

Zayo Group Holdings, Inc.
Form DEF 14A
September 22, 2017

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

SCHEDULE 14A

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

Filed by the Registrant

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

ZAYO GROUP 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:
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 - 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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Notice of Annual Meeting of Stockholders

November 2, 2017

7:30 a.m. (Mountain Time)

ZAYO GROUP HOLDINGS, INC.
1805 29th Street, Suite 2050
Boulder, CO 80301

Items of Business

1. Election of the three directors named in the proxy statement;
2. Ratification of KPMG LLP as our independent registered public accounting firm;
3. Advisory vote approving executive compensation;
4. Approval of Performance Criteria Under the 2014 Stock Incentive Plan; and
5. Transact such other business as may properly come before the meeting or any adjournment thereof.

Notice is hereby given that the 2017 Annual Meeting of Stockholders of Zayo Group Holdings, Inc. will be held virtually via live webcast on Thursday, November 2, 2017, at 7:30 a.m. (Mountain Time). The Annual Meeting can be accessed by visiting www.virtualshareholdermeeting.com/zayo2017, where you will be able to listen to the meeting live, submit questions and vote online. To participate in the Annual Meeting, you will need the 16-digit control number included on your notice of Internet availability of the proxy materials.

Only stockholders of record at the close of business on September 8, 2017 are entitled to notice of, and to vote at, the virtual meeting and any adjournments thereof. For ten days prior to the meeting, a complete list of the stockholders entitled to vote at the Annual Meeting will be available for examination by any stockholder for any purpose germane to the meeting during ordinary business hours at our headquarters in Boulder, Colorado and such list will be made available during our virtual meeting at www.virtualshareholdermeeting.com/zayo2017.

Your vote is important. Voting over the Internet or by telephone, written proxy or voting instruction card will ensure your representation at the Annual Meeting regardless of whether you attend the virtual meeting.

By Order of the Board of Directors,

/s/ WENDY CASSITY

September 22, 2017

Wendy Cassity

Vice President, General Counsel & Secretary

Internet

Telephone

Mail

Virtual Meeting

Visit the Web site noted on your proxy card to vote via the Internet.

Use the toll-free telephone number on your proxy card to vote by telephone.

Sign, date and return your proxy card in the enclosed envelope to vote by mail.

Attend the virtual meeting.

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Proxy Statement

Summary

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the "Board") of Zayo Group Holdings, Inc. ("Zayo" or the "Company") for the Annual Meeting of Stockholders of the Company to be held virtually on Thursday, November 2, 2017, at 7:30 a.m. (Mountain Time), and any adjournment or postponement thereof (the "Annual Meeting"). The virtual Annual Meeting can be accessed by visiting www.virtualshareholdermeeting.com/zayo2017, where you will be able to listen to the meeting live, submit questions and vote online.

In this document, the words "Zayo," the "Company," "we," "our," "ours," and "us" refer only to Zayo Group Holdings, Inc. and not any other person or entity.

We are taking advantage of Securities and Exchange Commission ("SEC") rules that allow us to deliver proxy materials to our stockholders on the Internet. Under these rules, we are sending our stockholders a one-page notice regarding the Internet availability of proxy materials instead of a full printed set of proxy materials. Our stockholders will not receive printed copies of the proxy materials unless specifically requested. Instead, the one-page notice that our stockholders receive will tell them how to access and review on the Internet all of the important information contained in the proxy materials. This notice also tells our stockholders how to submit their proxy card on the Internet and how to request to receive a printed copy of our proxy materials. We expect to provide notice and electronic delivery of this proxy statement to such stockholders on or about September 22, 2017.

Please Vote

Whether or not you plan to attend the virtual annual meeting, we encourage you to vote promptly. A person giving a proxy has the power to revoke it. If you attend the virtual annual meeting, you may revoke your proxy and vote via the virtual meeting website.

Proposal No. 1	the election of the three directors named in this proxy statement	FOR	Page 5
Proposal No. 2	the ratification of KPMG LLP as our independent registered public accounting firm	FOR	Page 10
Proposal No. 3	an advisory vote approving executive compensation	FOR	Page 12
Proposal No. 4	approval of performance criteria under the 2014 Stock Incentive Plan	FOR	Page 13

Voting and Quorum, Abstentions and Broker Non-Votes

Only holders of record (the "Stockholders") of our common stock (the "Common Stock") as of the close of business on September 8, 2017 (the "Record Date") will be entitled to notice of and to vote at the Annual Meeting. At September 8, 2017 there were 246,487,674 shares of Common Stock outstanding. You may vote all shares owned by you as of the Record Date, including (i) shares held directly by you in your name as the Stockholder of record, and (ii) shares held for you as the beneficial owner in street name through a broker, bank, trustee or other nominee.

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PROXY SUMMARY

Stockholder of Record. If, on the Record Date, your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, then you are considered the stockholder of record with respect to those shares. As a stockholder of record, you are entitled to vote in any one of the following ways:

Internet	Telephone	Mail	Virtual Meeting
<p>Stockholders can vote on the Internet by following the instructions provided in the one-page notice regarding the Internet availability of proxy materials.</p>	<p>Stockholders can vote over the telephone using the toll-free telephone number obtained by accessing the website set forth in the instructions provided in the one-page notice regarding the Internet availability of proxy materials.</p>	<p>Stockholders can vote by mail after requesting a paper copy of the proxy materials, including a proxy card, by following the instructions provided in the one-page notice regarding the Internet availability of proxy materials.</p>	<p>Stockholders who choose to attend the virtual Annual Meeting can vote via the virtual meeting website by visiting www.virtualshareholdermeeting.com/zayo2017. You will need the 16-digit control number included on your notice of Internet availability of proxy materials in order to participate in the virtual Annual Meeting. Instructions on how to attend and participate via the Internet, including how to demonstrate proof of stock ownership, are posted at www.proxyvote.com. Even if you plan to participate in the Annual Meeting online, we recommend that you also vote by proxy as described below so that your vote will be counted if you later decide not to participate in the Annual Meeting.</p>

Beneficial Owner. If, on the Record Date, your shares were held in an account with a brokerage firm, bank or other nominee, then you are the beneficial owner of the shares held in street name. As a beneficial owner, you have the right to direct your nominee on how to vote the shares held in your account, and your nominee has enclosed or provided voting instructions for you to use in directing it on how to vote your shares. However, the organization that holds your shares is considered the stockholder of record for purposes of voting at the Annual Meeting. Because you are not the stockholder of record, you may not vote your shares at the virtual Annual Meeting unless you request and obtain a valid proxy from the organization that holds your shares giving you the right to vote the shares at the Annual Meeting.

Each share of Common Stock is entitled to one vote on all matters on which Stockholders may vote. There is no cumulative voting in the election of directors. The presence, in person or by proxy, of a majority of the voting power of the Common Stock outstanding and entitled to vote is necessary to constitute a quorum at the Annual Meeting. Shares of Common Stock represented by a properly executed and returned proxy will be treated as present at the Annual Meeting for purposes of determining the presence of a quorum without regard to whether the proxy is marked as casting a vote for or against, or withholding authority or abstaining with respect to a particular matter.

Broker non-votes occur when shares held by a broker for a beneficial owner are not voted either because (i) the broker did not receive voting instructions from the beneficial owner, or (ii) the broker lacked discretionary authority to vote the shares. Abstentions occur when shares present at the Annual Meeting are marked "abstain." A broker is entitled to vote shares held for a beneficial owner on "routine" matters without instructions from the beneficial owner of those shares. On the other hand, absent instructions from the beneficial owner of such shares, a broker is not entitled to vote shares held for a beneficial owner on "non-routine" matters. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the virtual Annual Meeting. All of the proposals presented at the Annual Meeting, other than the ratification of KPMG LLP as our independent registered public accounting firm for the fiscal year ending June 30, 2018 ("Fiscal 2018"), are non-routine matters. Broker non-votes and abstentions are counted for purposes of determining whether a quorum is present.

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PROXY SUMMARY

Required Votes

Directors will be elected by a plurality of the votes cast. This means that the nominees with the most votes will be elected. Votes may be cast for or withheld from a nominee, but a withheld vote or a broker non-vote will not affect the outcome of the election of directors at the Annual Meeting.

The affirmative vote of the holders of a majority of the shares of Common Stock represented in person or by proxy at the Annual Meeting and entitled to vote on the proposal is required for approval of the ratification of our selection of KPMG LLP as our independent registered public accounting firm for Fiscal 2018. Because they represent votes present and entitled to vote that are not cast in favor of a proposal, abstentions have the same effect as votes "against" this proposal. Because the ratification of our independent registered public accounting firm is considered a "routine" matter, brokers will be entitled to vote on the proposal at their discretion. Therefore, broker non-votes will have the same effect as a vote against the proposal.

The affirmative vote of the holders of a majority of the shares of common stock represented in person or by proxy at the Annual Meeting and entitled to vote is required for approval of the advisory vote on executive compensation. Because they represent votes present and entitled to vote that are not cast in favor of a proposal, abstentions have the same effect as votes "against" the say-on pay proposal. Broker non-votes, however, will not be considered as entitled to vote on this proposal, and therefore, will have no effect on the outcome of this proposal.

The affirmative vote of the holders of a majority of the shares of common stock represented in person or by proxy at the Annual Meeting and entitled to vote is required for approval of performance criteria under the 2014 Stock Incentive Plan. Because they represent votes present and entitled to vote that are not cast in favor of a proposal, abstentions have the same effect as votes "against" the proposal. Broker non-votes, however, will not be considered as entitled to vote on this proposal, and therefore, will have no effect on the outcome of this proposal.

Revocation and Voting of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time prior to the voting thereof by (i) delivering to the Corporate Secretary of the Company a revocation of proxy, (ii) executing a new proxy bearing a later date, or (iii) attending and voting at the virtual Annual Meeting. Attendance at the virtual Annual Meeting will not, by itself, revoke a proxy. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to revoke a proxy, you must contact that firm to revoke any prior voting instructions.

All valid, unrevoked proxies will be voted as directed. If a proxy card is properly executed and returned and no voting specification is indicated, the shares will be voted:

FOR the election of the three nominees named in this proxy statement for director of the Company;

FOR ratification of the selection of KPMG LLP as the Company's independent registered public accounting firm for Fiscal 2018;

FOR the non-binding advisory resolution to approve the compensation paid to our named executive officers for our fiscal year ended June 30, 2017 ("Fiscal 2017"); and

FOR the approval of the performance criteria under the 2014 Stock Incentive Plan and the amendments related thereto.

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With respect to such other matters as may properly come before the Annual Meeting, votes will be cast in the discretion of the appointed proxies.

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PROXY SUMMARY

Proxy Solicitation

We are making this proxy solicitation both through the mail and Internet, although proxies may be solicited by personal interview, telephone, facsimile, letter, e-mail or otherwise. Certain of our directors, officers and other employees, without additional compensation, may participate in the solicitation of proxies. We will pay the cost of this solicitation, including the reasonable charges and expenses of brokerage firms and others who forward solicitation materials to beneficial owners of the Common Stock.

Attending the Virtual Annual Meeting

Stockholders as of the Record Date are invited to attend the virtual Annual Meeting by visiting www.virtualshareholdermeeting.com/zayo2017. To participate in the Annual Meeting, you will need the 16-digit control number included on your notice of Internet availability of the proxy materials. The Annual Meeting will begin promptly at 7:30 a.m. (Mountain Time). Online check-in will begin at 7:25 a.m., (Mountain Time), and you should allow sufficient time for the online check-in procedures.

Voting Results

Voting results will be tabulated and certified by the inspector of elections appointed for the Annual Meeting. The preliminary voting results will be announced at the Annual Meeting. The final results will be tallied by the inspector of elections and filed with the Securities and Exchange Commission (the "SEC") in a current report on Form 8-K within four business days of the Annual Meeting.

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Proposal 1. Election of Directors

It is proposed to elect the three directors nominated in this proxy statement to serve until the annual meeting of stockholders in 2020, and until successors shall have been duly elected and qualified. Proxies cannot be voted for more than three persons. Unless otherwise specified in the accompanying proxy, the shares voted by proxy will be voted FOR the election of the persons listed for a term expiring in 2020.

Each of the nominees listed below has agreed to serve as a director of the company if elected. The Company knows of no reason why the nominees would not be available for election or, if elected, would not be able to serve. If any of the nominees are unable to serve or for good cause will not serve as a nominee at the time of the Annual Meeting, the persons named as proxies may vote for a substitute nominee designated by the Board to fill the vacancy.

Nominees for Director with Term Expiring at the Annual Meeting of Stockholders in 2020

Phil Canfield

Independent Director

Lead Director

Nominating & Governance Committee Chairman

Mr. Canfield was appointed Director as a result of his extensive experience in corporate finance and in the telecommunications industry.

Director Since: July
2012

Experience

Age:(1) 49

Mr. Canfield is a Managing Director of private equity firm GTCR LLC and co-heads GTCR's Technology, Media and Telecommunications investment team. Mr. Canfield joined GTCR in 1992 and became a Principal in 1997. From 1990 to 1992, Mr. Canfield worked in the Corporate Finance Department at Kidder, Peabody and Company. Since June 2017, Mr. Canfield has served on the board of directors of Cision Ltd., a global public relations and earned media software company and services provider listed on the New York Stock Exchange, and he currently serves on several private company boards. He holds an M.B.A. from the University of Chicago and a B.B.A. in finance with High Honors from the Honors Business Program at the University of Texas.

Steve Kaplan

Independent Director

Audit Committee Member

Compensation Committee Member

Director Since: April
2017

Mr. Kaplan was appointed Director as a result of his extensive experience in entrepreneurship, corporate finance and compensation.

Age:(1) 57

Experience

Since 2011, Mr. Kaplan has served as Neubauer Family Distinguished Service Professor of Entrepreneurship and Finance at University of Chicago Booth School of Business ("Booth"). From 1999 to 2011, Mr. Kaplan served as Neubauer Family Professor of Entrepreneurship and Finance at Booth. From, and from 1997 to 1999, Mr. Kaplan served as Leon Carroll Marshall Professor of Finance at Booth. In 2013, Mr. Kaplan also began teaching at the University of Chicago Law School, recognized in 2014 as the Thomas Cole Distinguished Visiting Professor Chair. During his tenure at University of Chicago, he has served as the Faculty Director of Chicago Booth's Polsky Center for Entrepreneurship and Innovation and as Research Associate at the National Bureau of Economic Research. In 1997, Mr. Kaplan helped to start Booth's business plan competition, the New Venture Challenge, which has spawned over 180 companies. Mr. Kaplan currently serves on the board of directors and is chairman of the compensation committee of Morningstar, Inc., a provider of independent investment research in North America, Europe, Australia, and Asia listed on NASDAQ, since 1999. He also served on the board of trustees of the Columbia Acorn Funds until December 2016 and served on the board of directors of Accretive Health, Inc. (now R1 RCM Inc.) from 2004 to 2015. Mr. Kaplan earned his PhD in Business Economics from Harvard University and an AB in Applied Mathematics and Economics from Harvard College.

(1)

Age as of September 8, 2017.

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PROPOSAL 1. ELECTION OF DIRECTORS

Linda Rottenberg

Independent Director

Nominating & Governance Committee Member

Strategy Committee Member

Ms. Rottenberg was appointed Director as a result of her extensive experience in entrepreneurship, innovation, business development and leadership.

Director Since: May
2014

Experience

Age:(1) 48

Ms. Rottenberg is co-founder and chief executive officer of Endeavor Global, Inc., a global entrepreneurship movement founded in 1997. Ms. Rottenberg also leads Endeavor Catalyst LP Funds I and II, funds that invest in Endeavor Entrepreneurs. Ms. Rottenberg also serves on the board of directors of Globant SA, a digitally native technology services company listed on the NYSE, and privately-held online ordering platform Olo. Ms. Rottenberg earned a law degree at Yale Law School and a bachelor's degree from Harvard University.

The following persons shall continue to serve as directors for the terms indicated:

Directors with Terms Expiring at the Annual Meeting of Stockholders in 2018

Dan Caruso

Chief Executive Officer

Chairman of the Board

Mr. Caruso brings to the Board extensive leadership experience and, as our cofounder, significant knowledge of the Company's business, strategy and industry.

Experience

Director Since: 2007

Age:(1) 54

Mr. Caruso is one of Zayo's cofounders and has served as Chief Executive Officer and Chairman of the Board since Zayo's inception in 2007. Between 2004 and 2006, Mr. Caruso was President and CEO of ICG Communications, Inc. ("ICG"). In 2004, he led a buyout of ICG and took it private. In 2006, ICG was sold to Level 3 Communications, Inc. ("Level 3"). Prior to ICG, Mr. Caruso was one of the founding executives of Level 3, and served as their Group Vice President from 1997 through 2003 where he was responsible for Level 3's engineering, construction, and operations organization and most of its lines of business and marketing functions at different times. Prior to Level 3, Mr. Caruso was a member of the MFS Communications Company, Inc. ("MFS Communications") senior management team. He began his career at Illinois Bell Telephone Company, a former subsidiary of Ameritech Corporation. He holds an MBA from the University of Chicago and a B.S. in Mechanical Engineering from the University of Illinois.

(1)

Age as of September 8, 2017.

PROPOSAL 1. ELECTION OF DIRECTORS

Don Gips

Independent Director

Compensation Committee Chairman

Strategy Committee Chairman

Mr. Gips was appointed Director as a result of his extensive experience in the telecommunications industry.

Director Since: July
2013

Experience

Age:(1) 57

Mr. Gips serves as a Partner at the Albright Stonebridge Group, as a Senior Advisor to the Blackstone Group, and as Venture Partner to Columbia Capital. He is a member of the boards of directors of Liquid Telecom, a privately-held company that provides data, voice and IP services in Africa, Omnispace, LLC, a privately-held global satellite provider, Black Rhino, a privately-held power development company based in Africa, and NextNav, a privately-held geolocation provider. He is also the Chairman of the U.S.-South Africa Business Council, working on behalf of the U.S. Chamber of Commerce. From 2008 to 2016, Mr. Gips held several positions in the Obama Administration. He served as assistant to President Obama during the Presidential transition, ran the office of Presidential Personnel, and served as the United States Ambassador to South Africa from July 2009 until January 2013. From 1998 to 2008, Mr. Gips worked in the Clinton Administration as Chief Domestic Policy Advisor to Vice President Al Gore and as Chief of the International Bureau of the Federal Communications Commission. From 1998 to 2008, Mr. Gips was also Group Vice President of Global Corporate Development for Level 3. Before 1998, Mr. Gips was a management consultant to Fortune 500 companies at McKinsey & Company. Mr. Gips received an MBA from the Yale School of Management where he was recently honored as a Donaldson Fellow and received his undergraduate degree from Harvard University.

Nina Richardson

Independent Director

Nominating & Governance Committee Member

Ms. Richardson was appointed Director as a result of her extensive leadership and operational experience in scaling businesses and in the technology area.

Experience

Director Since:
November 2015

Age:(1) 58

Ms. Richardson is a Managing Director of Three Rivers Energy, an energy services company she co-founded in 2004. From February 2013 through February 2015, she also served as the Chief Operating Officer at GoPro, a manufacturer of action cameras listed on NASDAQ. Previously, Ms. Richardson was an independent operations and management consultant for a diverse group of companies including Tesla Motors, Solaria and TouchTunes Interactive Networks. She also held a variety of executive positions at Flextronics, a global electronics manufacturing services provider, including vice president and general manager. Ms. Richardson serves on the board of directors of Silicon Labs, a semiconductor company listed on NASDAQ, CallidusCloud, a global enterprise software and SaaS company listed on NASDAQ, Exploramed NC7 (dba Willow), a private company, and We Care Solar, a nonprofit organization providing solar-powered systems for maternity care. Ms. Richardson served on the board of directors of SGI, a global leader in high-performance solutions for computing, data analytics and data management listed on NASDAQ, during 2016 prior to its acquisition by Hewlett Packard. She holds a B.S. in Industrial Engineering from Purdue University and an Executive MBA from Pepperdine University.

(1)

Age as of September 8, 2017.

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PROPOSAL 1. ELECTION OF DIRECTORS

Directors with Terms Expiring at the Annual Meeting of Stockholders in 2019

Rick Connor

Independent Director

Audit Committee Chairman

Mr. Connor was appointed Director as a result of his extensive technical accounting and auditing background, knowledge of SEC filing requirements and experience with telecommunications clients.

Experience

Director Since: June 2010

Age:(1) 68

Mr. Connor is retired. Prior to his retirement in 2009, he was an audit partner with KPMG LLP where he served clients in the telecommunications, media and energy industries for 38 years. From 1996 to 2008, he served as the Managing Partner of KPMG's Denver office. Mr. Connor is a member of the board of directors and Chairman of the audit committee of Antero Resources Corporation, an independent oil and natural gas corporation and Antero Resources Midstream Management LLC, the general partner of Antero Midstream Partners LP, a master limited partnership formed by Antero Resources Corporation. Mr. Connor is also a member of the board of directors and Chairman of the audit committee of Centerra Gold, Inc., a Toronto based gold mining company listed on the Toronto Stock Exchange. Mr. Connor earned his B.S. degree in accounting from the University of Colorado.

Cathy Morris

Independent Director

Audit Committee Member

Compensation Committee Member

Ms. Morris was appointed Director as a result of her extensive strategic, leadership, operational and financial experience in the technology area.

Experience

Ms. Morris serves as senior vice president and chief strategy officer for Arrow Electronics, Inc. ("Arrow"), a publicly-traded global provider of products, services and solutions to industrial and commercial users of electronic components and enterprise computing solutions. Ms. Morris leads strategic initiatives for Arrow, including global merger and acquisition activity. Ms. Morris has worked at Arrow for over 20 years in progressively senior roles including president of Arrow's enterprise computing solutions segment, vice president of North American support services operations, vice president of finance and support services for the enterprise computing solutions business, and vice president of corporate development. Ms. Morris came to Arrow through its acquisition of Anthem Electronics, where she was vice president of finance and corporate controller. Prior to joining Arrow, Ms. Morris held various financial leadership roles in the banking and manufacturing industries. From 2014 to 2015 she served as a member of the board of directors and chair of the audit committee for GrafTech International Holdings Inc., a manufacturing company listed on the New York Stock Exchange. She received her bachelor's degree in finance from Colorado State University and completed Harvard Business School's General Management Program.

Director Since:
November 2017

Age:(1) 59

(1) Age as of September 8, 2017.

PROPOSAL 1. ELECTION OF DIRECTORS

Emily White

Independent Director

Strategy Committee Member

Ms. White was appointed Director as a result of her extensive experience in entrepreneurship and her operational and leadership experience in the technology area.

Experience

Director Since: April 2017

Age:(1) 39

From 2014 to 2015, Ms. White was the Chief Operating Officer at Snapchat, Inc., a photo messaging company listed on the NYSE. Prior to joining Snapchat, Ms. White held several key roles at Facebook, a social media corporation listed on NASDAQ, from 2010 to 2013, including Director of Local Business Operations, Director of Mobile Business Operations, and leader of business operations for Instagram. From 2001 to 2010, Ms. White worked at Google. Ms. White has served on the board of directors of Lululemon, a yoga outfitter listed on NASDAQ, since 2011 and on the board of the National Center for Women in I.T. since 2008. She is also a Board Adviser to Hyperloop One and VSCO, Inc. Ms. White received her B.A. in Art History from Vanderbilt University.

(1)

Age as of September 8, 2017.

Recommendation of the Board

The Board recommends a vote **FOR** the nominees for director named above.

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Proposal 2. Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit Committee of the Board has appointed KPMG LLP as our independent registered public accounting firm for Fiscal 2018. Services provided to the Company by KPMG LLP in Fiscal 2017 and the fiscal year ended June 30, 2016 ("Fiscal 2016") are described below.

The Company is asking its stockholders to ratify the selection of KPMG LLP as its independent registered public accounting firm. Although ratification is not required by the Company's bylaws or otherwise, the Board is submitting the selection of KPMG LLP to its stockholders for ratification as a matter of good corporate practice.

A representative of KPMG LLP will be present at the virtual Annual Meeting and will have an opportunity to make a statement and/or to respond to appropriate questions from our stockholders.

Audit Fees

In connection with the audit of the Fiscal 2017 consolidated financial statements, the Company entered into an engagement agreement with KPMG LLP, which set forth the terms by which KPMG LLP agreed to perform audit services for the Company.

Set forth below is information relating to the aggregate fees paid to KPMG LLP for professional services rendered for Fiscal 2017 and Fiscal 2016, respectively.

(1) Audit fees	\$ 4.4	\$ 2.7
(2) Audit-related fees	\$	\$ 0.2
(3) Tax fees	\$ 0.3	\$ 0.4
(4) All other fees		

For the purposes of the preceding table, the professional fees are classified as follows:

Audit fees These are the aggregate fees billed for the fiscal years shown for professional services performed by KPMG LLP for the audit of the Company's consolidated financial statements for that year, comfort letters, consents and reviews of interim/quarterly financial information.

Audit-related fees These are fees billed for assurance and related services and foreign statutory audits that are traditionally performed by our independent certified public accounting firm.

Tax fees These are fees billed for all professional services by professional staff of our independent registered public accounting firm's tax division, except those services related to the audit of our financial statements. These include fees for tax compliance, tax planning and tax advice. Tax compliance involves preparation of original and amended tax returns, refund claims and tax payment services. Tax planning and tax advice encompass a diverse range of subjects, including assistance with tax audits and appeals; tax advice related to mergers, acquisitions and dispositions; and requests for rulings or technical advice from taxing authorities.

It is the policy of the Audit Committee, as set forth in the Audit Committee's Charter, to pre-approve, consistent with the requirements of the federal securities laws, all auditing services and permissible non-audit services provided to the Company by its independent registered public accounting firm. The Audit Committee has



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PROPOSAL 2. RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

established policies and procedures for the pre-approval of audit, audit related, tax and permissible other services to be provided to the Company by its independent registered public accounting firm. The Audit Committee has delegated to the chair of the Audit Committee the authority to pre-approve audit-related and non-audit services not prohibited by law to be performed by our independent registered public accounting firm and associated fees up to a maximum of \$100,000 per engagement, per additional category of services or in excess of pre-approved budgeted levels for the specified service, provided that the chair shall report any decisions to pre-approve services and fees to the full Audit Committee at its next regular meeting. The Company provides quarterly reporting to the Audit Committee regarding services performed by and fees paid to its independent registered public accounting firm. Audit fees for Fiscal 2017 and Fiscal 2016 included \$0.3 million and \$0.1 million, respectively, for services related to SEC filings, including comfort letters and consents. All fees listed in the table above were pre-approved by the Audit Committee.

Recommendation of the Board

The Board recommends that stockholders vote **FOR** ratification of the appointment of KPMG LLP as the Company's independent registered public accounting firm for fiscal 2018.

In the event that the Company's stockholders do not ratify the appointment, the appointment will be reconsidered by the Audit Committee and the Board. Even if the selection is ratified, the Audit Committee in its discretion may select a different registered public accounting firm at any time during the fiscal year if it determines that such a change would be in the best interests of the Company and its stockholders.

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Proposal 3. Advisory Vote Approving Executive Compensation

In accordance with The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, we are providing our stockholders with the opportunity to make a non-binding, advisory resolution to approve the compensation of our named executive officers as disclosed in this proxy statement in accordance with rules promulgated by the SEC.

The Company asks that you indicate your support for our executive compensation policies and practices as described in "Compensation Discussion and Analysis," and the accompanying tables and related disclosures in this proxy statement. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers, and the policies and practices described in this proxy statement. Your vote is advisory and so will not be binding on the Compensation Committee or the Board. However, the Board will review the voting results and take them into consideration when structuring future executive compensation arrangements. The affirmative vote of the holders of a majority of the shares of Common Stock represented in person or by proxy at the annual meeting and entitled to vote on the proposal will be required for approval.

We believe that our compensation philosophy and program design are essential elements of our culture and have led to our success in delivering returns for our shareholders. Our unique program provides us with a competitive advantage in successfully attracting talent in an industry that includes publicly traded communication infrastructure companies as well as organizations backed by private investment capital. Accordingly, the following distinctive elements of our executive compensation program support our company strategy:

Our fundamental premise of delivering industry-leading returns for shareholders and appropriately sharing incremental value created with our executives and employees.

Our extensive reliance on equity-based pay to align executive pay with shareholder value creation.

Our strict use of financial and market return performance criteria as determinants of both cash bonuses and earned stock grants.

Further, we do not believe that our executive compensation program encourages our management to take excessive risks.

The Board encourages you to carefully review the information regarding our executive compensation program contained in this Proxy Statement, including the Compensation Discussion and Analysis beginning on page 33, which provides detailed information on the compensation of our named executive officers.

Recommendation of the Board

The Board Recommends that stockholders vote **FOR** the below resolution.

"RESOLVED, that the stockholders approve, on an advisory basis, the compensation of the Company's named executive officers, as disclosed in this Proxy Statement, including the Compensation Discussion and Analysis, the Summary Compensation Table and the related compensation tables, notes and narrative discussion."



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Proposal 4. Approval of Performance Criteria Under The 2014 Stock Incentive Plan

Overview

The Company's 2014 Stock Incentive Plan (the "Plan") was adopted by the Board and our stockholders on October 9, 2014, and became effective on October 17, 2014 in connection with our initial public offering, and was amended by the Board effective August 23, 2016. The Plan provides for the grant of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units ("RSUs"), incentive bonuses, which may be paid in cash or stock or a combination thereof, and other stock-based awards to non-employee directors of the Company and officers and eligible employees of the Company and any subsidiaries.

The purpose of the Plan is to promote and closely align the interests of employees and non-employee directors of the Company and its stockholders by providing stock-based compensation and other performance-based compensation. The objectives of the Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Plan participants and to optimize the profitability and growth of the Company through incentives that are consistent with the Company's goals and that link the personal interests of participants to those of the Company's stockholders.

Proposal

In order to allow for awards under the Plan to qualify as tax-deductible performance-based compensation under Section 162(m) ("Section 162(m)") of the Internal Revenue Code (the "Code"), we are asking our stockholders to approve the material terms, share limits, performance award dollar limit, and performance criteria of the Plan pursuant to Section 162(m).

The Plan has been amended solely for purposes of allowing for flexibility under Section 162(m), subject to approval of this Proposal 4 by stockholders. The amendments are highlighted below. Approval of this Proposal 4 is also an approval of the amendments made to the Plan.

Section 162(m) of the Code

As amended, the Plan is designed to permit the grant of awards that are intended to qualify as "performance-based compensation" not subject to Section 162(m)'s \$1,000,000 deductibility cap, however, there can be no guarantee that amounts payable under the Plan will be treated as qualified "performance-based compensation" under Section 162(m). In general, under Section 162(m), in order for the Company to be able to deduct compensation in excess of \$1,000,000 paid in any one year to the Company's chief executive officer and certain other executive officers, such compensation must qualify as "performance-based." One of the requirements of "performance-based" compensation for purposes of Section 162(m) is that the material terms of the performance criteria under which compensation may be paid be disclosed to and approved by the Company's stockholders at least once every five years (subject to a three-year exception upon a company becoming publicly traded). For purposes of Section 162(m), the material terms include (i) the employees eligible to receive compensation, (ii) a description of the business criteria on which the performance criteria is based and (iii) the maximum amount of compensation that can be paid to an employee under the performance criteria. With respect to the various types of awards under the Plan, each of these aspects is discussed below, and, as noted above, stockholders are being asked under this proposal to approve each of these aspects of the Plan for purposes of the approval requirements of Section 162(m).

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

Section 162(m) Amendments

The following amendments were made to the Plan to provide the Company flexibility under Section 162(m), with further detail provided in the Plan Summary below:

Addition of tax code limitations for purposes of Section 162(m).

Addition of "Qualifying Performance Criteria" for purposes of Section 162(m).

Burn Rate and Share Reserve Details

We are not asking our stockholders to approve an increase in the share reserve of the Plan. However, the following factors are provided for stockholder consideration:

The number of participants in the Plan is approximately 3,100, of which only 11 are directors and executive officers.

Current Reserve: As of June 30, 2017, there were 11,748,758 shares authorized, but unissued under the Plan.

Share Usage: Share usage rate is a metric monitored to ensure that the shares awarded under the Company's equity compensation plans are not excessively dilutive to the Company's stockholders. It is defined as the number of shares granted under the equity compensation plans divided by the basic weighted average common shares outstanding for each of the last three fiscal years. Over the past three fiscal years, the Company's annual share usage rate has averaged 1.2%.

Burn Rate: Burn rate is equal to the total number of equity awards the Company granted in a fiscal year (with performance awards shown at target level) divided by the weighted average common stock outstanding during the year. Over the past three fiscal years 2017, 2016, and 2015, the Company's burn rate has been 1.4%, 1.4% and 0.9%, respectively.

Outstanding Awards: As of June 30, 2017, the aggregate maximum number of unvested full value awards (i.e., RSUs) outstanding under all equity compensation plans was 5,179,497. The closing price of a share of our common stock on the New York Stock Exchange on June 30, 2017 was \$30.90.

Plan Summary

The following summary of the material terms of the Plan is qualified in its entirety by reference to the full text of the Plan, which is set forth in Exhibit A to this proxy statement.

Administration

Our Compensation Committee or any successor committee (the "Committee") has the authority to administer the Plan. Any power of the Committee may also be exercised by our full Board, except to the extent otherwise prohibited by the terms of the Plan. To the extent that any action taken by the Committee conflicts with an action taken by the full Board, the action of the Board will control. To the maximum extent permissible under applicable law, the Committee may by resolution delegate any or all of its authority to one or more subcommittees composed of one or more directors and/or officers, subject to the terms of the Plan, and any such subcommittee will be treated as the Committee for all

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purposes under the Plan. Subject to the express provisions of the Plan, the Committee is authorized and empowered to do all things it determines necessary or appropriate in connection with the administration of the Plan, including, without limitation, the power to: (i) prescribe, amend and rescind rules and regulations relating to the Plan and to define terms not otherwise defined therein; (ii) determine which persons are eligible to receive awards under the Plan, to which of such persons, if any, awards will be granted and the timing of any such awards; (iii) prescribe and amend the terms of award agreements, to grant awards and determine the terms and conditions thereof; (iv) establish and verify the extent of satisfaction of any performance goals or other conditions applicable to the grant, issuance, retention, vesting, exercisability or settlement of any award; (v) prescribe and amend the terms of or form of

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

any document or notice required to be delivered to the Company by participants under the Plan; (vi) determine the extent to which adjustments are required pursuant to certain changes in our capitalization; (vii) interpret and construe the Plan, any rules and regulations thereunder and the terms and conditions of any award granted thereunder, and to make exceptions to any such provisions if the Committee, in good faith, determines that it is appropriate to do so; (viii) approve corrections in the documentation or administration of any award; and (ix) make all other determinations deemed necessary or advisable for the administration of the Plan.

The Committee may, in its sole and absolute discretion, without amendment to the Plan, but subject to the limitations otherwise set forth therein, waive or amend the operation of Plan provisions respecting exercise after termination of employment with the Company or an affiliate. The Committee or any member thereof may, in its sole and absolute discretion and, except as otherwise provided in the Plan, waive, settle or adjust any of the terms of any award so as to avoid unanticipated consequences or address unanticipated events (including any temporary closure of an applicable stock exchange, disruption of communications or natural catastrophe). All decisions, determinations and interpretations by the Committee regarding the Plan, any rules and regulations thereunder and the terms and conditions of or operation of any award granted thereunder are final and binding on all participants, beneficiaries, heirs, assigns or other persons holding or claiming rights under the Plan or any award granted thereunder. Members of the Board and members of the Committee acting under the Plan are fully protected in relying in good faith upon the advice of counsel and will incur no liability except for gross negligence or willful misconduct in the performance of their duties.

Eligibility

Awards may be granted to employees, including officers, and non-employee directors of the Company and its subsidiaries. Only our employees and those of our subsidiaries are eligible to receive incentive stock options.

Shares Subject to the Plan

We initially reserved 14,000,000 shares of Common Stock to be issued under the Plan. Commencing with the first business day of each fiscal year following the fiscal year in which the Plan first became effective and until the expiration of the Plan, the number of shares of our common stock available for issuance under the Plan will be increased by a number such that the total amount available for issuance will be equal to six percent of the number of shares of our common stock outstanding on the last day of the immediately preceding fiscal year of the Company, calculated on a fully diluted basis, or a lesser number of shares of common stock as determined by our Board. As of July 1, 2017, an aggregate of 14,788,291 shares of Common Stock are available for issuance under the Plan (including shares that have been previously issued pursuant to awards granted under the Plan and shares subject to outstanding awards under the Plan). The shares of common stock issued under the Plan may be shares that are authorized and unissued or shares that were reacquired by the Company, including shares purchased in the open market.

The aggregate number of shares of our common stock issued under the Plan at any time will equal only the number of shares of our common stock actually issued upon exercise or settlement of an award, and shares of our common stock subject to awards that have been canceled, expired, forfeited or otherwise not issued under an award and shares of common stock subject to awards settled in cash will not count as shares of common stock issued under the Plan.

The aggregate number of shares available for issuance under the Plan will not be reduced by (i) shares subject to awards that have been terminated, expired unexercised, forfeited or settled in cash, (ii) shares subject to awards that have been retained or withheld by the Company in payment or satisfaction of the exercise price, purchase price or tax withholding obligation of an award, or (iii) shares subject to awards that otherwise do not result in the issuance of shares in connection with payment or settlement thereof. In addition, shares that have been delivered (either actually or by attestation) to the Company in payment or satisfaction of the exercise price, purchase price or tax withholding obligation of an award will be available for issuance under the Plan.

The Company may grant substitute awards under the Plan, which are awards granted or common stock issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, by a company acquired by the Company or any subsidiary or with which the



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Company or any subsidiary combines. Substitute awards will not reduce the shares of common stock authorized for issuance under the Plan or authorized for grant to a participant in any calendar year. Additionally, in the event that a company acquired by the Company or any subsidiary, or with which the Company or any subsidiary combines, has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan, as adjusted in connection with the transaction, if necessary, may be used for awards under the Plan and will not reduce the shares of our common stock authorized for issuance under the Plan.

The aggregate number of shares subject to awards granted during any calendar year to any one participant may not exceed 3,000,000 (but which number does not include any tandem stock appreciation rights), and the maximum cash amount payable pursuant to an incentive stock bonus to any one participant during any calendar year may not exceed \$24 million. Additionally, the aggregate number of shares that may be issued pursuant to the exercise of incentive stock options under the Plan may not exceed 3,000,000.

Stock Options

A stock option may be granted as an incentive stock option or a nonqualified stock option. The option exercise price may not be less than the fair market value of the stock subject to the option on the date the option is granted (or, with respect to incentive stock options, less than 110% of the fair market value if the recipient owns stock possessing more than 10% of the total combined voting power of all classes of stock of the company or any affiliate, or a Ten Percent Stockholder), unless the option was granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Section 409A of the Code ("Section 409A") and, if applicable, Section 424(a) of the Code. Options will not be exercisable after the expiration of ten years from the date of grant (or five years, in the case of an incentive stock option issued to a Ten Percent Stockholder); provided, however, that the term (other than an incentive stock option) will be automatically extended if, at the time of its schedule expiration, the participant is prohibited by law or the Company's insider trading policy from exercising the option, which extension will expire on the 30th day following the date such prohibition no longer applies. Each award agreement will set forth the number of shares subject to each option. The purchase price of any shares acquired pursuant to an option may be payable in cash or such other method as determined by the Committee, including an irrevocable commitment by a broker to pay over such amount from a sale of the shares of common stock issuable under an option, the delivery or previously owned shares of our common stock or withholding of shares of our common stock deliverable upon exercise. Options will not be granted in consideration for and will not be conditioned upon the delivery of shares of our common stock to the Company in payment of the exercise price and/or tax withholding obligation under any other employee stock option.

Stock Appreciation Rights

A stock appreciation right, or SAR, is a right that entitles the participant to receive, in cash or shares of stock or a combination thereof, as determined by the Committee, value equal to or otherwise based on the excess of (i) the fair market value of a specified number of shares at the time of exercise over (ii) the exercise price of the right, as established by the Committee on the date of grant. Upon exercising a SAR, the participant is entitled to receive the amount by which the fair market value of the stock at the time of exercise exceeds the exercise price of the SAR. The exercise price of each SAR may not be less than the fair market value of the stock subject to the award on the date the SAR is granted, unless the SAR was granted pursuant to an assumption of or substitution for another option in a manner satisfying the provisions of Section 409A. SARs will not be exercisable after the expiration of ten years from the date of grant. Each award agreement will set forth the number of shares subject to the SAR and the applicable vesting schedule.

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

Provisions Applicable to Both Options and SARs

No Repricing without Stockholder Approval. Other than in connection with a change in the Company's capitalization, the Committee will not, without stockholder approval, reduce the exercise price of a previously award option or SAR and, at any time when the exercise price of a previously awarded option or SAR is above the fair market value of a share of our common stock, the Committee will not, without stockholder approval, cancel and re-grant or exchange such option or SAR for cash or a new award with a lower (or no) exercise price.

No Stockholder Rights. Participants will not have any voting rights and will not have any rights to receive dividends or dividend equivalents in respect of an option or SAR or any shares of common stock subject to an option or SAR until the participant becomes the holder of record of such shares.

Restricted Stock and Restricted Stock Units

Restricted stock awards are awards of shares, the grant, issuance, retention, vesting and/or transferability of which is subject during specified periods of time to such conditions (including continued employment and/or the satisfaction of performance criteria) and terms as the Committee deems appropriate. RSUs are an award denominated in units under which the issuance of shares (or cash payment in lieu thereof) is subject to such conditions (including continued employment and/or the satisfaction of performance criteria) and terms as the Committee deems appropriate. Each award document evidencing a grant of restricted stock or RSUs will set forth the terms and conditions of each award, including vesting and forfeiture provisions, transferability and, if applicable, right to receive dividends or dividend equivalents. In no event will dividends or dividend equivalents be paid during a performance period with respect to unearned awards of restricted stock or RSUs that are subject to performance-based vesting criteria. Dividends or dividend equivalents that become accrued on such shares will become payable no earlier than the date the performance-based vesting criteria have been achieved and the underlying shares or RSUs have been earned.

Incentive Bonuses

An incentive bonus is a bonus opportunity pursuant to which a participant may become entitled to receive an amount based on satisfaction of performance criteria established for a specified performance period as specified in an award agreement. The Committee will establish the performance criteria and level of achievement versus such criteria that will determine the amount payable under an incentive bonus, which may include a target, threshold and/or maximum amount payable and any formula for determining such achievement, and which criteria may be based on performance conditions. The Committee will determine the timing of payment of any incentive bonus, which may be payable in cash or common stock, as determined by the Committee. Notwithstanding satisfaction of any performance goals, the amount paid under an incentive bonus on account of either financial performance or personal performance evaluations may be adjusted by the Committee on the basis of such further considerations as the Committee may determine.

Qualifying Performance Criteria

The Committee may establish performance criteria and levels of achievement versus such criteria that will determine the number of shares, units or cash to be granted, retained, vested, issued or issuable under or in settlement of an award or the amount payable pursuant to an award, which criteria may be based on "qualifying performance criteria" (as described below) or other standards of financial performance and/or personal performance evaluations. In addition, the Committee may specify that an award or a portion of an award is intended to satisfy the requirements for "performance-based compensation" under Section 162(m), provided that the performance criteria for such award or portion of such award is a measure based on one or more qualifying performance criteria selected by the Committee and specified at the time the award is granted. The Committee will certify the extent to which any qualifying performance criteria has been satisfied, and the amount payable as a result thereof, prior to payment, settlement or vesting of any award that is intended to satisfy the requirements for "performance-based compensation" under Section 162(m). Notwithstanding satisfaction of any performance criteria, the number of shares issued under or the amount paid under an award



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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

may be reduced, but not increased, by the Committee on the basis of such further considerations as the Committee in its sole discretion may determine.

For purposes of the Plan, the term "qualifying performance criteria" means any one or more of the following performance criteria, or derivations of such performance criteria, either individually, alternatively or in any combination, applied to either the Company as a whole or to a business division, unit, subsidiary or individual, either individually, alternatively or in any combination, and measured annually, cumulatively over a period of years or by project or on a geographical basis, on an absolute basis or relative basis, to previous results, to a designated comparison group or company or to an index, in specific levels of or increases in one or more of the following (alone or in combination with any other criterion, whether gross or net, before or after taxes and/or before or after adjustments), in each case as specified by the Committee: (i) cash flow (before or after dividends) or free cash flow (or free cash flow per share); (ii) earnings, earnings measures/ratios or earnings per share (basic or diluted), including but not limited to earnings before interest, taxes, depreciation and amortization; (iii) stock price, return on equity or total stockholder return; (iv) return on capital or investment (including return on total capital, return on invested capital, return on investment, financial return ratios or internal rates of return); (v) return on assets (gross or net); (vi) market capitalization; (vii) economic value added; (viii) debt leverage (debt to capital); (ix) revenue, revenue growth, rate of revenue growth or returns on sales or revenues; (x) pre tax income or net income; (xi) operating profit, net operating profit, operating income, operating margin, profit margin, gross margin, operating expenses, operating ratio, operating revenue or return on operating revenue; (xii) cash from operations, cash flow (including but not limited to operating cash flow and free cash flow), cash flow return on investment (discounted or otherwise) or cash flow in excess of cost of capital; (xiii) health and safety; (xiv) implementation or completion of critical projects or processes; (xv) cost or expense targets, reductions and savings, productivity and efficiencies; (xvi) sales or sales growth; (xvii) strategic business criteria, consisting of one or more objectives based on meeting specific market penetration, market share, geographic business expansion, customer service, customer satisfaction, employee satisfaction, human resources management, supervision of litigation, information technology, and goals relating to acquisitions, divestitures, joint ventures and similar transactions and budget comparisons; and (xxvii) personal professional objectives, including any of the foregoing performance goals, the implementation of policies and plans, the negotiation of transactions, the development of long term business goals, the formation of joint ventures and the completion of other corporate transactions.

To the extent consistent with Section 162(m), the Committee may appropriately adjust any evaluation of performance under a "qualifying performance criteria" (i) to eliminate the effects of charges for restructurings, discontinued operations, and all items of gain, loss or expense that are infrequently occurring or related to the acquisition or disposal of a segment of a business or related to a change in accounting principle all as determined in accordance with applicable accounting provisions, as well as the cumulative effect of accounting changes, in each case as determined in accordance with GAAP or identified in the Company's financial statements or notes to the financial statements, (ii) to exclude any of the following events that occurs during a performance period: (a) asset write-downs, (b) litigation, claims, judgments or settlements, (c) the effect of changes in tax law or other such laws or provisions affecting reported results, (d) accruals for reorganization and restructuring programs and (e) accruals of any amounts for payment under this Plan or any other compensation arrangement maintained by the Company, and (iii) for such other events as the Committee shall deem appropriate, so long as such adjustment is timely approved in connection with the establishment of such qualifying performance criteria.

Deferral of Payment

The Committee may, in an award agreement or otherwise, provide for the deferred delivery of common stock or cash upon settlement, vesting or other events with respect to RSUs or in payment or satisfaction of an incentive bonus. No award will provide for the deferral of compensation that is not intended to comply with Section 409A; provided, however, that the Company, the Board and the Committee will have no liability to a participant or any other party if an award that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant or for any action taken by the Board or the Committee.

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

Conditions and Restrictions upon Securities Subject to Awards

The Committee may provide that common stock subject to or issued under an award will be subject to such further agreements, restrictions, conditions or limitations as the Committee in its discretion may specify prior to the grant, vesting, exercise or settlement of such award, including without limitation, conditions on vesting or transferability, forfeiture or repurchase provisions and method of payment for the common stock issued upon exercise, vesting or settlement of such award (including the actual or constructive surrender of common stock already owned by the participant) or payment of taxes arising in connection with an award. Without limiting the foregoing, such restrictions may address the timing and manner of any resales by the participant or other subsequent transfers by the participant of any shares of common stock issued under an award, including without limitation (i) restrictions under an insider trading policy or pursuant to applicable law, (ii) restrictions designed to delay and/or coordinate the timing and manner of sales by the participant and holders of other Company equity compensation arrangements, (iii) restrictions as to the use of a specified brokerage firm for such resales or other transfers, (iv) provisions requiring common stock be sold on the open market or to the Company in order to satisfy tax withholding or other obligations and (v) mandatory holding periods.

Adjustments Provisions

The number and kind of shares of common stock available for issuance under the Plan (including under any awards then outstanding), and the number and kind of shares of common stock subject to the limits set forth in the Plan, shall be equitably adjusted by the Committee to reflect any reorganization, reclassification, combination of shares, stock split, reverse stock split, spin-off, dividend or distribution of securities, property or cash (other than regular, quarterly cash dividends), or any other event or transaction that affects the number or kind of shares of common stock outstanding. Such adjustment may be designed to comply with Section 424 of the Code or may be designed to treat the shares of common stock available under the Plan and subject to awards as if they were all outstanding on the record date for such event or transaction or to increase the number of such shares of common stock to reflect a deemed reinvestment in shares of common stock of the amount distributed to the Company's securityholders. The terms of any outstanding award will also be equitably adjusted by the Committee as to price, number or kind of shares of common stock subject to such award, vesting, and other terms to reflect the foregoing events, which adjustments need not be uniform as between different awards or different types of awards. No fractional shares of common stock will be issued pursuant to such an adjustment.

Change in Control and Other Events

In the event there is any other change in the number or kind of outstanding shares of our common stock, or any stock or other securities into which our common stock will have been changed, or for which it will have been exchanged, by reason of a change in control, other merger, consolidation or otherwise, then the Committee will determine the appropriate and equitable adjustment to be effected, which adjustments need not be uniform between different awards or different types of awards. In addition, in the event of such a change, the Committee may accelerate the time or times at which any award may be exercised, consistent with and as otherwise permitted under Section 409A, and may provide for cancellation or such accelerated awards that are not exercised within a time prescribed by the Committee in its sole discretion.

In the event of a change in control, and except as otherwise set forth in an award agreement or another contract, the Committee will determine which of the following methods will be applied to outstanding awards in its sole discretion: (i) cancellation and cash settlement of all awards; (ii) accelerated vesting of all awards (with performance-based awards vesting based on the greater of performance through the date of determination or target performance); (iii) assumption or continuation of all outstanding awards or substitution or conversion with substantially equivalent economic value (provided that any such award shall vest in full upon a participant's termination of employment without cause within 18 months following a change in control); or (iv) any combination of the aforementioned methods.

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

Transferability

Each award may not be sold, transferred for value, pledged, assigned, or otherwise alienated or hypothecated by a participant other than by will or the laws of descent and distribution, and each option or SAR may be exercised only by the participant during his or her lifetime. Notwithstanding the foregoing, outstanding options may be exercised following the participant's death by the participant's beneficiaries or as permitted by the Committee.

Termination and Amendment

The Board may amend, alter or discontinue the Plan and the Committee may amend or alter any agreement or other document evidencing an award made under the Plan but, except in connection with certain changes in our capitalization, no such amendment will, without stockholder approval: (i) increase the maximum number of shares of common stock for which awards may be granted under the Plan; (ii) reduce the price at which options may be granted below the price provided for in the Plan; (iii) reprice outstanding options or SARs; (iv) extend the term of the Plan; (v) change the class of persons eligible to participate in the Plan; (vi) increase the individual maximum limits set forth in the Plan; or (vii) otherwise amend the Plan in any manner requiring stockholder approval by law or the rules of any stock exchange or market or quotation system on which our common stock is traded, listed or quoted. No amendment or alteration to the Plan or any award or award agreement will be made which would impair the rights of the holder of an award without such holder's consent, provided that such consent will not be required if the Committee determines in its sole discretion and prior to the date of any change in control that such amendment or alteration either is required or advisable in order for the Company, the Plan or the award to satisfy any law or regulation or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard, or is not reasonably likely to significantly diminish the benefits provided under such award, or that any such diminishment has been adequately compensated. The Plan shall remain available for the grant of awards until the tenth anniversary of its effective date.

Federal Income Tax Treatment

The following discussion of the federal income tax consequences of the Plan is intended to be a summary of applicable federal law as currently in effect. It should not be taken as tax advice by Plan participants, who are urged to consult their individual tax advisors.

Stock Options

Incentive stock options, or ISOs, and non-qualified stock options, or NQSOs, are treated differently for federal income tax purposes. ISOs are intended to comply with the requirements of Section 422 of the Code. NQSOs do not comply with such requirements.

An optionee is not taxed on the grant or exercise of an ISO. The difference between the exercise price and the fair market value of the shares on the exercise date will, however, be a preference item for purposes of the alternative minimum tax. If an optionee holds the shares acquired upon exercise of an ISO for at least two years following the option grant date and at least one year following exercise, the optionee's gain, if any, upon a subsequent disposition of such shares is long term capital gain. The measure of the gain is the difference between the proceeds received on disposition and the optionee's basis in the shares (which generally equals the exercise price). If an optionee disposes of stock acquired pursuant to exercise of an ISO before satisfying these holding periods, the optionee will recognize both ordinary income and capital gain in the year of disposition. The Company is not entitled to an income tax deduction on the grant or exercise of an ISO or on the optionee's disposition of the shares after satisfying the holding period requirement described above. If the holding periods are not satisfied, the Company will be entitled to a deduction in the year the optionee disposes of the shares in an amount equal to the ordinary income recognized by the optionee.

In order for an option to qualify for ISO tax treatment, the grant of the option must satisfy various other conditions more fully described in the Code. The Company does not guarantee that any option will qualify for

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

ISO tax treatment even if the option is intended to qualify for such treatment. In the event an option intended to be an ISO fails to so qualify, it will be taxed as an NQSO, as described in the paragraph below.

An optionee is not taxed on the grant of an NQSO. On exercise, the optionee recognizes ordinary income equal to the difference between the exercise price and the fair market value of the shares acquired on the date of exercise. The Company is entitled to an income tax deduction in the year of exercise in the amount recognized by the optionee as ordinary income. The optionee's gain (or loss) on subsequent disposition of the shares is long term capital gain (or loss) if the shares are held for at least one year following exercise. The Company does not receive a deduction for this gain.

Stock Appreciation Rights

A participant will not recognize taxable income upon the grant of an SAR. Upon exercise of an SAR, a participant will recognize taxable ordinary income in an amount equal to the amount of cash received or the difference between the fair market value of the underlying shares on the date of exercise and the exercise price of the SAR. Any additional gain or loss recognized upon any later disposition of the shares would be capital gain or loss.

Restricted Stock and Restricted Stock Units

Grantees of restricted stock or RSUs do not recognize income at the time of the grant. When the award vests or is paid, grantees generally recognize ordinary income in an amount equal to the fair market value of the stock or units at such time, and the Company will receive a corresponding deduction. However, no later than 30 days after a participant receives an award of restricted stock, the participant may elect to recognize taxable ordinary income in an amount equal to the fair market value of the shares at the time of receipt. Provided that the election is made in a timely manner, when the restrictions on the shares lapse, the participant will not recognize any additional income. If the participant forfeits the shares to the Company (e.g., upon the participant's termination prior to vesting), the participant may not claim a deduction with respect to the income recognized as a result of the election. Dividends paid with respect to unvested shares of restricted stock generally will be taxable as ordinary income to the participant at the time the dividends are received.

Company Deduction and Section 162(m)

Section 162(m) generally allows the Company to obtain tax deductions without limit for performance-based compensation. Subject to stockholder approval, the Plan is designed to permit the grant of options and stock appreciation rights, and certain awards of restricted stock, RSUs, incentive bonuses and other stock-based awards that are intended to qualify as "performance-based compensation" not subject to Section 162(m)'s \$1,000,000 deductibility cap. The rules and regulations promulgated under Section 162(m) are complicated and subject to change from time to time, sometimes with retroactive effect. In addition, a number of requirements must be met in order for particular compensation to so qualify. As such, there can be no assurance that any compensation awarded or paid under the Plan will be fully deductible under all circumstances.

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PROPOSAL 4. APPROVAL OF PERFORMANCE CRITERIA UNDER THE 2014 STOCK INCENTIVE PLAN

New Plan Benefits

The benefits that will be awarded or paid in the future under the Plan are not currently determinable. Such awards are within the discretion of the Committee, and the Committee has not determined future awards or who might receive them, therefore, the table below shows the aggregate number of awards granted under the Plan during Fiscal 2017 to our named executives as of June 30, 2017.

Dan Caruso, Chief Executive Officer	11,439,891	370,223
Ken desGarennnes, (former) Chief Financial Officer	6,187,972	200,258
Andrew Crouch, President & Chief Operating Officer	2,487,635	80,506
Jack Waters, Chief Technology Officer & President of Network Solutions	2,836,280	91,789
All current executive officers	22,951,778	742,776
All current non-executive directors	1,370,848	44,364
All current non-executive employees	72,371,663	2,342,125

As of June 30, 2017, the closing price of a share of the Company's common stock was \$30.90.

Equity Compensation Plan Information

For the information required by Item 201(d) of Regulation S-K under the Exchange Act, see "Equity Compensation Plan Information" below.

Recommendation of the Board

The Board recommends that stockholders vote **FOR** the approval of the performance criteria under the 2014 Stock Incentive Plan and the related amendments thereto.

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Corporate Governance

2017 Highlights

Added 2 new independent directors with diverse backgrounds and deep business, operational and finance experience

Added new, fully independent Strategy Committee of the Board

Remediated material weaknesses in internal controls and received clean audit opinion

Governance Best Practices

Regular evaluations

Thorough annual Board, Committee and individual director evaluations

Commitment to Board refreshment and diversity

Average Board tenure of 3 years

4 of 9 directors are women (44%)

Ongoing attention to refreshment to address succession planning and changing business needs

Robust director nominee selection process

Seek diverse, connected and experienced Board

Methodical analysis of skill set needs in light of evolving business and industry

New directors recruited through both external search firms and current Board member referrals

Strong Board and Committee independence

8 of 9 directors independent

Lead Director elected by the independent directors

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Fully independent Audit, Compensation, Nominating & Governance and Strategy Committees

Regular executive sessions of independent directors

Comprehensive strategy and risk oversight by Board and committees

New Strategy Committee responsible for oversight of key strategic objectives

Oversight of enterprise risk management by Nominating & Governance Committee, with specific risk areas delegated to each Committee

Alignment of director and executive officer interests with shareholder interests

Meaningful stock ownership guidelines for directors and executives

Robust anti-hedging, anti-short sale and anti-pledging policies

Annual "say on pay" advisory vote

Active shareholder engagement and outreach

Director participation in process

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CORPORATE GOVERNANCE

Board Composition

Our Board of Directors consists of nine directors. During Fiscal 2017, we increased the size of our Board from seven to nine directors, adding two new independent directors. We increased the size of the Board in order to accommodate formation of a new Strategy Committee and to ensure smooth longer-term Board succession planning.

Election of our directors is governed by our Amended and Restated Certificate of Incorporation ("Certificate of Incorporation") and Amended and Restated Bylaws ("Bylaws"). In accordance with the Stockholders Agreement between the Company and each stockholder listed on the signature pages thereto (the "Stockholders Agreement"), investment funds affiliated with GTCR LLC ("GTCR") have the right to nominate one independent director for consideration by the Nominating and Governance Committee when the current term of their designee, Mr. Canfield, expires. If the Nominating and Governance Committee determines in good faith that a designee is not a suitable candidate then it may reject the designee, and GTCR shall have the right to nominate an alternative individual for consideration, such process to continue until a suitable candidate is designated. GTCR will retain these Board nomination rights until its ownership of Company shares falls below 50% of the amount it owned immediately prior to the Company's initial public offering.

Classified Board

Our Certificate of Incorporation and Bylaws provide for a classified Board consisting of three classes of directors, each serving staggered three-year terms. Our directors are divided among the three classes as follows:

Class III directors are Mr. Canfield, Mr. Kaplan and Ms. Rottenberg, whose terms will expire at the Annual Meeting.

Class I directors are Mr. Caruso, Mr. Gips and Ms. Richardson, whose terms will expire at the annual meeting of stockholders to be held in 2018.

Class II directors are Mr. Connor, Ms. Morris and Ms. White, whose terms will expire at the annual meeting of stockholders to be held in 2019.

Directors for a particular class are elected for three-year terms at the annual meeting of stockholders in the year in which their term expires. As a result, only one class of directors is elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Each director's term continues until the election and qualification of his successor, or his earlier death, resignation or removal.

Director Independence

In August 2017, our Board undertook a review of the independence of our directors and considered whether any director had a material relationship with us that could compromise that person's ability to exercise independent judgment in carrying out his or her responsibilities. Our Board affirmatively determined that each of Mr. Canfield, Mr. Connor, Mr. Gips, Mr. Kaplan, Ms. Morris, Ms. Richardson, Ms. Rottenberg and Ms. White is independent under the rules of the NYSE.

There are no family relationships among any of our directors or executive officers.

Committees of the Board

Our Board has an Audit Committee, a Compensation Committee, a Nominating and Governance Committee and a Strategy Committee. The Strategy Committee is a new committee of the Board that was formed during Fiscal 2017. In the future, our Board may establish other committees, as it deems appropriate, to assist it with its responsibilities. The composition, duties and responsibilities of our committees are as set

forth below. Each of these committees has a written charter approved by our Board. Copies of these committee charters as well as

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CORPORATE GOVERNANCE

our corporate governance guidelines are available, without charge, upon request in writing to Zayo Group Holdings, Inc., 1805 29th Street, Suite 2050, Boulder, CO 80301, Attn: Corporate Secretary, or by clicking on "Corporate Governance" in the Investors section of our website, www.zayo.com.

Audit Committee

Our Audit Committee has the following responsibilities, among other things, as set forth in its written charter:

MEMBERS:

Mr. Connor, Chairman

Mr. Kaplan

Ms. Morris

RESPONSIBILITIES:

reviewing relevant financial reports, disclosures within those reports, accounting policies and practices, and the processes used to produce such reports;

appointing, reviewing, compensating, retaining and overseeing our independent registered public accounting firm;

approving in advance any audit and permissible non-audit services to be provided by our independent registered public accounting firm;

establishing and reviewing policies for our hiring of employees or former employees of the independent registered public accounting firm to ensure compliance with SEC regulations and NYSE requirements;

reviewing and discussing with the independent registered public accounting firm the matters required to be discussed by the applicable Auditing Standards adopted by the PCAOB and amended from time to time;

receiving reports from the independent registered public accounting firm and management regarding the adequacy and effectiveness of our internal controls over financial reporting and disclosure controls and procedures;