

HUGHES Telematics, Inc.
Form 10-K/A
July 19, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K/A

Amendment No. 1

- x Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2009, or**

- .. Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
Commission file number 001-33860**

HUGHES Telematics, Inc.

(Exact name of registrant as specified in its charter)

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Delaware
(State or other jurisdiction of
incorporation or organization)

2002 Summit Boulevard, Suite 1800

Atlanta, Georgia
(Address of principal executive offices)

Registrant's telephone number, including area code: (404) 573-5800

26-0443717
(I.R.S. Employer
Identification Number)

30319
(Zip Code)

Securities registered pursuant to Section 12(b) of the Act: none

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value \$0.0001

(title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter periods that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the common stock held by non-affiliates of the registrant, as of June 30, 2009, was \$111,209,357. As of July 15, 2010, there were 92,631,187 shares of the registrant's common stock outstanding.

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Explanatory Paragraph

This Amendment No. 1 to Form 10-K (the "Amendment") amends and restates certain items in the Registrant's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 16, 2010 (the "Original Filing"). The Registrant is filing this Amendment to include additional disclosure in the following items of the Original Filing:

Item 3. Legal Proceedings

Item 10. Directors, Executive Officers and Corporate Governance

Item 11. Executive Compensation

Except for the aforementioned changes, this Amendment does not modify or update any disclosure in the Original Filing, including the nature and character of such disclosure to reflect events occurring after the initial filing date of the Original Filing.

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PART I

Item 3. Legal Proceedings.

On May 7, 2009, Networkfleet was served with a complaint in a patent infringement case titled Innovative Global Systems LLC vs. Turnpike Global Technologies L.L.C. et al. that was filed in the Eastern District of Texas. The case seeks damages from Networkfleet and five other defendants for allegedly infringing on five patents held by the plaintiffs. The parties have reached a tentative agreement to settle the matter which is subject to final negotiation and execution of definitive documentation. If such agreement is not ultimately executed, Networkfleet will vigorously defend itself in this action. The resolution of the case is not expected to have a material adverse effect on our financial position, results of operations or cash flows.

Additionally, from time to time, we are subject to litigation in the normal course of business. We are of the opinion that, based on information presently available, the resolution of any such legal matters will not have a material adverse effect on our financial position, results of operations or its cash flows.

Table of Contents**PART III****Item 10. Directors, Executive Officers and Corporate Governance.*****Directors and Executive Officers***

Name	Age	Position
Jeffrey A. Leddy	55	Chief Executive Officer and Director
Erik J. Goldman	49	President
Craig J. Kaufmann	34	Senior Vice President Finance and Treasurer
Robert C. Lewis	45	General Counsel and Secretary
Keith J. Schneider	52	President and Chief Executive Officer, Networkfleet, Inc.
Andrew D. Africk	44	Director
Marc V. Byron	46	Director
Andrew P. Hines	70	Director
Warren N. Lieberfarb	65	Director
Steven Martinez	40	Director
Matthew H. Nord	31	Director
Aaron J. Stone	37	Director
Mark VanStekelenburg	59	Director

Jeffrey A. Leddy. Mr. Leddy has been our Chief Executive Officer and served as a member of our board of directors since the Merger in March 2009. Mr. Leddy served as the Chief Executive Officer of Old HTI from December 2006 and as a member of Old HTI's board of directors since March 2006. From April 2003 through December 2006, Mr. Leddy served as Chief Executive Officer and President of SkyTerra Communications, Inc. (SkyTerra). Prior to serving as Chief Executive Officer and President, Mr. Leddy served as the President and Chief Operating Officer of SkyTerra from October 2002 and its Senior Vice President of Operations from June 2002. From September 1980 to December 2001, Mr. Leddy worked for EMS Technologies serving most recently as Vice President. Mr. Leddy currently serves on the board of directors of Hughes Communications, Inc. and Hughes Systique Corporation. Mr. Leddy also serves on the board of managers of Hughes Network Systems, LLC. Mr. Leddy's experience with satellite communications and telematics businesses and his executive experience, including as our Chief Executive Officer, was instrumental in his selection as a member of our board of directors. Mr. Leddy was designated by Apollo as a director pursuant to the Shareholders' Agreement, dated as of March 31, 2009, among us and each of the persons listed on the schedules thereto (the Shareholders' Agreement).

Erik J. Goldman. Mr. Goldman has been our President since the Merger in March 2009 and served as the President of Old HTI from July 2006. From March 2003 through June 2006, Mr. Goldman served as a Vice President of SkyTerra, where his responsibilities included acquisition, development and corporate oversight of the organization's portfolio companies in the wireless and satellite services industries. Prior to joining SkyTerra, Mr. Goldman consulted to a European Satellite Radio venture. From 1995 to December 2001, Mr. Goldman worked for Leo One Worldwide, most recently as Vice President of Technology and Business Development, where he led an extensive telematics effort. Previously, Mr. Goldman served as Director of Business Development for dbX Corporation, a telecom-focused investment and management group with active interests in cellular, paging and satellite businesses. Prior to joining dbX in 1991, Mr. Goldman served as a Member of Technical Staff of Mitre Corporation and as a Senior Communications Design Engineer of Raytheon Corporation.

Craig J. Kaufmann. Mr. Kaufmann has been our Senior Vice President Finance and Treasurer since April 2010 and was our Vice President Finance and Treasurer since the Merger in March 2009. Mr. Kaufmann served as the Vice President Finance and Treasurer of Old HTI from December 2006 until the Merger. Mr. Kaufmann served as the Controller and Treasurer of SkyTerra from April 2003 to December 2006 and served as its Director of Financial Reporting from November 2000. Prior to joining SkyTerra, Mr. Kaufmann was the Financial Reporting Manager of Kozmo.com from March 2000 to November 2000 and an associate at PricewaterhouseCoopers from August 1998 to March 2000.

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Robert C. Lewis. Mr. Lewis has been our General Counsel and Secretary since the Merger in March 2009 and served as the General Counsel and Secretary of Old HTI since January 2007. From April 1998 to May 2008, Mr. Lewis was employed by SkyTerra serving as its Senior Vice President and General Counsel from July 2000 to April 2008, as its Vice President, General Counsel and Secretary from May 1998 to July 2000. Prior to joining SkyTerra, Mr. Lewis was an associate at the law firm of Fried, Frank, Harris, Shriver & Jacobson from October 1992.

Keith J. Schneider. Mr. Schneider has been employed as President of our Networkfleet subsidiary since April 2007. In January 2010, Mr. Schneider was also named Chief Executive Officer of Networkfleet. Prior to joining Networkfleet, Mr. Schneider served as Vice President of indirect distribution for Sprint Nextel Communications (Nextel), where he was responsible for the strategic direction and implementation of key programs and policies supporting Nextel's local and national third party indirect channels. Before assuming that position, he served as the area president of New England operations for Nextel, a \$200 million business where he had full profit and loss responsibility and managed sales and distribution, marketing, finance, operations, human resources, service and repair. Mr. Schneider began his Nextel career as a general manager in Southern California, launching and building one of Nextel's first and largest markets.

Andrew D. Africk. Mr. Africk has served as a member of our board of directors since March 31, 2009 and was a member of Old HTI's board of directors from January 2006 until the Merger. Mr. Africk is a senior partner of Apollo Advisors, L.P., which, together with its affiliates, acts as managing general partner of the Apollo Investment Funds, a series of private securities investment funds, where he has worked since 1992. Mr. Africk has significant experience making and managing private equity investments on behalf of Apollo and has over 18 years experience financing, analyzing and investing in public and private companies, which in addition to his experience with communications businesses, including serving as a director of Old HTI from its inception through the Merger, was instrumental in his selection as a member of our board of directors. Mr. Africk also serves on the board of directors of Hughes Communications, Inc., and SOURCECORP, Incorporated. From 1999 to 2008, Mr. Africk served on the board of directors of SkyTerra. From 2005 to 2008 Mr. Africk served as the vice chairman of the board of directors of Intelsat Holdings, Ltd. From 2003 to 2006, Mr. Africk served on the board of directors of Superior Essex Inc. From 2001 to 2008, Mr. Africk served on the board of directors of Mobile Satellite Ventures, LP. Mr. Africk also serves on the board of managers of Hughes Network Systems, LLC. Mr. Africk serves on our compensation committee. Mr. Africk was designated by Apollo as a director pursuant to the Shareholders' Agreement.

Marc V. Byron. Mr. Byron has served as a member of the board of directors since our inception in June 2007 and served as our chief executive officer from our inception in June 2007 through the Merger in March 2009. Mr. Byron co-founded Trivergance, a middle market merchant banking and investment firm, in June 2006, and has served as a Managing Member since its formation. Trivergance acted as a strategic and financial advisor in the \$750 million transaction in which Sunterra Corporation went private. Mr. Byron has significant experience in the field of customer acquisition and marketing and as a chief executive officer. Mr. Byron's experience with customer acquisition and retention, a critical part of our business, was instrumental in his selection as a member of our board of directors. Since May 2003, Mr. Byron has served as chairman of MG, LLC, d/b/a Tranzact, a marketing services firm that helps companies acquire customers and manage complex transactions by combining expertise in developing customer acquisition strategies with experience in applying technology. He has also served as an advisor to Apollo on large marketing and media related transactions. In 1997, Mr. Byron founded Paradigm Direct and served as its chief executive officer until its sale to Mosaic Group, Inc., a Canadian marketing services firm. After the sale, Paradigm Direct changed its name to Mosaic Performance Solutions North America and Mr. Byron served as its chief executive officer until December 2001. Mr. Byron was designated by the initial stockholders of Polaris as a director pursuant to the Shareholders' Agreement.

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Andrew P. Hines. Mr. Hines has served as a member of our board of directors since March 31, 2009. Mr. Hines has been a principal of Hines and Associates, a financial management consulting firm since September 2006 and from 2001 until October 2005. Mr. Hines has also served as Executive Vice President and Chief Financial Officer of World Color, Inc., a provider of high-value and comprehensive print, digital and related services, since September 2009 and served as Vice President and Chief Financial Officer of GenTek, Inc., a manufacturer of industrial components and performance chemicals, from October 2005 to September 2006. From November 2003 through 2007, Mr. Hines served as a director of Superior Essex, Inc., where he served as the chairman of their audit committee. Mr. Hines has extensive experience as a senior financial executive and financial management consultant, which was instrumental in his selection as a member of our board of directors. Mr. Hines is the chairman of our audit committee.

Warren N. Lieberfarb. Mr. Lieberfarb has served as a member of our board of directors since March 31, 2009. Mr. Lieberfarb is the Chairman and Chief Executive Officer of Warren N. Lieberfarb & Associates LLC, a media, entertainment and technology consulting and investment firm. From 1984 until December 2002, Mr. Lieberfarb was President of Warner Home Video, a subsidiary of Warner Bros. Entertainment and a global leader in the creation, distribution, and marketing of theatrical motion pictures and television programming on video/DVD. Mr. Lieberfarb also serves on the board of directors and board of trustees of the American Film Institute and chairs its Entrepreneurial Committee. He also serves on the board of directors and is Vice Chairman of MOD Systems, a retail systems provider enabling in-store digital signage, sampling and fulfillment of music and video content. He is currently on the University of Pennsylvania Library board of overseers, the Undergraduate Executive Committee of The Wharton School, and previously was a member of the University's board of trustees from 2001 to 2005. Mr. Lieberfarb is also a member of the Academy of Motion Pictures Arts and Sciences. From 2003 through 2008, Mr. Lieberfarb served as a director of Sirius Satellite Radio, Inc. Mr. Lieberfarb has extensive experience in the media and content delivery fields and has prior experience with telematics through his involvement with Sirius Satellite Radio, Inc., which was instrumental in his selection as a member of our board of directors. Mr. Lieberfarb serves on our audit and compensation committees. Mr. Lieberfarb was designated by Apollo as a director pursuant to the Shareholders' Agreement.

Steven Martinez. Mr. Martinez has served as a member of our board of directors since March 31, 2009. Mr. Martinez is a partner at Apollo. Prior to joining Apollo in 2000, he worked for Goldman Sachs & Company and Bain and Company. Mr. Martinez also serves on the board of directors of Goodman Global Holdings, Inc., Rexnord Global Holdings and Jacuzzi Brands, Inc., Prestige Cruise Holdings and NCL Corp Ltd. Mr. Martinez served on the board of Allied Waste Holdings from March 2006 through July 2007 and also on board of Hayes Lemmerz International, Inc. Mr. Martinez has significant experience making and managing private equity investments on behalf of Apollo and has over 15 years experience financing, analyzing and investing in public and private companies, which was instrumental in his selection as a member of our board of directors. Mr. Martinez was designated by Apollo as a director pursuant to the Shareholders' Agreement.

Matthew H. Nord. Mr. Nord has served as a member of our board of directors since March 31, 2009 and was a member of Old HTI's board of directors from December 2006 until the Merger. Mr. Nord is a principal of Apollo and has been associated with Apollo since 2003. From 2001 to 2003, Mr. Nord was a member of the Investment Banking division of Salomon Smith Barney, Inc. Mr. Nord serves on the board of directors of Affinion Group Inc. and SOURCECORP, Inc. Mr. Nord graduated summa cum laude with a BS in Economics from the Wharton School of the University of Pennsylvania. Mr. Nord has significant experience making and managing private equity investments on behalf of Apollo and has over nine years of experience, financing, analyzing and investing in public and private companies, which in addition to his experience with communications businesses, including serving as a director of Old HTI from its inception through the Merger, was instrumental in his selection as a member of our board of directors. Mr. Nord serves on our compensation committee. Mr. Nord was designated by Apollo as a director pursuant to the Shareholders' Agreement.

Aaron J. Stone. Mr. Stone has served as a member of our board of directors since March 31, 2009. Mr. Stone is a senior partner of Apollo Advisors, L.P., which, together with its affiliates, acts as managing

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general partner of the Apollo Investment Funds, a series of private securities investment funds, where he has worked since 1997. Mr. Stone has significant experience making and managing private equity investments on behalf of Apollo and has over 14 years experience financing, analyzing and investing in public and private companies, which in addition to his experience with communications businesses, was instrumental in his selection as a member of our board of directors. Mr. Stone also serves on the board of directors of AMC Entertainment Inc., Hughes Communications, Inc., Parallel Petroleum, and Connections Academy, LLC. From 2005 to 2008, Mr. Stone served on the board of directors of SkyTerra, Intelsat Holdings, Ltd. and Mobile Satellite Ventures, LP. From 2004 to 2007, Mr. Stone served on the board of directors of Educate, Inc. Mr. Stone also serves on the board of managers of Hughes Network Systems, LLC. Mr. Stone was designated by Apollo as a director pursuant to the Shareholders Agreement.

Mark VanStekelenburg. Mr. VanStekelenburg has served as a member of our board of directors since March 31, 2009. From 1992 to 1998 he was chairman, president, and chief executive officer of Rykoff-Sexton/US Foodservice Inc. Mr. VanStekelenburg is also a member of the board of directors of Bergensons Property Services, Inc., Chemco, Inc., and JSI Store Fixtures Inc. He is also a member of the Advisory Boards of Champlain Capital Partners, LLC and an Honorary Member of the board of trustees and a member of the audit committee of the March of Dimes. Mr. VanStekelenburg has significant experience as the chief executive officer of a public company and extensive operational and financial experience, which was instrumental in his selection as a member of our board of directors. Mr. VanStekelenburg serves on our audit committee.

Meetings and Committees of the Board of Directors

During the fiscal years ended December 31, 2009 and 2008, our board of directors held eight and six meetings, respectively. Although we do not have any formal policy regarding director attendance at annual stockholder meetings, we will attempt to schedule our annual meetings so that all our directors can attend. We expect our directors to attend all board and committee meetings and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities.

Committees

Audit Committee

The audit committee of the board of directors consists of Messrs. Hines, Lieberfarb and VanStekelenburg. Mr. Hines serves as the chairman of our audit committee. The directors appointed to our audit committee are independent members of our board of directors as defined by the rules of the SEC. The audit committee's duties, which are specified in our audit committee charter, include, but are not limited to:

reviewing and discussing with management and the independent registered public accounting firm the annual audited financial statements, and recommending to the board whether the audited financial statements should be included in our annual report on Form 10-K;

discussing with management and the independent registered public accounting firm significant financial reporting issues and judgments made in connection with the preparation of our financial statements;

discussing with management major risk assessment and risk management policies;

monitoring the independence of the independent registered public accounting firm;

verifying the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law;

inquiring and discussing with management our compliance with applicable laws and regulations;

pre-approving all audit services and permitted non-audit services to be performed by our independent registered public accounting firm, including the fees and terms of the services to be performed;

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appointing or replacing the independent registered public accounting firm;

determining the compensation and oversight of the work of the independent registered public accounting firm (including resolution of disagreements between management and the independent registered public accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or related work; and

establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or reports which raise material issues regarding our financial statements or accounting policies.

The audit committee will at all times be composed exclusively of independent directors who are able to read and understand fundamental financial statements, including a company's balance sheet, income statement and cash flow statement. The board of directors has determined that Mr. Hines qualifies as an audit committee financial expert, as defined under applicable SEC rules and regulations. Our audit committee did not meet during 2008 and had three meetings in 2009.

Compensation Committee

The compensation committee of the board of directors consists of Messrs. Africk, Lieberfarb and Nord. Mr. Africk serves as the chairman of the committee. The compensation committee's duties, which are specified in our compensation committee charter, include, but are not limited to:

reviewing at least annually the goals and objectives of our executive compensation plans;

reviewing at least annually our executive compensation plans in light of our goals and objectives with respect to such plans;

evaluating annually the performance of our chief executive officer in light of the goals and objectives of our executive compensation plans;

evaluating annually the performance of our other executive officers in light of the goals and objectives of our executive compensation plans;

evaluating annually the appropriate level of compensation for members of our board of directors and committee service by non-employee directors;

reviewing and approving any severance or termination arrangements to be made with any of our executive officers;

performing such duties and responsibilities as may be assigned to our board of directors or the compensation committee under the terms of any executive compensation plan;

reviewing perquisites or other personal benefits to our executive officers and directors and recommending any changes to our board of directors;

reviewing and discussing with management our compensation discussion and analysis, and based on that review and discussion, to recommend to our board of directors that the compensation discussion and analysis be included in our annual proxy statement or

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annual report on Form 10-K;

producing a committee report on executive compensation in accordance with the rules and regulations of the SEC to be included in our annual proxy statement or annual report on Form 10-K filed with the SEC; and

reviewing the description of the compensation committee's processes and procedures for the consideration and determination of executive and director compensation to be included in our annual proxy statement.

All of the members of the compensation committee are non-employee directors as defined under the rules of the SEC. The compensation committee did not meet in 2008 and held one meeting in 2009.

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Code of Ethics and Committee Charters

We have adopted a code of ethics that applies to our officers and directors. Our code of ethics and our board committee charters are available on our website at www.hughestelematics.com. In addition, a copy of the code of ethics will be provided without charge upon request in writing at 2002 Summit Boulevard, Suite 1800, Atlanta, Georgia 30319, or by telephone at (404) 573-5800.

Item 11. Executive Compensation.

The compensation committee of our board of directors is empowered to review and approve, or recommend for the approval of the full board of directors, compensation for our executive officers.

Objectives of Compensation Program

The primary objective of our compensation program, including the executive compensation program, is to attract and retain qualified management personnel who can work in our dynamic business environment. A further objective of the compensation program is to provide incentives and reward each member of management for his or her contribution to our business. In addition, we strive to promote an ownership mentality among key leadership and members of the board of directors. Finally, we endeavor to ensure that the compensation program is perceived as fundamentally fair to all stakeholders.

What the Compensation Program is Designed to Reward

The compensation program is designed to reward each executive officer's contribution to our success. In measuring the executive officers' contribution, the compensation committee is expected to consider numerous subjective factors, rather than more traditional metrics, in light of the fluid and growing nature of our business.

Our senior management provides to our compensation committee recommendations regarding most compensation matters. We do not currently engage any consultant related to executive and/or director compensation matters.

Stock price performance is expected to be a factor in determining annual compensation; however, to the extent the price of our common stock is subject to significant fluctuations due to a variety of factors outside of management's control, the weight placed on stock performance may be lessened. It is not currently expected that there will be an exact formula for allocating between cash and non-cash compensation, although, to date, we have provided relatively little non-cash compensation, other than through stock option grants. Cash compensation is generally paid as earned.

Elements of the Compensation Plan and How They Relate to the Objectives

Annual executive officer compensation currently consists of a base salary component and a discretionary annual bonus component. In the future, the compensation committee is expected to set total executive cash compensation sufficiently high to attract and retain a strong, motivated leadership team and recognize executive officers' roles in accomplishing extraordinary transactions.

Our directors, officers, employees and consultants may be awarded share-based compensation under either the HUGHES Telematics 2006 Stock Incentive Plan (the "2006 Plan") or the HUGHES Telematics, Inc. 2009 Equity and Incentive Plan (the "2009 Plan"). As set forth in the table below, with the heading "Outstanding Equity Awards at Fiscal Year-End 2009," each of our named executive officers has received stock option grants and a restricted stock grant under these plans. The purpose of the Plan is to promote interests of our company, subsidiaries and stockholders by providing our directors, officers, employees and consultants with appropriate incentives and rewards to encourage them to enter into and continue in our employ or service, to acquire a proprietary interest in our long-term success and to reward the performance of individuals in fulfilling their personal responsibilities for long-range achievements.

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Risks Arising from Compensation Policies and Practices

We believe that the design and governance of our executive compensation program is consistent with appropriate standards of risk management. Rather than determining incentive compensation awards based on a single metric, the compensation committee considers a balanced set of performance measures that collectively best indicate successful management of our assets and strategy. On an annual basis, the compensation committee evaluates the compensation provided to our employees, including the mix of compensation elements, so that our compensation programs reward the achievement of long-term strategic objectives as much as shorter-term business objectives. The compensation committee applies its informed judgment to compensation decisions, taking into account factors such as conservation of our capital resources and leveraging of equity and successful implementation of strategic initiatives. The use of equity awards, generally vesting over two to four years for restricted stock and stock options, aligns our executive officers' interests with the long-term interests of our stockholders. Together, the features of our executive compensation program are intended to ensure that our compensation opportunities do not encourage excessive risk taking and focus our executives on managing our company toward long-term sustainable value for our stockholders.

HUGHES Telematics, Inc. 2009 Equity and Incentive Plan

The 2009 Plan provides for the grant of equity-based awards, including restricted common stock, restricted stock units, stock options, stock appreciation rights and other equity based awards, as well as cash bonuses and long-term cash awards to our officers and other employees, advisors and consultants who are selected by the compensation committee for participation in the 2009 Plan. Unless earlier terminated by the board of directors, the 2009 Plan will expire on March 31, 2019. The board of directors may amend the 2009 Plan at any time. Termination of the 2009 Plan and amendments to the 2009 Plan are not intended to adversely affect any award that is then outstanding without the award holder's consent, and the Company must obtain stockholder approval of a 2009 Plan amendment if stockholder approval is required to comply with any applicable, law or regulation.

Administration of the 2009 Plan

The 2009 Plan is administered by the compensation committee, which has the authority to, among other things, exercise all the powers and authorities either specifically granted to it under the 2009 Plan or necessary or advisable in the administration of the 2009 Plan, including, without limitation, the authority to determine who will be granted awards and the types of awards that may be granted. The compensation committee may, in its sole discretion, without amendment to the 2009 Plan: (i) accelerate the date on which any option granted under the 2009 Plan becomes exercisable, waive or amend the operation of 2009 Plan provisions respecting exercise after termination of employment or otherwise adjust any of the terms of the option and (ii) accelerate the vesting date, or waive any condition imposed under the 2009 Plan, with respect to any restricted stock or other award, or otherwise adjust any of the terms applicable to any such award.

Equity Incentive Program

A maximum of 2,500,000 shares (subject to adjustment) of our common stock have been reserved for grants pursuant to the equity incentive program under the 2009 Plan, and a maximum of 1,000,000 shares (subject to adjustment) may be issued pursuant to the exercise of incentive stock options granted under the 2009 Plan. Under the 2009 Plan, no more than 600,000 shares (subject to adjustment) of our common stock may be made subject to awards granted to a single individual in a single plan year. In the event that the compensation committee determines that any corporate event, such as a stock split, reorganization, merger, consolidation, repurchase or share exchange, affects our common stock such that an adjustment is appropriate in order to prevent dilution or enlargement of the rights of 2009 Plan participants, then the compensation committee will make those adjustments as it deems necessary or appropriate to any or all of:

the number and kind of shares of common stock or other securities that may thereafter be issued in connection with future awards;

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the number and kind of shares of common stock, securities or other property issued or issuable in respect of outstanding awards;

the exercise price, grant price or purchase price relating to any award; and/or

the maximum number of shares subject to awards which may be awarded to any employee during any of our tax years; provided that, with respect to incentive stock options, any such adjustment will be made in accordance with Section 424 of the Code.

In the event the outstanding shares of our common stock will be changed into or exchanged for any other class or series of capital stock or cash, securities or other property pursuant to a re-capitalization, reclassification, merger, consolidation, combination or similar transaction, then, unless otherwise determined by the compensation committee: (i) each stock option will thereafter generally become exercisable for the number and/or kind of capital stock, and/or the amount of cash, securities or other property so distributed, into which the shares of common stock subject to the stock option would have been changed or exchanged had the option been exercised in full prior to such transaction and (ii) each award that is not a stock option and that is not automatically changed in connection with the transaction will represent the number and/or kind of shares of capital stock, and/or the amount of cash, securities or other property so distributed, into which the number of shares of common stock covered by the award would have been changed or exchanged had they been held by a stockholder.

The 2009 Plan provides that unless otherwise determined by the compensation committee, if on or within one year following a change in control (as defined in the 2009 Plan), a participant's employment is terminated by us other than for cause (as defined in the 2009 Plan) or by the participant for good reason (as defined in the 2009 Plan): (i) any award or part of an award that is subject to time vesting that was not previously vested will become fully vested and (ii) any award or portion thereof, the vesting or exercisability of which is based upon the achievement of one or more performance goals within the one-year period following such termination of employment shall remain outstanding for a period of one year following such termination of employment, subject at all times to the earlier expiration of the original term of such award, and if the applicable goals are achieved during such period, the award shall become fully vested and exercisable.

Equity-based Awards The compensation committee will determine all of the terms and conditions of equity-based awards granted under the 2009 Plan, including whether the vesting or payment of an award will be subject to the attainment of performance goals. The performance goals that may be applied to awards under the equity incentive program under the 2009 Plan are the same as those discussed below under Cash Incentive Programs.

Stock Options and Stock Appreciation Awards The terms and conditions of stock options and stock appreciation rights granted under the 2009 Plan are determined by the compensation committee and set forth in an agreement between us and the 2009 Plan participant. Stock options granted under the 2009 Plan may be incentive stock options within the meaning of Section 422 of the Code or non-qualified stock options. Pursuant to the 2009 Plan, a stock appreciation right confers on the participant the right to receive an amount, in cash or shares of our common stock (in the discretion of the compensation committee), equal to the excess of the fair market value of a share of our common stock on the date of exercise over the exercise price of the stock appreciation right, and may be granted alone or in tandem with another award. No stock appreciation rights have been granted under the 2009 Plan. The exercise price of an option granted under the 2009 Plan will not be less than the fair market value of the common stock on the date of grant, unless otherwise provided by the compensation committee. The vesting of a stock option or stock appreciation right will be subject to conditions as determined by the compensation committee, which may include the attainment of performance goals.

Restricted Stock Awards The terms and conditions of awards of restricted stock granted under the 2009 Plan are determined by the compensation committee and set forth in an agreement between the Company and the 2009 Plan participant. These awards are subject to restrictions on transferability which may lapse under

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circumstances as determined by the compensation committee, which may include the attainment of performance goals. Unless otherwise provided in the agreement, the holder of restricted stock will have the right to receive dividends on the restricted stock, which dividends will be subject to the same restrictions as the underlying award of restricted stock.

The 2009 Plan also provides for other equity-based awards, the form and terms of which will be as determined by the compensation committee, consistent with the purposes of the 2009 Plan. The vesting or payment of these awards may be made subject to the attainment of performance goals.

Cash Incentive Programs

Under the 2009 Plan, the compensation committee is authorized to grant annual and long-term cash awards to plan participants, including our executive officers. In general, with respect to cash awards intended to qualify as performance-based compensation under Section 162(m) of the Code, the maximum value of the total cash payment that any plan participant may receive under the 2009 Plan's annual cash incentive program for any year is \$2.5 million, and the maximum value of the total cash payment that any plan participant may receive under the 2009 Plan's long-term cash incentive program for any one year of a long-term performance period is \$2.5 million.

Payment of awards granted under the cash incentive programs may be made subject to the attainment of performance goals to be determined by the compensation committee in its discretion. With respect to awards intended to qualify as performance-based compensation under Section 162(m) of the Code, the compensation committee may base performance goals on one or more of the following business criteria applied to the Company, a subsidiary of the Company, a business unit, a product line or any combination thereof: (1) return on equity; (2) earnings per share; (3) net income (before or after taxes); (4) earnings before all or any of interest, taxes, depreciation and/or amortization; (5) operating income; (6) cash flow; (7) return on assets; (8) market share; (9) cost reduction goals or levels of expenses, costs or liabilities; (10) earnings from continuing operations; or (11) any combination of one or more of the foregoing over a specified period. Such qualified performance-based goals may be expressed in terms of attaining a specified level of the particular criteria, the attainment of a percentage increase or decrease in the particular criteria, or may be applied to our performance, a subsidiary of ours, a business unit, product line, or any combination thereof, relative to a market index, a group of other companies (or their subsidiaries, business units or product lines), or a combination thereof. The compensation committee has the authority to make appropriate adjustments to such qualified performance goals to reflect the impact of extraordinary items (as defined in the 2009 Plan) not reflected in such goals.

Future grants under the 2009 Plan will be made at the discretion of the compensation committee and, accordingly, are not yet determinable. In addition, the value of the awards granted under the 2009 Plan will depend on a number of factors, including the fair market value of our common stock on future dates and the exercise decisions made by the participants and/or the extent to which any applicable performance goals necessary for vesting or payment are achieved. Consequently, it is not possible to determine the benefits that might be received by participants receiving discretionary grants under, or having their annual bonuses paid pursuant to, the 2009 Plan.

HUGHES Telematics, Inc. 2006 Stock Incentive Plan

Our 2006 Plan provides for share-based compensation awards, including incentive stock options, non-qualified stock options and share awards, to our officers, employees, non-employee directors and non-employee consultants. There are 3,047,900 shares of common stock authorized for issuance under the 2006 Plan. The 2006 Plan is administered by the compensation committee of our board of directors which determines eligibility, amount, and other terms and conditions of awards. Options awarded under the 2006 Plan generally have a term of ten years and an exercise price equal to or greater than the fair value of the underlying shares of common stock on the date of grant. Generally, half of each award vests in equal parts over a period of three years.

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of continued employment or service to the Company. The remaining half of each award vests upon the achievement of certain pre-established performance goals set by our board of directors. In the event an option holder's service to us is terminated for either (i) other than good reason, as defined in the 2006 Plan, before the fifth anniversary of the holder's service to the Company or (ii) cause, we may repurchase any stock obtained through the exercise of a stock option within 180 days of such holder's termination date at a price equal to the lesser of the fair market value of the stock on the date of termination or the exercise price of the stock option. In the event an option holder's service is terminated for any of (i) good reason, as defined in the 2006 Plan, (ii) other than cause or (iii) following the fifth anniversary of such holder's service to us, we may repurchase any stock obtained through the exercise of a stock option within 180 days of such holder's termination date at a price equal to the fair market value of the stock on the date of termination. The 2006 Plan provides for the grant of equity-based awards, including restricted common stock, restricted stock units, stock options, stock appreciation rights and other equity based awards, as well as cash bonuses and long-term cash awards to our officers and other employees, advisors and consultants who are selected by the compensation committee.

How the Company Chooses Amounts for Each Element of Compensation

Each executive's current and prior compensation has been and is expected to continue to be considered in setting future compensation. The elements of our compensation plan (e.g., base salary, bonus and stock options or restricted stock) are common to many companies. The precise mix and levels of these elements are set in an effort to balance the competing objectives of fairness to all stakeholders and attracting and retaining executives and other senior managers.

The base salaries of our named executive officers are reviewed on an annual basis by the compensation committee and at the time of a promotion or a significant change in responsibility. When determining whether to increase the base salary of an executive, the compensation committee considers individual and corporate performance, individual level of responsibility, inflation, contributions to our overall success and current competitive market levels. For the year ended December 31, 2009, after consideration of general economic conditions and in an effort to preserve capital, the compensation committee did not grant salary increases to our named executive officers.

While each of our named executive officers has a bonus target calculated as a percentage of his base salary, the compensation committee has discretion to determine on an annual basis the amount of the cash bonus, if any. The following bonus targets were determined at the time such named executive was hired and is based on the executive's experience, responsibilities and job function:

Name	Bonus Target as a % of Base Salary
Jeffrey A. Leddy	75%
Erik J. Goldman	50%
Craig J. Kaufmann	30%
Robert C. Lewis	30%
Keith J. Schneider	50%

Factors considered by the compensation committee when determining the amount of the bonus grant include primarily corporate performance, individual performance and contributions to our overall success. After consideration of general economic conditions and in an effort to preserve capital, the compensation committee did not grant any cash bonuses to our named executive officers for services provided during the years ended December 31, 2009 or 2008, other than to Mr. Schneider who received a cash bonus from Networkfleet for services provided in the years ended December 31, 2009 and 2008 of approximately \$88,000 and \$125,000, respectively, in light of the performance and continued growth of Networkfleet. See the table below with the heading "Summary Compensation Table" for additional details of the base salary and cash bonuses paid to our named executive officers during the years ended December 31, 2009, 2008 and 2007.

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When determining equity grants to our named executive officers, the compensation committee considers the amount of cash compensation paid to the individual, as well as individual contributions to our success and participation in extraordinary transactions which occurred during the year. As the named executives other than Mr. Schneider did not receive a cash bonus during the years ended December 31, 2009 and 2008 and in light of, among other things, (i) the successful consummation of the Merger and other fundraising activities, (ii) continued progress towards the launch of our automotive manufacturer service offering with Mercedes-Benz and (iii) the level of executive ownership of our common stock, the compensation committee awarded the named executive officers other than Mr. Schneider a more significant equity grant in the year ended December 31, 2009 than in prior years. The specific amount of the grant to each individual was determined based on the executive officer's equity ownership prior to the grant and with consideration to the executive's bonus target. Further, in light of the size of the stock option and restricted stock grant to each of Messrs. Leddy and Goldman and to align Messrs. Leddy's and Goldman's interests with those of our stockholders, one half of their respective option grant will vest based on a market condition based on the trading price of our common stock exceeding the thresholds previously established with respect to the release of the earn-out shares. See the table below with the heading "2009 Grants of Plan Based Awards" for additional details of the equity grants made during the year ended December 31, 2009.

Grant Policies

We expect that future annual stock option grants to executive officers, including the named executive officers, and other employees will coincide with the meeting of the compensation committee following year-end, at which discretionary bonuses are considered. Except in the case of new hires, we do not expect the compensation committee generally to grant options on other dates. The grant date will be established when the compensation committee approves the grant. The exercise price of an option granted under the 2009 Plan will not be less than the fair market value of the common stock on the date of grant, unless otherwise provided by the compensation committee. If at the time of any planned option grant date any member of the board of directors or executive team is aware of material non-public information, we would not generally make the planned stock option grant. In such event, as soon as practical after material information is made public, the compensation committee will have a specially called meeting and/or otherwise take all necessary steps to authorize a stock option grant.

Accounting and Tax Considerations

We comply with the accounting guidance governing share-based payments which requires us to value stock options grants periodically under the fair value method and expense those amounts in the income statement over the stock option's vesting period.

We have structured our compensation program to comply with Code Sections 162(m) and 409A. Under Section 162(m) of the Code, a limitation is placed on tax deductions of any publicly held corporation for individual compensation to certain executives of such corporation exceeding \$1,000,000 in any taxable year, unless the compensation is performance-based. If an executive is entitled to nonqualified deferred compensation benefits that are subject to Section 409A, and such benefits do not comply with Section 409A, then the benefits are taxable in the first year they are not subject to a substantial risk of forfeiture. In such case, the executive is subject to regular federal income tax, interest and an additional federal income tax of 20% of the benefit includible in income.

Table of Contents**Summary Compensation Table**

The following table sets forth information concerning compensation for our principal executive officer, principal financial officer and our three other most highly compensated executive officers who were serving as executive officers as of December 31, 2009.

Name and Principal Position	Year	Salary	Bonus ⁽¹⁾	Grant Date Fair Value of Stock and Option Awards ⁽²⁾	All Other Compensation ⁽³⁾	Total
Jeffrey A. Leddy Chief Executive Officer	2009	\$ 350,000	\$	\$ 1,581,049	\$ 8,946	\$ 1,939,995
	2008	351,153			11,196	362,349
	2007	310,000	175,000	537,468	3,847	1,026,315
Erik J. Goldman President	2009	325,000		707,249	8,817	1,041,066
	2008	306,730			12,068	318,798
	2007	225,000	225,000	403,101	10,877	863,978
Craig J. Kaufmann Vice President Finance and Treasurer	2009	205,000		316,878	7,304	529,182
	2008	200,576			7,919	208,495
	2007	165,000	75,000	73,260	5,444	318,704
Robert C. Lewis ⁽⁴⁾ General Counsel and Secretary	2009	240,000		316,878	8,416	565,294
	2008	202,307			8,755	211,062
	2007	89,490	25,000	73,203	8,142	195,835
Keith J. Schneider ⁽⁵⁾ President and Chief Executive Officer, Networkfleet	2009	265,000	87,927	323,029	371	676,327
	2008	265,961	125,000		78,199	469,160
	2007	173,077	91,146	73,325	135,937	473,485

- (1) Mr. Schneider's bonus for services provided in the year ended December 31, 2009 was granted in April 2010 and is reflected in 2009. Mr. Schneider's bonus for services provided in the year ended December 31, 2008 was granted in April 2009 and is reflected in 2008. Messrs. Leddy, Goldman, Kaufmann and Lewis did not receive a cash bonus for services provided in the years ended December 31, 2009 or 2008. Bonuses for services provided in the year ended December 31, 2007 were granted in April 2008 and are reflected in 2007.
- (2) The amount shown in this column represents the grant date fair value of the entire grant as calculated using a Black-Scholes valuation model. In accordance with the rules of the SEC, these figures do not include estimates of forfeitures related to service-based vesting conditions. For a discussion of the assumptions used in the valuation under the accounting guidance, see Note 11 to our consolidated financial statements included in this annual report on Form 10-K.
- (3) Other compensation for Mr. Leddy includes (i) matching contributions to our 401(k) plan of \$8,575 for 2009, \$9,077 for 2008 and \$358 for 2007, (ii) group term life insurance coverage in excess of \$50,000 of \$371 for 2009, \$717 for 2008 and \$690 for 2007 and (iii) reimbursements under a supplemental medical reimbursement insurance plan of \$1,402 for 2008 and \$2,799 for 2007. Other compensation for Mr. Goldman includes (i) matching contributions to the HUGHES Telematics 401(k) plan of \$8,575 for 2009, \$8,914 for 2008 and \$6,490 for 2007, (ii) group term life insurance coverage in excess of \$50,000 of \$242 for 2009, \$467 for 2008 and \$450 for 2007 and (iii) reimbursements under a supplemental medical reimbursement insurance plan of \$2,687 for 2008 and \$3,937 for 2007. Other compensation for Mr. Kaufmann includes (i) matching contributions to the HUGHES Telematics 401(k) plan of \$7,175 for 2009, \$7,020 for 2008 and \$4,760 for 2007, (ii) group term life insurance coverage in excess of \$50,000 of \$129 for 2009, \$249 for 2008 and \$240 for 2007 and (iii) reimbursements under a supplemental medical reimbursement insurance plan of \$650 for 2008 and \$444 for 2007. Other compensation for Mr. Lewis includes (i) matching contributions to the HUGHES Telematics 401(k) plan of \$8,255 for 2009, \$5,235 for

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2008 and \$2,481 for 2007, (ii) group term life insurance coverage in excess of \$50,000 of \$161 for 2009, \$193 for 2008 and \$164 for 2007 and (iii) reimbursements under a supplemental medical reimbursement insurance plan of \$3,327 for 2008 and \$5,497 for 2007. Other compensation for Mr. Schneider includes (i) group term life insurance coverage in excess of \$50,000 of \$371 for 2009, \$414 for 2008 and \$287 for 2007, (ii) reimbursement of certain relocation expenses of \$135,650 for 2007 and (iii) reimbursement of taxes paid on amounts reimbursed for relocation expense of \$77,785 for 2008.

(4) Mr. Lewis was named Secretary in July 2006 but was not entitled to compensation for his services until he became our part-time employee in February 2007. Mr. Lewis became a full-time employee in May 2008.

(5) Mr. Schneider was named President of Networkfleet on April 9, 2007. His salary in 2007 reflects a partial year.

2009 Grants of Plan Based Awards

The following table summarizes equity awards granted to our named executive officers during the year ended December 31, 2009.

Name	Grant Date	All Other Option Awards: Number of Shares of Stocks or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards ⁽¹⁾
Jeffrey A. Leddy	6/5/2009	80,000	350,000	\$ 5.19	\$ 1,581,049
Erik J. Goldman	6/5/2009	40,000	150,000	5.19	707,249
Craig J. Kaufmann	6/5/2009	20,000	60,000	5.19	316,878
Robert C. Lewis	6/5/2009	20,000	60,000	5.19	316,878
Keith J. Schneider	6/5/2009	7,500	80,000	5.19	323,029

(1) The amount shown in this column represents the grant date fair value of the entire grant as calculated using a Black-Scholes valuation model. In accordance with the rules of the SEC, these figures do not include estimates of forfeitures related to service-based vesting conditions. For a discussion of the assumptions used in the valuation under the accounting guidance, see Note 11 to our consolidated financial statements included in this annual report on Form 10-K.

Employment Agreements

Our named executive officers other than Mr. Schneider are at-will employees. We have not entered into agreements with them that provide for any material element of compensation, rather, such agreements provide for participation in our standard employee benefit plans and contain restrictive covenants concerning our confidential information.

Keith J. Schneider. Effective March 23, 2007, Networkfleet entered into a letter agreement with Keith J. Schneider concerning his employment. In addition to providing for a base salary of \$250,000 per annum, Mr. Schneider's letter agreement provides that he is eligible to receive a bonus following the end of each full calendar year during his employment, based upon achievement against both objective and subjective goals established by the board of directors of Networkfleet in its sole discretion (following consultation with him), in an amount equal to up to 50% of his salary. Mr. Schneider's actual bonus for 2007 was pro-rated as he commenced employment with Networkfleet in April 2007. Mr. Schneider's letter agreement provides that the board of directors of Networkfleet may consider granting an additional annual bonus if Mr. Schneider significantly exceeds the goals previously set. Information concerning the termination provisions of Mr. Schneider's letter agreement is set forth below, at Potential Payments Upon Termination or Change-in-Control.

Table of Contents**Outstanding Equity Awards**

The following table summarizes the outstanding equity award holdings of our executive officers as of December 31, 2009.

Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options (#)	Option Awards Equity Incentive Plan Awards:	Option		Stock Awards	
			Number of Securities Underlying Unexercised Options (#)	Exercise Price (\$)	Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)
Jeffrey A. Leddy	56,064	28,032	403,567	\$ 2.47	11/30/17 ⁽¹⁾	80,000 ⁽¹³⁾	\$ 260,000
		175,000	175,000	5.19	6/5/19 ⁽²⁾		
Erik J. Goldman	42,048	21,024	302,675	2.47	11/30/17 ⁽³⁾	40,000 ⁽¹³⁾	130,000
		75,000	75,000	5.19	6/5/19 ⁽⁴⁾		
Craig J. Kaufmann	5,606		37,064	1.65	1/8/17 ⁽⁵⁾	20,000 ⁽¹³⁾	65,000
	4,204	2,102	30,268	2.47	11/30/17 ⁽⁶⁾		
		60,000		5.19	6/5/19 ⁽⁷⁾		
Robert C. Lewis	5,606		37,064	1.65	3/9/17 ⁽⁸⁾	20,000 ⁽¹³⁾	65,000
	4,204	2,102	30,268	2.47	11/30/17 ⁽⁹⁾		
		60,000		5.19	6/5/19 ⁽¹⁰⁾		
Keith J. Schneider	5,606	2,803	64,740	1.65	4/11/17 ⁽¹¹⁾	7,500 ⁽¹³⁾	24,375
		80,000		5.19	6/5/19 ⁽¹²⁾		

- (1) This option award was granted on November 30, 2007 and vests as follows: (i) 365,748 shares vest in three equal installments on November 30, 2008, November 30, 2009 and November 30, 2010, provided that 281,652 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 121,915 shares vest upon the execution of an additional agreement with an additional automaker, provided that 93,883 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (2) This option award was granted on June 5, 2009 and vests as follows: (i) 175,000 shares vest in three installments of 87,500 shares on June 5, 2011, 43,750 shares on June 5, 2012 and 43,750 shares on June 5, 2013; and (ii) 175,000 shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (3) This option award was granted on November 30, 2007 and vests as follows: (i) 274,311 shares vest in three equal installments on November 30, 2008, November 30, 2009 and November 30, 2010, provided that 211,239 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 91,436 shares vest upon the execution of an additional agreement with an additional automaker, provided that 70,412 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (4) This option award was granted on June 5, 2009 and vests as follows: (i) 75,000 shares vest in three installments of 37,500 shares on June 5, 2011, 18,750 shares on June 5, 2012 and 18,750 shares on June 5, 2013; and (ii) 75,000 shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (5) This option award was granted on January 8, 2007 and vests as follows: (i) 24,384 shares vest in two equal installments on August 1, 2008 and August 1, 2009, provided that 18,778 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 18,286 shares vest upon the execution of an additional agreement with an additional automaker, provided that 14,081 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.

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- (6) This option award was granted on November 30, 2007 and vests as follows: (i) 27,432 shares vest in three equal installments on November 30, 2008, November 30, 2009 and November 30, 2010, provided that 21,126 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 9,142 shares vest upon the execution of an additional agreement with an additional automaker, provided that 7,040 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (7) This option award was granted on June 5, 2009 and vests in three installments of 30,000 shares on June 5, 2011, 15,000 shares on June 5, 2012 and 15,000 shares on June 5, 2013.
- (8) This option award was granted on March 9, 2007 and vests as follows: (i) 24,384 shares vest in two equal installments on August 1, 2008 and August 1, 2009, provided that 18,778 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 18,286 shares vest upon the execution of an additional agreement with an additional automaker, provided that 14,081 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (9) This option award was granted on November 30, 2007 and vests as follows: (i) 27,432 shares vest in three equal installments on November 30, 2008, November 30, 2009 and November 30, 2010, provided that 21,126 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 9,142 shares vest upon the execution of an additional agreement with an additional automaker, provided that 7,040 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (10) This option award was granted on June 5, 2009 and vests in three installments of 30,000 shares on June 5, 2011, 15,000 shares on June 5, 2012 and 15,000 shares on June 5, 2013.
- (11) This option award was granted on April 11, 2007 and vests as follows: (i) 36,576 shares vest in three equal installments on April 9, 2008, April 9, 2009 and April 9, 2010, provided that 28,167 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets within five years after closing of the Merger; and (ii) 36,573 shares vest on March 31, 2010 to the extent the EBITDA of Networkfleet exceeds \$18.6 million for the year ended December 31, 2009, provided that 28,163 of these shares are earn-out options which are exercisable only upon the achievement of certain share price targets prior to March 31, 2014.
- (12) This option award was granted on June 5, 2009 and vests in three installments of 40,000 shares on June 5, 2011, 20,000 shares on June 5, 2012 and 20,000 shares on June 5, 2013.
- (13) These restricted stock awards were granted on June 5, 2009 and vest on June 5, 2012.

Option Exercises and Stock Vested

No stock options were exercised and no restricted stock vested by our executive officers during the year ended December 31, 2009.

Pension Benefits and Non-qualified Deferred Compensation

None of our executive officers participates in or has an account balance in qualified or non-qualified defined benefit pension plans or non-qualified defined contribution plans sponsored by us.

Potential Payments Upon Termination or Change-in-Control

We have entered into an employment agreement with Keith J. Schneider that provides for severance payments to be made in the event that Mr. Schneider's employment is terminated by us without cause or if Mr. Schneider terminates his employment with us for good reason (both terms as defined in the agreement). In this event, Mr. Schneider would be entitled to severance pay equal to one year's base salary and bonus, subject to Mr. Schneider's execution and non-revocation of a release of claims in favor of us and our affiliates, and his

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agreement to make himself available for consultation and transition services for a 90-day period following such termination of employment. If Mr. Schneider's employment with us had been terminated under qualifying circumstances on December 31, 2009, he would have been entitled to severance pay having an aggregate value not exceeding \$397,500. Other material terms of Mr. Schneider's employment agreement with us are set forth above in the section entitled "Compensation Discussion and Analysis - Employment Agreements."

None of our executive officers is entitled to payment upon a change of control.

Director Compensation

Each of our non-employee directors receives an annual retainer for service on our board of directors, along with reimbursement of expenses incurred in connection with attending each meeting. On May 6, 2009, we granted 36,000 shares of restricted stock under the 2009 Equity and Incentive Plan to each of our non-employee directors. Shares of such common stock may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed by the reporting person until they vest and become transferable. The common stock vests in three equal installments. The first installment vests and becomes transferable on March 31, 2010, and the next two installments vest and become transferable on March 31, 2011 and March 31, 2012. The following table sets forth a summary of the compensation we paid to our non-employee directors for the year ended December 31, 2009.

Name	Fees Earned or Paid in Cash (\$)	Grant Date Fair Value of Stock Awards (\$)⁽¹⁾	Total (\$)
Andrew D. Africk	\$ 15,000	\$ 144,360	\$ 159,360
Marc V. Byron	15,000	144,360	159,360
Andrew P. Hines	26,250	144,360	170,610
Warren N. Lieberfarb	22,500	144,360	166,860
Steven Martinez	15,000	144,360	159,360
Matthew H. Nord	15,000	144,360	159,360
Aaron J. Stone	15,000	144,360	159,360
Mark VanStekelenburg	22,500	144,360	166,860

(1) The amount shown in this column represents the grant date fair value of the entire grant.

Table of Contents**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: July 19, 2010

HUGHES TELEMATICS, INC.

By: /s/ JEFFREY A. LEDDY
 Name: **Jeffrey A. Leddy**
 Title: **Chief Executive Officer and Director**

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities indicated. This document may be executed by the signatories hereto on any number of counterparts, all of which shall constitute one and the same instrument.

Name	Position	Date
/s/ JEFFREY A. LEDDY Jeffrey A. Leddy	Chief Executive Officer and Director (Principal Executive Officer)	July 19, 2010
/s/ CRAIG J. KAUFMANN Craig J. Kaufmann	Senior Vice President Finance and Treasurer (Principal Financial and Accounting Officer)	July 19, 2010
/s/ ANDREW D. AFRICK Andrew D. Africk	Director	July 19, 2010
/s/ MARC V. BYRON Marc V. Byron	Director	July 19, 2010
/s/ ANDREW P. HINES Andrew P. Hines	Director	July 19, 2010
/s/ WARREN N. LIEBERFARB Warren N. Lieberfarb	Director	July 19, 2010
/s/ STEVEN MARTINEZ Steven Martinez	Director	July 19, 2010
/s/ MATTHEW H. NORD Matthew H. Nord	Director	July 19, 2010
/s/ AARON J. STONE Aaron J. Stone	Director	July 19, 2010

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/s/ MARK VANSTEKELBURG

Director

July 19, 2010

Mark VanStekelenburg

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EXHIBIT INDEX

Exhibit No.	Description
2.1	Second Amended and Restated Merger Agreement, dated March 12, 2009, by and among Polaris Acquisition Corp., HUGHES Telematics, Inc., and Communication Investors, LLC (incorporated by reference from Exhibit 2.1 to the Company's Current Report on Form 8-K dated March 12, 2009)
3.1	Amended and Restated Certificate of Incorporation of HUGHES Telematics, Inc. filed with the Secretary of State of the State of Delaware on March 31, 2009 (incorporated herein by reference to Exhibit 3.1 to the Company's Registration Statement on Form 8-A filed on July 29, 2009 (File No. 000-53743))
3.2	Amended and Restated By-laws of HUGHES Telematics, Inc. (incorporated by reference from Exhibit 3.2 to the Company's Current Report on Form 8-K filed on April 6, 2009)
4.1	Specimen Common Stock Certificate (incorporated by reference from Exhibit 4.1 to the Company's Current Report on Form 8-K filed on April 6, 2009)
4.2	Specimen Warrant Certificate (incorporated by reference from Exhibit 4.3 to the Company's Registration Statement on Form S-1 (File No. 333-145759))
4.3	Form of Unit Purchase Option (incorporated by reference from Exhibit 4.4 to the Company's Registration Statement on Form S-1 (File No. 333-145759))
4.4	Form of Warrant Agreement (incorporated by reference from Exhibit 4.5 to the Company's Registration Statement on Form S-1 (File No. 333-145759))
10.1	Shareholders' Agreement, dated as of March 31, 2009, among Polaris Acquisition Corp. and each of the Persons listed on Schedules I, II and III (incorporated by reference from Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.2	Escrow Agreement, dated as of March 31, 2009, by and among Polaris Acquisition Corp., Trivergance, LLC and Continental Stock Transfer & Trust Company (incorporated by reference from Exhibit 10.2 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.3	Amendment to Stock Escrow Agreement, dated as of March 31, 2009, by and among Polaris Acquisition Corp., its initial stockholders and Lazard Capital Markets LLC (incorporated by reference from Exhibit 10.3 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.4	HUGHES Telematics, Inc. 2009 Equity and Incentive Plan, effective as of March 31, 2009 (incorporated by reference from Exhibit 99.1 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.5	HUGHES Telematics, Inc. 2006 Stock Incentive Plan, effective as of November 30, 2006 (incorporated by reference from Exhibit 99.2 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.6	Letter Agreement, dated as of March 23, 2007, between Networkcar, Inc. and Keith Schneider (incorporated by reference from Exhibit 10.4 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.7*	Form of Restricted Stock Agreement for directors pursuant to the HUGHES Telematics, Inc. 2009 Equity and Incentive Plan.
10.8*	Form of Restricted Stock Agreement for executive officers pursuant to the HUGHES Telematics, Inc. 2009 Equity and Incentive Plan.
10.9*	Form of Option Agreement for executive officers pursuant to the HUGHES Telematics, Inc. 2009 Equity and Incentive Plan.

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Exhibit No.	Description
10.10	Amended and Restated Credit Agreement, dated as of April 9, 2008, among HUGHES Telematics, Inc., Various Lenders, Morgan Stanley Senior Funding, Inc., and Morgan Stanley & Co. Incorporated (incorporated by reference from Exhibit 10.14 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.11	Assumption Agreement, dated as of March 31, 2009, among HUGHES Telematics, Inc., each Subsidiary Guarantor signatory hereto, the Administrative Agent and Collateral Agent (incorporated by reference from Exhibit 10.15 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.12	Guaranty and Collateral Agreement, dated as of March 31, 2008, among HUGHES Telematics Inc., subsidiary guarantors and Morgan Stanley & Co. Incorporated (incorporated by reference from Exhibit 10.16 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.13	Telematics Services Agreement, dated October 31, 2007, by and between HUGHES Telematics Inc. and Mercedes-Benz USA, LLC (confidential treatment has been requested for certain portions of this exhibit pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended, which portions have been omitted and filed separately with the Securities and Exchange Commission) (incorporated by reference from Exhibit 10.18 to the Company's Current Report on Form 8-K/A filed on July 6, 2009)
10.14	Telematics Agreement, dated December 28, 2007, between HUGHES Network Systems, LLC and HUGHES Telematics, Inc. (confidential treatment has been requested for certain portions of this exhibit pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended, which portions have been omitted and filed separately with the Securities and Exchange Commission) (incorporated by reference from Exhibit 10.19 to the Company's Current Report on Form 8-K filed on April 6, 2009)
10.15	Amended and Restated Co-Sale and Stock Restriction Agreement, dated as of March 31, 2009, by and among Hughes Telematics, Inc., Communications Investors LLC, Apollo Investment Fund V (PLASE), L.P. and certain investors (incorporated by reference from Exhibit 10.20 to the Company's Registration Statement on Form S-1 (File No. 333-160787))
10.16	Second Lien Credit Agreement dated as of December 17, 2009 among HUGHES Telematics, Inc., Plase HT, LLC as administrative agent and collateral agent, and the lenders from time to time party thereto (incorporated by reference from Exhibit 99.1 to the Company's Current Report on Form 8-K filed on December 22, 2009)
10.17	Second Lien Guaranty and Collateral Agreement dated as of December 17, 2009 among HUGHES Telematics, Inc., the subsidiaries of HUGHES Telematics, Inc. identified therein and Plase HT, LLC as collateral agent (incorporated by reference from Exhibit 99.2 to the Company's Current Report on Form 8-K filed on December 22, 2009)
10.18	Warrant to purchase 3,000,000 shares of common stock at \$6.00 per share, dated as of December 17, 2009, issued to PLASE HT, LLC, expiring December 17, 2014 (incorporated by reference from Exhibit 99.3 to the Company's Current Report on Form 8-K filed on December 22, 2009)
10.19	Senior Unsecured Promissory Note, dated December 18, 2009, in the principal amount of approximately \$8.3 million issued to Hughes Network Systems, LLC (incorporated by reference from Exhibit 99.4 to the Company's Current Report on Form 8-K filed on December 22, 2009)
10.20	Stock Purchase Agreement, dated December 24, 2009, by and among HUGHES Telematics, Inc. and the Purchasers set forth therein (incorporated by reference from Exhibit 99.1 to the Company's Current Report on Form 8-K filed on December 28, 2009)
10.21	Registration Rights Agreement, dated December 24, 2009, by and among HUGHES Telematics, Inc. and the Investors set forth therein (incorporated by reference from Exhibit 99.2 to the Company's Current Report on Form 8-K filed on December 28, 2009)

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Exhibit No.	Description
16.1	Letter from McGladrey & Pullen, LLP, independent registered public accounting firm (incorporated by reference from Exhibit 16.1 to the Company's Current Report on Form 8-K filed on April 6, 2009)
21.1	List of Subsidiaries (incorporated by reference from Exhibit 21.1 to the Company's Current Report on Form 8-K filed on April 6, 2009)
23.1*	Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm
31.1	Certification of Jeffrey A. Leddy, Chief Executive Officer of HUGHES Telematics, Inc., required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Craig J. Kaufmann, Vice President Finance and Treasurer of HUGHES Telematics, Inc., required by Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Jeffrey A. Leddy, Chief Executive Officer of HUGHES Telematics, Inc., Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Craig J. Kaufmann, Vice President Finance and Treasurer of HUGHES Telematics, Inc., Pursuant to 18 U.S.C Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Previously filed