

Use these links to rapidly review the document

[TABLE OF CONTENTS](#)

[Table of Contents](#)

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 under §240.14a-12

**Exela Technologies, Inc.**

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies: \_\_\_\_\_
  - (2) Aggregate number of securities to which transaction applies: \_\_\_\_\_
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): \_\_\_\_\_
  - (4) Proposed maximum aggregate value of transaction: \_\_\_\_\_
  - (5) Total fee paid: \_\_\_\_\_
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
  - (1) Amount Previously Paid: \_\_\_\_\_
  - (2) Form, Schedule or Registration Statement No.: \_\_\_\_\_
  - (3) Filing Party: \_\_\_\_\_
  - (4) Date Filed: \_\_\_\_\_



**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**May 31, 2019**

The Annual Meeting of Stockholders (the "Annual Meeting") of Exela Technologies, Inc. ("Exela" or the "Company") will be held at the Company's Innovation Center, 2701 E. Grauwlyer Road, Irving, Texas, 75061, at 9:00 a.m., on Friday, May 31, 2019, for the purpose of:

1. Electing to the Board of Directors the three nominees named in the accompanying Proxy Statement who have been nominated by the Board of Directors to continue to serve as Class B directors and whose current terms will expire at the Annual Meeting;
2. Acting upon a proposal to ratify the appointment of KPMG LLP as the Company's independent registered public accounting firm for the year ending December 31, 2019; and
3. Acting upon a proposal to approve, on a non-binding, advisory basis, compensation of the Company's named executive officers as described in the accompanying Proxy Statement.

The Board of Directors has fixed the close of business on April 26, 2019 as the date for determining stockholders of record entitled to receive notice of, and to vote at, the Annual Meeting.

The Board of Directors unanimously recommends that stockholders vote their shares in favor of the election of the Class B nominees, and in favor of Proposals 2 and 3.

This Notice and accompanying Proxy Statement and proxy or voting instruction card will be first mailed to you and to other stockholders of record commencing on or about April 30, 2019. All stockholders are cordially invited to attend the Annual Meeting. Whether or not you plan to attend, I hope that you will vote as soon as possible. Please review the instructions on the proxy or voting instruction card regarding your voting options.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read "P. Chadha".

Par Chadha  
Chairman of the Board

April 30, 2019

---

TABLE OF CONTENTS

<a href="#">Notice of Annual Meeting of Stockholders</a>	
<a href="#">Questions and Answers about the Annual Meeting and Voting</a>	<a href="#">1</a>
<a href="#">Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 31, 2019</a>	<a href="#">3</a>
<a href="#">Proposal 1—Election of Directors</a>	<a href="#">4</a>
<a href="#">Director Remuneration</a>	<a href="#">9</a>
<a href="#">Proposal 2—Ratification of Independent Registered Public Accounting Firm</a>	<a href="#">15</a>
<a href="#">Report of the Audit Committee</a>	<a href="#">17</a>
<a href="#">Proposal 3—Advisory Vote on Compensation Paid to Our Named Executive Officers</a>	<a href="#">18</a>
<a href="#">Executive Compensation</a>	<a href="#">19</a>
<a href="#">Ownership of Common Stock</a>	<a href="#">26</a>
<a href="#">Certain Relationships and Related Transactions</a>	<a href="#">29</a>
<a href="#">Other Matters</a>	<a href="#">32</a>

**Exela Technologies, Inc.**  
2701 E. Grauwlyer Road  
Irving, Texas 75061

**PROXY STATEMENT**

**QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND VOTING**

***Why did I receive this proxy statement?***

We have sent you this Notice of Annual Meeting and Proxy Statement and proxy or voting instruction card because the Board of Directors (the "Board of Directors" or the "Board") of Exela Technologies, Inc. ("Exela" or the "Company," "we" and "us") is soliciting your proxy to vote at our Annual Meeting of Stockholders on May 31, 2019 (the "Annual Meeting"). This Proxy Statement contains information about the items being voted on at the Annual Meeting and information about us.

***Who is entitled to vote?***

You may vote on each matter properly submitted for stockholder action at the Annual Meeting if you were the record holder of our common stock, par value \$0.0001 per share ("Common Stock"), as of the close of business on April 26, 2019. On April 26, 2019, there were 152,692,140 shares of Common Stock issued and 150,142,955 shares outstanding and entitled to vote at the Annual Meeting.

***How many votes do I have?***

Each share of our Common Stock that you own entitles you to one vote on each matter properly submitted for stockholder action at the Annual Meeting.

***What am I voting on?***

You will be voting on the following:

***Proposal 1:*** To elect to the Board of Directors the three nominees named in this Proxy Statement who have been nominated by the Board of Directors to continue to serve as Class B directors and whose current terms will expire at the Annual Meeting;

***Proposal 2:*** To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2019; and

***Proposal 3:*** To approve, on a non-binding, advisory basis, compensation of the Company's named executive officers as described in this Proxy Statement.

***How do I vote?***

You may vote in the following ways:

***By Mail:*** If you are a holder of record, you may vote by marking, dating and signing your proxy card and returning it by mail in the enclosed postage-paid envelope. If you hold your shares in street name, please complete and mail the voting instruction card.

***By Telephone or Internet:*** If you hold your shares in street name, you may be able to provide instructions to vote your shares by telephone or over the Internet. Please follow the instructions on your voting instruction card.

***At the Annual Meeting:*** If you are planning to attend the Annual Meeting and wish to vote your shares in person, we will give you a ballot at the meeting. If your shares are held in street name, you need to bring an account statement or letter from your broker, bank or other nominee indicating that

you were the beneficial owner of the shares on April 26, 2019, the record date for voting. You will also need to obtain a proxy from your bank, broker or other nominee to vote the shares you beneficially own at the meeting. **Even if you plan to be present at the Annual Meeting, we encourage you to complete and mail the enclosed card to vote your shares by proxy.**

***What if I return my proxy or voting instruction card but do not mark it to show how I am voting?***

Your shares will be voted according to the instructions you have indicated on your proxy or voting instruction card. If no direction is indicated, your shares will be voted "FOR" the election of the Class B nominees and "FOR" Proposals 2 and 3.

***May I change my vote after I return my proxy or voting instruction card?***

You may change your vote at any time before your shares are voted at the Annual Meeting in one of three ways:

- Notify our Corporate Secretary in writing before the Annual Meeting that you are revoking your proxy;
- Submit another proxy by mail, telephone or the Internet (or voting instruction card if you hold your shares in street name) with a later date; or
- Vote in person at the Annual Meeting.

***What does it mean if I receive more than one proxy or voting instruction card?***

It means you have multiple accounts at the transfer agent and/or with banks and stockbrokers. Please vote all of your shares.

***What constitutes a quorum?***

Any number of stockholders, together holding at least a majority in voting power of the capital stock of the Company issued and outstanding and generally entitled to vote in the election of directors, present in person or represented by proxy at any meeting duly called, shall constitute a quorum for the transaction of all business. Abstentions and "broker non-votes" are counted as shares "present" at the meeting for purposes of determining whether a quorum exists. A "broker non-vote" occurs when shares held of record by a bank, broker or other holder of record for a beneficial owner are deemed present at the meeting for purposes of a quorum but are not voted on a particular proposal because that record holder does not have discretionary voting power for that particular matter under the applicable rules of the Nasdaq Stock Market LLC ("Nasdaq") and has not received voting instructions from the beneficial owner.

***What vote is required in order to approve Proposals 1 and 2?***

**Proposal 1 (Election of Directors):** The three nominees named in this Proxy Statement who have been nominated by the Board of Directors to continue to serve as Class B directors will be elected to the Class B directorships by plurality vote. This means that the three nominees with the most votes cast in their favor will be elected to the Class B directorships. Votes withheld from one or more director nominees will have no effect on the election of any director from whom votes are withheld. If you do not want to vote your shares for a nominee, you may indicate that in the space provided on the proxy card or the voting instruction card or withhold authority as prompted during telephone or Internet voting. Subject to the Director Nomination Agreements, in the unanticipated event that a director nominee is unable or declines to serve, the proxy will be voted for such other person as shall be designated by the Board of Directors to replace the nominee, or the Board may choose to reduce the number of directors.

**Proposal 2 (Ratification of Appointment of KPMG LLP):** This proposal requires the affirmative vote of the holders of a majority of the voting power of our outstanding Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote on Proposal 2. Abstentions will have the effect of votes against the proposal.

*What is the standard for approving the non-binding, advisory proposal (Proposal 3)?*

**Proposal 3 (Advisory Vote on Compensation Paid to Named Executive Officers):** This proposal requires the affirmative vote of the holders of a majority of the voting power of our outstanding Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote on Proposal 3. Abstentions will have the effect of votes against the proposal. "Broker non-votes," if any, will not have any effect on the adoption of the proposal. The results of this vote are not binding on the Board, whether or not it is adopted by the aforementioned voting standard. In evaluating the vote on this advisory resolution, the Board will consider the voting results in their entirety.

*May my broker vote my shares?*

Brokers may no longer use discretionary authority to vote shares on the election of directors or non-routine matters if they have not received instructions from their clients. It is important, therefore, that you cast your vote if you want it to count in the election of directors (Proposal 1) or to be considered in the advisory vote on compensation paid to our named executive officers (Proposal 3). Your broker has the authority to exercise discretion with respect to ratification of appointment of KPMG LLP (Proposal 2) if it has not received your instructions for that proposal because that matter is treated as routine under applicable rules.

*How will voting on any other business be conducted?*

We do not know of any business or proposals to be considered at the Annual Meeting other than those set forth in this Proxy Statement. If any other business is properly presented at the Annual Meeting, the proxies received from our stockholders give the proxy holders the authority to vote on the matter in their sole discretion. In accordance with our Bylaws, no business (other than the election of the three Class B nominees and Proposals 2 and 3) may be brought before the Annual Meeting, or any adjournment or postponement thereof, unless such business is brought by or at the direction of the Board or a committee of the Board.

*Who will count the votes?*

Continental Stock Transfer & Trust will act as the inspector of election and will tabulate the votes.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 31, 2019**

This 2019 Proxy Statement, a form of proxy and Exela's Annual Report on Form 10-K for the year ended December 31, 2018 are available at: [www.exelatech.com](http://www.exelatech.com) and at [www.cstproxy.com/exelatech/2019](http://www.cstproxy.com/exelatech/2019).

**PROPOSAL 1—ELECTION OF DIRECTORS**

The Company has three classes of directors serving staggered three-year terms, with Class A consisting of two directorships and each of Class B and Class C consisting of three directorships. The terms of the Class A, B and C directorships expire on the date of the Annual Meeting in 2021, 2019, and 2020, respectively.

At the Annual Meeting, stockholders will be asked to elect the three nominees named in this Proxy Statement who have been nominated by the Board of Directors to continue to serve as Class B directors and whose current terms will expire at the Annual Meeting. Mr. Joshua M. Black, Mr. James G. Reynolds and Mr. John H. Rexford, each of whom is a current Class B director, are the nominees to serve as Class B directors for a new three-year term. Each nominee, if elected, will serve for a term of three years and will remain in office until a qualified successor director has been elected or until he resigns or is removed from the Board. Class B directors will be elected by plurality vote.

**The Board of Directors unanimously recommends a vote FOR the director nominees.**

***Nominees for Election to the Board of Directors in 2019***

The following are brief biographical sketches of each of our nominees, including their experience, qualifications, attributes and skills, which, taken as a whole, have enabled the Board to conclude that each nominee should, in light of the Company's business and structure, serve as a director of the Company.

**Nominees for Class B Directorships—Term Expiring in 2022**

**Joshua M. Black**

Age: 32

Director Since: July 2017

Class: Class B

Business Experience: Joshua Black is a Principal of Apollo Global Management, LLC, where he has been employed since 2011. From 2010 to 2011, Mr. Black was a member of the Leveraged Finance Group of Goldman, Sachs & Co. From 2008 to 2010, Mr. Black was a member of the Financial Institutions Group within the Investment Banking Division of Goldman, Sachs & Co. Mr. Black served as director of Environmental Solutions Worldwide Inc. from January 2011 to March 2015 and Athene USA Corporation from October 1, 2013 to January 22, 2015. Mr. Black currently serves on the board of SCA Acquisition Holdings, LLC (parent of Sun Country Airlines) and Tegra Topco, L.P. Mr. Black graduated cum laude from Princeton University in 2008 with a major in Religion. We believe Mr. Black's significant investment and financial expertise make him well-qualified to serve as a director of Exela.

**James G. Reynolds**

Age: 50

Director Since: July 2017

Class: Class B

Business Experience: Mr. Reynolds is our Chief Financial Officer and has served in that role since the closing of the Business Combination among Exela, SourceHOV Holdings, Inc. ("SourceHOV"), and Novitex Holdings, Inc. ("Novitex") on July 12, 2017 (the "Business Combination"). Mr. Reynolds served as Co-Chairman of SourceHOV from 2014 until the closing of the Business Combination in

2017. Mr. Reynolds is also the Chief Operating Officer and a Partner at HandsOn Global Management ("HGM"), bringing over 25 years of industry experience to the team. Prior to HGM, Mr. Reynolds held numerous executive management or senior advisory positions at SourceHOV and its related subsidiaries and predecessor companies, including serving as Chief Financial Officer for HOV Services, LLC from 2007 to 2011 and Vice President and Corporate Controller for Lason from 2001 to 2006. Mr. Reynolds was a Senior Manager in the Business Advisory Services Practice at PricewaterhouseCoopers from 1990 to 2001. Mr. Reynolds is a C.P.A. and holds a B.S. in Accounting from Michigan State University. We believe that Mr. Reynold's significant industry and management experience make him well-qualified to serve as a director of the Company.

**John H. Rexford**

Age: 62

Director Since: July 2017

Class: Class B

Business Experience: Mr. Rexford is the Managing Director of Ramona Park Consulting LLC, which he founded in 2016. Mr. Rexford has over 36 years of finance experience that includes serving as Global M&A Head from 2010 to 2015 at the Xerox Corporation and serving in various positions at Affiliated Computer Services, Inc. (which was acquired by the Xerox Corporation), including Chief Financial Officer from 2006 to 2007, Executive Vice President from 2001 to 2009 and Senior Vice President of Mergers and Acquisitions from 1996 to 2001. We believe that Mr. Rexford's prior experiences give him an understanding of the business models, structures and attributes of Exela, as well as the risks and operating environment of Exela, which make him well-qualified to serve as a director of Exela.

**Continuing Members of the Board of Directors**

The following are brief biographical sketches of each of our directors whose term continues beyond 2019 and who is not subject to election this year, including his experience, qualifications, attributes and skills, which, taken as a whole, have enabled the Board to conclude that each director should, in light of the Company's business and structure, serve as a director of the Company.

**Class A Directors—Term Expiring in 2021**

**Ronald Cogburn**

Age: 63

Director Since: July 2017

Class: Class A

Business Experience: Mr. Cogburn is our Chief Executive Officer and served as Chief Executive Officer of SourceHOV from 2013 until the closing of the Business Combination. Mr. Cogburn has been part of companies that were predecessors to SourceHOV since 1993, bringing over 30 years of diversified experience in executive management, construction claims consulting, litigation support, program management project management, cost estimating, damages assessment and general building construction. Mr. Cogburn has also been a principal of HGM since 2003. Prior to his role as Chief Executive Officer of SourceHOV, Mr. Cogburn was SourceHOV's President, KPO from March 2011 to July 2013. Prior to this role, Mr. Cogburn was the President of HOV Services, LLC from January 2005 to September 2007, providing executive leadership during the company's growth to its IPO on the India Stock Exchange in September 2006. Mr. Cogburn has a BSCE in Structural Design/Construction Management from Texas A&M University and is a registered Professional Engineer. We believe that



Mr. Cogburn's significant, diversified business experience in Exela's industry make him well-qualified to serve as a director of Exela.

**Nathaniel J. Lipman**

Age: 54

Director Since: July 2017

Class: Class A

Business Experience: Mr. Lipman has held numerous executive management or senior advisory positions in Affinion Group Holdings, Inc., a public company that provides customer engagement and loyalty solutions, and/or its predecessors and subsidiaries, including serving as its Chief Executive Officer from 2005 to 2012 and Executive Chairman of the board of directors from 2012 to November 2015. From November 2015 until March 2018, Mr. Lipman served as a consultant to Affinion Group Holdings, Inc. Since December 2015, Mr. Lipman has served as a Special Advisor to the Chairman of the Upside Travel Group, Inc., a business travel company, where he was a founding member of the Board of Managers. From 1996 to 1999, Mr. Lipman served as Senior Executive Vice President, Corporate Development and Strategic Planning for Planet Hollywood International, Inc., an entertainment and restaurant company. Prior to his tenure at Planet Hollywood, Mr. Lipman was Senior Vice President and General Counsel of House of Blues Entertainment, Inc., an entertainment and restaurant company, Senior Corporate Counsel at The Walt Disney Company, a diversified worldwide entertainment company, and a corporate associate at Skadden, Arps, Slate, Meagher and Flom, LLP. Mr. Lipman serves on the board of directors of Trusted Media Brands, Inc., Diamond Resorts International and Redbox Automated Holdings, LLC. We believe that Mr. Lipman's significant experience and numerous directorships make him well-qualified to serve as a director of Exela.

**Class C Directors—Term Expiring in 2020**

**Par Chadha**

Age: 64

Director Since: July 2017

Class: Class C

Business Experience: Mr. Chadha is the Chairman of our board of directors and is the founder, Chief Executive Officer and Chief Investment Officer of HGM, a family office, formed in 2001, and the principal stockholder of SourceHOV immediately prior to the Business Combination on July 12, 2017. Mr. Chadha also served as Chairman of SourceHOV from 2011 until the closing of the Business Combination. Mr. Chadha brings over 40 years of experience in building businesses in the Americas, Europe and Asia, including execution of mergers and acquisitions, integration of businesses and public offerings. Mr. Chadha is co-founder and owner of Rule 14, LLC, a leading big data mining and automation company formed in 2011, and during his career, Mr. Chadha has founded or co-founded other technology companies in the fields of metro optical networks, systems-on-silicon and communications. Through HGM, Mr. Chadha previously participated in director and executive roles in joint ventures with major financial and investment institutions, including Apollo, as well as other portfolio companies of HGM, and currently holds and manages investments in evolving financial technology, health technology and communications industries. Since 2005, Mr. Chadha has served as a Director of HOV Services Limited, a company listed on the National Stock Exchange of India, acting as its Chairman from 2009 to 2011. We believe Mr. Chadha's significant experience in the public information technology and business services industry and his experience with mergers and integration of businesses make him well-qualified to serve as a director of Exela.

**Matthew H. Nord**

Age: 39

Director Since: July 2017

Class: Class C

Business Experience: Mr. Nord is a Senior Partner at Apollo Private Equity, having joined in 2003. Prior to that time, Mr. Nord was a member of the Investment Banking division of Salomon Smith Barney Inc. Mr. Nord serves on the board of directors of Mount Olympus Holdings, Inc. (parent of West Corporation), Prime Security Services Borrower, LLC. (parent of ADT, Inc.), DSB Parent, L.P. (parent of LifePoint Health, Inexc.) and Presidio, Inc. Mr. Nord also serves on the Board of Trustees of Montefiore Health System and on the Board of Overseers of the University of Pennsylvania's School of Design. Mr. Nord previously served on the boards of directors of Affinion Group Holdings Inc., Constellium N.V., Noranda Aluminum Holding Corporation, and MidCap Financial Holdings, LLC. Mr. Nord graduated summa cum laude with a BS in Economics from the University of Pennsylvania's Wharton School of Business. We believe that Mr. Nord's work at Apollo and his prior experience in investment banking and analyzing, financing and investing in public and private companies, makes him well-qualified to serve as a director of Exela.

One Class C directorship is vacant following the resignation of Gordon Coburn, as described below.

***Additional Information Concerning the Board of Directors of the Company***

On February 21, 2019, Gordon Coburn resigned from the Board of the Company and all committees of the Board, effective immediately. The Company notified Nasdaq that as a result of Gordon Coburn's resignation from the Company's Board, the Company was no longer in compliance with Nasdaq Listing Rule 5605(c)(2)(A), which requires the Company's Audit Committee to be composed of at least three independent directors. Mr. Coburn did not resign due to any disagreement with the Company or its management. The third seat on the Company's Audit Committee remains vacant as of April 30, 2019.

During the 2018 calendar year the Board of Directors held six meetings. No director attended fewer than 75% of the aggregate of the total number of meetings of the Board of Directors or of the committees of the Board of which he was a member. We attempt to schedule our annual meeting of stockholders at a time and date to accommodate attendance by our board of directors taking into account the directors' schedules. All directors are encouraged to attend our annual meeting of stockholders. The date of our last annual meeting was June 6, 2018. Messrs. Cogburn and Reynolds were present in person at our last annual meeting, while Messrs. Chadha, Lipman, Coburn and Rexford were present via telephone.

***Director Independence***

The Company's Common Stock is listed on Nasdaq, and the Company is required to comply with the Nasdaq listing requirements regarding independent directors. Under Nasdaq's Marketplace Rules, the definition of an "independent director" is a person other than an executive officer or employee of the company or any other individual having a relationship which, in the opinion of the issuer's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. Our Board of Directors has reviewed such information as the Board has deemed appropriate for purposes of determining whether any of the directors has a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, including the beneficial ownership by our directors of Common Stock (see "Ownership of Common Stock—Common Stock Ownership by Directors and Executive Officers") and transactions between the Company, on the one hand, and our directors and their affiliates, on the other

hand (see "Certain Relationships and Related Party Transactions"). Based on such review, the Board of Directors has determined that we have five "independent directors" as defined in the Nasdaq listing standards and applicable Securities and Exchange Commission ("SEC") rules, Messrs. Chadha, Lipman, Rexford, Nord and Black. Independent directors, therefore, constitute a majority of our Board. Non-management directors meet periodically in executive session without members of the Company's management at the conclusion of regularly scheduled Board meetings. In addition, Messrs. Lipman and Rexford qualify as independent directors for the purpose of serving on the audit committee of the Company under SEC rules.

**Director Nomination Agreements**

At the closing of the Business Combination, the Company entered into a Director Nomination Agreement (the "Director Nomination Agreement") with each of Novitex Parent, L.P. and certain affiliates of HOVS LLC and HandsOn Fund 4 I, LLC (each a "Nominating Stockholder"), which will remain in effect for so long as the applicable Nominating Stockholder (or Nominating Stockholder's affiliate) continues to beneficially own at least 5% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock). The Director Nomination Agreements require that the individuals nominated for election as directors by our Board of Directors shall include a number of individuals selected by each of the Nominating Stockholders such that, upon the election of each such individual, and each other individual nominated by or at the direction of our Board of Directors or a duly-authorized committee of the Board, as a director of our Company, the individuals selected by each Nominating Stockholder (or Nominating Stockholder's affiliate) shall be: for so long as the applicable Nominating Stockholder beneficially owns at least 35% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), three directors; for so long as the applicable Nominating Stockholder beneficially owns at least 15%, but less than 35%, of the then outstanding shares of Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), two directors; and for so long as the applicable Nominating Stockholder (or Nominating Stockholder's affiliate) beneficially owns at least 5%, but less than 15%, of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), one director. In the case of a vacancy on our Board of Directors created by the removal or resignation of an individual selected for nomination by a Nominating Stockholder (or Nominating Stockholder's affiliate), the Director Nomination Agreements require us to appoint another individual selected by the applicable Nominating Stockholder. The Director Nomination Agreements also provide for observation rights for each Nominating Stockholder (or Nominating Stockholder's Affiliate) to the extent that it has a right of nomination that it does not utilize.

In addition, the Director Nomination Agreements provide that for so long as a Nominating Stockholder continues to beneficially own at least 15% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), we cannot, without the consent of such Nominating Stockholder, engage in certain related-party transactions, adopt an equity incentive plan or amend the same to increase the number of securities that may be granted thereunder, issue certain equity securities, including with a fair market value of more than \$100 million, amend our certificate of incorporation or bylaws in a manner that adversely affects such Nominating Stockholder's rights under the applicable Director Nomination Agreement or has a disproportionate impact on the interests of such Nominating Stockholder, enter into certain new lines of business, or increase or decrease the size of the Board of Directors or change the classes in which the members of the Board of Directors serve. For additional information on ownership of each of the Nominating Stockholders, see section entitled "Ownership of Common Stock."

***Directors and Officers Liability Insurance***

We have purchased insurance from various insurance companies against obligations we might incur as a result of our indemnification obligations of directors and officers for certain liabilities they might incur and insuring such directors and officers for additional liabilities against which they might not be indemnified by us. We have also procured coverage for our own liabilities in certain circumstances. For the period from July 12, 2017 to July 12, 2018, we purchased a director and officer liability policy and a separate fiduciary liability policy. Our cost for the annual insurance premiums for these policies was \$773,218 in the aggregate. For the period from July 12, 2018 to July 12, 2019, we purchased a director and officer liability policy and a separate fiduciary liability policy. Our cost for the annual insurance premiums for these policies was \$757,970 in the aggregate.

***Board Leadership Structure***

Our Bylaws do not require that the positions of Chairman of the Board and Chief Executive Officer be held by the same person or by different individuals, and our Board does not have a formal policy with respect to the separation or combination of these offices. Currently Mr. Chadha serves as the Chairman of the Board and Mr. Cogburn serves as our Chief Executive Officer.

***Board Role in Risk Oversight***

The Company faces a number of risks, including market risks, credit risk, liquidity risk, reputational risk, operational risk and risks from adverse fluctuations in interest rates and inflation and/or deflation. Management is responsible for the day-to-day management of risks faced by the Company, while the Board of Directors, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, the Board of Directors seeks to ensure that the risk management processes designed and implemented by management are adequate. The Board of Directors periodically consults with management regarding the Company's risks. In addition, the Audit Committee periodically reviews with management and independent auditors the adequacy and effectiveness of the Company's policies for assessing and managing risk.

**DIRECTOR REMUNERATION**

For 2018, certain members of our board of directors received a cash payment for services rendered in the 2018 calendar year. On December 19, 2017, our board of directors approved the director compensation policy, which remained unchanged for 2018 and has been ratified for 2019. Any non-employee director who is a representative of Apollo Management Holdings, L.P. or any of its subsidiaries (but excluding any portfolio companies of funds or accounts managed or advised thereby) is not eligible to receive any fees or equity awards pursuant to the director compensation policy. This

compensation policy provides that each eligible non-employee director will receive the following compensation for service on our board of directors:

Director Compensation Policy	
	Annual Retainer (\$)
Annual Cash Retainer for Board Membership	75,000
Annual Cash Retainer for Board Chairman	185,000
Audit Committee Member (other than the Chair)	20,000
Audit Committee Chair	30,000
Compensation Committee Member (other than the Chair)	12,500
Compensation Committee Chair	20,000
Nominating and Corporate Governance Committee	12,500
Nominating and Corporate Governance Committee Chair	20,000
Initial Equity Award (other than the Chair)(1)	150,000
Initial Equity Award Chair(1)	200,000
Annual Equity Award (Other than the Chair)(2)	110,000
Annual Equity Award Chair(2)	140,000

(1) Award delivered in the form of restricted stock units and vests ratably over a three-year period immediately prior to the first, second and third annual meetings subsequent to the date of grant.

(2) Award delivered in the form of restricted stock units and vests immediately prior to the first annual meeting subsequent to the date of grant.

Each of our eligible non-employee directors received the initial one-time equity award described above on April 2, 2018. Each of our eligible non-employee directors received an annual equity award (as described above) on April 2, 2018 and such award was granted in respect of service following the Business Combination through our 2018 annual meeting. Each of our eligible non-employee directors received an annual equity award (as described above) on August 14, 2018 and such award was granted in respect of service from our 2018 annual meeting to our 2019 annual meeting. Following our 2019 annual meeting, each of our eligible non-employee directors will receive an annual equity award (as described above) and such award will be granted in respect of service from our 2019 annual meeting to our 2020 annual meeting. The number of restricted stock units comprising each equity award was and will be determined by dividing the dollar amount of such award by the closing price of our Common Stock on the date of grant (rounded down to the nearest whole share).

With respect to 2018 and each year thereafter, for the audit committee, compensation committee, and nominating and corporate governance committee, if in any year such committee holds greater than four meetings, each member of the applicable committee (including the chairman of such committee) will receive \$2,000 for each meeting following the first four meetings. In 2018, the only such committee that held greater than four meetings was our audit committee, which held eight meetings. Accordingly, for 2018 each member of the audit committee (including the chairman of the audit committee) is entitled to receive \$8,000 for the additional four meetings.

Nathaniel Lipman, the chairman of our disclosure transition committee, received a one-time cash retainer of \$20,000 for services provided in such capacity. The disclosure transition committee held two meetings in 2018 and was dissolved in March 2018. Other than the \$20,000 retainer mentioned above, no compensation was paid with respect to any member's service on the disclosure transition committee.

We reimburse our directors for reasonable and necessary out-of-pocket expenses incurred in attending board and committee meetings or performing other services for us in their capacities as directors.

**Director Compensation Table**

The following table sets forth information concerning director compensation for services performed during the year ended December 31, 2018.

Name	Fees earned or paid in cash (\$)	Stock Awards (\$)(1)(2)	Total (\$)
Par Chadha	197,500	480,000(3)	677,500
Joshua Black(4)	—	—	—
Gordon Coburn(5)	127,500	370,000(3)	497,500
Nathaniel Lipman	135,000	370,000(3)	505,000
Matthew Nord(4)	—	—	—
John Rexford	117,500	370,000(3)	487,500

- (1) The amounts reported in this column represent the aggregate grant date fair value of the restricted stock units granted to the non-employee directors during the applicable fiscal year, calculated in accordance with FASB ASC Topic 718, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions, and do not necessarily correspond to the actual value that might be realized by the non-employee directors, which depends on the market value of our Common Stock on a date in the future when the units are settled. Grants made during the fiscal year ended December 31, 2018, were restricted stock units subject to time-based vesting conditions. For such time-based vesting awards, the grant date fair value was calculated by multiplying the fair market value by the number of shares of our Common Stock subject to the restricted stock units on the grant date. For additional information, including a discussion of the assumptions used to calculate these values, please see note 14 to our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.
- (2) Each restricted stock unit represents the right to receive, following vesting, one share of our Common Stock.
- (3) The non-employee members of our board of director held the following aggregate unvested restricted stock units as of December 31, 2018.

Name	Aggregate Number of Restricted Stock Units Outstanding as of December 31, 2018
Par Chadha	52,367(A)
Gordon Coburn(5)	40,266(B)
Nathaniel Lipman	40,266(B)
John Rexford	40,266(B)

- (A) Reflects (i) 24,645 restricted stock units, which vest in equal annual installments immediately prior to each of the 2019 and 2020 annual meetings of our stockholders, and (ii) 27,722 restricted stock units, which vest in full immediately prior to the 2019 annual meeting of our stockholders.

- (B) Reflects (i) 18,484 restricted stock units, which vest in equal annual installments immediately prior to each of the 2019 and 2020 annual meetings of our stockholders, and (ii) 21,782 restricted stock units, which vest in full immediately prior to the 2019 annual meeting of our stockholders.
- (4) Messrs. Nord and Black are the Apollo Management Holdings, L.P. representatives and therefore did not earn or receive any fees in respect of service on our board of directors during the 2018 calendar year.
- (5) Mr. Coburn resigned from the Board of the Company, effective on February 21, 2019, and forfeited any then unvested restricted stock units held by him at such time.

Messrs. Cogburn and Reynolds each serve as members of the Board of the Company, however, neither executive officer receives additional compensation for such service.

#### **Committees of the Board of Directors**

The standing committees of the Board of Directors are the Audit Committee, the Compensation Committee, and the Nominating Committee. The charters of the Audit Committee, the Compensation Committee and the Nominating Committee are available on the Investors—Governance Overview section of our website at [www.exelatech.com](http://www.exelatech.com). These documents are also available upon written request to: Investor Relations, Exela Technologies, Inc., 2701 E. Grauwlyer Road, Irving, Texas 75061. Information concerning these Committees is set out below.

#### **Audit Committee**

Members:

John H. Rexford (Chairman) and Nathaniel J. Lipman

Number of Meetings in 2018:

8

The Board of Directors has determined that all of the members of the Audit Committee meet the independence and experience requirements of the SEC and the Nasdaq. Moreover, the Board has determined that one of the Committee's members, Mr. Rexford, qualifies as an "audit committee financial expert" as defined by the SEC. As discussed above, Mr. Coburn has resigned and his seat on the Audit Committee remains vacant.

The Audit Committee's duties include, but are not limited to:

- reviewing and discussing with management and the independent auditor the annual audited financial statements, and recommend to the Board whether the audited financial statements should be included in our Form 10-K;
- reviewing and discussing with management and the independent auditor the quarterly financial statements prior to the filing of our Form 10-Qs, including the results of the independent auditor's review of the quarterly financial statements;
- discussing with management and the independent auditor 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 auditor;
- 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;
- reviewing and approving all related-party transactions;
- 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 auditor, including the fees and terms of the services to be performed;
- appointing or replacing the independent auditor;
- determining the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work;
- 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; and
- approving reimbursement of expenses incurred by our management team in identifying potential target businesses.

**Compensation Committee**

Members:

Nathaniel J. Lipman (Chairman) and John H. Rexford

Number of Meetings in 2018:

4

Our Compensation Committee has primary responsibility for overseeing our executive compensation program, including compensation of our named executive officers listed in the compensation tables that follow. Our Compensation Committee is composed of independent directors, as determined by Nasdaq listing standards. The Compensation Committee's responsibilities are set forth in its charter. As discussed above, Mr. Coburn has resigned and his seat as chair of the Compensation Committee remains vacant.

In order to fulfill its responsibilities pertaining to executive and director compensation, the Compensation Committee's duties include, but are not limited to:

- reviewing and approving on an annual basis the corporate goals and objectives relevant to our Chief Executive Officer's compensation, evaluating our Chief Executive Officer's performance in light of such goals and objectives and determining and approving the remuneration (if any) of our Chief Executive Officer based on such evaluation;
- reviewing and approving the compensation of all of our other executive officers;
- reviewing our executive compensation policies and plans;
- implementing and administering our incentive compensation equity-based remuneration plans;
- assisting management in complying with our proxy statement and annual report disclosure requirements;
- approving all special perquisites, special cash payments and other special compensation and benefit arrangements for our executive officers and employees;
- if required, producing a report on executive compensation to be included in our annual proxy statement; and
- reviewing, evaluating and recommending changes, if appropriate, to the remuneration for directors.

*Compensation Committee Interlocks and Insider Participation*

Nathaniel J. Lipman and John H. Rexford served as members of the Compensation Committee during 2018. No member of the Compensation Committee is a present or former officer of, or



employed by, the Company or its subsidiaries. None of our executive officers serves as a member of the board of directors or compensation committee of any other entity the executive officers of which entity serve on either the Company's Board of Directors or Compensation Committee.

**Nominating Committee**

Members:	Par Chadha and Matthew H. Nord
Number of Meetings in 2018:	2

The Nominating Committee is responsible for overseeing the selection of persons to be nominated to serve on our Board of Directors. As discussed above, Mr. Coburn has resigned and his seat on the Nominating Committee remains vacant.

The nominating committee considers persons identified by its members, management, stockholders, investment bankers and others.

*Guidelines for selecting director nominees*

The guidelines for selecting nominees generally provide that the persons to be nominated:

- should have demonstrated notable or significant achievements in business, education or public service;
- should possess the requisite intelligence, education and experience to make a significant contribution to the board of directors and bring a range of skills, diverse perspectives and backgrounds to its deliberations; and
- should have the highest ethical standards, a strong sense of professionalism and intense dedication to serving the interests of the stockholders.

The nominating committee will consider a number of qualifications relating to management and leadership experience, background and integrity and professionalism in evaluating a person's candidacy for membership on the board of directors. The nominating committee may require certain skills or attributes, such as financial or accounting experience, to meet specific Board needs that arise from time to time and will also consider the overall experience and makeup of its members to obtain a broad and diverse mix of directors. The nominating committee does not distinguish among nominees recommended by stockholders and other persons. The Company is subject to the terms of the Director Nomination Agreements. See the section entitled "*Proposal No. 1—Election of Directors—Director Nomination Agreements.*"

A stockholder who has held at least one percent of the fully diluted capitalization of the Company continuously for at least 12 months that wants to recommend a candidate for election to the Board should direct the recommendation in writing by letter to the Company, attention: Corporate Secretary, 2701 E. Grauwylor Rd., Irving, Texas 75061. The recommendation must include the candidate's name, home and business contact information, detailed biographical data, relevant qualifications, a signed letter from the candidate confirming willingness to serve, information regarding any relationships between the candidate and the Company and evidence of the recommending stockholder's ownership of Company stock. Such recommendations must also include a statement from the recommending stockholder in support of the candidate, particularly within the context of the criteria for Board membership, including issues of character, integrity, judgment, diversity of experience, independence, area of expertise, corporate experience, length of service, potential conflicts of interest, other commitments and the like and personal references.

## PROPOSAL 2—RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Stockholders will act upon a proposal to ratify the selection of KPMG LLP ("KPMG") as the independent registered public accounting firm of the Company. **If the stockholders, by the affirmative vote of the holders of a majority of the voting power of the shares represented in person or by proxy at the Annual Meeting and entitled to vote on this proposal, do not ratify the selection of KPMG, the selection of the independent registered public accounting firm will be reconsidered by the Audit Committee.**

### *Background*

The Audit Committee has selected KPMG as the independent registered public accounting firm of the Company for the fiscal year ending December 31, 2019. KPMG has advised the Company that it has no direct or indirect financial interest in the Company or any of its subsidiaries and that it has had, during the last three years, no connection with the Company or any of its subsidiaries other than as our independent registered public accounting firm and certain other activities as described below.

Pursuant to its charter, the Audit Committee is directly responsible for the appointment, retention, compensation and oversight of the Company's independent registered public accounting firm. In addition to assuring the regular rotation of the lead audit partner as required by law, the Audit Committee is involved in the evaluation and selection of the lead audit partner and considers whether there should be regular rotation of the independent registered public accounting firm.

The Audit Committee is also required to review and pre-approve all of the audit and non-audit services to be performed by the Company's independent registered public accounting firm, including the firm's engagement letter for the annual audit of the Company, the proposed fees in connection with such audit services, and any additional services that management chooses to hire the independent auditors to perform. Additionally, the Audit Committee can establish pre-approval policies and procedures with respect to the engagement of the Company's independent accountant's for non-audit services. In accordance with the Audit Committee Charter, all of the foregoing audit and non-audit fees paid to, and the related service provided by, KPMG were pre-approved by the Audit Committee.

### *Change in Independent Registered Public Accountant Firm*

As previously disclosed, on August 9, 2017, Marcum LLP ("Marcum"), was dismissed as our independent registered public accounting firm. Effective August 10, 2017, KPMG was engaged as our new independent registered public accounting firm. The Audit Committee of the Board of Directors of the Company approved the dismissal of Marcum and approved the engagement of KPMG as our independent registered public accounting firm. The dismissal of Marcum and appointment of KPMG was done in connection with the closing of the Business Combination, as was previously disclosed in our Current Reports on Form 8-K filed with the Securities and Exchange Commission on July 18, 2017 and August 10, 2017.

For the fiscal years ended December 31, 2016 and 2015, Marcum's audit report on the Company's financial statements did not contain an adverse opinion or disclaimer of opinion, nor was it qualified as to audit scope or accounting principles. During the fiscal years ended December 31, 2016 and 2015 and the subsequent interim period preceding Marcum's dismissal, (i) there were no "disagreements" (as described in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) between the Company and Marcum on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to Marcum's satisfaction, would have caused Marcum to make reference in connection with Marcum's opinion to the subject matter of the disagreement; and (ii) there were no "reportable events" as the term is described in Item 304(a)(1)(v) of Regulation S-K.

The Company previously provided Marcum with a copy of the disclosures regarding the dismissal reproduced in this Proxy and received a letter from Marcum addressed to the SEC stating that they agree with the above statements. This letter was filed as an exhibit to our Current Report on Form 8-K filed with the SEC on August 10, 2017.

During the two most recent fiscal years and the interim periods preceding the engagement, and through the date of KPMG's engagement, neither the Company nor anyone on its behalf previously consulted with KPMG regarding either (a) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report was provided nor oral advice was provided to the Company that KPMG concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or (b) any matter that was either the subject of a disagreement (as defined in paragraph 304(a)(1)(iv) of Regulation S-K and the related instructions thereto) or a reportable event (as described in paragraph 304(a)(1)(v) of Regulation S-K).

***Financial Statements and Reports***

The financial statements of the Company for the year ended December 31, 2018 and the reports of the independent registered public accounting firm will be presented at the Annual Meeting. KPMG will have a representative present at the meeting who will have an opportunity to make a statement if he or she so desires and to respond to appropriate questions from stockholders.

***Services***

From and after July 12, 2017, the closing of the Business Combination, KPMG and its affiliates provided services consisting of the audit of the annual consolidated financial statements and internal controls over financial reporting of the Company, review of the quarterly financial statements of the Company, accounting consultations and consents and other services related to SEC filings by the Company and its subsidiaries and other pertinent matters and other permitted services to the Company. From January 1, 2016 to July 12, 2017, KPMG provided accounting services to SourceHOV, our accounting acquirer.

***Audit Fees***

The aggregate fees billed or expected to be billed by KPMG for professional services rendered for the audit of the Company's annual consolidated financial statements and internal controls over financial reporting for the fiscal years ended 2017 and 2018, for the reviews of the condensed consolidated financial statements included in the Company's Quarterly Reports on Form 10-Q for the 2017 and 2018 fiscal years and for accounting research and consultation related to the audits and reviews totaled approximately \$3.3 million for 2017 and \$6.8 million for 2018. These fees were pre-approved by the Audit Committee.

***Audit-Related Fees***

The aggregate fees billed by KPMG for audit-related services for the fiscal years ended 2017 and 2018 were \$1.1 million and \$0.2 million, respectively. These fees related to research and consultation on various filings with the SEC and due diligence services and were pre-approved by the Audit Committee.

***Tax Fees***

The aggregate fees billed by KPMG for tax services were less than \$0.1 million for each of the fiscal years ended 2017 and 2018, respectively. These fees related to local tax compliance were pre-approved by the Audit Committee.

**All Other Fees**

There were no fees billed by KPMG for services rendered to the Company other than the services described above under "Audit Fees," "Audit-Related Fees" and "Tax Fees" for the fiscal years ended 2017 and 2018.

In its approval of these non-audit services, the Audit Committee has considered whether the provision of non-audit services is compatible with maintaining KPMG's independence.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE THEIR SHARES FOR THE PROPOSAL TO RATIFY THE SELECTION OF KPMG LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR THE YEAR ENDING DECEMBER 31, 2019.**

**REPORT OF THE AUDIT COMMITTEE**

The Audit Committee currently consists of two independent directors, both of whom have been determined by the Board to meet the heightened independence criteria applicable to Audit Committee members and to satisfy the financial literacy requirements of the Nasdaq Listing Rules and the applicable rules of the SEC. As discussed above, Mr. Coburn has resigned and his seat on the Audit Committee remains vacant. The Audit Committee is responsible, under its charter, for oversight of our independent registered public accounting firm, which reports directly to the Audit Committee. The Audit Committee has the authority to retain and terminate the independent registered public accounting firm, to review the scope and terms of the audit and to approve the fees to be charged. The Audit Committee monitors our system of internal control over financial reporting and management's certifications as to disclosure controls and procedures and internal controls for financial reporting. Our management and independent registered public accounting firm, not the Audit Committee, are responsible for the planning and conduct of the audit of our consolidated financial statements and determining that the consolidated financial statements are complete and accurate and prepared in accordance with U.S. generally accepted accounting principles.

The Audit Committee has met and held discussions with management and our independent registered public accounting firm (with and without management) and has reviewed and discussed the audited consolidated financial statements and related internal control over financial reporting with management and our independent registered public accounting firm.

The Audit Committee has also discussed with our independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 1301, Communications with Audit Committees issued by the Public Company Accounting Oversight Board (United States) ("PCAOB").

Our independent registered public accounting firm also provided the Audit Committee with the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent registered public accounting firm's communications with the Audit Committee concerning independence, and the Audit Committee discussed with our independent registered public accounting firm that firm's independence.

Based upon the review and discussions referred to above, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018 for filing with the SEC. The Audit Committee selected KPMG LLP as our independent registered public accounting firm for the fiscal year ended December 31, 2019, which is being presented to stockholders at the Annual Meeting for ratification.

**The Audit Committee**  
Nathaniel J. Lipman  
John H. Rexford (Chairman)

**PROPOSAL 3—ADVISORY VOTE ON  
COMPENSATION PAID TO OUR NAMED EXECUTIVE OFFICERS**

As required by Rule 14a-21(a) of the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"), we are seeking an advisory vote on the compensation of the Company's named executive officers as disclosed in the section of this Proxy Statement titled "Executive Compensation," including the compensation tables and narrative discussion that follows the tables. After careful consideration, the Board of Directors determined that holding an annual advisory vote on compensation paid to our named executive officers is the most appropriate policy for the Company, and at last year's annual meeting stockholders voted in favor of the Company holding annual advisory votes on such compensation.

Our compensation program for our named executive officers is designed to (i) retain our named executive officers, who are critical to our long-term success; and (ii) motivate and reward them for achieving our short-term business and long-term strategic goals. We believe that in 2018 our executive compensation program was successful in implementing these objectives.

Stockholders are urged to read the compensation tables and narrative discussion in this Proxy Statement. The Board believes that the compensation paid to our named executive officers is necessary, appropriate and properly aligned with our compensation philosophy and policies.

Stockholders are being asked to approve the following advisory resolution:

RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed in the Proxy Statement pursuant to Item 402 of Regulation S-K, including the compensation tables and narrative discussion, is hereby APPROVED.

Although the vote is non-binding, the Board of Directors and the Compensation Committee will consider the voting results, along with other relevant factors, in connection with their ongoing evaluation of the Company's compensation programs.

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE THEIR SHARES, ON A NON-BINDING, ADVISORY BASIS, FOR THE PROPOSAL TO APPROVE THE COMPANY'S COMPENSATION OF ITS NAMED EXECUTIVE OFFICERS AS DESCRIBED IN THIS PROXY STATEMENT.**

**EXECUTIVE COMPENSATION**

This section discusses the material components of the executive compensation program for Exela's executive officers who are named in the "Summary Compensation Table" below. As a "smaller reporting company" as defined in Rule 12b-2 of the Exchange Act, Exela is not required to include a Compensation Discussion and Analysis and has elected to comply with the scaled disclosure requirements applicable to smaller reporting companies. Exela's named executive officers for the fiscal year ended December 31, 2018 were as follows:

- Ronald C. Cogburn, our Chief Executive Officer;
- James G. Reynolds, our Chief Financial Officer; and
- Suresh Yannamani, our President.

**Summary Compensation Table**

The following table sets forth compensation information for our named executive officers for services performed for the Company and its subsidiaries for the fiscal years ended December 31, 2018 and December 31, 2017.

Name and principal position	Year	Salary (\$)	Bonus (\$)(1)	Stock Awards (\$)(2)	Option Awards (\$)(3)	Total (\$)
Ronald C. Cogburn	2018	325,000	350,000(1)	442,520	298,146	1,415,666
<i>Chief Executive Officer</i>	2017	325,000	—	—	—	325,000
James G. Reynolds	2018	325,000	—	442,520	298,146	1,065,666
<i>Chief Financial Officer</i>	2017	186,096(4)	—	—	—	186,096
Suresh Yannamani	2018	325,000	450,000(1)	442,520	298,146	1,515,666
<i>President</i>	2017	325,000	—	—	—	325,000

- (1) The amount reported in this column represent the portion of the cash transaction bonus paid to each of Messrs. Cogburn and Yannamani in partial consideration for each executive's efforts in connection with the Business Combination, which was paid in 2018.
- (2) The amounts reported in this column represent the aggregate grant date fair value of the restricted stock units granted to the named executive officers during the applicable fiscal year, calculated in accordance with FASB ASC Topic 718, disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions, and do not necessarily correspond to the actual value that might be realized by the named executive officers, which depends on the market value of our Common Stock on a date in the future when the units are settled. Grants made during the fiscal year ended December 31, 2018, were restricted stock units subject to time-based vesting conditions. For such time-based vesting awards, the grant date fair value was calculated by multiplying the fair market value by the number of shares of our Common Stock subject to the restricted stock units on the grant date. For additional information, including a discussion of the assumptions used to calculate these values, please see the "— Outstanding Equity Awards at Fiscal Year End Table" below and note 14 to our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.
- (3) The amounts reported in this column represent the aggregate grant date fair value of stock options granted to the named executive officers during the applicable fiscal year, calculated in accordance with FASB ASC Topic 718, disregarding for this purpose the estimate of forfeitures related to

service-based vesting conditions, and do not necessarily correspond to the actual value that might be realized by the named executive officers, which depends on the market value of our Common Stock on a date in the future when the stock options are exercised. Grants made during the fiscal year ended December 31, 2018, were stock options subject to time-based vesting conditions. For such time-based vesting awards, the grant date fair value was calculated by multiplying the Black-Scholes value by the number of shares of our Common Stock subject to the stock options. For additional information, including a discussion of the assumptions used to calculate these values, please see the "—Outstanding Equity Awards at Fiscal Year End Table" below and note 14 to our consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018.

- (4) On January 25, 2018, our compensation committee approved a base salary for Mr. Reynolds equal to \$325,000, with retroactive effect as of the consummation of the Business Combination, or July 12, 2017. The amounts reported in this column for Mr. Reynolds reflect the base salary earned by him with respect to service as our Chief Financial Officer following the Business Combination during 2017, which was paid to him in the form of a catch-up payment in 2018.

#### **Narrative to Summary Compensation Table and Grant of Plan-Based Awards Table**

##### *No Executive Employment Agreements*

We have not entered into employment agreements with Messrs. Cogburn, Reynolds or Yannamani. For a discussion of the severance pay and other benefits to be provided to our named executive officers in connection with a termination of employment and/or a change in control, please see "—Potential Payments Upon Termination or Change In Control" below.

##### *Short and Long Term Incentives*

With respect to our 2018 fiscal year, the compensation committee considered the Company's performance against various key indicators, such as revenue, EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) levels and margin and cost savings initiatives and determined that we did not achieve our objectives. Accordingly, no bonuses were paid to our named executive officers with respect to our 2018 fiscal year. The compensation committee approved grants of restricted stock units and stock options made to our named executive officers in August 2018 pursuant to our 2018 Plan (described below). Restricted stock units and stock options granted to our named executive officers vest over 4 years and one year, respectively, subject to the executive's continued employment with us or one of subsidiaries through such date. For additional information regarding such grants, please see "—Outstanding Equity Awards at Fiscal Year End Table" below.

##### *Transaction Bonuses*

Each of Messrs. Cogburn and Yannamani received a cash transaction bonus in partial consideration for their efforts in connection with the Business Combination. Receipt of the transaction bonus payments by each of Messrs. Cogburn and Yannamani was contingent on the applicable

executive remaining continuously employed by the Company or its subsidiaries through the applicable payment date. The table below details the transaction bonuses paid to our named executive officers.

<u>Executive</u>	<u>Transaction Bonus</u>
Ronald C. Cogburn	\$ 350,000(1)
Suresh Yannamani	\$ 450,000(2)

- (1) Mr. Cogburn's transaction bonus was paid in \$50,000 increments on each of January 5, 2018, January 19, 2018, February 2, 2018, February 16, 2018, March 2, 2018, March 16, 2018 and March 30, 2018.
- (2) Mr. Yannamani's transaction bonus was paid in approximately \$75,000 increments on each of January 12, 2018, January 26, 2018, February 9, 2018, February 23, 2018, March 9, 2018 and March 23, 2018.

#### *Stock Plans, Health and Welfare Plans, and Retirement Plans*

##### *2018 Stock Incentive Plan.*

On December 19, 2017, our board of directors adopted our 2018 Stock Incentive Plan, or the "2018 Plan," which was subsequently approved on December 20, 2017 by the written consent of the holders of a majority of the shares of our Common Stock, and became effective on January 17, 2018. The 2018 Plan is administered by the compensation committee of our board of directors. Under the 2018 Plan, the compensation committee may grant an aggregate of 8,323,764 shares of our Common Stock to eligible participants in the form of stock options, restricted stock awards, restricted stock units, stock appreciation rights, performance awards and other awards that may be settled in or based on our Common Stock.

##### *SourceHOV Long Term Incentive Plan*

Prior to the Business Combination, our subsidiary, SourceHOV, maintained the 2013 Long Term Incentive Plan, or the "2013 Plan." Certain of our named executive officers were granted restricted stock units pursuant to the 2013 Plan. In connection with the Business Combination, the 2013 Plan was assigned to, and assumed by, Ex-Sigma LLC, or Ex-Sigma, and all awards outstanding under the 2013 Plan were transferred to, and assumed by, Ex-Sigma. Upon such assumption, each restricted stock unit granted pursuant to the 2013 Plan was converted into the right to receive a membership interest of Ex-Sigma, subject to the applicable vesting terms, which require, among other things, continued employment with us through the applicable vesting date. For a summary of the vesting terms applicable to the restricted stock units granted to our named executive officers, see "—Outstanding Equity Awards at Fiscal Year End" below.

Ex-Sigma is a limited liability company that was formed to facilitate the raising of the funds necessary to consummate the Business Combination and is owned by the former equity holders of SourceHOV. Ex-Sigma, through its wholly-owned subsidiary Ex Sigma 2, LLC ("Ex Sigma 2"), owns 77,912,500 shares of our Common Stock and 2,669,233 shares of our preferred stock (which presently are convertible into 3,263,473 shares of Common Stock). Those shares are pledged to secure certain financing incurred in connection with the Business Combination. Upon the repayment of such financing, it is anticipated that Ex-Sigma will distribute the shares of our preferred stock and Common Stock that it then owns to its members (including holders of restricted stock units) based on each member's proportionate ownership interest of Ex-Sigma at such time.



*Health and Welfare Plans.*

Our named executive officers are eligible to participate in our employee benefits plans, including our medical, dental, vision, life, disability, health and dependent care flexible spending accounts and accidental death and dismemberment benefit plans, in each case on the same basis as all of our other employees.

*Retirement Plan.*

We sponsor a retirement plan intended to qualify for favorable tax treatment under Section 401(a) of the Internal Revenue Code of 1986, as amended, or the "Code," containing a cash or deferred feature that is intended to meet the requirements of Section 401(k) of the Code. Employees who meet the eligibility requirements may make pre-tax contributions to the plan from their eligible earnings up to the statutorily prescribed annual limit on pre-tax contributions under the Code. Participants who are 50 years of age or older may contribute additional amounts based on the statutory limits for catch-up contributions. All employee and employer contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participant's directions. Pre-tax contributions by participants and contributions that we may make to the plan and the income earned on those contributions are generally not taxable to participants until withdrawn, and all contributions are generally deductible by us when made. Participant contributions are held in trust as required by law. No minimum benefit is provided under the plan. An employee is 100% vested in his or her pre-tax deferrals when contributed and any employer contributions vest ratably over four years. The plan provides for a discretionary employer matching contribution, however, we currently do not make any matching contributions to the plan and did not make any matching contributions with respect to the 2018 plan year.

*Other Compensation Policies and Practices*

*Insider Trading Policy*

Our Insider Trading Policy provides that employees, including our executive officers and the members of our board of directors, are prohibited from engaging in transactions in our securities if such employee possesses material, non-public information about the Company. In addition, certain persons covered by our Insider Trading Policy must advise our General Counsel before effectuating any transaction in our securities.

*Stock Ownership Guidelines*

On December 19, 2017, our board of directors adopted Stock Ownership Guidelines for our non-employee directors, Chief Executive Officer, Chief Financial Officer and our other executive officers who report directly to our Chief Executive Officer, which we refer to here as covered persons. Our Stock Ownership Guidelines provide that within five years after first becoming subject to the guidelines (which for our named executive officers and non-employee directors occurred on December 19, 2017), each covered person should own shares of our Common Stock with a specified fair market value, which is three times annual retainer fee in the case of non-employee directors, six times annual base salary in the case of our Chief Executive Officer, three times annual base salary in the case of our Chief Financial Officer and one and one-half times annual base salary in the case of all other covered persons. Covered persons must retain their equity until their required ownership amount is met; provided, that each covered person is at all times permitted to sell a portion of the shares of our Common Stock underlying his or her equity based awards to the extent necessary to satisfy any withholding taxes due in connection with such awards. Included in a covered person's ownership amount for purposes of the Stock Ownership Guidelines are: (i) shares of our Common Stock owned by Apollo Novitex Holdings, L.P. and its affiliates for any non-employee director nominated by Apollo

Novitex Holdings, L.P. pursuant to the applicable director nomination agreement; (ii) one half of the fair market value of the shares of our Common Stock underlying vested stock options (to the extent the fair market value exceeds the applicable exercise price); (iii) one half of the shares of our Common Stock subject to all vested and deferred restricted stock units; and (iv) to the extent a covered person is a member of Ex-Sigma, a proportionate share of the shares of our Common Stock that are owned by Ex-Sigma. Shares of our Common Stock underlying unvested equity awards are not counted towards determining a covered person's stock ownership.

**Outstanding Equity Awards at Fiscal Year End**

The following table contains information regarding outstanding equity awards of Exela and Ex-Sigma held by our named executive officers as of December 31, 2018.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option 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 (\$)(5)
Ronald C. Cogburn	—	111,000(1)	5.98	8/31/28	—	—
Ronald C. Cogburn	—	—	—	—	74,000(2)	287,860
Ronald C. Cogburn	—	—	—	—	238(3)(6)	291,550
Ronald C. Cogburn	—	—	—	—	50(4)(6)	61,250
James G. Reynolds	—	111,000(1)	\$ 5.98	8/31/28	—	—
James G. Reynolds	—	—	—	—	74,000(2)	287,860
Suresh Yannamani	—	111,000(1)	\$ 5.98	8/31/28	—	—
Suresh Yannamani	—	—	—	—	74,000(2)	287,860
Suresh Yannamani	—	—	—	—	13(3)(6)	15,925
Suresh Yannamani	—	—	—	—	50(4)(6)	61,250

- (1) The stock options are subject to the following vesting schedule: forty percent of the options will vest and become exercisable on August 31, 2020 and the remainder will vest and become exercisable on August 31, 2022, subject to continued employment with us through each such date.
- (2) The restricted stock units represent the right to receive, following vesting, one share of Common Stock, and vest in full on August 31, 2019, subject to continued employment with us through such date.
- (3) The restricted units are subject to the following vesting schedule: one-fourth of the restricted stock units vest on each of the first four anniversaries of the vesting commencement date, or April 30, 2015, subject to continued employment with us through such date. In addition, if the grantee's employment is terminated without cause (other than as a result of death or disability) following the occurrence of a change in control of Ex-Sigma, all unvested restricted stock units will immediately vest.
- (4) The restricted stock units are subject to the following vesting schedule: one-third of the restricted stock units vest on each of the first three anniversaries of the vesting commencement date, or April 29, 2016, subject to continued employment with us through such date. In addition, if the grantee's employment is terminated without cause (other than as a result of death or disability) following the occurrence of a change in control of Ex-Sigma, all unvested restricted stock units will immediately vest.
- (5) The amounts disclosed in this column represent the value of the membership interests or shares of Common Stock, as applicable, underlying each restricted stock unit that had not vested as of

December 31, 2018. With respect to the Ex-Sigma restricted stock units, the value is based on each member's (including each holder of restricted stock units) proportionate ownership of Ex-Sigma at such time and the closing price of our Common Stock on December 31, 2018, or \$3.89, which was the final day in the fiscal year ended December 31, 2018 on which our Common Stock was traded. With respect to the Exela restricted stock units, the market value was determined based on the closing price of our Common Stock on December 31, 2018, or \$3.89.

- (6) Stock awards represent restricted stock units in Ex-Sigma. Ex-Sigma, through its wholly-owned subsidiary Ex Sigma 2, owns 77,912,500 shares of our Common Stock and 2,669,233 shares of our preferred stock (which presently are convertible into 3,263,473 shares of Common Stock). Those shares are pledged to secure certain financing incurred in connection with the Business Combination. Upon the repayment of such financing, it is anticipated that Ex-Sigma will distribute the shares of our preferred stock and Common Stock that it then owns to its members (including holders of restricted stock units) based on each member's proportionate ownership interest of Ex-Sigma at such time.
- (7) The table below shows the aggregate number of vested Ex-Sigma restricted stock units held by each named executive officer as of December 31, 2018.

Name	Aggregate RSUs Vested and Deferred as of December 31, 2018
Ronald C. Cogburn	2,169
Suresh Yannamani	1,494

#### Potential Payments Upon Termination or Change in Control

The following summaries describe the potential payments and benefits that we would provide to our named executive officers in connection with a termination of employment and/or a change in control.

#### Severance Benefits

Although we have not entered into written agreements providing Messrs. Cogburn, Reynolds or Yannamani severance benefits, upon a termination of Messrs. Cogburn's, Reynolds' or Yannamani's employment by us without cause, each of Messrs. Cogburn, Reynolds and Yannamani would be eligible for severance benefits pursuant to our current severance policy equal to continued payment of his base salary for a period of three weeks for each year of service, up to a maximum of 16 weeks. Our severance policy may be amended or terminated at any time in our sole discretion.

#### Vesting and Settlement of Outstanding Equity Awards

Each of Messrs. Cogburn and Yannamani hold restricted stock units, which represent the right to receive membership interests in Ex-Sigma. Ex-Sigma, through its wholly-owned subsidiary Ex Sigma 2, owns 77,912,500 shares of our Common Stock and 2,669,233 shares of our preferred stock (which presently are convertible into 3,263,473 shares of Common Stock). Those shares are pledged to secure certain financing incurred in connection with the Business Combination. Upon the repayment of such financing, it is anticipated that Ex-Sigma will distribute the shares of our preferred stock and Common Stock that it then owns to its members (including holders of restricted stock units) based on each member's proportionate ownership interest of Ex-Sigma at such time.

The vesting and settlement of each of Messrs. Cogburn's and Yannamani's Ex-Sigma restricted stock units will be accelerated in certain instances upon or following a change in control of Ex-Sigma. All of the Ex-Sigma restricted stock units granted to each of Messrs. Cogburn and Yannamani on April 30, 2015 and on April 29, 2016 that are unvested as of a change in control of Ex-Sigma, will vest immediately if, following the occurrence of such change in control, the grantee's employment with us

and our subsidiaries is terminated without cause (other than as a result of death or disability). In addition, such restricted stock units will be settled on the earlier of (i) the occurrence of a change in control of Ex-Sigma, and (ii) the fifth anniversary of the date of grant; provided, that, following a change in control of Ex-Sigma, each restricted stock unit that is not vested as of the date of such change in control will be settled on the earlier to occur of (i) the date on which such restricted stock unit vests (disregarding any accelerated vesting on account of a termination without cause), and (ii) if the grantee's employment is terminated without cause (other than as a result of the grantee's death or disability) within two years following the occurrence of such change in control of Ex-Sigma, the date of such termination.

Our named executive officers also hold unvested stock options and restricted stock units granted pursuant to our 2018 Plan. The 2018 Plan provides that in the event of a significant "corporate event," as defined therein, each outstanding award will be treated as the administrator determines. In addition, unless otherwise provided in an award agreement, with respect to each outstanding equity award under the 2018 Plan that is assumed or substituted in connection with a change in control, the vesting, payment, purchase or distribution of such award may not be accelerated by reason of the change in control for any award holder unless the award holder experiences an involuntary termination as a result of the change in control. For these purposes, an award holder will be deemed to experience an involuntary termination as a result of a change in control if the awardholder experiences a termination other than for cause, or otherwise experiences a termination under circumstances which entitle the award holder to mandatory severance payment(s) pursuant to applicable law.

**OWNERSHIP OF COMMON STOCK**

*Principal Holders of Common Stock*

The following table shows, based upon filings made with the Company, certain information as of April 29, 2019 concerning persons who may be deemed beneficial owners of 5% or more of the outstanding shares of Common Stock because they possessed or shared voting or investment power with respect to the shares of Common Stock.

<u>Name and Address</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class(1)</u>
Various entities affiliated with Ex-Sigma 2 LLC(2) 8550 West Desert Inn Road, Suite 102-452, Las Vegas, NV 89117	82,472,473(3)	52.9%
Various entities affiliated with Apollo Novitex Holdings, L.P.(4) 9 West 57th Street, 43rd Floor, New York, NY 10019	28,647,136	18.4%
Nantahala Capital Management, LLC(5) 19 Old Kings Highway S, Suite 200 Darien, Connecticut 06820	8,401,832	5.4%
Greenlight Capital, Inc.(6) 140 East 45th Street, 24th Floor, New York, New York 10017	8,384,629	5.4%

- (1) Percent of class refers to percentage of class beneficially owned as the term beneficial ownership is defined in Rule 13d-3 under the Securities Exchange Act of 1934 and is based upon 152,692,140 shares of Common Stock issued and 150,142,955 shares of Common Stock outstanding, 5,586,344 shares of Common Stock issuable upon conversion of the Series A Preferred Stock, as of April 29, 2019, and 102,093 RSUs that are scheduled to vest immediately prior to our Annual Meeting.
- (2) Information based on Amendment Number 2 to Schedule 13D, filed with the SEC on June 20, 2018, by HOVS LLC, HandsOn Fund 4 I LLC, HOV Capital III LLC, HOV Services Ltd., Adesi 234 LLC, HOF 2 LLC, Ex-Sigma 2 LLC, Ex-Sigma LLC, HandsOn Global Management LLC, and Par Chadha (collectively, the "HGM Reporting Persons") and includes 1,250,000 shares of Common Stock held directly by HandsOn Global Management LLC. According to the Schedule 13D, Mr. Chadha may be deemed to be the beneficial owner of, and he has shared power to vote and dispose of, the aggregate 82,425,973 shares of Common Stock held by the HGM Reporting Persons.
- (3) Share totals and ownership percentage include 3,263,473 shares of Common Stock issuable upon the conversion of 2,669,233 shares of Series A Preferred Stock. Ex-Sigma 2 LLC, a Delaware limited liability company ("Ex-Sigma 2"), directly owns 77,912,500 shares of Common Stock and 2,669,233 shares of Series A Convertible Preferred Stock, which may be converted into 3,263,473 shares of Common Stock. Ex-Sigma LLC ("Ex-Sigma") is the sole equity holder of Ex-Sigma 2. HOVS LLC, a Delaware limited liability company ("HOVS"), HandsOnFund 4 I LLC, a Nevada limited liability company ("HOF 4"), HOV Capital III, LLC, a Nevada limited liability company ("HOV 3"), each directly own interests in Ex-Sigma. HOVS is a wholly-owned subsidiary of HOV Services Ltd., an Indian limited company ("HOV Services"). Adesi 234 LLC, a Nevada limited liability company ("Adesi"), and HOF 2 LLC, a Nevada limited liability company

("HOF 2"), together own a majority of the equity interests of HOV 3. HandsOn Global Management, LLC, a Delaware limited liability company ("HGM"), owns 1,250,000 shares of Common Stock. HandsOn3, LLC, an affiliate of HGM directly owns 46,500 shares of Common Stock. Mr. Par Chadha may be deemed to control HGM, Ex-Sigma 2, Ex-Sigma, HOVS, HOF 4, HOF 3, HOV 3, Adesi, and HOF 2 LLC and each may be deemed to share beneficial ownership of the shares of Common Stock. In connection with the Business Combination, HOVS, HOF 4 and certain of their affiliates entered into a Director Nomination Agreement with the Company pursuant to which HOVS, HOF 4 and certain of their affiliates are entitled to nominate a certain number of directors to the board of the Company based on ownership thresholds in the Company. Mr. Par Chadha is currently Chairman of the board of the Company. The principal business address of Ex-Sigma 2 and HGM is 8550 West Desert Inn Road, Suite 102-452, Las Vegas, NV 89117.

- (4) Information based on Amendment Number 2 to Schedule 13D (the "13D"), filed with the SEC on April 11, 2018, relating to securities held of record by Apollo Novitex Holdings, L.P., a Delaware limited partnership ("Novitex Holdings"). Novitex Parent GP, LLC ("Novitex GP") is the general partner of Novitex Holdings. Apollo Management VII, L.P. ("Management VII") is the manager of Novitex GP, and AIF VII Management, LLC ("AIF VII LLC") is the general partner of Management VII. Apollo Management, L.P. ("Apollo Management") is the sole member-manager of AIF VII LLC, and Apollo Management GP, LLC ("Apollo Management GP") is the general partner of Apollo Management. Apollo Management Holdings, L.P. ("Management Holdings") is the sole member-manager of Apollo Management GP, and Apollo Management Holdings GP, LLC ("Management Holdings GP") is the general partner of Management Holdings. Leon Black, Joshua Harris and Marc Rowan are the managers, as well as executive officers, of Apollo Management Holdings GP and as such may be deemed to have voting and dispositive control of the shares of Common Stock held by Novitex Holdings. The address of each of Novitex Holdings, Novitex GP, Management VII, AIF VII LLC, Apollo Management, Apollo Management GP, Management Holdings and Management Holdings GP, and Messrs. Black, Harris and Rowan is 9 West 57th Street, 43rd Floor, New York, New York.
- (5) Information based on Schedule 13G, filed with the SEC on February 14, 2019 by Nantahala Capital Management, LLC, a Massachusetts limited liability company, Wilmot B. Harkey and Daniel Mack.
- (6) Information based on Schedule 13G/A, filed with the SEC on February 14, 2019, by Greenlight Capital, Inc., a Delaware corporation ("Greenlight Inc."), DME Advisors, LP, a Delaware limited partnership ("DME Advisors"), DME Capital Management, LP, a Delaware limited partnership ("DME CM"), DME Advisors GP, LLC, a Delaware limited liability company ("DME GP" and together with Greenlight Inc., DME Advisors and DME CM, "Greenlight"), and Mr. David Einhorn, the principal of Greenlight (collectively with Greenlight, the "Greenlight Reporting Persons"). Pursuant to Rule 13d-4, each of the Greenlight Reporting Persons disclaims all such beneficial ownership except to the extent of its pecuniary interest in any shares of Common Stock, if applicable.

*Common Stock Ownership by Directors and Executive Officers*

The following table presents the number of shares of Common Stock beneficially owned by the directors, the nominees for director, the named executive officers and all directors, nominees for

director and named executive officers as a group as of April 29, 2019. Individuals have sole voting and dispositive power over the stock unless otherwise indicated in the footnotes.

Name of Individual	Amount and Nature of Beneficial Ownership	Percent of Class(1)
Par Chadha(2)	82,550,718	53.0%
Ronald Cogburn(3)	—	*
James G. Reynolds(4)	—	*
Matthew H. Nord(5)	—	*
Joshua M. Black(5)	—	*
Nathaniel J. Lipman(6)	101,352	*
Gordon J. Coburn(7)	29,574	*
John H. Rexford(6)	87,598	*
Suresh Yannamani	—	*
All directors, named executive officers and other executive officers as a group (9 persons)	82,769,242	53.1%

\* Represents holdings of less than one percent.

- (1) Percent of class refers to percentage of class beneficially owned as the term beneficial ownership is defined in Rule 13d-3 under the Securities Exchange Act of 1934 and is based upon 152,692,140 shares of Common Stock issued and 150,142,955 shares of Common Stock outstanding, 5,586,344 shares of Common Stock issuable upon conversion of the Series A Preferred Stock, as of April 29, 2019, and 102,093 RSUs that are scheduled to vest immediately prior to our Annual Meeting.
- (2) The business address of Mr. Chadha is 8550 West Desert Inn Road, Suite 102-452, Las Vegas, NV 89117. Mr. Chadha is a member of HGM or its affiliates and may be deemed to beneficially own the shares of Common Stock and Series A Perpetual Convertible Preferred Stock beneficially owned by HGM or its affiliates under Rule 13d-3. Mr. Chadha disclaims beneficial ownership of any such shares beneficially owned by HGM, except to the extent of his pecuniary interest therein. See "Ownership of Voting Common Stock—Principal Holders of Voting Common Stock" above. Includes 40,045 RSUs that are scheduled to vest immediately prior to our Annual Meeting.
- (3) Mr. Cogburn is affiliated with HGM or its affiliates. Mr. Cogburn disclaims beneficial ownership of shares of Common Stock that are owned by HGM or its affiliates.
- (4) Mr. Reynolds is affiliated with HGM or its affiliates. Mr. Reynolds disclaims beneficial ownership of shares of Common Stock that are owned by HGM or its affiliates.
- (5) Messrs. Nord and Black are each affiliated with Apollo or its affiliated investment managers and advisors. Messrs. Nord and Black each disclaim beneficial ownership of the shares of Common Stock that are owned by Apollo. The address of Messrs. Nord and Black is c/o Apollo Global Management, LLC, 9 West 57th Street, 43rd Floor, New York, NY 10019.
- (6) Includes 31,024 RSUs that are scheduled to vest immediately prior to our Annual Meeting.
- (7) Mr. Coburn resigned from the board of directors on February 21, 2019.

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

We have adopted a written policy requiring that any related person transaction that would require disclosure under Item 404(a) of Regulation S-K under the Exchange Act be reviewed and approved by our audit committee or, if the audit committee is not able to review the transaction for any reason, the chairman of the audit committee. Compensation matters regarding our executive officers or directors are reviewed and approved by our compensation committee. The policy also provides that, at least annually, any such ongoing, previously approved related person transaction is to be reviewed by the audit committee to ensure that the transaction is in compliance with the audit committee's guidelines and that the transaction remains appropriate. All relevant factors with respect to a proposed related person transaction will be considered, and such a transaction will only be approved if it is in our and our stockholders' best interests. Related persons include our major stockholders and directors and officers, as well as immediate family members of directors and officers.

During 2018, Exela entered into the following transactions with related persons that are required to be reported under the SEC's rules:

### *Registration Rights Agreement*

The Company and certain stockholders, including certain entities affiliated with each of HGM and Apollo, have entered into an Amended and Restated Registration Rights Agreement, which was subsequently amended on April 10, 2018 (the "Registration Rights Agreement"). Under the Registration Rights Agreement, certain stockholders, including affiliates of HGM and Apollo, and their permitted transferees are entitled to certain registration rights described in the Registration Rights Agreement. Among other things, pursuant to the Registration Rights Agreement, affiliates of each of HGM and Apollo are each entitled to participate in five demand registrations, and also have certain "piggyback" registration rights with respect to registration statements filed subsequent to the Business Combination. In addition, Ex-Sigma, an affiliate of HGM, has the right to request up to three demand registrations for the purpose of generating proceeds to repay financing it received in connection with the closing of the Business Combination. We will bear the expenses incurred in connection with the filing of any such registration statements, other than underwriting discounts and selling commissions.

Messrs. Chadha, Cogburn, and Reynolds are each affiliated with HGM and Messrs. Black and Nord are each affiliated with Apollo. Messrs. Cogburn and Reynolds received compensation from Exela as executive officers of Exela. See "Executive Compensation" above.

### *Director Nomination Agreements*

At the closing of the Business Combination, the Company entered into a Director Nomination Agreement (the "Director Nomination Agreement") with each of Novitex Holdings, an affiliate of Apollo, and certain affiliates of HOVS LLC and HandsOn Fund 4 I, LLC, affiliates of HGM (each a "Nominating Stockholder"), which will remain in effect for so long as the applicable Nominating Stockholder (or Nominating Stockholder's affiliate) continues to beneficially own at least 5% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock). The Director Nomination Agreements require that the individuals nominated for election as directors by our board of directors shall include a number of individuals selected by each of the Nominating Stockholders such that, upon the election of each such individual, and each other individual nominated by or at the direction of our board of directors or a duly-authorized committee of the Board, as a director of our Company, the individuals selected by each Nominating Stockholder (or Nominating Stockholder's affiliate) shall be: (i) solely with respect to the Director Nomination Agreement with certain affiliates of HOVS LLC and HandsOn Fund 4 I, LLC, for so long as the applicable Nominating Stockholder beneficially owns at least 35% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding



warrants to purchase our Common Stock), three directors; (ii) for so long as the applicable Nominating Stockholder beneficially owns at least 15%, but less than 35%, of the then outstanding shares of Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), two directors; and (iii) for so long as the applicable Nominating Stockholder (or Nominating Stockholder's affiliate) beneficially owns at least 5%, but less than 15%, of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), one director. In the case of a vacancy on our board of directors created by the removal or resignation of an individual selected for nomination by a Nominating Stockholder (or Nominating Stockholder's affiliate), the Director Nomination Agreements require us to appoint another individual selected by the applicable Nominating Stockholder. The Director Nomination Agreements also provide for observation rights for each Nominating Stockholder (or Nominating Stockholder's Affiliate) to the extent that it has a right of nomination that it does not utilize.

In addition, the Director Nomination Agreements provide that for so long as a Nominating Stockholder continues to beneficially own at least 15% of the then outstanding shares of our Common Stock (without giving effect to the exercise of any outstanding warrants to purchase our Common Stock), we cannot, without the consent of such Nominating Stockholder, engage in certain related-party transactions, adopt an equity incentive plan or amend the same to increase the number of securities that may be granted thereunder, issue certain equity securities, including with a fair market value of more than \$100 million, amend our certificate of incorporation or bylaws in a manner that adversely affects such Nominating Stockholder's rights under the applicable Director Nomination Agreement or has a disproportionate impact on the interests of such Nominating Stockholder, enter into certain new lines of business, or increase or decrease the size of the board of directors or change the classes on which the members of the board of directors serve. For additional information on ownership of each of the Nominating Stockholders, see section entitled "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters—Principal Holders of Common Stock."

#### *Real Estate*

Certain operating companies lease their operating facilities from HOV RE, LLC and HOV Services Limited, which are affiliates of Ex-Sigma 2 LLC, our largest stockholder. HOV RE, LLC leases a property in Antioch, California to HOVG LLC (aka Bay Area Credit Service LLC) and to our subsidiary HOV Services, Inc., pursuant to lease agreements entered into on December 1, 2008 and September 1, 2010, respectively. Additionally, pursuant to a tripartite lease agreement dated November 14, 2016, HOV Services Limited, as landlord, rents to our subsidiaries, BancTec TPS India Private Limited, as lessee, and TransCentra FTS Private Limited, as sub-lessee, a property in Vashi, Navi Mumbai, India. The rental expense for these operating leases was \$0.7 million for the year ended December 31, 2018.

#### *Relationship with HandsOn Global Management*

Pursuant to a master agreement dated January 1, 2015 between Rule 14, LLC and SourceHOV, the Company incurs marketing fees to Rule 14, LLC, a portfolio company of HGM. In addition, SourceHOV is party to ten master agreements with entities affiliated with HGM's ventures portfolio, each of which were entered into during 2015 and 2016. Each master agreement provides SourceHOV with free use of technology and includes a reseller arrangement pursuant to which SourceHOV is entitled to sell these services to third parties. Any revenue earned by SourceHOV in such third-party sale is shared 75%/25% with each of HGM's venture affiliates in favor of SourceHOV. The brands Zuma, Athena, Peri, BancMate, Spring, Jet, Teletype, CourtQ and Rewardio are part of the HGM ventures portfolio. SourceHOV has the license to use and resell such brands. We incurred fees relating to these agreements of \$0.6 million, for the year ended December 31, 2018.

SourceHOV licenses the use of the trademark "HOV" on a non-exclusive basis from HOF 2 LLC, an affiliate of HGM, pursuant to a trademark license agreement dated April 29, 2011.

*Relationship with HOV Services, Ltd.*

HOV Services, Ltd., a former stockholder of SourceHOV who currently owns equity interest in the Company through Ex-Sigma, provides the Company data capture and technology services. The expense recognized for these services was approximately \$1.6 million for the year ended December 31, 2018.

*Consulting Agreements*

The Company receives services from Oakana Holdings, Inc. The Company and Oakana Holdings, Inc. are related through a family relationship between certain stockholders and the president of Oakana Holdings, Inc. The expense recognized for these services was approximately \$0.2 million for the year ended December 31, 2018.

The Company received consulting services from Shadow Pond, LLC. Shadow Pond, LLC is wholly-owned and controlled by Vik Negi, our Executive Vice President Treasury and Business Affairs. The consulting arrangement was established to compensate Mr. Negi for his services to the Company prior to becoming an employee. The expense recognized for these services was approximately \$0.1 million, for the year ended December 31, 2018. The consulting arrangement with Shadow Pond, LLC terminated during 2018, and Mr. Negi continues to provide services as an employee of the Company.

*Relationship with Apollo Global Management, LLC*

The Company provides services to and receives services from certain companies controlled by investment funds affiliated with Apollo.

In April 2016, our wholly owned subsidiary Exela Enterprise Solutions, Inc. ("Exela Enterprise") entered into a master services agreement with Presidio Networked Solutions Group, LLC ("Presidio Group"), a wholly owned subsidiary of Presidio, Inc., a portion of which is owned by investment funds affiliated with Apollo. Pursuant to this master services agreement, Presidio Group provides Exela Enterprise with employees, subcontractors, and/or goods and services. For the year ended December 31, 2018 there were related party expenses of \$0.7 million for this service.

On November 18, 2014, Exela Enterprise, entered into a master services agreement with Management Holdings, an indirect wholly-owned subsidiary of Apollo. Pursuant to this master services agreement, Exela Enterprise provides Management Holdings printer supplies and maintenance services, including toner maintenance, training, quarterly business review and printer procurement. The Company recognized revenue from Apollo Holdings under this agreement of approximately \$0.6 million in 2018.

On January 18, 2017, Exela Enterprise entered into a master purchase and professional services agreement with Caesars Enterprise Services, LLC ("Caesars"), a portion of which is controlled by investment funds affiliated with Apollo. Pursuant to this master purchase and professional services agreement, Exela Enterprise provides managed print services to Caesars, including general equipment operation, supply management, support services and technical support. We recognized revenue of \$4.1 million for the year ended December 31, 2018.

On May 5, 2017, Exela Enterprise entered into a master services agreement with ADT LLC, a portion of which is controlled by investment funds affiliated with Apollo. Pursuant to this master services agreement, Exela Enterprise provides ADT LLC with mailroom and onsite mail delivery services at an ADT LLC office location and managed print services, including supply management, equipment maintenance and technical support services. We recognized revenue of \$0.6 million from ADT LLC under this master services agreement for the year ended December 31, 2018.

On July 20, 2017, Exela Enterprise entered into a master services agreement with Diamond Resorts Centralized Services Company. Diamond Resorts Centralized Services Company is controlled by investment funds affiliated with Apollo. Pursuant to this master services agreement, Exela Enterprise provides commercial print and promotional product procurement services to Diamond Resorts Centralized Services Company, including sourcing, inventory management and fulfillment services. The Company recognized revenue of \$5.7 million for the year ended December 31, 2018 and cost of revenue of \$0.1 million for the year ended December 31, 2018 from Diamond Resorts Centralized Services Company under this master services agreement.

*Employment Relationships*

We have entered into the following related party employment relationships: Matt Reynolds, the brother of our chief financial officer, is employed as our Vice President—Finance, and receives a base salary of \$162,567 and may be eligible for additional incentive compensation for 2019; and Andrej Jonovic, the son-in-law of the chairman of our board of directors, is employed as our Executive Vice President, Business Strategy and Corporate Affairs and receives a base salary of \$300,000 and may be eligible for additional incentive compensation for 2019.

**OTHER MATTERS**

***Section 16(a) Beneficial Ownership Reporting Compliance***

Section 16(a) of the Securities Exchange Act of 1934 requires our executive officers, directors and persons who own more than 10% of our Common Stock to file reports with the SEC. Based solely on a review of the copies of reports furnished to us and written representations that no other reports were required, Exela believes that, during 2018, all filing requirements were met on a timely basis.

***Solicitation of Proxies***

The Company pays all of the costs of soliciting proxies. We will ask banks, brokers and other nominees and fiduciaries to forward the proxy materials to the beneficial owners of our Common Stock and to obtain the authority of executed proxies. We will reimburse them for their reasonable expenses. We did not retain a proxy solicitor in connection with our 2019 annual meeting of stockholders.

***Stockholder Proposals for 2020 Annual Meeting***

Any stockholder who intends to present a proposal for inclusion in our proxy materials for our 2020 Annual Meeting of Stockholders pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 must deliver the proposal to the Corporate Secretary of the Company at our principal executive offices, located at 2701 E. Grauwlyer Rd., Irving, Texas 75061, not less than one hundred and twenty (120) days before the date of the Company's proxy statement released to shareholders in connection with the previous year's annual meeting.

Any stockholder who intends to nominate a candidate for director election at the 2020 Annual Meeting of Stockholders or who intends to submit a proposal pursuant to our Bylaws without including such proposal in our proxy materials pursuant to Rule 14a-8 must deliver timely notice of the nomination or the proposal to the Corporate Secretary of the Company at our principal executive offices, located at 2701 E. Grauwlyer Rd., Irving, Texas 75061, in the form provided in, and by the date required by, our Bylaws. To be timely, a stockholder's notice must be delivered not more than ninety (90) days and not less than sixty (60) days prior to our 2020 Annual Meeting; provided, however, that in the event that less than seventy (70) days' notice or prior public disclosure of the date of the annual meeting is given or made to stockholders, notice must be received no later than the close of business on the tenth (10th) day following the date the notice of the annual meeting date was mailed or published. The written notice must include certain information and satisfy the requirements set forth

in our Bylaws, a copy of which will be sent to any stockholder upon written request to the Corporate Secretary of the Company.

**Communications with the Board**

Stockholders and other interested parties wishing to communicate with the Board of Directors, the non-management directors or with an individual Board member concerning the Company may do so by writing to the Board, to the non-management directors or to the particular Board member and mailing the correspondence to Exela Technologies, Inc., 2701 E. Grauwlyer Rd., Irving, Texas 75061, Attention: General Counsel and Secretary. If from a stockholder, the envelope should indicate that it contains a stockholder communication. All such communication will be forwarded to the director or directors to whom the communications are addressed.

**Householding**

Under SEC rules, a single set of proxy statements and annual reports may be sent to any household at which two or more stockholders reside if they appear to be members of the same family. Each stockholder continues to receive a separate proxy card. This procedure, referred to as "householding," reduces the volume of duplicate information stockholders receive and reduces mailing and printing expenses. At the present time, we do not "household" for any of our stockholders of record. If a stockholder holds shares in street name, however, such beneficial holder's bank, broker or other nominee may be delivering only one copy of our Proxy Statement and Annual Report on Form 10-K to multiple stockholders of the same household who share the same address, and may continue to do so, unless such stockholder's bank, broker or other nominee has received contrary instructions from one or more of the affected stockholders in the household. We will deliver promptly, upon written or oral request, a separate copy of this Proxy Statement and our Annual Report on Form 10-K to a stockholder at a shared address to which a single copy of the documents was delivered. A beneficial holder who wishes to receive a separate copy of our Proxy Statement and Annual Report on Form 10-K, now or in the future, should submit this request by writing to Exela Technologies, Inc., 2701 E. Grauwlyer Rd., Irving, Texas, Attention: Investor Relations Department, or by calling our Investor Relations Department at (972) 821-5808. Beneficial holders sharing an address who are receiving multiple copies of proxy materials and annual reports and who wish to receive a single copy of such materials in the future should contact their bank, broker or other nominee directly to request that only a single copy of each document be mailed to all stockholders at the shared address in the future. Stockholders of record receiving multiple copies of our Proxy Statement and Annual Report on Form 10-K may request householding by contacting our Investor Relations Department either in writing or by telephone at the above address or phone number.



**Directions to the 2019 Annual Meeting of Stockholders**

The Annual Meeting of Stockholders of Exela Technologies, Inc. will be held at the Company's Innovation Center, 2701 E. Grauwlyer Road, Irving, Texas, 75061, at 9:00 a.m., on Friday, May 31, 2019.

To learn more about Exela's Innovation Centers visit <https://www.exelatech.com/innovation-centers>

**From DFW Airport**

- Take TX-114 E to N Loop 12/N Walton Walker Service Rd W in Irving.
- Take the Grauwlyer Rd exit from TX-12 Loop S
- Follow N Walton Walker Service Road East and East Airport Fwy to East Grauwlyer Road

**From Dallas Love Field Airport**

- Take Herb Kelleher Way to West Mockingbird Lane
- Continue on West Mockingbird Lane
- Take TX-183 W to East Grauwlyer Road in Irving

**From Dallas**

- Take I-35E and TX-183 W to E Airport Fwy/E John Carpenter Fwy in Irving.
- Take the exit toward Grauwlyer Road/Spur 482 from TX-183 W
- Drive to East Grauwlyer Road

**YOUR VOTE IS IMPORTANT. PLEASE VOTE TODAY.**

**EXELA TECHNOLOGIES, INC.**

**2019 Annual Meeting of  
Shareholders**

**May 31, 2019  
9:00 A.M. local time**

**This Proxy is Solicited On Behalf  
Of The Board Of Directors**

**MAIL** — Mark, sign and date your proxy card and return it in the postage-paid envelope provided.

**Please Be Sure To Mark, Sign, Date and Return  
Your Proxy Card in the Envelope Provided.**

▲ FOLD HERE • DO NOT SEPARATE • INSERT IN ENVELOPE PROVIDED ▲

**PROXY**

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" PROPOSALS 1, 2 AND 3.**

Please mark  
your votes  
like this



**1. Election of Directors**

- (1) Mr. Joshua M. Black
- (2) Mr. James G. Reynolds
- (3) Mr. John H. Rexford

**FOR**  
all Nominees  
listed to  
the left

**WITHHOLD AUTHORITY**  
to vote (except as marked to  
the contrary for all nominees  
listed to the left)

**3. An advisory vote regarding the  
approval of compensation paid to our  
named executive officers.**

**FOR**

**AGAINST**

**ABSTAIN**

**(Instruction: To withhold authority to vote for any individual nominee, strike a line through that nominee's name in the list above)**

**2. Ratification of independent registered  
public accounting firm.**

**FOR**

**AGAINST**

**ABSTAIN**

**CONTROL NUMBER**

**Signature** \_\_\_\_\_ **Signature, if held jointly** \_\_\_\_\_ **Date** \_\_\_\_\_, 2019.

Note: Please sign exactly as name appears hereon. When shares are held by joint owners, both should sign. When signing as attorney, executor, administrator, trustee, guardian, or corporate officer, please give title as such.

**Important Notice Regarding the Availability of Proxy Materials for the  
Annual Meeting of Stockholders**

**The 2019 Proxy Statement and the 2018 Annual Report to Stockholders  
are available at <http://www.cstproxy.com/exelatech/2019>**

▲ FOLD HERE • DO NOT SEPARATE • INSERT IN ENVELOPE PROVIDED ▲

**PROXY**

**THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS**

**EXELA TECHNOLOGIES, INC.**

The undersigned appoints Jim Mathias and Erik Mengwall, and each of them, as proxies, each with the power to appoint his substitute, and authorizes each of them to represent and to vote, as designated on the reverse hereof, all of the shares of common stock of Exela Technologies, Inc. held of record by the undersigned at the close of business on April 26, 2019 at the Annual Meeting of Stockholders of Exela Technologies, Inc. to be held on May 31, 2019, or at any adjournment thereof.

**THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED AS INDICATED. IF NO CONTRARY INDICATION IS MADE, THE PROXY WILL BE VOTED IN FAVOR OF ELECTING THE THREE NOMINEES TO THE BOARD OF DIRECTORS AND IN FAVOR OF PROPOSAL 2, AND PROPOSAL 3, AND IN ACCORDANCE WITH THE JUDGMENT OF THE PERSONS NAMED AS PROXY HEREIN ON ANY OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE ANNUAL MEETING. THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS.**

(Continued, and to be marked, dated and signed, on the other side)