as his extensive business and financial background.

Glenn Luk, a director nominee, is a Vice President at Investcorp Technology Partners. Mr. Luk joined Investcorp in 2005. Prior to Investcorp, he was an associate at Deutsche Bank where he focused on leveraged finance in New York. Mr. Luk also spent three years in Hong Kong with Deutsche Bank, focusing on mergers and acquisitions advisory in Greater China, Korea and Japan. Mr. Luk is a board director of Kentrox and Zeta Interactive, an alternate director for OpSec Security Group and works closely with Dialogic. Mr. Luk graduated with a dual degree from the University of Pennsylvania, and holds a Bachelor of Science degree from Wharton with concentrations in Finance and Information Systems and a Bachelor of Science degree in Computer Science Engineering. The Company believes that Mr. Luk s current position as Vice President of Investcorp s technology group, together with his significant business background, qualifies Mr. Luk to serve on the Company s board of directors.

Rick Mace, a director nominee, is an experienced CEO and COO within the telecommunications and networking markets, with extensive experience with hardware/software and service business models. He is currently the President and CEO of Packet Exchange Ltd., a London based network provider. From April 2005 to October 2007, Mr. Mace has served as COO of Tekelec, Inc., which produces network signaling systems within telecommunications networks. He joined Tekelec as President and General Manager in October 2004 as part of the acquisition by Tekelec of Steleus Group, Inc., a communications software company for which he was CEO and Chairman of the Board from May 2000 until the aforementioned acquisition in October 2004. Prior to Steleus, Mr. Mace was President and CEO of PakNetX, Inc., which was acquired by Aspect Communications. Prior to PakNetX, Mr. Mace was CEO of Network Programs, Inc., which was acquired by DSET Corporation. Mr. Mace also served as Worldwide Vice President Marketing and Sales of Digital Equipment Corporations Service Division, and COO of Bell Atlantic Network Integration, Inc. Mr. Mace s extensive experience in the telecommunications industry, together with his significant experience serving as an officer or director of various technology companies, qualifies Mr. Mace to serve on the board of directors of the Company.

There are no family relationships among any of the director nominees, current directors or executive officers of the Company.

Independence of Directors

The Company s board of directors has determined that all of the Company s directors, except Mr. Ben-Gacem, Mr. Luk and Mr. Genova, are currently independent in accordance with the applicable listing standards of the New York Stock Exchange as currently in effect. Due to Messrs. Ben-Gacem and Luk s affiliation with Investcorp, which owns approximately 25.2% of the Company s Common Stock and has a significant business relationship with the Company, neither Mr. Ben-Gacem nor Mr. Luk are independent. Under applicable New York Stock Exchange Rules, Mr. Genova is not considered independent because he presently serves as the Company s Chief Executive Officer, President and Chief Financial Officer.

Meetings of the Board of Directors

During the year ended December 31, 2009, the Company s board of directors held four meetings. The board of directors has an Audit Committee, a Compensation Committee and a Nominations and Governance Committee. During the year ended December 31, 2009, the Audit Committee held four meetings, the Compensation Committee held five meetings and the Nominations and Governance Committee held one meeting. During the year ended December 31, 2009, no director attended fewer than 75% of the aggregate of the total number of meetings of the Company s board of directors (held during the period for which he was a director) and the total number of meetings held by all committees of the Company s board of directors on which he served (held during the period that he served).

Directors who are not employees of the Company are compensated for their services according to a standard arrangement. Such directors are paid a quarterly retainer based upon their level of involvement with related committees. Mr. Ben-Gacem s compensation is limited to cash reimbursement of actual and necessary travel expenses as applicable for travel to physically attend the appropriate meetings.

Corporate Governance and Board Committees

The Company s board of directors has adopted a Code of Business Conduct and Ethics (the Code) that outlines the principles of legal and ethical business conduct under which the Company does business. The Code, which is applicable to all directors, employees and officers of the Company, is available at the Company s website at www.wtcom.com. Any substantive amendment or waiver of the Code may be made only by the Company s board of directors or a committee of the board of directors, and will be promptly disclosed to the Company s shareholders on its website. In addition, disclosure of any waiver of the Code will also be made by the filing of a Current Report on Form 8-K with the SEC.

The Company has three standing committees: the Audit Committee, the Compensation Committee, and the Nominations and Governance Committee. The Company s board of directors has also adopted a written charter for the Audit Committee, Compensation Committee and Nominations and Governance Committees. Each charter is available on the Company s website at www.wtcom.com.

The Audit Committee serves at the pleasure of the Company s board of directors, and is authorized to review proposals of the Company s auditors regarding annual audits, recommend the engagement or discharge of the auditors, review recommendations of such auditors concerning accounting principles and the adequacy of internal controls and accounting procedures and practices, to review the scope of the annual audit, to approve or disapprove each professional service or type of service other than standard auditing services to be provided by the auditors, and to review and discuss the audited financial statements with the auditors.

Before an independent public accounting firm is engaged by the Company to render audit or non-audit services, the engagement is approved by the Audit Committee. Our Audit Committee has the sole authority to approve the scope of the audit and any audit-related services as well as all audit fees and terms. Our Audit committee must pre-approve any audit and non-audit related services by our independent registered public accounting firm. During our fiscal year ended December 31, 2009, no services were provided to us by our independent registered public accounting firm other than in accordance with the pre-approval procedures described herein.

During the year ended December 31, 2009, the members of the Audit Committee were Messrs. Joseph Garrity, Henry L. Bachman, Rick Mace and Adrian Nemcek. Such directors are paid an annual retainer of $4,000 and $1,000 when serving in the capacity of Audit Committee chairperson and Audit Committee member, respectively. Mr. Ben-Gacem has also attended the Company s audit committee meetings as an invited guest of the Audit Committee. Mr. Ben-Gacem receives reimbursement for travel expenses relating to committee activities in lieu of his fees.

The Company s board of directors has determined that each member of the Audit Committee currently meets the independence criteria set forth in the applicable rules of the New York Stock Exchange and the SEC for audit committee membership. The board of directors has also determined that all members of the Audit Committee possess the level of financial literacy required by applicable New York Stock Exchange and SEC rules. The Company s board of directors has determined that Joseph Garrity is qualified as an audit committee financial expert as defined by the SEC. For additional information about the Audit Committee, see Report of the Audit Committee below.

The Compensation Committee serves at the pleasure of the Company s board of directors, and is authorized to establish salaries, incentives and other forms of compensation for officers, directors and certain key employees and consultants, administer the Company s various incentive compensation and benefit plans and recommend policies relating to such plans. The members of the Compensation Committee during the year ended December 31, 2009 were Messrs. Bachman, Garrity, Nemcek and Mace. Mr Ben-Gacem has also attended the Company s compensation committee meetings as an invited guest of the Compensation Committee. Each of Messrs. Bachman, Garrity, Nemcek and Mace is currently independent for purposes of the applicable New York Stock Exchange rules.

The Nominations and Governance Committee serves at the pleasure of the Company s board of directors. The Nominations and Governance Committee oversees the process for performance evaluations of each of the committees of the board of directors and is responsible for overseeing matters of corporate governance, including the evaluation of the performance and practices of the Company s board of directors. It is also within the charter of the Nominations and Governance Committee to review the Company s management succession plans and executive resources. In addition, the Nominations and Governance Committee reviews possible candidates for the Company s board of directors and recommends the nominees for directors to the board for approval. The members of the Nominations and Governance Committee during the year ended December 31, 2009 were Messrs. Mace, Bachman and Nemcek. Mr. Ben-Gacem is welcomed to attend the Company s nominations and governance committee meetings as an invited guest of the Nominations and Governance Committee. Each of Messrs. Mace, Bachman and Nemcek is currently independent for purposes of the applicable New York Stock Exchange rules.

Director Nominations

The Nominations and Governance Committee is responsible for, among other things, the selection, or the recommendation to the Company s board of directors for selection, of nominees for election as directors. The Company s board of directors determines whether the Nominations and Governance Committee shall make director nominations as a committee or make recommendations to the board of directors with respect to director nominations. The Nominations and Governance Committee does not currently have a policy whereby it will consider recommendations from shareholders for its director nominees. The Nominations and Governance Committee feels that it is not appropriate for the Company to have such a policy at this time.

When considering the nomination of directors for election at an annual meeting of shareholders or, if applicable, a special meeting of shareholders, the Nominations and Governance Committee reviews the needs of the Company s board of directors for various skills, background and experience. When reviewing potential nominees, the Nominations and Governance Committee considers the perceived needs of the Company s board of directors, the candidate s relevant background, experience, skills and potential contributions to the Company s board of directors.

There are no specific minimum criteria for director nominees. However, the Nominations and Governance Committee s goal is to assemble a board of directors comprised of directors possessing the highest personal and professional ethics, integrity and values and who will be committed to representing the long-term interests of the Company s shareholders. The Nominations and Governance Committee also gives consideration to the diversity of the board members experiences and backgrounds. Director candidates must have sufficient time available in the judgment of the Nominations and Governance Committee to perform all board of directors and committee responsibilities that will be expected of them. Members of the Company s board of directors are expected to rigorously prepare for, attend and participate in all meetings of the board of directors and applicable committees. The Nominations and Governance Committee will consider candidates for directors proposed by directors or management, and will evaluate any such candidates against the criteria set forth above.

If the Nominations and Governance Committee believes that the Company s board of directors requires additional candidates for nomination, the Nominations and Governance Committee may engage, as appropriate, a third party search firm to assist in identifying qualified candidates. All incumbent directors and nominees will be required to submit a completed directors and officers questionnaire as part of the nominating process. The process may also include interviews and additional background and reference checks for non-incumbent nominees, at the discretion of the Nominations and Governance Committee.

Under the terms of a shareholders agreement, dated July 1, 2005, for so long as Investcorp s beneficial ownership of Common Stock continuously equals or exceeds 12.5% of the issued and outstanding shares of Common Stock, at each annual or special meeting of the Company s stockholders at which directors are to be elected, Investcorp will be entitled to designate to the Nominations and Governance Committee two candidates for nomination for election to the Company s board of directors. For so long as Investcorp s beneficial ownership of Common Stock is less than 12.5% but continuously equals or exceeds 5% of the issued and outstanding shares of Common Stock, at each annual or special meeting of the Company s stockholders at which directors are to be elected, Investcorp will be entitled to designate to the Nominations and Governance Committee one candidate for nomination for election to the Company s board of directors. If at any time Investcorp s beneficial ownership of Common stock falls below 12.5% or 5% (as applicable) of the issued and outstanding shares of Common Stock and Investcorp does not increase its beneficial ownership above such thresholds (as applicable) prior to the end of a 20-day grace period, Investcorp s nomination rights corresponding to such beneficial ownership threshold will expire at the end of the 20-day grace period.

Board Leadership Structure and Role in Risk Oversight

The Company separates the roles of Chief Executive Officer and Chairman of the board of directors in recognition of the differences between the two roles. Additionally, having an independent director such as Mr. Nemcek serve as the chairman of the board is an important aspect of the Company s corporate governance policies.

Four of the seven members of the board of directors are independent within the standards of the NYSE. Our board of directors receives periodic presentations from our executive officers regarding our compliance with our corporate governance practices. While our board of directors maintains oversight responsibility, management is responsible for our day-to-day risk management processes. Our board of directors believes this division of responsibility is the most effective approach for addressing the risks we face.

Communications by Shareholders with Directors

The Company encourages shareholder communications to the Company s board of directors and/or individual directors. Shareholders who wish to communicate with the Company s board of directors or an individual director should send their communications to the care of Paul Genova, Chief Executive Officer & CFO, Wireless Telecom Group, Inc., at 25 Eastmans Road, Parsippany, New Jersey 07054; Fax: (973) 386-9191. Communications regarding financial or accounting policies should be sent to the attention of the Chairman of the Audit Committee. All other communications should be sent to the attention of the Chairman of the Nominations and Governance Committee. Mr. Paul Genova will maintain a log of such communications and will transmit as soon as practicable such communications to either the Chairman of the Audit Committee or the Chairman of the Nominations and Governance Committee, as applicable, or to the identified individual director(s), although communications that are abusive, in bad taste or that present safety or security concerns may be handled differently, as determined by Mr. Genova.

Director Attendance at Annual Meetings

The Company will make every effort to schedule its annual meeting of shareholders at a time and date to accommodate attendance by directors taking into account the directors schedules. All directors are encouraged to attend the Company s annual meeting of shareholders. Seven directors attended the Company s 2009 annual meeting of shareholders. All seven directors and nominees are expected to attend the 2010 meeting.

Vote Required and Recommendation of the Company s Board of Directors

The terms of each of the Company s incumbent directors will expire on the date of the upcoming annual meeting. Accordingly, seven persons are to be elected to serve as members of the Company s board of directors at the annual meeting. Management s nominees for election by the Company s shareholders to those seven positions are Adrian Nemcek, Hazem Ben-Gacem, Henry L. Bachman, Joseph Garrity, Glenn Luk, Rick Mace and Paul Genova. Please see Director Nominees, Current Directors and Executive Officers of the Company above for information concerning each of the nominees.

If a quorum is present at the annual meeting, the seven nominees for directors receiving the highest number of votes cast FOR will be elected as directors of the Company, each to serve until the next annual meeting of the Company s shareholders or until their respective successors are elected and qualified. Withhold votes and broker non-votes will have no effect on the outcome of the election of directors.

The Company s board of directors unanimously recommends that you vote FOR the election of each of the nominees named above to the Company s board of directors.

Relationship with Independent Public Accountants

PKF, Certified Public Accountants, A Professional Corporation, has been the Company s independent auditors since October 19, 2006, and the board of directors desires to continue to engage the services of this firm for the fiscal year ending December 31, 2010. Accordingly, the board of directors, upon the recommendation of the Audit Committee, has reappointed PKF to audit the financial statements of the Company and its subsidiaries for the fiscal year 2010 and to report on these financial statements.

Representatives of PKF are expected to be present at the annual meeting and will have the opportunity to make statements if they so desire and to respond to appropriate questions from the Company s stockholders.

AUDIT COMMITTEE REPORT

The Audit Committee is composed of independent directors, as defined in the listing standards of the New York Stock Exchange, and operates under a written charter adopted by the board of directors. The current members of the Company s Audit Committee are Joseph Garrity, Henry L. Bachman and Adrian Nemcek.

The following is the report of the Audit Committee with respect to the Company s audited financial statements for the fiscal year ended December 31, 2009. The information contained in this report shall not be deemed to be soliciting material or to be filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference in such filing.

In connection with the preparation and filing of the Company s Annual Report on Form 10-K for the year ended December 31, 2009:

(1) The Audit Committee reviewed and discussed the audited financial statements with management;

(2) The Audit Committee discussed with PKF, the Company s independent auditors, the matters required to be discussed by Statement on Auditing Standards No. 114, Auditors Communication with those charged with Governance as adopted by the PCAOB;

(3) The Audit Committee reviewed the written disclosures and the letter from PKF required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor s communications with the Audit Committee concerning independence, and discussed with the auditors any relationships that may impact their objectivity and independence and satisfied itself as to the auditors independence.

Based on the review and discussion referred to above, the Audit Committee recommended to the Company s board of directors that the Company s audited financial statements be included in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2009, to be filed with the SEC.

April 30, 2010

AUDIT COMMITTEE

Joseph Garrity
Henry L. Bachman
Adrian Nemcek

Fees Paid to Principal Accountants

Audit Fees

The aggregate fees billed for professional services and paid for the annual audit and for the review of the Company s financial statements included in the Company s Annual Report on Form 10-K for each of the years ended December 31, 2009 and 2008 and the Company s Quarterly Reports Form 10-Q for each of the quarters for the years ended December 31, 2009 and 2008 were approximately $218,000 and $193,000, respectively.

Audit-Related Fees

The aggregate fees billed for professional services and paid for the auditing of the Company s 401K Plan were approximately $15,000 for each of the years ended December 31, 2009 or 2008.

Tax Fees

The aggregate tax fees billed for all respective services for the years ended December 31, 2009 and 2008, were approximately $73,000 and $51,000, respectively.

All Other Fees

There were no fees billed for all other non-audit services for the years ended December 2009 and 2008.

The Audit Committee approved all of the non-audit services described above. Additionally, the Audit Committee has reviewed the non-audit services provided by the principal accountants and determined that the provision of these services during fiscal years 2009 and 2008 are compatible with maintaining the principal accountants independence.

Compensation Discussion and Analysis

Overview

The goal of our named executive officer compensation program is the same as our goal for operating the Company to create long-term value for our shareholders. Toward this goal, we have designed and implemented our compensation programs for our named executives to reward them for sustained financial and operating performance and leadership excellence, to align their interests with those of our shareholders and to encourage them to remain with the Company for long and productive careers. Most of our compensation elements simultaneously fulfill one or more of our performance, alignment and retention objectives. These elements consist of salary, commission and annual bonus, equity incentive compensation, retirement and other benefits. In deciding on the type and amount of compensation for each executive, we focus on both current pay and the opportunity for future compensation. We combine the compensation elements for each executive in a manner we believe optimizes the executive s contribution to the Company.

Compensation Objectives

Performance. Our three executives who are identified in the Summary Compensation Table below (whom we refer to as our named executives) had a combined total of 10 years with our Company, during which they have held different positions and been in some cases promoted to increasing levels of responsibility. Key elements of compensation that depend upon the named executive s performance include:

- a discretionary cash bonus that is based on an assessment of his performance against pre-determined quantitative and qualitative measures within the context of the Company s overall performance; and

- equity incentive compensation in the form of stock options, subject to vesting schedules that require continued service with the Company.

Base salary and bonus are designed to reward annual achievements and be commensurate with the executive s scope of responsibilities, demonstrated leadership abilities, and management experience and effectiveness. Our other elements of compensation focus on motivating and challenging the executive to achieve superior, longer-term, sustained results.

Alignment. We seek to align the interests of the named executives with those of our investors by evaluating executive performance on the basis of key financial measurements which we believe closely correlate to long-term shareholder value, including revenue, operating profit, earnings per share, operating margins, return on total equity or total capital, cash flow from operating activities and total shareholder return. Equity incentive compensation awards align the interests of the named executives with shareholders because the total value of those awards corresponds to stock price appreciation.

Retention. Our senior executives have been presented with other professional opportunities, including ones at potentially higher compensation levels. We attempt to retain our executives by using continued service as a determinant of total pay opportunity, with the extended vesting terms of stock option awards.

Implementing Our Objectives

Determining Compensation. We rely upon our judgment in making compensation decisions, after reviewing the performance of the Company and carefully evaluating an executive s performance during the year against established goals, leadership qualities, operational performance, business responsibilities, career with the Company, current compensation arrangements and long-term potential to enhance shareholder value. Specific factors affecting compensation decisions for the named executives include:

key financial measurements such as revenue, operating profit, earnings per share, operating margins, return on total equity or total capital, cash flow from operating activities and total shareholder return;

strategic objectives such as acquisitions, dispositions or joint ventures, technological innovation and globalization;

promoting commercial excellence by launching new or continuously improving products or services, being a leading market player and attracting and retaining customers;

achieving specific operational goals for the Company, including improved productivity, simplification and risk management;

achieving excellence in their organizational structure and among their employees; and

supporting our values by promoting a culture of unyielding integrity through compliance with law and our ethics policies, as well as commitment to community leadership and diversity.

We generally do not adhere to rigid formulas or necessarily react to short-term changes in business performance in determining the amount and mix of compensation elements. We consider competitive market compensation paid by other companies, but we do not attempt to maintain a certain target percentile within a peer group or otherwise rely on those data to determine executive compensation. We incorporate flexibility into our compensation programs and in the assessment process to respond to and adjust for the evolving business environment.

We strive to achieve an appropriate mix between equity incentive awards and cash payments in order to meet our objectives. Any apportionment goal is not applied rigidly and does not control our compensation decisions; we use it as another tool to assess an executive s total pay opportunities and whether we have provided the appropriate incentives to accomplish our compensation objectives. Our mix of compensation elements is designed to reward recent results and motivate long-term performance through a combination of cash and equity incentive awards. We also seek to balance compensation elements that are based on financial, operational and strategic metrics with others that are based on the performance of our shares. We believe the most important indicator of whether our compensation objectives are being met is our ability to motivate our named executives to deliver superior performance and retain them to continue their careers with us on a cost-effective basis.

No Employment and Severance Agreements. With the exception of the Employment Agreements and Severance Agreements described in this report, our named executives do not have any additional employment, severance or change-of-control agreements. Our named executives serve at the will of the Board, which enables the Company to terminate their employment with discretion as to the terms of any severance arrangement. This is consistent with the Company s performance-based employment and compensation philosophy. In addition, our policies on employment, severance and retirement arrangements help retain our executives by subjecting to forfeiture significant elements of compensation that they have accrued over their careers at our company if they leave the company prior to retirement.

Role of Compensation Committee and CEO. The Compensation Committee of our Board has primary responsibility for assisting the Board in developing and evaluating potential candidates for executive positions, including the CEO, and for overseeing the development of executive succession plans. As part of this responsibility, the Compensation Committee oversees the design, development and implementation of the compensation program for the CEO and the other named executives. The Compensation Committee evaluates the performance of the CEO and determines CEO compensation in light of the goals and objectives of the compensation program. The CEO and the Compensation Committee together assess the performance of the other named executives and determine their compensation, based on initial recommendations from the CEO.

Our CEO assists the Compensation Committee in reaching compensation decisions with respect to the named executives other than the CEO. The other named executives do not play a role in their own compensation determination, other than discussing individual performance objectives with the CEO.

Role of Compensation Consultants. We have not used the services of any other compensation consultant in matters affecting senior executive or director compensation. In the future, either the Company or the Compensation Committee may engage or seek the advice of other compensation consultants.

Equity Grant Practices. The exercise price of each stock option awarded to our senior executives under our long-term incentive plan is the closing price of our stock on the date of grant. Scheduling decisions are made without regard to anticipated earnings or other major announcements by the Company. We prohibit the repricing of stock options.

Tax Deductibility of Compensation. Section 162(m) of the Internal Revenue Code of 1986, as amended, imposes a $1 million limit on the amount that a public company may deduct for compensation paid to the Company s CEO or any of the Company s four other most highly compensated executive officers who are employed as of the end of the year. This limitation does not apply to compensation that meets the requirements under Section 162(m) for qualifying performance-based compensation (i.e., compensation paid only if the individual s performance meets pre-established objective goals based on performance criteria approved by shareholders). For 2009, the payments of annual bonuses were designed to satisfy the requirements for deductible compensation.

Potential Impact on Compensation from Executive Misconduct. If the Board determines that an executive officer has engaged in fraudulent or intentional misconduct, the Board would take action to remedy the misconduct, prevent its recurrence, and impose such discipline on the wrongdoers as would be appropriate. Discipline would vary depending on the facts and circumstances, and may include, without limit, (1) termination of employment, (2) initiating an action for breach of fiduciary duty, and (3) if the misconduct resulted in a significant restatement of the Company s financial results, seeking reimbursement of any portion of performance-based or incentive compensation paid or awarded to the executive that is greater than would have been paid or awarded if calculated based on the restated financial results. These remedies would be in addition to, and not in lieu of, any actions imposed by law enforcement agencies, regulators or other authorities.

Measures Used to Achieve Compensation Objectives

Annual cash compensation

Base salary. Base salaries for our named executives depend on the scope of their responsibilities, their performance, and the period over which they have performed those responsibilities. Decisions regarding salary increases take into account the executive s current salary and the amounts paid to the executive s peers within and outside the Company. Base salaries are reviewed approximately every 12 months, but are not automatically increased if the Compensation Committee believes that other elements of compensation are more appropriate in light of our stated objectives. This strategy is consistent with the Company s primary intent of offering compensation that is contingent on the achievement of performance objectives.

Bonus. Each quarter the CEO reviews with the Compensation Committee the Company s estimated full-year financial results against the financial, strategic and operational goals established for the year, and the Company s financial performance in prior periods. Based on that review, the Compensation Committee determines on a preliminary basis, and as compared to the prior year, an estimated appropriation to provide for the payment of cash bonuses to employees. After reviewing the final full year results the following quarter, the Compensation Committee and the Board approve total bonuses to be awarded from the maximum fund available. If applicable, bonuses are paid in the months of March and April following our December 31 fiscal year end.

The Compensation Committee, with input from the CEO with respect to the other named executives, uses discretion in determining for each individual executive the current year s bonus and the percent change from the prior year s bonus. They evaluate the overall performance of the Company, the performance of the function that the named executive leads and an assessment of each executive s performance against expectations, which were established at the beginning of the year. We believe that the annual bonus rewards the high-performing executives who drive our results and motivates them to sustain this performance over a long career.

The salaries paid and the annual bonuses awarded to the named executives in 2009 are discussed below and shown in the Summary Compensation Table below.

Equity awards

The Company s equity incentive compensation program is designed to recognize scope of responsibilities, reward demonstrated performance and leadership, motivate future superior performance, align the interests of the executive with our shareholders and retain the executives through the term of the awards. We consider the grant size and the appropriate combination of stock options when making award decisions. The amount of equity incentive compensation granted in 2009 was based upon the strategic, operational and financial performance of the company overall and reflects the executives expected contributions to the Company s future success. Existing ownership levels are not a factor in award determination, as we do not want to discourage executives from holding significant amounts of our stock.

The Company follows the provisions of Accounting Standards Codification (ASC) 718, Share-Based Payment . When determining the appropriate amount of stock options, our goal is to weigh the cost of these grants with their potential benefits as a compensation tool. Stock options only have value to the extent the price of our stock on the date of exercise exceeds the exercise price on grant date, and thus are an effective compensation element only if the stock price grows over the term of the award. In this sense, stock options are a motivational tool.

One of the named executives received grants of stock option awards in 2009. The stock options granted are performance-based and become exercisable only if performance targets are achieved, and have a maximum ten-year term (see outstanding equity table filed herein). We believe that this performance vesting schedule aids the Company in motivating and retaining executives, and provides shareholder value. Under the terms of the Company s long-term incentive plan, unvested stock options are forfeited if the executive voluntarily leaves the Company.

Other Compensation

Includes the total estimated value of the premium paid on group term life insurance and accidental death and dismemberment insurance, the matching contribution of the Wireless Telecom Group, Inc. 401(k) Profit Sharing Plan and the total estimated use of Company automobiles.

Compensation for the Named Executives in 2009

CEO compensation. In determining Mr. Johnson s compensation for 2009, the Compensation Committee considered his performance against his financial, strategic and operational goals for the year. In the fiscal year ended December 31, 2009, Mr. Johnson received $230,000 in salary and $11,000 in other compensation for his service as an executive officer of the Company.

CFO compensation. In determining Mr. Genova s compensation for 2009, the Compensation Committee considered his performance against his financial, strategic and operational goals for the year. In the fiscal year ended December 31, 2009, Mr. Genova received $210,000 in salary, $120,000 in bonuses and $13,500 in other compensation for his service as an executive officer of the Company. Mr. Genova s compensation for the 2009 fiscal year was based on qualitative managerial efforts and business ingenuity.

CMO compensation. In determining Mr. Henderson s compensation for 2009, the Compensation Committee considered his performance against his financial, strategic and operational goals for the year. In the fiscal year ended December 31, 2009, Mr. Henderson received $184,000in salary and $13,100 in other compensation for his service as an executive officer of the Company.

Report of the Compensation Committee

The Compensation Committee has reviewed and discussed with our management the Compensation Discussion and Analysis included in this Proxy. Based on that review and discussion, the Nominating, Governance and Compensation Committee has recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy.

April 30, 2010

COMPENSATION COMMITTEE

Henry Bachman
Joseph Garrity
Rick Mace

Summary Compensation Table for 2009 and 2008

The table below summarizes the total compensation paid or earned by our Chief Executive Officer, our Chief Financial Officer and our Chief Marketing Officer. There were no other executive officers serving during 2009 or 2008 whose compensation would otherwise be required to be disclosed.

Name and Principal Position	Year	Salary ($)(1)	Commission ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Non-Qualified Deferred Compensation Earnings ($)	All Other Compensation ($)(3)	Total ($)
James M. (Monty) Johnson	2009	335,500							11,000	346,500
Vice Chairman and Chief Executive Officer	2008	230,000		50,000		82,100			14,550	376,650
Paul Genova	2009	210,000		120,000		12,000			13,500	355,500
President and Chief Financial Officer	2008	210,000		50,000		48,000			12,300	320,300
Lawrence Henderson	2009	184,000							13,100	197,100
Vice President and Chief Marketing Officer	2008	170,000	90,400			72,500			20,600	353,500

(1) For 2009, the salary amounts presented with respect to Mssrs. Johnson and Henderson include base salary up to and through August 11, 2009, the date of their departure from the Company, and severance costs expensed entirely in 2009. The severance amounts included in these salary figures for Mr. Johnson and Mr. Henderson were approximately $172,500 and $35,000, respectively.

(2) The amounts in this column reflect the dollar amount recognized as expense with respect to stock options for financial statement reporting purposes during the twelve months ended December 31, 2009 and 2008 in accordance with ASC 718 and thus include amounts from awards granted prior to 2008. Assumptions used in the calculation of this amount are included in Note 1 to the audited financial statements included in our annual report.

(3) The amounts shown in this column reflect for each named executive officer the total estimated value of the use of an automobile, the premium paid on group term life insurance and accidental death and dismemberment insurance, and the matching contribution of the Wireless Telecom Group, Inc. 401(k) Profit Sharing Plan.

Outstanding Equity Awards at Fiscal Year-End 2009

		Option Awards		
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date