

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2021

Or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-40574

SYNCHRONOSS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

06-1594540

(I.R.S. Employer Identification No.)

**200 Crossing Boulevard, 3rd Floor
Bridgewater, New Jersey**

(Address of principal executive offices)

08807

(Zip Code)

(866) 620-3940

(Registrant's telephone number, including area code)

(Former name, former address, and former fiscal year, if changed since last report)

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller Reporting Company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.0001 par value	SNCR	The Nasdaq Stock Market, LLC
8.375% Senior Notes due 2026	SNCRL	The Nasdaq Stock Market, LLC

As of November 05, 2021, there were 88,340,870 shares of common stock issued and outstanding.

SYNCHRONOSS TECHNOLOGIES, INC.
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PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

SYNCHRONOSS TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited) (In thousands)

	September 30, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 24,141	\$ 33,671
Accounts receivable, net	39,073	47,849
Prepaid & other current assets	47,239	39,847
Total current assets	<u>110,453</u>	<u>121,367</u>
Non-current assets:		
Property and equipment, net	8,161	11,732
Operating lease right-of-use assets	27,629	34,538
Goodwill	226,840	232,771
Intangible assets, net	63,464	69,593
Loan receivable	4,834	4,834
Other assets, non-current	6,994	7,420
Total non-current assets	<u>337,922</u>	<u>360,888</u>
Total assets	<u>\$ 448,375</u>	<u>\$ 482,255</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 6,795	\$ 12,749
Accrued expenses	70,255	69,326
Deferred revenues, current	31,506	33,045
Debt, current	—	10,000
Total current liabilities	<u>108,556</u>	<u>125,120</u>
Long-term debt, net of debt issuance costs	117,494	—
Deferred tax liabilities	790	1,875
Deferred revenues, non-current	845	12,569
Leases, non-current	38,013	44,273
Other non-current liabilities	4,578	4,995
Redeemable noncontrolling interest	12,500	12,500
Total liabilities	<u>282,776</u>	<u>201,332</u>
Commitments and contingencies		
Series A Convertible Participating Perpetual Preferred Stock, \$0.0001 par value; nil and 10,000 shares authorized, nil and 250 shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	—	237,641
Series B Non-Convertible Perpetual Preferred Stock, \$0.0001 par value; 150 and nil shares authorized, 75 and nil shares issued and outstanding at September 30, 2021 and December 31, 2020, respectively	72,505	—
Stockholders' equity:		
Common stock, \$0.0001 par value; 100,000 shares authorized, 87,999 and 51,177 shares issued; 87,999 and 44,015 outstanding at September 30, 2021 and December 31, 2020, respectively	9	5
Treasury stock, at cost (nil and 7,162 shares at September 30, 2021 and December 31, 2020, respectively)	—	(82,087)
Additional paid-in capital	492,376	499,348
Accumulated other comprehensive loss	(30,911)	(28,213)
Accumulated deficit	(368,380)	(345,771)
Total stockholders' equity	<u>93,094</u>	<u>43,282</u>
Total liabilities and stockholders' equity	<u>\$ 448,375</u>	<u>\$ 482,255</u>

See accompanying notes to condensed consolidated financial statements.

SYNCHRONOSS TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net revenues	\$ 69,753	\$ 68,636	\$ 206,784	\$ 222,293
Costs and expenses:				
Cost of revenues ¹	27,245	28,452	83,024	93,403
Research and development	15,368	20,885	49,962	59,769
Selling, general and administrative	27,953	23,265	67,790	74,249
Restructuring charges	1,485	820	3,075	6,763
Depreciation and amortization	8,215	12,212	26,567	33,852
Total costs and expenses	<u>80,266</u>	<u>85,634</u>	<u>230,418</u>	<u>268,036</u>
Loss from continuing operations	(10,513)	(16,998)	(23,634)	(45,743)
Interest income	24	20	54	1,587
Interest expense	(2,933)	(72)	(3,172)	(401)
Other Income (expense)	(1,669)	2,684	(3,489)	5,743
Loss from continuing operations, before taxes	(15,091)	(14,366)	(30,241)	(38,814)
Benefit for income taxes	6,982	8,744	7,346	29,148
Net loss from continuing operations	<u>(8,109)</u>	<u>(5,622)</u>	<u>(22,895)</u>	<u>(9,666)</u>
Net income (loss) attributable to redeemable noncontrolling interests	—	(60)	286	(242)
Preferred stock dividend	(1,722)	(9,685)	(33,728)	(27,882)
Net loss attributable to Synchronoss	<u>\$ (9,831)</u>	<u>\$ (15,367)</u>	<u>\$ (56,337)</u>	<u>\$ (37,790)</u>
Earnings (loss) per share				
Basic	\$ (0.11)	\$ (0.36)	\$ (0.98)	\$ (0.90)
Diluted	<u>\$ (0.11)</u>	<u>\$ (0.36)</u>	<u>\$ (0.98)</u>	<u>\$ (0.90)</u>
Weighted-average common shares outstanding:				
Basic	<u>85,646</u>	<u>42,360</u>	<u>57,662</u>	<u>41,777</u>
Diluted	<u>85,646</u>	<u>42,360</u>	<u>57,662</u>	<u>41,777</u>

¹ Cost of revenues excludes depreciation and amortization which are shown separately.

See accompanying notes to condensed consolidated financial statements.

SYNCHRONOSS TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(Unaudited) (In thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net loss	\$ (8,109)	\$ (5,622)	\$ (22,895)	\$ (9,666)
Other comprehensive (loss) income, net of tax				
Foreign currency translation adjustments	(1,827)	1,343	(3,595)	(726)
Unrealized gain on available for sale securities	—	—	—	751
Net income on inter-company foreign currency transactions	358	864	897	1,046
Total other comprehensive (loss) income	(1,469)	2,207	(2,698)	1,071
Comprehensive loss	(9,578)	(3,415)	(25,593)	(8,595)
Comprehensive (loss) income attributable to redeemable noncontrolling interests	—	(60)	286	(242)
Comprehensive loss attributable to Synchronoss	\$ (9,578)	\$ (3,475)	\$ (25,307)	\$ (8,837)

See accompanying notes to condensed consolidated financial statements.

SYNCHRONOSS TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited) (In thousands)

	Three Months Ended September 30, 2021								Total Stockholders' Equity
	Common Stock		Treasury Stock		Additional		Accumulated Other Comprehensive Income (Loss)	Accumulated deficit	
	Shares	Amount	Shares	Amount	Paid-In Capital				
Balance at June 30, 2021	88,121	\$ 9	—	—	\$ 491,660	\$ (29,442)	\$ (360,271)	\$ 101,956	
Stock based compensation	—	—	—	—	2,438	—	—	—	2,438
Issuance of restricted stock	(122)	—	—	—	—	—	—	—	—
Preferred stock dividend	—	—	—	—	(1,722)	—	—	—	(1,722)
Net income (loss) attributable to Synchronoss	—	—	—	—	—	—	(8,109)	(8,109)	(8,109)
Total other comprehensive income (loss)	—	—	—	—	—	(1,469)	—	—	(1,469)
Balance at September 30, 2021	87,999	\$ 9	—	\$ —	\$ 492,376	\$ (30,911)	\$ (368,380)	\$ 93,094	

	Three Months Ended September 30, 2020								Total Stockholders' Equity
	Common Stock		Treasury Stock		Additional		Accumulated Other		
	Shares	Amount	Shares	Amount	Paid-In Capital	Comprehensive Income (Loss)	Accumulated deficit		
Balance at June 30, 2020	51,619	\$ 5	(7,162)	\$ (82,087)	\$ 517,794	\$ (34,397)	\$ (339,313)	\$ 62,002	
Stock based compensation	—	—	—	—	4,336	—	—	—	4,336
Issuance of restricted stock	(105)	—	—	—	—	—	—	—	—
Preferred stock dividends accrued	—	—	—	—	(8,761)	—	—	—	(8,761)
Amortization of preferred stock issuance costs	—	—	—	—	(925)	—	—	—	(925)
Net income attributable to Synchronoss	—	—	—	—	—	—	(5,622)	(5,622)	(5,622)
Non-controlling interest	—	—	—	—	60	—	(60)	—	—
Total other comprehensive income (loss)	—	—	—	—	—	2,207	—	—	2,207
Adoption of new credit loss accounting standard	—	—	—	—	—	—	18	18	18
Balance at September 30, 2020	51,514	\$ 5	(7,162)	\$ (82,087)	\$ 512,504	\$ (32,190)	\$ (344,977)	\$ 53,255	

Nine Months Ended September 30, 2021

	Common Stock		Treasury Stock		Additional		Accumulated Other Comprehensive Income (Loss)		Total
	Shares	Amount	Shares	Amount	Paid-In Capital		Accumulated deficit		
Balance at December 31, 2020	51,177	\$ 5	(7,162)	\$ (82,087)	\$ 499,348	\$ (28,213)	\$ (345,771)	\$ 43,282	
Stock based compensation	—	—	—	—	7,472	—	—	—	7,472
Issuance of restricted stock	1,676	—	—	—	1	—	—	—	1
Preferred stock dividend	—	—	—	—	(20,937)	—	—	—	(20,937)
Amortization of preferred stock issuance costs	—	—	—	—	(12,791)	—	—	—	(12,791)
Common stock issuance - Public Offering	42,308	4	—	—	109,996	—	—	—	110,000
Treasury shares used in Public Offering	(7,162)	—	7,162	82,087	(82,087)	—	—	—	—
Common Stock - Issuance Costs	—	—	—	—	(8,340)	—	—	—	(8,340)
Net income (loss) attributable to Synchronoss	—	—	—	—	—	—	(22,895)	(22,895)	
Non-controlling interest	—	—	—	—	(286)	—	286	—	
Total other comprehensive income (loss)	—	—	—	—	—	(2,698)	—	—	(2,698)
Balance at September 30, 2021	87,999	\$ 9	—	\$ —	\$ 492,376	\$ (30,911)	\$ (368,380)	\$ 93,094	

¹ Includes amortization of preferred stock issuance costs accelerated due to Series A redemption.

Nine Months Ended September 30, 2020

	Common Stock		Treasury Stock		Additional		Accumulated Other Comprehensive Income (Loss)		Total
	Shares	Amount	Shares	Amount	Paid-In Capital		Accumulated deficit		
Balance at December 31, 2019	51,704	\$ 5	(7,162)	\$ (82,087)	\$ 525,739	\$ (33,261)	\$ (334,319)	\$ 76,077	
Stock based compensation	—	—	—	—	14,406	—	—	—	14,406
Issuance of restricted stock	(188)	—	—	—	—	—	—	—	—
Preferred stock dividends accrued	—	—	—	—	(25,373)	—	—	—	(25,373)
Amortization of preferred stock issuance costs	—	—	—	—	(2,510)	—	—	—	(2,510)
Shares withheld for taxes in connection with issuance of restricted stock	(2)	—	—	—	—	—	—	—	—
Net income attributable to Synchronoss	—	—	—	—	—	—	(9,666)	(9,666)	
Non-controlling interest	—	—	—	—	242	—	(242)	—	
Total other comprehensive income (loss)	—	—	—	—	—	1,071	—	—	1,071
Adoption of new credit loss accounting standard	—	—	—	—	—	—	(750)	(750)	
Balance at September 30, 2020	51,514	\$ 5	(7,162)	\$ (82,087)	\$ 512,504	\$ (32,190)	\$ (344,977)	\$ 53,255	

See accompanying notes to condensed consolidated financial statements.

SYNCHRONOSS TECHNOLOGIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited) (In thousands)

	Nine Months Ended September 30,	
	2021	2020
Operating activities:		
Net loss continuing operations	\$ (22,895)	\$ (9,666)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	26,567	33,852
Amortization of debt issuance costs	305	—
(Gain) loss on Disposals of fixed assets	58	12
(Gain) loss on Disposals of intangible assets	(550)	(2,164)
Deferred income taxes	(1,574)	356
Stock-based compensation	7,230	14,547
Operating lease impairment	1,794	6,232
Changes in operating assets and liabilities:		
Accounts receivable, net	8,905	11,357
Prepaid expenses and other current assets	(7,275)	(5,426)
Accounts payable	(6,441)	(8,400)
Accrued expenses	8,237	10,063
Deferred revenues	(13,338)	(36,924)
Other liabilities	4,528	(5,178)
Net cash provided by (used in) operating activities	5,551	8,661
Investing activities:		
Purchases of fixed assets	(1,386)	(571)
Additions to capitalized software	(17,004)	(12,610)
Acquisition of intangible assets	—	(400)
Proceeds from the sale of intangibles	550	2,164
Maturity of marketable securities available for sale	—	11
Net cash used in investing activities	(17,840)	(11,406)
Financing activities:		
Share-based compensation-related proceeds, net of taxes paid on withholding shares	(1)	—
Taxes paid on withholding shares	(1)	(9)
Debt issuance costs related to long term debt	(7,811)	—
Proceeds from issuance of long term debt	125,000	—
Borrowings on revolving line of credit	—	10,000
Repayment of revolving line of credit	(10,000)	—
Proceeds from issuance of common stock	110,000	—
Common stock issuance costs	(8,340)	—
Proceeds from issuance of preferred stock	75,000	—
Redemption of Series A Preferred stock	(278,665)	—
Series B preferred stock issuance costs	(2,495)	—
Net cash provided by financing activities	2,687	9,991
Effect of exchange rate changes on cash	72	112
Net (decrease) increase in cash and cash equivalents	(9,530)	7,358
Cash and cash equivalents, beginning of period	33,671	39,001
Cash and cash equivalents, end of period	<u>\$ 24,141</u>	<u>\$ 46,359</u>
Supplemental disclosures of non-cash investing and financing activities:		
Paid in kind dividends on Series A Convertible Participating Perpetual Preferred Stock ¹	\$ 31,277	\$ 26,995

¹ Current year amounts include amortization of preferred stock issuance costs accelerated due to Series A redemption.

See accompanying notes to condensed consolidated financial statements.

SYNCHRONOSS TECHNOLOGIES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — UNAUDITED

(Amounts in tables in thousands, except for per share data or unless otherwise noted)

1. Description of Business***General***

Synchronoss Technologies, Inc. (“Synchronoss” or the “Company”) Digital, Cloud, Messaging and Total Network Management platforms help the world’s leading companies, including operators, original equipment manufacturers (“OEMs”), and Media and Technology providers to deliver continuously transformative customer experiences that create high value engagement and new monetization opportunities.

The Company currently operates in and markets solutions and services directly through the Company’s sales organizations in North America, Europe and Asia-Pacific. The Company’s platforms give customers new opportunities in the Telecommunications, Media and Technology (“TMT”) space, taking advantage of the rapidly converging services, connected devices, networks and applications.

The Company delivers platforms, products and solutions including:

- White Label Personal Cloud: Cloud sync, backup, storage, device set up, content transfer and content engagement for user generated content.
- Messaging: White label consumer email solutions. Advanced, multi-channel messaging peer-to-peer (“P2P”) communications and application-to-person (“A2P”) commerce solutions.
- Digital: Customer journey and workflow design, development, orchestration and experience management.
- Total Network Management (“TNM”): integrated application suite that designs, procures, manages and optimizes telecom network infrastructure.

The Synchronoss Personal Cloud™ platform is a secure and highly scalable white label platform designed to store and sync subscriber’s personally created content seamlessly to and from current and new devices. This allows a carrier’s customers to protect, engage with and manage their personal content and gives the Company’s Operator customers the ability to increase average revenue per user (“ARPU”) through a new monthly recurring charge (“MRC”) and opportunities to mine valuable data that will give subscribers access to new, beneficial services. Additionally, the Company’s Personal Cloud Platform performs an expanding set of value-add services including facilitating an Operator’s initial device setup and enhancing visibility and control across disparate devices within subscribers’ smart homes.

The Synchronoss Messaging Platform powers hundreds of millions of subscribers’ mail boxes worldwide. The Company’s Advanced Messaging Product is a powerful, secure and intelligent white label messaging platform that expands capabilities for Operators and TMT companies to offer P2P messaging via Rich Communications Services (“RCS”). Additionally, the Company’s Advanced Messaging Product powers commerce and a robust ecosystem for Operators, brands and advertisers to execute Application to Person (“A2P”) commerce and data-rich dialogue with subscribers.

The Synchronoss Digital Platform is a suite of technology, tools and solutions that includes digital experience creation and management, automated provisioning, artificial intelligence and financial analytics that service a broad array of TMT markets. The products equip customers with a toolkit of capabilities where they can design, deploy and manage end user customer journeys and workflows easily and quickly from one central platform that also integrates across front end customer engagement channels as well as enterprise business systems (e.g. CRM, POS) allowing non-citizen developers to configure rather than code experiences. The platform sits between customer-facing touch points and a customer’s existing back-office systems to orchestrate data, workflows and processes into digital customer journeys that interface with end user channels creating user experiences that can be centrally managed and coordinated with less resources than is typical in a traditional IT environment.

The Synchronoss Total Network Management application suite provides Operators with the tools and software to design their physical network, streamline their infrastructure purchases, and comprehensive network expense optimization and management for leading top tier carriers around the globe.

SYNCHRONOSS TECHNOLOGIES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — UNAUDITED

(Amounts in tables in thousands, except for per share data or unless otherwise noted)

2. Basis of Presentation and Consolidation***Basis of Presentation and Consolidation***

The accompanying interim unaudited condensed consolidated financial statements have been prepared by Synchronoss and in the opinion of management, include all adjustments necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the interim periods. They do not include all of the information and footnotes required by U.S. generally accepted accounting principles ("GAAP") for complete financial statements and should be read in conjunction with the Company's audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020. The results of operations for the three and nine months ended September 30, 2021 are not necessarily indicative of the results to be expected for the year ending December 31, 2021.

The condensed consolidated financial statements include the accounts of the Company, its wholly-owned subsidiaries and variable interest entities ("VIE") in which the Company is the primary beneficiary and entities in which the Company has a controlling interest. Investments in less than majority-owned companies in which the Company does not have a controlling interest, but does have significant influence, are accounted for as equity method investments. Investments in less than majority-owned companies in which the Company does not have the ability to exert significant influence over the operating and financial policies of the investee are accounted for using the cost method. All material intercompany transactions and accounts are eliminated in consolidation.

For further information about the Company's basis of presentation and consolidation or its significant accounting policies, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020.

Risks and Uncertainties

There continue to be uncertainties regarding the current coronavirus ("COVID-19") pandemic, and the Company is closely monitoring the impact of the pandemic on all aspects of its business, including how it will impact its customers, employees, suppliers, vendors, business partners and distribution channels. While the pandemic did not materially affect the Company's financial results and business operations for the three and nine months ended September 30, 2021, the Company is unable to predict the impact that COVID-19 will have on its financial position and operating results due to numerous uncertainties. The Company will continue to assess the evolving impact of the COVID-19 pandemic and will make adjustments to its operations as necessary.

SYNCHRONOSS TECHNOLOGIES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — UNAUDITED

(Amounts in tables in thousands, except for per share data or unless otherwise noted)

Recently Issued Accounting Standards**Recent accounting pronouncements adopted**

Standard	Description	Effect on the financial statements
Update 2019-12 - Income Taxes (Topic 740) Simplifying the Accounting for Income Taxes	The ASU removes the exception to the general principles in ASC 740, Income Taxes, associated with the incremental approach for intra-period tax allocation, accounting for basis differences when there are ownership changes in foreign investments and interim-period income tax accounting for year-to-date losses that exceed anticipated losses. In addition, the ASU improves the application of income tax related guidance and simplifies U.S. GAAP when accounting for franchise taxes that are partially based on income, transactions with government resulting in a step-up in tax basis goodwill, separate financial statements of legal entities not subject to tax, and enacted changes in tax laws in interim periods. Different transition approaches, retrospective, modified retrospective, or prospective, will apply to each income tax simplification provision.	The Company adopted the new standard as of January 1, 2021. The standard did not have a material impact on the Company's consolidated financial position or results of operations upon adoption.

Date of adoption:
January 1, 2021.**Standards issued not yet adopted**

Standard	Description	Effect on the financial statements
Update 2020-06, Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity (ASU 2020-06)	The ASU simplifies the accounting for convertible instruments by reducing the number of accounting models available for convertible debt instruments. This guidance also eliminates the treasury stock method to calculate diluted earnings per share for convertible instruments and requires the use of the if-converted method. This guidance will be effective for us in the first quarter of 2022 on a full or modified retrospective basis, with early adoption permitted. The Company does not expect the adoption of this guidance to have a material impact on its consolidated financial statements.	The Company does not expect the adoption of this guidance to have a material impact on its consolidated financial statements.

Date of adoption:
January 1, 2022.

SYNCHRONOSS TECHNOLOGIES, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — UNAUDITED
(Amounts in tables in thousands, except for per share data or unless otherwise noted)**3. Revenue**Disaggregation of revenue

The Company disaggregates revenue from contracts with customers into the nature of the products and services and geographical regions. The Company's geographic regions are the Americas, Europe, the Middle East and Africa ("EMEA"), and Asia Pacific ("APAC"). The majority of the Company's revenue is from the TMT sector.

	Three Months Ended September 30, 2021				Three Months Ended September 30, 2020			
	Cloud	Digital	Messaging	Total	Cloud	Digital	Messaging	Total
Geography								
Americas	\$ 41,090	\$ 12,486	\$ 2,426	\$ 56,002	\$ 37,806	\$ 10,211	\$ 4,249	\$ 52,266
APAC	245	1,123	6,929	8,297	—	791	8,280	9,071
EMEA	1,789	756	2,909	5,454	1,678	1,633	3,988	7,299
Total	\$ 43,124	\$ 14,365	\$ 12,264	\$ 69,753	\$ 39,484	\$ 12,635	\$ 16,517	\$ 68,636

	Nine Months Ended September 30, 2021				Nine Months Ended September 30, 2020			
	Cloud	Digital	Messaging	Total	Cloud	Digital	Messaging	Total
Geography								
Americas	\$ 115,192	\$ 34,329	\$ 17,207	\$ 166,728	\$ 117,889	\$ 33,785	\$ 23,652	\$ 175,326
APAC	245	3,166	19,878	23,289	—	2,368	24,163	26,531
EMEA	5,474	1,978	9,315	16,767	5,086	4,237	11,113	20,436
Total	\$ 120,911	\$ 39,473	\$ 46,400	\$ 206,784	\$ 122,975	\$ 40,390	\$ 58,928	\$ 222,293

	Nine Months Ended September 30, 2021				Nine Months Ended September 30, 2020			
	Cloud	Digital	Messaging	Total	Cloud	Digital	Messaging	Total
Geography								
Professional Services	\$ 11,351	\$ 6,212	\$ 8,907	\$ 26,470	\$ 14,398	\$ 10,163	\$ 14,464	\$ 39,025
Transaction Services	4,533	4,326	5	8,864	4,126	5,004	—	9,130
Subscription Services	105,027	26,435	36,365	167,827	104,451	24,254	32,965	161,670
License	—	2,500	1,123	3,623	—	969	11,499	12,468
Total	\$ 120,911	\$ 39,473	\$ 46,400	\$ 206,784	\$ 122,975	\$ 40,390	\$ 58,928	\$ 222,293

Trade Accounts Receivable and Contract balances

The Company classifies its right to consideration in exchange for deliverables as either a receivable or a contract asset. A receivable is a right to consideration that is unconditional (i.e. only the passage of time is required before payment is due). For example, the Company recognizes a receivable for revenues related to its time and materials and transaction or volume-based contracts. The Company presents such receivables in Trade accounts receivable, net in its Condensed Consolidated Statements of Financial Position at their net estimated realizable value. The Company maintains an allowance for credit losses to provide

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for the estimated amount of receivables that may not be collected. The allowance is based upon an assessment of customer creditworthiness, historical payment experience, the age of outstanding receivables and other economic indicators.

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. For example, the Company would record a contract asset if it records revenue on a professional services engagement but are not entitled to bill until the Company achieves specified milestones. Contract assets balance at September 30, 2021 is \$7.5 million.

Amounts collected in advance of services being provided are accounted for as contract liabilities, which are presented as deferred revenue on the accompanying Condensed Consolidated Balance Sheets and are realized with the associated revenue recognized under the contract. Nearly all of the Company's contract liabilities balance is related to services revenue, primarily subscription services contracts.

The Company's contract assets and liabilities are reported in a net position on a customer basis at the end of each reporting period.

Significant changes in the contract liabilities balance (current and non-current) during the period are as follows:

Contract Liabilities ¹	
Balance - January 1, 2021	\$ 45,614
Revenue recognized in the period	(207,027)
Amounts billed but not recognized as revenue	193,764
Balance - September 30, 2021	\$ 32,351

¹ Comprised of Deferred Revenue

Transaction price allocated to the remaining performance obligations

Topic 606 requires that the Company disclose the aggregate amount of transaction price that is allocated to performance obligations that have not yet been satisfied as of September 30, 2021. The Company has elected not to disclose transaction price allocated to remaining performance obligations for:

1. Contracts with an original duration of one year or less, including contracts that can be terminated for convenience without a substantive penalty;
2. Contracts for which the Company recognizes revenues based on the right to invoice for services performed;
3. Variable consideration allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct good or service that forms part of a single performance obligation in accordance with Topic 606 Section 10-25-14(b), for which the criteria in Topic 606 Section 10-32-40 have been met. This applies to a limited number of situations where the Company is dependent upon data from a third party or where fees are highly variable.

Many of the Company's performance obligations meet one or more of these exemptions. Specifically, the Company has excluded the following from the Company's remaining performance obligations, all of which will be resolved in the period in which amounts are known:

- consideration for future transactions, above any contractual minimums
- consideration for success-based transactions contingent on third party data
- credits for failure to meet future service level requirements

As of September 30, 2021, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was \$240.4 million, of which approximately 85.5 percent is expected to be recognized as revenues within 2 years, and the remainder thereafter.

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Estimates of revenue expected to be recognized in future periods also exclude unexercised customer options to purchase services that do not represent material rights to the customer. Customer options that do not represent a material right are only accounted for in accordance with Topic 606 when the customer exercises its option to purchase additional goods or services.

4. Fair Value Measurements

In accordance with accounting principles generally accepted in the United States, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-level hierarchy prioritizes the inputs used to measure fair value as follows:

- Level 1 - Observable inputs - quoted prices in active markets for identical assets and liabilities;
- Level 2 - Observable inputs other than the quoted prices in active markets for identical assets and liabilities includes quoted prices for similar instruments, quoted prices for identical or similar instruments in inactive markets, and amounts derived from valuation models where all significant inputs are observable in active markets; and
- Level 3 - Unobservable inputs - includes amounts derived from valuation models where one or more significant inputs are unobservable and require the Company to develop relevant assumptions.

The following is a summary of assets, liabilities and redeemable noncontrolling interests and their related classifications under the fair value hierarchy:

	September 30, 2021			
	Total	(Level 1)	(Level 2)	(Level 3)
Assets				
Cash and cash equivalents ¹	\$ 24,141	\$ 24,141	\$ —	\$ —
Total assets	\$ 24,141	\$ 24,141	\$ —	\$ —
Temporary equity				
Redeemable noncontrolling interests ²	\$ 12,500	\$ —	\$ —	\$ 12,500
Total temporary equity	\$ 12,500	\$ —	\$ —	\$ 12,500
December 31, 2020				
	Total	(Level 1)	(Level 2)	(Level 3)
Assets				
Cash and cash equivalents ¹	\$ 33,671	\$ 33,671	\$ —	\$ —
Total assets	\$ 33,671	\$ 33,671	\$ —	\$ —
Temporary Equity				
Redeemable noncontrolling interests ²	\$ 12,500	\$ —	\$ —	\$ 12,500
Total temporary equity	\$ 12,500	\$ —	\$ —	\$ 12,500

¹ Cash equivalents includes money market funds.

² Put arrangements held by the noncontrolling interests in certain of the Company's joint ventures.

Redeemable Noncontrolling Interests

The redeemable noncontrolling interests recorded at fair value are put arrangements held by the noncontrolling interests in certain of the Company's joint ventures. The Company recognizes changes in the redemption value immediately as they occur and adjusts the carrying value of the noncontrolling interest to the greater of the estimated redemption value, which approximates fair value, at the end of each reporting period or the initial carrying amount.

The fair value of the redeemable noncontrolling interests was estimated by applying an income approach using a discounted cash flow analysis. This fair value measurement is based on significant inputs that are not observable in the market and thus represents a Level 3 measurement. Significant changes in the underlying assumptions used to value the redeemable

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noncontrolling interests could significantly increase or decrease the fair value estimates recorded in the Condensed Consolidated Balance Sheets.

The changes in fair value of the Company's Level 3 redeemable noncontrolling interests during the nine months ended September 30, 2021 were as follows:

Balance at December 31, 2020	\$	12,500
Fair value adjustment		286
Net (income) loss attributable to redeemable noncontrolling interests		(286)
Balance at September 30, 2021	\$	<u>12,500</u>

5. Leases

The Company has entered into contracts with third parties to lease a variety of assets, including certain real estate, equipment, automobiles and other assets. The Company's leases frequently allow for lease payments that could vary based on factors such as inflation or the degree of utilization of the underlying asset. For example, certain of the Company's real estate leases could require us to make payments that vary based on common area maintenance charges, insurance and other charges. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Company is party to certain sublease arrangements, primarily related to the Company's real estate leases, where it acts as the lessee and intermediate lessor.

The Company reflects finance leases as a component of Leases, non-current on the Condensed Consolidated Balance Sheet. The finance leases were not material for the period ended September 30, 2021.

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The following table presents information about the Company's Right of Use (ROU) assets and lease liabilities at September 30, 2021:

ROU assets:

Non-current operating lease ROU assets	\$	27,629
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Operating lease liabilities:

Current operating lease liabilities ¹	\$	8,037
Non-current operating lease liabilities		37,572
Total operating lease liabilities	\$	45,609

¹ Amounts are included in Accrued Expenses on the Condensed Consolidated Balance Sheet.

The following table presents information about lease expense and sublease income for the three and nine months ended September 30, 2021:

	Three Months Ended September 30, 2021	Nine Months Ended September 30, 2021
Operating lease cost ¹	\$ 2,235	\$ 7,268
Other lease costs and income:		
Variable lease costs ¹	85	501
Operating lease impairments ^{1,2}	642	1,794
Sublease income ¹	(693)	(2,471)
Total net lease cost	<u><u>\$ 2,269</u></u>	<u><u>\$ 7,092</u></u>

¹ Amounts are included in Cost of revenues, Selling, general and administrative and/or Research and development based on the function that the underlying leased asset supports which are reflected in the Condensed Consolidated Statements of Operations.

² As part of the Company's continued cost savings initiatives, the Company closed certain office spaces and terminated various lease agreements. These actions resulted in a ROU asset impairment charge for the period, which was determined by the present value of the forecasted future cash flows for the remaining lease term.

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The following table provides the undiscounted amount of future cash flows included in our lease liabilities at September 30, 2021 for each of the five years subsequent to December 31, 2020 and thereafter, as well as a reconciliation of such undiscounted cash flows to our lease liabilities at September 30, 2021:

	Operating Leases
Remaining 2021	\$ 2,975
2022	10,870
2023	8,552
2024	8,308
2025	8,193
Thereafter	18,562
Total future lease payments	57,460
Less: amount representing interest	(11,851)
Present value of future lease payments (lease liability)	<u>\$ 45,609</u>

The following table provides the weighted-average remaining lease term and weighted-average discount rates for our leases as of September 30, 2021:

Operating Leases:

Weighted-average remaining lease term (years), weighted based on lease liability balances	6.06
Weighted-average discount rate (percentages), weighted based on the remaining balance of lease payments	8.1%

The following table provides certain cash flow and supplemental noncash information related to our lease liabilities for the nine months ended September 30, 2021:

Operating Leases:

Cash paid for amounts included in the measurement of lease liabilities	\$ 10,437
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6. Investments in Affiliates and Related Transactions***Sequential Technology International, LLC***

In connection with the divestiture of the exception handling business of the Company in 2017, Synchronoss entered into a three-year Cloud Telephony and Support services agreement (“CTS Agreement”) to grant Sequential Technology International, LLC (“STIN”) access to certain Synchronoss software and private branch exchange systems to facilitate exception handling operations required to support STIN customers.

The CTS agreement expired in the first quarter of 2020. At the time of the expiration, the Company entered into an Asset Purchase Agreement with STIN. As part of the agreement, the Company received \$1.6 million in exchange for certain hardware and system assets for the cloud telephony and remaining support service business.

During the second quarter of 2020, the Company entered into an agreement with STIN and AP Capital Holdings II, LLC (“APC”) to divest its remaining equity interest in STIN as well as settle its paid-in-kind purchase money note (“PIK note”) and certain amounts due as of December 31, 2019 in consideration for a \$9.0 million secured promissory note (the “Note”), which includes contingent consideration of up to \$16.0 million. The Note has an 8% interest rate and a 3-year stated term. As part of the arrangement, APC acquired a majority stake of STIN. Additionally, in the event of a sale of STIN by APC and STIN at a future date, the Company shall receive 5% of such sale proceeds, after reducing the sale proceeds by any outstanding amounts of the above Note, including any earned contingent consideration. The Company determined the fair value of the Note as of the

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transaction date to be approximately \$4.8 million. The Company determined the fair value of the Note using a discounted cash flow analysis, which discounts the expected future cash flows of the asset to determine its fair value. The fair value measurement is based on significant inputs not observable in the market and thus represents a Level 3 measurement. No gain or loss was recognized as a result of the transaction. As of September 30, 2021, the Company reassessed the fair value of the Note and there were no material changes.

7. Debt***Offering of Senior Notes***

On June 30, 2021, the Company closed its underwritten public offering of \$120.0 million aggregate principal amount of 8.375% senior notes due 2026 at a par value of \$25.00 per senior note (the “Senior Notes”). The offering was conducted pursuant to an underwriting agreement (the “Notes Underwriting Agreement”) dated June 25, 2021, by and among the Company and B. Riley Securities, Inc., as representative of the several underwriters (the “Notes Underwriters”). At the closing, the Company issued \$125.0 million aggregate principal amount of Senior Notes, inclusive of \$5.0 million aggregate principal amount of Senior Notes issued pursuant to the full exercise of the Notes Underwriters’ option to purchase additional Senior Notes.

The Notes Underwriting Agreement contains customary representations, warranties and covenants of the Company, customary conditions to closing, indemnification obligations of the Company and the Notes Underwriters, including for liabilities under the Securities Act, other obligations of the parties and termination provisions.

On June 30, 2021, the Company entered into an indenture (the “Base Indenture”) and a supplemental indenture (the “First Supplemental Indenture” and, together with the Base Indenture, the “Indenture”) with The Bank of New York Mellon Trust Company National Association, as trustee (the “Trustee”), between the Company and the Trustee. The Indenture establishes the form and provides for the issuance of the Senior Notes.

The Senior Notes are senior unsecured obligations of the Company and rank equally in right of payment with all of the Company’s existing and future senior unsecured and unsubordinated indebtedness. The Senior Notes are effectively subordinated in right of payment to all of the Company’s existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally subordinated to all existing and future indebtedness of the Company’s subsidiaries, including trade payables. The Senior Notes bear interest at the rate of 8.375% per annum. Interest on the Senior Notes is payable quarterly in arrears on January 31, April 30, July 31 and October 31 of each year, commencing on July 31, 2021. The Senior Notes will mature on June 30, 2026, unless redeemed prior to maturity.

The Company may, at its option, at any time and from time to time, redeem the Senior Notes for cash in whole or in part (i) on or after June 30, 2022 and prior to June 30, 2023, at a price equal to \$25.75 per Senior Note, plus accrued and unpaid interest to, but excluding, the date of redemption, (ii) on or after June 30, 2023 and prior to June 30, 2024, at a price equal to \$25.50 per Senior Note, plus accrued and unpaid interest to, but excluding, the date of redemption, (iii) on or after June 30, 2024 and prior to June 30, 2025, at a price equal to \$25.25 per Senior Note, plus accrued and unpaid interest to, but excluding, the date of redemption, and (iv) on or after June 30, 2025 and prior to maturity, at a price equal to 100% of their principal amount, plus accrued and unpaid interest to, but excluding, the date of redemption. On and after any redemption date, interest will cease to accrue on the redeemed Senior Notes.

The Indenture contains customary events of default and cure provisions. If an uncured default occurs and is continuing, the Trustee or the holders of at least 25% of the principal amount of the Senior Notes may declare the entire amount of the Senior Notes, together with accrued and unpaid interest, if any, to be immediately due and payable. In the case of an event of default involving the Company’s bankruptcy, insolvency or reorganization, the principal of, and accrued and unpaid interest on, the principal amount of the Senior Notes, together with accrued and unpaid interest, if any, will automatically, and without any declaration or other action on the part of the Trustee or the holders of the Senior Notes, become due and payable.

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The carrying amounts of the Company's borrowings were as follows:

Senior Notes	September 30, 2021	December 31, 2020
8.375% Senior Notes due 2026	\$ 125,000	\$ —
Unamortized discount and debt issuance cost ¹	(7,506)	—
Carrying value of Senior Notes	\$ 117,494	\$ —

¹ Debt issuance are deferred and amortized into interest expense using the effective interest method.

The total fair value of the outstanding Senior Notes was \$124.1 million as of September 30, 2021. The Company is in compliance with its debt covenants as of September 30, 2021.

On October 25, 2021, the Company entered into an At Market Issuance Sales Agreement (the "Sales Agreement") between the Company and B. Riley Securities, Inc. (the "Agent"), a related party, pursuant to which the Company may offer and sell, from time to time, up to \$18.0 million of the Company's 8.375% Senior Notes due 2026. Sales of the additional Senior Notes pursuant to the Sales Agreement, if any, may be made in transactions that are deemed to be "at the market offerings" as defined in Rule 415 under the Securities Act of 1933, as amended (the "Securities Act"). The Agent is not required to sell any specific number of the additional Senior Notes, but the Agent will make all sales using commercially reasonable efforts consistent with its normal trading and sales practices on mutually agreed terms between the Agent and the Company. Under the Sales Agreement, the Agent will be entitled to compensation of 2.0% of the gross proceeds of all notes sold through it as the Company's agent.

The additional Senior Notes sold pursuant to the Sales Agreement will be issued pursuant to a prospectus dated August 28, 2020, as supplemented by a prospectus supplement dated October 25, 2021, in each case filed with the Securities and Exchange Commission (the "Commission") pursuant to the Company's effective Registration Statement on Form S-3 (File No. 333-248133), which was declared effective by the Commission on August 28, 2020, and the Registration Statement on Form S-3 (File No. 333-260482), filed with the Commission pursuant to Rule 462(b) under the Securities Act on October 25, 2021. The additional Senior Notes will be issued pursuant to the Indenture, dated June 30, 2021 (the "Base Indenture"), as supplemented by the First Supplemental Indenture, dated June 30, 2021 (the "First Supplemental Indenture" and, together with the Base Indenture, the "Indenture") between The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), and the Company.

The up to \$18.0 million in aggregate principal amount of the additional Senior Notes that the Company may offer and sell under the prospectus supplement and the accompanying prospectus constitutes a further issuance of and are fungible with the \$125.0 million in aggregate principal amount of the Senior Notes that the Company has issued to date, and form a single series of debt securities. The additional Senior Notes issued will have terms identical to the initial Senior Notes and will have the same CUSIP number as, and will be fungible and vote together with, the initial Senior Notes immediately upon issuance. The additional Senior Notes (when issued) and initial Senior Notes are listed and trade on The Nasdaq Global Market under the symbol "SNCRL."

2019 Revolving Credit Facility

On October 4, 2019, the Company entered into a Credit Agreement with Citizens Bank, N.A., for a \$10.0 million Revolving Credit Facility. Borrowings under the Revolving Credit Facility bore interest at a rate equal to, at the Company's option, either (1) the arithmetic average of the LIBOR rate determined by reference to the costs of funds for U.S. dollar deposits for the interest period (one, three or six months (or 12 months if agreed to by all applicable Lenders)) as selected by the Company relevant to such borrowing plus the applicable margin, or (2) a base rate determined by reference to the greatest of the

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federal funds rate plus 0.5%, the prime commercial lending rate as determined by the Agent, and the daily LIBOR rate plus 1.0%, in each case plus an applicable margin and subject to a floor of 0.5%.

On June 30, 2021, the Company paid off the outstanding balance and closed the Revolving Credit Facility.

Interest expense

The following table summarizes the Company's interest expense:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
2021 Senior Notes due 2026				
Amortization of debt issuance costs	\$ 306	\$ —	\$ 306	\$ —
Interest on borrowings	2,617	—	2,617	—
2019 Revolving Credit Facility				
Amortization of debt issuance costs	—	12	84	40
Commitment fee	—	—	—	4
Interest on borrowings	—	59	126	141
Other ¹	10	1	39	216
Total	\$ 2,933	\$ 72	\$ 3,172	\$ 401

¹ Mainly finance leases' related interest expense

Debt issuance costs are deferred and amortized to interest expense using the effective interest method.

8. Accumulated Other Comprehensive (Loss) / Income

The changes in accumulated other comprehensive (loss) income during the nine months ended September 30, 2021 were as follows:

	Balance at December 31, 2020	Other comprehensive (loss) income	Tax effect	Balance at September 30, 2021
Foreign currency	\$ (26,076)	\$ (3,595)	\$ —	\$ (29,671)
Unrealized loss on intra-entity foreign currency transactions	(2,137)	1,361	(464)	(1,240)
Total	\$ (28,213)	\$ (2,234)	\$ (464)	\$ (30,911)

9. Stockholders' Equity**Common Stock**

Each holder of common stock is entitled to vote on all matters and is entitled to one vote for each share held. Dividends on common stock will be paid when, and if, declared by the Company's Board of Directors. No dividends have ever been declared or paid by the Company.

Common Stock Offering

On June 29, 2021, the Company closed its underwritten public offering of common stock, par value \$0.0001 per share. The offering was conducted pursuant to an underwriting agreement (the "Underwriting Agreement") dated June 24, 2021, by and between the Company and B. Riley Securities, Inc., as representative of the several underwriters (the "Underwriters") for net proceeds of \$102.3 million. At the closing, the Company issued 42,307,692 shares of common stock, inclusive of 3,846,154

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shares of common stock issued pursuant to the full exercise of the Underwriters' option to purchase additional shares of common stock. The Company used the net proceeds for the redemption of the Series A Convertible Preferred Stock.

Preferred Stock

The Company's Board of Directors (the "Board") is authorized to issue preferred shares and has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences of preferred stock.

Series B Non-Convertible Preferred Stock

On June 30, 2021, the Company closed a private placement of 75,000 shares of its Series B Perpetual Non-Convertible Preferred Stock, par value \$0.0001 per share, with an initial liquidation preference of \$1,000 per share (the "Series B Preferred Stock"), for net proceeds of \$72.5 million (the "Series B Transaction"). The sale of the Series B Preferred Stock was pursuant to the Series B Preferred Stock Purchase Agreement, dated as of June 24, 2021 (the "Series B Purchase Agreement"), between the Company and B. Riley Principal Investments, LLC ("BRPI").

In connection with the closing of the Series B Transaction, the Company (i) filed a Certificate of Designation with the State of Delaware setting forth the rights, preferences, privileges, qualifications, restrictions and limitations on the Series B Preferred Stock (the "Series B Certificate") and (ii) entered into an Investor Rights Agreement with B. Riley Financial, Inc. ("B. Riley Financial") and BRPI setting forth certain governance and registration rights of B. Riley Financial with respect to the Company.

Certificate of Designation of the Series B Preferred Stock

The rights, preferences, privileges, qualifications, restrictions and limitations of the shares of Series B Preferred Stock are set forth in the Series B Certificate. Under the Series B Certificate, the holders of the Series B Preferred Stock are entitled to receive, on each share of Series B Preferred Stock on a quarterly basis, an amount equal to the dividend rate, as described in the following sentence, divided by four and multiplied by the then-applicable Liquidation Preference per share of Series B Preferred Stock (collectively, the "Preferred Dividends"). The dividend rate is (1) 9.5% per annum for the period commencing on June 30, 2021 and ending on and including December 31, 2021, (2) 13% per annum for the year commencing on January 1, 2022 and ending on and including December 31, 2022; and (3) 14% per annum for the year commencing on January 1, 2023 and thereafter. The Preferred Dividends will be due in cash on January 1, April 1, July 1 and October 1 of each year (each, a "Series B Dividend Payment Date"). The Company may choose to pay the Series B Preferred Dividends in cash or in additional shares of Series B Preferred Stock. In the event the Company does not declare and pay a dividend in cash on any Series B Dividend Payment Date, the unpaid amount of the Preferred Dividend will be added to the Liquidation Preference. As of September 30, 2021, the Liquidation Value and Redemption Value of the Series B Preferred Shares was \$76.8 million.

On and after the fifth anniversary of the date of issuance, holders of shares of Series B Preferred Stock will have the right to cause the Company to redeem each share of Series B Preferred Stock for cash in an amount equal to the sum of the current liquidation preference and any accrued dividends. Each share of Series B Preferred Stock will also be redeemable at the option of the holder upon the occurrence of a "Fundamental Change" at (i) par in the case of a payment in cash or (ii) 1.5 times par in the case of payment in shares of Common Stock (such shares being, "Registrable Securities"), subject to certain limitations on the amount of stock that could be issued to the holders of Series B Stock. In addition, the Company will be permitted to redeem outstanding shares of the Series B Preferred Stock at any time for the sum of the then-applicable Liquidation Preference and the accrued but unpaid dividends. Pursuant to the Series B Certificate, the Company will be required to use (i) the first \$50.0 million of proceeds from certain transactions (i.e., disposition, sale of assets, tax refunds) received by the Company to redeem for cash, shares of the Series B Preferred Stock, on a pro rata basis among each holder of Series B Preferred Stock and (ii) the next \$25.0 million of proceeds from certain transactions received by the Company may be used by the Company to buy back shares of Common Stock and to the extent, not used for such purpose by the Company, to redeem, for cash, shares of the Series B Preferred Stock, on a pro rata basis among each holder of the Series B Preferred Stock.

The Company shall be required to obtain the prior written consent of the holders holding at least a majority of the outstanding shares of the Series B Preferred Stock before taking certain actions, including: (i) certain dividends, repayments and redemptions; (ii) any amendment to the Company's certificate of incorporation that adversely affects the rights,

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preferences, privileges or voting powers of the Series B Preferred Stock; and (iii) issuances of stock ranking senior or equivalent to shares of the Series B Preferred Stock (including additional shares of the Series B Preferred Stock) in the priority of payment of dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Company. Other than with respect to the foregoing consent rights, the Series B Preferred Stock is non-voting stock.

Investor Rights Agreement

On June 30, 2021, the Company, B. Riley Financial and BRPI entered into an Investor Rights Agreement (the "Investor Rights Agreement"). Pursuant to the Investor Rights Agreement, for so long as affiliates of B. Riley Financial beneficially own at least 10% of the outstanding shares of common stock (unless such equity threshold percentage is not met due to dilution from equity issuances), B. Riley Financial is entitled to nominate one Class II director (the "B. Riley Nominee") to the Company's board of directors (the "Board"), who shall be an employee of B. Riley Financial or its affiliates and is approved by the Board, such approval not to be unreasonably withheld. For so long as affiliates of B. Riley Financial beneficially own 5% or more but less than 10% of the outstanding shares of common stock (unless such equity threshold percentage is not met due to dilution from equity issuances), B. Riley Financial is entitled to certain board observer rights.

A summary of the Company's Series B Perpetual Non-Convertible Preferred Stock balance at September 30, 2021 and changes during the nine months ended September 30, 2021, are presented below:

	Series B Preferred Stock	
	Shares	Amount
Balance at December 31, 2020	—	\$ —
Issuance of Series B preferred stock	75	75,000
Issuance costs related to preferred stock	—	(2,495)
Balance at September 30, 2021	75	\$ 72,505

On October 1, 2021 the Company paid the accrued Series B Perpetual Non-Convertible Preferred Stock dividend of \$1.8 million.

Series A Convertible Preferred Stock

In accordance with the terms of the Share Purchase Agreement dated as of October 17, 2017 (the "PIPE Purchase Agreement"), with Silver Private Holdings I, LLC, an affiliate of Siris ("Silver"), on February 15, 2018, the Company issued to Silver 185,000 shares of its newly issued Series A Convertible Participating Perpetual Preferred Stock (the "Series A Preferred Stock"), par value \$0.0001 per share, with an initial liquidation preference of \$1,000 per share, in exchange for \$97.7 million in cash and the transfer from Silver to the Company of the 5,994,667 shares of the Company's common stock held by Silver (the "Preferred Transaction").

Redemption of Series A Preferred Stock

The net proceeds from the common stock public offering, Senior Note offering and the Series B transaction was used in part to fully redeem all outstanding shares of the Company's Series A Preferred Stock on June 30, 2021 (the "Redemption"). The Company redeemed in full all of the 268,917 outstanding shares of the Series A Preferred Stock for an aggregate Redemption Price of \$278.7 million and all rights under the Investor Rights Agreement relating to the Series A Preferred Stock were terminated effective with the Redemption. No Series A Preferred Stock remain outstanding or authorized as of September 30, 2021.

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A summary of the Company's Series A Convertible Participating Perpetual Preferred Stock balance at September 30, 2021 and changes during the nine months ended September 30, 2021, are presented below:

	Series A Preferred Stock	
	Shares	Amount
Balance at December 31, 2020	250	\$ 237,641
Amortization of preferred stock issuance costs	—	12,791
Issuance of preferred PIK dividend	19	18,485
Payment of preferred dividend	—	9,748
Redemption of Series A preferred shares	(269)	(278,665)
Balance at September 30, 2021	<u>—</u>	<u>\$ —</u>

The Company and Siris Capital Group, LLC ("Siris") entered into an Advisory Services Agreement dated as of May 18, 2020 under which Siris may provide consulting and advisory services to the Company on operational, business, financial and strategic matters. All obligations related to this Advisory Services Agreement were paid by the Company and the Advisory Services Agreement was terminated as of June 30, 2021.

Registration Rights

The Investor Rights Agreement entered into on June 30, 2021 provides that in the event Synchronoss issues Registrable Securities to the holders of Series B Preferred Stock, such holders will have certain demand and piggy-back registration rights with respect to such Registrable Securities. In addition, on June 30, 2021, in connection with the redemption of the Series A Preferred Stock, the Investor Rights Agreement between the Company and Silver terminated.

Stock Plans

On June 10, 2021, the Company's stockholders approved the amendment and restatement of the Company's 2015 Equity Incentive Plan to increase the number of shares issuable thereunder by 3.0 million shares. There were no significant changes to Synchronoss Technologies, Inc. 2017 New Hire Equity Incentive Plan (the "Incentive Plan") during the three and nine months ended September 30, 2021. As of September 30, 2021, there were 1.2 million shares available for the grant or award under the Company's 2015 Equity Incentive Plan and 0.4 million shares available for the grant or award under the Company's 2017 New Hire Equity Incentive Plan.

On November 1, 2021 the Incentive Plan was amended to increase the maximum number of shares of Common Stock authorized for issuance under the Incentive Plan by 566,711 shares from 1,500,000 shares to a new aggregate total of 2,066,711 shares.

The Company's performance cash awards granted to executives under the Long Term Incentive ("LTI") Plans have been accounted for as liability awards, due to the Company's intent and the ability to settle such awards in cash upon vesting and the Company has reflected such awards in accrued expenses. As of September 30, 2021, the liability for such awards is approximately \$0.2 million.

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Stock-Based Compensation

The following table summarizes stock-based compensation expense related to all of the Company's stock awards included by operating expense categories, as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Cost of revenues	\$ 432	\$ 505	\$ 1,289	\$ 1,899
Research and development	725	890	2,276	3,392
Selling, general and administrative	1,132	2,996	3,790	9,256
Total stock-based compensation expense	<u>\$ 2,289</u>	<u>\$ 4,391</u>	<u>\$ 7,355</u>	<u>\$ 14,547</u>

The following table summarizes stock-based compensation expense related to all of the Company's stock awards included by award type, as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Stock options	\$ 1,064	\$ 1,701	\$ 2,912	\$ 5,289
Restricted stock awards	1,373	2,626	4,412	8,922
Performance Based Cash Units	(148)	64	31	336
Total stock-based compensation before taxes	<u>\$ 2,289</u>	<u>\$ 4,391</u>	<u>\$ 7,355</u>	<u>\$ 14,547</u>
Tax benefit	\$ 420	\$ 604	\$ 1,357	\$ 2,192

The total stock-based compensation cost related to unvested equity awards as of September 30, 2021 was approximately \$10.9 million. The expense is expected to be recognized over a weighted-average period of approximately 1.3 years.

The total stock-based compensation cost related to unvested performance based cash units as of September 30, 2021 was approximately \$0.5 million. The expense is expected to be recognized over a weighted-average period of approximately 2.2 years.

Stock Options

The Company uses the Black-Scholes option pricing model for determining the estimated fair value for stock options. The weighted-average assumptions used in the Black-Scholes option pricing model are as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Expected stock price volatility	78.5 %	78.3 %	82.9 %	74.5 %
Risk-free interest rate	0.6 %	0.2 %	0.6 %	1.0 %
Expected life of options (in years)	4.20	4.52	4.24	4.47
Expected dividend yield	0.0 %	0.0 %	0.0 %	0.0 %
Weighted-average fair value (PSV) of the options	\$ 1.72	\$ 2.23	\$ 1.88	\$ 2.80

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The following table summarizes information about stock options outstanding as of September 30, 2021:

Options	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2020	4,423	\$ 9.60		
Options Granted	1,966	3.08		
Options Exercised	—	—		
Options Cancelled	(1,395)	9.81		
Outstanding at September 30, 2021	<u>4,994</u>	<u>\$ 6.97</u>	<u>5.07</u>	<u>\$ —</u>
Vested and exercisable at September 30, 2021	<u>1,696</u>	<u>\$ 12.76</u>	<u>3.14</u>	<u>\$ —</u>

The total intrinsic value of stock options exercisable at September 30, 2021 and 2020 was nil and nil, respectively. The total intrinsic value of stock options exercised during the nine months ended September 30, 2021 and 2020 was nil and nil, respectively.

Awards of Restricted Stock and Performance Stock

A summary of the Company's unvested restricted stock at September 30, 2021, and changes during the nine months ended September 30, 2021, is presented below:

Unvested Restricted Stock	Number of Awards	Weighted- Average Grant Date Fair Value
Unvested at December 31, 2020	1,510	\$ 7.05
Granted	2,000	3.11
Vested	(837)	7.56
Forfeited	(354)	4.38
Unvested at September 30, 2021	<u>2,319</u>	<u>\$ 3.84</u>

Restricted stock awards are granted subject to other service conditions or service and performance conditions ("Performance-Based Awards"). Restricted stock and Performance-Based Awards are measured at the closing stock price at the date of grant and are recognized straight line over the requisite service period.

Performance Based Cash Units

Performance based cash units vest at the end of a three-year period based on service and achievement of certain performance objectives determined by the Company's Board of Directors.

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A summary of the Company's unvested performance-based cash units at September 30, 2021 and changes during the nine months ended September 30, 2021, is presented below:

Unvested Cash Units	Number of Units	Period End Fair Value
Unvested at December 31, 2020	907	\$ 4.70
Granted	1,556	—
Granted adjustment ¹	(307)	—
Vested	(30)	—
Forfeited	(564)	—
Unvested at September 30, 2021	<u>1,562</u>	<u>\$ 2.40</u>

¹ Includes changes in the unvested units due to performance adjustments

Performance based cash units are measured at the closing stock price at the reporting period end date and are recognized straight line over the requisite service period. The expense for the period will increase or decrease based on updated fair values of these awards at each reporting date. Unvested units fluctuations are shown as adjustments to units granted in the table above. These fluctuations are based on the percentage achievement of the performance metrics at the end of each reporting period.

10. Income Taxes

The Company recognized an income tax benefit of approximately \$7.3 million and \$29.1 million during the nine months ended September 30, 2021 and 2020, respectively. The effective tax rate was approximately 24.3% for the nine months ended September 30, 2021, which was higher than the U.S. federal statutory rate primarily due to discrete income tax benefit recorded in the current quarter associated with the finalization of the Company's U.S. federal income tax return, which reflected a net operating loss that was carried back to prior tax years. Based on the final carryback claim, the Company recorded a discrete income tax benefit of \$7.4 million and discrete income tax expense related to a liability for unrecognized tax benefits in the amount of \$2.1 million, all of which, if recognized, would impact the Company's effective tax rate. This increase was partially offset by pre-tax losses in jurisdictions where full valuation allowances have been recorded, pre-tax losses in jurisdictions which have a zero tax rate, and certain foreign jurisdictions projecting current income tax expense. The Company's effective tax rate was approximately 75.3% for the nine months ended September 30, 2020, which was higher than the U.S. federal statutory rate primarily due to the Company's ability to recognize certain loss carrybacks as a result of the enactment of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") in the first quarter of 2020, the impact of the redemption of the Company's interest in STIN and valuation allowances recorded in domestic and foreign jurisdictions, partially offset by the impact of permanent book-tax differences. The Company continues to consider all available evidence, including historical profitability and projections of future taxable income together with new evidence, both positive and negative, that could affect the view of the future realization of deferred tax assets. As a result of the assessment, no change was recorded by the Company to the valuation allowance during the nine months ended September 30, 2021.

On March 11, 2021 the American Rescue Plan Act ("ARPA") was signed into law which is aimed at addressing the continuing economic and health impacts of the COVID-19 pandemic. This legislation relief, along with the previous governmental relief packages provide for numerous changes to current tax law. The Company does not anticipate that ARPA will have a material impact on its financial statements in the period ending September 30, 2021.

During the quarter, the Internal Revenue Service commenced an audit of certain of the Company's prior year U.S. federal income tax filings, including the 2015 through 2020 tax years. The Company does not believe that the results of this audit will have a material effect on its financial position or results of operations.

SYNCHRONOSS TECHNOLOGIES, INC.

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(Amounts in tables in thousands, except for per share data or unless otherwise noted)**11. Restructuring**

The Company continues to execute certain restructurings to identify workforce optimization opportunities to better align the Company's resources with its key strategic priorities. A summary of the Company's restructuring accrual at September 30, 2021 and changes during the nine months ended September 30, 2021, are presented below:

	Balance at December 31, 2020	Charges	Payments	Other Adjustments	Balance at September 30, 2021
Employment termination costs	\$ 1,580	\$ 3,075	\$ (2,130)	\$ —	\$ 2,525

12. Earnings per Common Share ("EPS")

Basic EPS is computed based upon the weighted average number of common shares outstanding for the year. Diluted EPS is computed based upon the weighted average number of common shares outstanding for the year plus the dilutive effect of common stock equivalents using the treasury stock method and the average market price of the Company's common stock for the year. The Company includes participating securities (Redeemable Convertible Preferred Stock - Participation with Dividends on Common Stock that contain preferred dividend) in the computation of EPS pursuant to the two-class method. The two-class method of computing earnings per share is an allocation method that calculates earnings per share for common stock and participating securities. During periods of net loss, no effect is given to the participating securities because they do not share in the losses of the Company.

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The following table provides a reconciliation of the numerator and denominator used in computing basic and diluted net income attributable to common stockholders per common share from continued and discontinued operations.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Numerator - Basic:				
Net loss from continuing operations	\$ (8,109)	\$ (5,622)	\$ (22,895)	\$ (9,666)
Net income (loss) attributable to redeemable noncontrolling interests	—	(60)	286	(242)
Preferred stock dividend ¹	(1,722)	(9,685)	(33,728)	(27,882)
Net loss attributable to Synchronoss	<u><u>\$ (9,831)</u></u>	<u><u>\$ (15,367)</u></u>	<u><u>\$ (56,337)</u></u>	<u><u>\$ (37,790)</u></u>
Numerator - Diluted:				
Net loss from continuing operations attributable to Synchronoss	\$ (9,831)	\$ (15,367)	\$ (56,337)	\$ (37,790)
Denominator:				
Weighted average common shares outstanding — basic	85,646	42,360	57,662	41,777
Dilutive effect of:				
Shares from assumed conversion of preferred stock ²	—	—	—	—
Shares from assumed conversion of Performance Based Cash Units ³	—	—	—	—
Weighted average common shares outstanding — diluted	<u><u>85,646</u></u>	<u><u>42,360</u></u>	<u><u>57,662</u></u>	<u><u>41,777</u></u>
Basic EPS				
Earnings per share:				
Basic	\$ (0.11)	\$ (0.36)	\$ (0.98)	\$ (0.90)
Diluted	\$ (0.11)	\$ (0.36)	\$ (0.98)	\$ (0.90)
Anti-dilutive stock options excluded	—	—	—	—
Unvested shares of restricted stock awards	2,319	1,952	2,319	1,952

¹ Current year amounts include amortization of preferred stock issuance costs accelerated due to Series A redemption during the second quarter.

² The calculation does not include the effect of assumed conversion of preferred stock of nil and 13,426,155 shares for the three months ended September 30, 2021 and 2020, respectively; and 14,767,557 and 12,963,664 shares for the nine months ended September 30, 2021 and 2020, respectively; which is based on 55.5556 shares per \$1,000 principal amount of the preferred stock, because the effect would have been anti-dilutive.

³ The calculation does not include the effect of assumed conversion of Performance Based Cash Units of 1,559,130 and nil shares for the three months ended September 30, 2021 and 2020, respectively; and 776,303 and nil shares for the nine months ended September 30, 2021 and 2020, respectively; which is based on 1 share per 1 Performance Based Cash Unit, because the effect would have been anti-dilutive.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS — UNAUDITED
(Amounts in tables in thousands, except for per share data or unless otherwise noted)**13. Commitments, Contingencies and Other*****Purchase Obligations***

Aggregate annual future minimum payments under non-cancelable agreements are as follows:

Year	Non-cancelable agreements
2021	\$ 4,788
2022	21,696
2023	14,541
2024 and thereafter	21,995
Total	<u>\$ 63,020</u>

Legal Matters

In the ordinary course of business, the Company is regularly subject to various claims, suits, regulatory inquiries and investigations. The Company records a liability for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable, and the loss can be reasonably estimated. Management has also identified certain other legal matters where they believe an unfavorable outcome is not probable and, therefore, no reserve is established. Although management currently believes that resolving claims against the Company, including claims where an unfavorable outcome is reasonably possible, will not have a material impact on the Company's business, financial position, results of operations, or cash flows, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. The Company also evaluates other contingent matters, including income and non-income tax contingencies, to assess the likelihood of an unfavorable outcome and estimated extent of potential loss. It is possible that an unfavorable outcome of one or more of these lawsuits or other contingencies could have a material impact on the liquidity, results of operations, or financial condition of the Company.

On May 1, 2017, May 2, 2017, June 8, 2017 and June 14, 2017, four putative class actions were filed against the Company and certain of its current and former officers and directors in the United States District Court for the District of New Jersey (the "Securities Law Action"). After these cases were consolidated, the court appointed as lead plaintiff Employees' Retirement System of the State of Hawaii, which filed, on November 20, 2017, a consolidated complaint purportedly on behalf of purchasers of the Company's common stock between February 3, 2016 and June 13, 2017. On February 2, 2018, the defendants moved to dismiss the consolidated complaint in its entirety, with prejudice. Before that motion was decided, on August 24, 2018, lead plaintiff filed a consolidated amended complaint purportedly on behalf of purchasers of the Company's common stock between October 28, 2014 and June 13, 2017. On June 28, 2019, the Court granted defendants' motion to dismiss the consolidated amended complaint in its entirety, without prejudice, allowing lead plaintiff leave to amend its complaint. On August 14, 2019, lead plaintiff filed a second amended complaint. The second amended complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and it alleges, among other things, that the defendants made false and misleading statements of material information concerning the Company's financial results, business operations, and prospects. The plaintiff seeks unspecified damages, fees, interest, and costs. On October 4, 2019, the defendants moved to dismiss the second amended complaint in its entirety. On May 29, 2020, the Court granted in part and denied in part defendants' motion to dismiss the second amended complaint, without prejudice. Plaintiff filed its motion for class certification on October 30, 2020.

On September 15, 2017, October 24, 2017, October 27, 2017 and October 30, 2017, Company shareholders filed derivative lawsuits against certain of the Company's current and former officers and directors and the Company (as nominal defendant) in the United States District Court for the District of New Jersey (the "Derivative Suits"). On May 24, 2018, the Court consolidated the Derivative Suits and appointed Lisa LeBoeuf as lead plaintiff. The lead plaintiff designated as the Operative Complaint the complaint she previously had filed on October 27, 2017. On March 11, 2019, the defendants filed a motion to dismiss the Operative Complaint, which the Court granted in substantial part on November 26, 2019. On December 10, 2019, the defendants filed a motion for reconsideration respecting the only claim to survive the motion to dismiss. On June 12, 2020,

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the Court granted the defendants' motion for reconsideration and dismissed the remaining claim without prejudice, allowing lead plaintiff leave to amend her complaint. On July 13, 2020, lead plaintiff filed an amended complaint. The amended complaint alleges claims related to breaches of fiduciary duties and unjust enrichment. The amended complaint's allegations relate to substantially the same facts as those underlying the Securities Law Action described above. On April 30, 2021, the Court dismissed Plaintiff's amended complaint in its entirety. Plaintiff filed a notice of appeal on May 28, 2021.

On March 7, 2019, Synchronoss shareholders, Beth Daniel and Juan Solis, filed a separate derivative lawsuit against certain of the Company's current and former officers and directors and the Company (as nominal defendant) in the Court of Chancery of the State of Delaware, asserting substantially the same allegations as those underlying the Derivative Suits and the Securities Law Action described above (the "Delaware Litigation"). Plaintiffs seek unspecified damages and for the Company to take steps to improve its corporate governance and internal procedures. On May 20, 2019, the parties stipulated to a stay of the action pending a ruling on the pending motion to dismiss in the Derivative Suits.

On June 11, 2020 and June 12, 2020, Company shareholders filed derivative lawsuits against certain of the Company's current and former officers and directors and the Company (as nominal defendant) in the United States District Court for the District of New Jersey (the "Demand Refused Derivative Complaints" and together with the Delaware Litigation and the Derivative Suits, the "Derivative Actions"). The Demand Refused Derivative Complaints allege claims related to breaches of fiduciary duty, unjust enrichment, and alleged violations of securities laws. The complainants' allegations relate substantially to the same facts as those underlying the Securities Law Action described above. The Demand Refused Derivative Complaints further allege that each plaintiff made a demand upon the Company's Board of Directors to investigate the alleged misconduct and that such demand was wrongfully refused. Plaintiffs seek unspecified damages and for the Company to take steps to improve its corporate governance and internal procedures. On October 20, 2020, the Court consolidated the actions and appointed co-lead plaintiffs. On December 4, 2020, co-lead plaintiffs filed a consolidated amended complaint. On February 3, 2021, the defendants filed motions to dismiss the amended complaint.

On May 7, 2021, a mediation took place concerning the Securities Law Action and the Derivative Actions. On August 19, 2021, the parties to the Securities Law Action entered into a stipulation of settlement. The Court preliminarily approved the proposed settlement in the Securities Law Action on August 25, 2021, and a settlement hearing is scheduled for December 8, 2021. On September 9, 2021, the parties to the Derivative Actions entered into a stipulation of settlement. The Court preliminarily approved the proposed settlement in the Derivative Actions on September 14, 2021, and a settlement hearing is scheduled for November 30, 2021. Due to the inherent uncertainties of litigation, the Company cannot predict the outcomes of the settlement hearings and gives no assurance that the asserted claims in the Securities Law Action or the Derivative Actions will not have a material adverse effect on the Company's financial position, prospects, or results of operations.

In the third quarter of 2017, the SEC and Department of Justice initiated investigations in connection with the June 2017 Announcement and certain transactions that the Company restated in the third quarter of 2018. The Company has received subpoenas, produced documents, and provided additional information to the government in connection with those investigations. On June 22, 2021, the Securities and Exchange Commission ("SEC") staff verbally notified the Company that the staff has made a preliminary determination to recommend that the SEC initiate an enforcement action against the Company. This is in connection with certain financial transactions that the Company effected in 2015 and 2016 and its disclosure of and accounting for such transactions, which the Company restated in the third quarter of 2018 in its restated annual and quarterly financial statements for 2015 and 2016. That restatement followed the Company's announcement, on June 13, 2017 (the "June 2017 Announcement"), that certain of its prior financial statements would need to be restated. Certain individuals, including certain former members of Synchronoss' management team, received similar notifications. The Company remains in discussions with the SEC staff regarding the prospect of resolving this matter through settlement. If the Company is unable to resolve this matter through settlement then it would expect to receive a "Wells notice" from the SEC staff in connection with this matter. Although a Wells notice is neither a formal charge of wrongdoing nor a final determination that the recipient has violated any law, it is a formal notice that the SEC intends to bring an enforcement action against the recipient. Upon receipt of a Wells notice, the recipient has the opportunity to respond to the SEC staff's position before any formal enforcement action is taken. Due to the inherent uncertainties of government investigations, the Company cannot predict the outcome of these

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government investigations or the SEC staff's preliminary determination at this time and can give no assurance that the asserted claims will not have a material adverse effect on its financial position, prospects, or results of operations.

Except as set forth above, the Company is not currently subject to any other legal proceedings that could have a material adverse effect on its operations; however, the Company may from time to time become a party to various legal proceedings arising in the ordinary course of our business. The Company is currently the plaintiff in several patent infringement cases. The defendants in several of these cases have filed counterclaims. Although the Company cannot predict the outcome of the cases at this time due to the inherent uncertainties of litigation, the Company continues to pursue its claims and believes that the counterclaims are without merit, and the Company intends to defend all such counterclaims.

14. Additional Financial Information

Other Income, net

The following table sets forth the components of included in the Other Income, net included in the Condensed Consolidated Statements of Operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
FX gains (losses) ¹	\$ (1,752)	\$ 2,228	\$ (4,055)	\$ 2,330
Government refunds	195	322	199	874
Income from sale of intangible assets ²	—	—	550	2,164
Other ³	(112)	134	(183)	375
Total	\$ (1,669)	\$ 2,684	\$ (3,489)	\$ 5,743

¹ Fair value of foreign exchange gains and losses

² Represents gain on sale of certain of the Company's IP addresses and Patents

³ Represents an aggregate of individually immaterial transactions

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of our management on our financial condition, results of operations, liquidity and certain other factors that may affect our future results. The following discussion and analysis should be read in conjunction with our Condensed Consolidated Financial Statements and the related notes included in Item 1 "Financial Information" of this Form 10-Q.

The words "Synchronoss," "we," "our," "ours," "us," and the "Company" refer to Synchronoss Technologies, Inc. and its consolidated subsidiaries. This quarterly report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties and are based on the beliefs and assumptions of our management based on information currently available to our management. Use of words such as "believes," "expects," "anticipates," "intends," "plans," "hopes," "should," "continues," "seeks," "likely" or similar expressions, indicate a forward-looking statement. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions, including, but not limited to, risks, uncertainties and assumptions relating to the duration and severity of the COVID-19 pandemic and its impact on our business and financial performance. Actual results may differ materially from the forward-looking statements we make. We caution investors not to place substantial reliance on the forward-looking statements included in this quarterly report. These statements speak only as of the date of this quarterly report, and we undertake no obligation to update or revise the statements in light of future developments. All numbers are expressed in thousands unless otherwise stated.

Overview

Synchronoss Technologies, Inc. ("Synchronoss" or the "Company") is a global software and services company that provides essential technologies for the mobile transformation of business. The Company's portfolio contains offerings such as personal cloud, secure-mobility, identity management and scalable messaging platforms, products and solutions. These essential technologies create a better way of delivering the transformative mobile experiences that the Company's customers need to help them stay ahead of the curve in competition, innovation, productivity, growth and operational efficiency.

Synchronoss' products and platforms are designed to be carrier-grade, flexible and scalable, enabling multiple converged communication services to be managed across a range of distribution channels including e-commerce, m-commerce, telesales, customer stores, indirect and other retail outlets. This business model allows the Company to meet the rapidly changing converged services and connected devices offered by their customers. Synchronoss' products, platforms and solutions enable its customers to acquire, retain and service subscribers and employees quickly, reliably and cost-effectively with white label and custom-branded solutions. Synchronoss' customers can simplify the processes associated with managing the customer experience for procuring, activating, connecting, backing-up, synchronizing and sharing/collaboration with connected devices and contents from these devices and associated services. The extensibility, scalability, reliability and relevance of the Company's platforms enable new revenue streams and retention opportunities for their customers through new subscriber acquisitions, sale of new devices, accessories and new value-added service offerings in the Cloud. By using the Company's technologies, Synchronoss' customers can optimize their cost of operations while enhancing their customer experience.

The Company currently operates in and markets its solutions and services directly through its sales organizations in North America, Europe and Asia-Pacific.

Impacts of COVID-19

Although COVID-19 has not significantly affected our business to date, this disclosure discusses the actions the Company has taken in response to the COVID-19 crisis and the impacts that the situation has had on our business, as well as related known or expected trends.

The continued impact of COVID-19 on the macroeconomy and our business will depend significantly on the effectiveness and distribution of the vaccine, the potential cyclical nature of the health crisis and the related public policy actions, market or regulatory needs or demands, the length and severity of the global economic slowdown, and whether and how our customers change their behaviors over the longer term. As a result, the demand for our products and services, as well as our overall results

of operations, may be materially and adversely impacted by the pandemic for the duration of 2021 or longer, and we are unable to predict the duration or degree of such impact with any certainty.

In response to the ongoing COVID-19 pandemic, we continue to execute our business continuity plans and evolve our operations to protect the safety of our employees while continuing to provide critical products and services to our customers. Some of the key initiatives the Company continues to execute include:

- Working safely and effectively with new and existing customers to continue to provide our products and services through the pandemic
- Continuing to enhance and modify our safety protocols for our employees
- Adjusting business operations to address circumstances created by COVID-19
- Maintaining effective governance and internal controls in a remote work environment

As the pandemic continues, we may revise our approach to these initiatives or take additional actions to meet the needs of our employees, customers and the Company and to continue to provide our products and services.

Revenues

We generate most of our revenues on a per transaction or subscription basis, which is derived from contracts that extend up to 60 months from execution.

The future success of our business depends on the continued growth of Business-to-Business and Business-to-Business-to-Consumer driving customer transactions, and continued expansion of our platforms into the TMT Market globally through Cloud, Messaging and Digital markets. As such, the volume of transactions and our ability to expand our footprint in TMT and globally may result in revenue fluctuations on a quarterly basis.

Most of our revenues are recorded in U.S. dollars but as we continue to expand our footprint with international carriers, we will become subject to currency translation that could affect our future net sales as reported in U.S. dollars.

Our top five customers accounted for 69.2% and 69.0% of net revenues for the nine months ended September 30, 2021 and September 30, 2020, respectively. Contracts with these customers typically run for three to five years. Of these customers, Verizon accounted for more than 10% of our revenues in 2021 and 2020. The loss of Verizon as a customer would have a material negative impact on our company. However, we believe that the costs incurred and subscriber disruption by Verizon to replace Synchronoss' solutions would be substantial.

Current Trends Affecting Our Results of Operations

As the COVID-19 pandemic continues to evolve, we are actively monitoring the global situation. The extent of the continuing impact of the COVID-19 pandemic on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our customers and our sales cycles, impact on our business operations, impact on our customer, employee or industry events, and effect on our vendors, all of which are uncertain and cannot be predicted. The extent to which the COVID-19 pandemic may continue to impact our business, financial condition or results of operations is uncertain, but may include, without limitation, impacts to our paying user growth as well as disruptions to our business operations as a result of travel restrictions, shutdown of workplaces and potential impacts to our vendors. Additionally, our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates relative to U.S. dollars, our reporting currency, as well as changes in interest rates. Volatile market conditions arising from the COVID-19 pandemic have and may continue to negatively impact our results of operations and cash flows, due to a weakening of foreign currencies relative to the U.S. dollar, which may cause our revenues to decline relative to our costs.

Business from our Synchronoss Personal Cloud™ solution has been driven by the growth in mobile devices globally that are becoming content rich. As these devices replace other traditional devices like PCs, the ability to securely back up content from mobile devices, sync it with other devices and share it with family, friends and business associates have become essential needs and subscriber expectations. Such devices include smartphones, connected cars, personal health and wellness devices and

connected home devices. The need for the contents of these devices to be stored in a common cloud are also expected to be drivers of our business in the longer term.

Business from our traditional Synchronoss Messaging business (Email) has been driven by a resurgence in the need for white label secure messaging platforms that favor the Mobile Network Operator's ("MNO") business objectives and are not beholden to the objectives of a sponsoring over-the-top ("OTT") platform. We believe that messaging drives higher subscriber engagement than any other application in the market today and holds the potential to stimulate new revenue from traditional services and third-party brands. OTT global success has driven MNOs to look at opportunities to preempt and compete with the OTTs which has potential opportunity for Synchronoss' future growth to be driven by the need of TMT companies including (and especially) MNOs to embrace Messaging as a Platform ("MaaP"). MaaP will allow TMT and MNO's to converse with subscribers in an efficient, automated way by streamlining the costs and increasing the effectiveness of self-care, as well as yielding cross-sell upselling of service plans, devices, bundles, etc. The Synchronoss Advanced Messaging Platform provides state of the art RCS-driven features including the ability to support advanced Peer to Peer communications and introduce new revenue streams driven by commerce and advertising via Application-to-Person capabilities.

Companies in the TMT market all face the dilemma of attempting to pivot their businesses to digital execution in order to create experiences that meet the expectations of their subscribers, generate new revenues and streamline costs creating healthier margins at a faster time to market than they have ever operated before. Their challenges feature the lack of skill sets to conceptualize and run day to day digital operations and the lack of resources to integrate their legacy back end systems to enact digital experiences that achieve their business objectives. The growth of Synchronoss Digital Platforms will be driven by the ability to provide TMT companies' desire to obtain digital transformation solutions as quickly as possible while educating them on the ability to operate a digital business efficiently. Our Platform as a Service ("PaaS") model provides a desirable alternative to heavy capital expenditure spending options often tried internally. The ability for our platforms to create low/no code, new customer digital journeys, virtually on the fly, gives TMT Companies the ability to operate new experiences and businesses without heavily investing in development resources.

To support our growth, which we expect to be driven by these favorable industry trends mentioned above, we will leverage modular components from our existing software platforms to build new products. We believe that these opportunities will continue to provide future benefits and position us for future revenue growth. We are also making investments in research and development of new products designed to enable us to grow rapidly in the mobile wireless market. Our purchase of capital assets and equipment may also increase based on aggressive deployment, subscriber growth and promotional offers for free or bundled storage by our major Tier 1 carrier customers.

We continue to expand our platforms into the converging TMT, MNO, and Digital spaces to enable connected devices to do more things across multiple networks, brands and communities. Our initiatives with our customers continue to grow both with regard to our current business as well as our new product offerings. We are also exploring additional opportunities to support our customer, product and geographic diversification strategies.

Discussion of the Condensed Consolidated Statements of Operations

Three months ended September 30, 2021 compared to the three months ended September 30, 2020

The following table presents an overview of our results of operations for the three months ended September 30, 2021 and 2020 (in thousands):

	Three Months Ended September 30, 2021		\$ Change 2021 vs 2020
	2021	2020	
Net revenues	\$ 69,753	\$ 68,636	\$ 1,117
Cost of revenues ¹	27,245	28,452	(1,207)
Research and development	15,368	20,885	(5,517)
Selling, general and administrative	27,953	23,265	4,688
Restructuring charges	1,485	820	665
Depreciation and amortization	8,215	12,212	(3,997)
Total costs and expenses	80,266	85,634	(5,368)
Loss from continuing operations	\$ (10,513)	\$ (16,998)	\$ 6,485

¹ Cost of revenues excludes depreciation and amortization which are shown separately.

Net revenues increased \$1.1 million to \$69.8 million for the three months ended September 30, 2021, compared to the same period in 2020. The increase in revenue is primarily driven by growth in cloud subscribers and new digital license sales partially offset by non-recurring advanced messaging deals in the prior period.

Cost of revenues decreased \$1.2 million to \$27.2 million for the three months ended September 30, 2021, compared to the same period in 2020. The 2021 decrease was primarily attributable to continued efforts to streamline our business operations and reduce costs.

Research and development expense decreased \$5.5 million to \$15.4 million for the three months ended September 30, 2021, compared to the same period in 2020. The research and development costs decreased year over year mainly as a result of executed cost savings initiatives to streamline our workforce and reduce vendor spend.

Selling, general and administrative expense increased \$4.7 million to \$28.0 million for the three months ended September 30, 2021, compared to the same period in 2020. Our selling, general and administrative expense excluding legal reserves decreased period over period as a result of the continued cost savings initiatives executed in year which included headcount reductions, reduced vendor spending and lower facility costs.

Restructuring charges were \$1.5 million and \$0.8 million for the three months ended September 30, 2021 and 2020, respectively, which primarily related to employment termination costs as a result of the work-force reductions initiated in the current year to reduce operating costs and align our resources with our key strategic priorities.

Depreciation and amortization expense decreased \$4.0 million to \$8.2 million for the three months ended September 30, 2021, compared to the same period in 2020. The 2021 decrease was primarily attributable to the expiration of amortizable acquired assets in combination with reduced capital expenditures mainly as a result of the data center consolidation project and efforts to streamline business operations, partially offset by the increased amortization of capitalized software.

Income tax. The Company recognized an income tax benefit of approximately \$7.0 million and \$8.7 million during the three months ended September 30, 2021 and 2020, respectively. The effective tax rate was approximately 46.3% for the three months ended September 30, 2021, which was higher than the U.S. federal statutory rate primarily due to discrete income tax benefit recorded in the current quarter associated with the finalization of the Company's U.S. federal income tax return, which reflected a net operating loss that was carried back to prior tax years. Based on the final carryback claim, the Company recorded a discrete income tax benefit of \$7.4 million and discrete income tax expense related to a liability for unrecognized tax benefits in the amount of \$2.1 million, all of which, if recognized, would impact our effective tax rate. This increase was partially offset

by pre-tax losses in jurisdictions where full valuation allowances have been recorded, pre-tax losses in jurisdictions which have a zero tax rate, and certain foreign jurisdictions projecting current income tax expense. The Company's effective tax rate was approximately 60.9% for the three months ended September 30, 2020, which was higher than the U.S. federal statutory rate primarily due to the Company's ability to recognize certain loss carrybacks as a result of the enactment of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") in the first quarter of 2020, the impact of the redemption of the Company's interest in STIN and valuation allowances recorded in domestic and foreign jurisdictions, partially offset by the impact of permanent book-tax differences.

Discussion of the Condensed Consolidated Statements of Operations

Nine months ended September 30, 2021 compared to the nine months ended September 30, 2020

The following table presents an overview of our results of operations for the nine months ended September 30, 2021 and 2020 (in thousands):

	Nine Months Ended September 30,		\$ Change 2021 vs 2020
	2021	2020	
Net revenues	\$ 206,784	\$ 222,293	\$ (15,509)
Cost of revenues ¹	83,024	93,403	(10,379)
Research and development	49,962	59,769	(9,807)
Selling, general and administrative	67,790	74,249	(6,459)
Restructuring charges	3,075	6,763	(3,688)
Depreciation and amortization	26,567	33,852	(7,285)
Total costs and expenses	230,418	268,036	(37,618)
Loss from continuing operations	\$ (23,634)	\$ (45,743)	\$ 22,109

¹ Cost of revenues excludes depreciation and amortization which are shown separately.

Net revenues decreased \$15.5 million to \$206.8 million for the nine months ended September 30, 2021, compared to the same period in 2020. The decrease in revenue is primarily attributable to non-recurring license sales and one-time professional services in the prior period and the accounting treatment of deferred revenue due to a customer renewal as per ASC 606, which was signed in the third quarter of fiscal 2020. These changes were partially offset by growth in cloud subscribers and the acceleration of subscription revenue from the dissolution of a previous customer.

Cost of revenues decreased \$10.4 million to \$83.0 million for the nine months ended September 30, 2021, compared to the same period in 2020. The 2021 decrease was primarily due to continued efforts to streamline operations and reduce costs. These initiatives resulted in a significant decrease in cost of revenues driven mainly by data center consolidation, reduced vendor spending, and operating expense savings.

Research and development expense decreased \$9.8 million to \$50.0 million for the nine months ended September 30, 2021, compared to the same period in 2020. The research and development costs decreased year over year mainly as a result of executed cost savings initiatives to streamline our workforce and reduce vendor spend.

Selling, general and administrative expense decreased \$6.5 million to \$67.8 million for the nine months ended September 30, 2021, compared to the same period in 2020. The 2021 decrease was primarily driven by cost savings initiatives that resulted in a decrease in employee costs, facilities, and external costs related to outside consultants and legal fees.

Restructuring charges decreased \$3.7 million to \$3.1 million for the nine months ended September 30, 2021, compared to the same period in 2020, which primarily related to employment termination costs as a result of the work-force reductions initiated in the current year to reduce operating costs and align our resources with our key strategic priorities.

Depreciation and amortization expense decreased \$7.3 million to \$26.6 million for the nine months ended September 30, 2021, compared to the same period in 2020. The 2021 decrease was primarily attributable to the expiration of amortizable

acquired assets in combination with reduced capital expenditures mainly as a result of the data center consolidation project and efforts to streamline business operations, partially offset by the increased amortization of capitalized software.

Income tax. The Company recognized an income tax benefit of approximately \$7.3 million and \$29.1 million during the nine months ended September 30, 2021 and 2020, respectively. The effective tax rate was approximately 24.3% for the nine months ended September 30, 2021, which was higher than the U.S. federal statutory rate primarily due to discrete income tax benefit recorded in the current quarter associated with the finalization of the Company's U.S. federal income tax return, which reflected a net operating loss that was carried back to prior tax years. Based on the final carryback claim, the Company recorded a discrete income tax benefit of \$7.4 million and discrete income tax expense related to a liability for unrecognized tax benefits in the amount of \$2.1 million, all of which, if recognized, would impact our effective tax rate. This increase was partially offset by pre-tax losses in jurisdictions where full valuation allowances have been recorded, pre-tax losses in jurisdictions which have a zero tax rate, and certain foreign jurisdictions projecting current income tax expense. The Company's effective tax rate was approximately 75.3% for the nine months ended September 30, 2020, which was higher than the U.S. federal statutory rate primarily due to the Company's ability to recognize certain loss carrybacks as a result of the enactment of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") in the first quarter 2020, the impact of the redemption of the Company's interest in STIN and valuation allowances recorded in domestic and foreign jurisdictions, partially offset by the impact of permanent book-tax differences. The Company continues to consider all available evidence, including historical profitability and projections of future taxable income together with new evidence, both positive and negative, that could affect the view of the future realization of deferred tax assets. As a result of the assessment, no change was recorded by the Company to the valuation allowance during the nine months ended September 30, 2021.

Liquidity and Capital Resources

As of September 30, 2021, our principal sources of liquidity were cash provided by operations and the remaining proceeds from the financing transactions. Our cash and cash equivalents balance was \$24.1 million at September 30, 2021. We anticipate that our principal uses of cash and cash equivalents will be to fund our business, including technology expansion and working capital.

At September 30, 2021, our non-U.S. subsidiaries held approximately \$9.0 million of cash and cash equivalents that are available for use by our operations around the world. At this time, we believe the funds held by all non-U.S. subsidiaries will be permanently reinvested outside of the U.S. However, if these funds were repatriated to the U.S. or used for U.S. operations, certain amounts could be subject to U.S. tax for the incremental amount in excess of the foreign tax paid. Due to the timing and circumstances of repatriation of these earnings, if any, it is not practical to determine the unrecognized deferred tax liability related to the amount.

We believe that our cash, cash equivalents, financing sources, and our ability to manage working capital and expected positive cash flows generated from operations in combination with continued expense reductions will be sufficient to fund our operations for the next twelve months from the filing date of this Form 10-Q based on our current business plans. However, as the impact of the COVID-19 pandemic on the economy and our operations evolves, we will continue to assess our liquidity needs. Given the economic uncertainty as a result of the pandemic, we have taken actions to improve our current liquidity position, including, reducing working capital, reducing operating costs and substantially reducing discretionary spending. Even with these actions however, an extended period of economic disruption as a result of the continued global impact of COVID-19 could materially affect our business, results of operations, ability to meet debt covenants, access to sources of liquidity and financial condition. Our liquidity plans are subject to a number of risks and uncertainties, including those described in the "Forward-Looking Statements" section of this MD&A and Part I, Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2020, some of which are outside of our control.

Redemption of Series A Preferred Stock

The net proceeds from our public offering of common stock, Senior Note offering and the Series B Preferred Stock transaction was used in part to fully redeem all outstanding shares of Series A Preferred Stock on June 30, 2021 (the "Redemption").

For further details, see **Note 7. Debt** and **Note 9. Stockholders' Equity** of the Notes to Condensed Consolidated Financial Statements in Item 1 of this Form 10-Q.

Series B Preferred Stock

On June 30, 2021, we closed a private placement of 75,000 shares of Series B Preferred Stock, for an aggregate purchase price of \$75.0 million. The holders of the Series B Preferred Stock are entitled to receive, on each share of Series B Preferred Stock on a quarterly basis, an amount equal to the dividend rate, as described in the following sentence, divided by four and multiplied by the then-applicable Liquidation Preference (as defined in the Series B Certificate) per share of Series B Preferred Stock (collectively, the “Preferred Dividends”). The dividend rate is (1) 9.5% per annum for the period commencing on June 30, 2021 and ending on and including December 31, 2021, (2) 13% per annum for the year commencing on January 1, 2022 and ending on and including December 31, 2022; and (3) 14% per annum for the year commencing on January 1, 2023 and thereafter. The Preferred Dividends will be due in cash on January 1, April 1, July 1 and October 1 of each year (each, a “Series B Dividend Payment Date”). The Company may choose to pay the Series B Preferred Dividends in cash or in additional shares of Series B Preferred Stock. In the event Synchronoss does not declare and pay a dividend in cash on any Series B Dividend Payment Date, the unpaid amount of the Preferred Dividend will be added to the Liquidation Preference.

On and after the fifth anniversary of the date of issuance, holders of shares of Series B Preferred Stock will have the right to cause Synchronoss to redeem each share of Series B Preferred Stock for cash in an amount equal to the sum of the current liquidation preference and any accrued dividends. Each share of Series B Preferred Stock will also be redeemable at the option of the holder upon the occurrence of a “Fundamental Change” (as that term is defined in the Series B Certificate) at (i) par in the case of a payment in cash or (ii) 1.5 times par in the case of payment in shares of Common Stock (such shares being, “Registrable Securities”), subject to certain limitations on the amount of stock that could be issued to the holders of Series B Stock. In addition, the Company will be permitted to redeem outstanding shares of the Series B Preferred Stock at any time for the sum of the then-applicable Liquidation Preference and the accrued but unpaid dividends. Pursuant to the Series B Certificate, Synchronoss will be required to use (i) the first proceeds \$50.0 million of proceeds from certain transactions (i.e., disposition, sale of assets, tax refunds) received by the Company to redeem for cash, shares of Series B Preferred Stock, on a pro rata basis among each holder of Series B Preferred Stock and (ii) the next \$25.0 million of proceeds from certain transactions received by the Company may be used by the Company to buy back shares of Common Stock, and to the extent, not used for such purpose by the Company, to redeem, for cash, shares of Series B Preferred Stock, on a pro rata basis among each holder of Series B Preferred Stock.

Revolving Credit Facility

We repaid in full and closed our Revolving Credit Facility as of June 30, 2021. For further details, see **Note 7. Debt** of the Notes to Condensed Consolidated Financial Statements in Item 1 of this Form 10-Q.

Shelf Registration Statement

On August 19, 2020, the Company filed a universal shelf registration statement with the SEC for the issuance of common stock, preferred stock, debt securities, guarantees of debt securities, warrants and units up to an aggregate amount of \$250.0 million (“the 2020 Shelf Registration Statement”). On August 28, 2020, the 2020 Shelf Registration Statement was declared effective by the SEC. As of September 30, 2021, except for the Common Stock offering and the issuance of Senior Notes, the Company has not raised additional capital using the 2020 Shelf Registration Statement.

Offering of Additional Senior Notes

On October 25, 2021, the Company entered into an At Market Issuance Sales Agreement (the “Sales Agreement”) between the Company and B. Riley Securities, Inc. (the “Agent”), pursuant to which the Company may offer and sell, from time to time, up to \$18.0 million of the Company’s 8.375% Senior Notes due 2026.

The up to \$18.0 million in aggregate principal amount of the additional Senior Notes that the Company may offer and sell under the prospectus supplement and the accompanying prospectus constitutes a further issuance of and are fungible with the \$125.0 million in aggregate principal amount of the Senior Notes that the Company has issued to date, and form a single series of debt securities.

Discussion of Cash Flows

A summary of net cash flows follows (in thousands):

	Nine Months Ended September 30,		Change 2021 vs 2020
	2021	2020	
Net cash provided by (used in):			
Operating activities	\$ 5,551	\$ 8,661	\$ (3,110)
Investing activities	(17,840)	(11,406)	(6,434)
Financing activities	2,687	9,991	(7,304)

Our primary source of cash is receipts from revenue. The primary uses of cash are personnel and related costs, telecommunications and facility costs related primarily to our cost of revenue and general operating expenses including professional service fees, consulting fees, building and equipment maintenance and marketing expense.

Cash flows from operating activities for the nine months ended September 30, 2021 was \$5.6 million cash provided by operating activities, as compared to \$8.7 million of cash provided by operating activities for the same period in 2020. Excluding the effects of the tax refunds received in the prior period, cash provided by operations increased from the prior year as a result of our continued efforts to streamline our business operations and reduce costs and favorable working capital changes.

Cash flows from investing for the nine months ended September 30, 2021 was \$17.8 million cash used in investing, as compared to \$11.4 million in cash used in investing activities during the same period in 2020. The cash used for investing in the current year was primarily related to the purchase of fixed assets and investment in capitalized software. The net decrease in cash used for investing in the prior year was primarily related to the investment in capitalized software offset by the sale of certain IP address assets.

Cash flows from financing for the nine months ended September 30, 2021 was \$2.7 million of cash provided, as compared to \$10.0 million of cash provided by financing activities for the same period in 2020. In 2021, the net proceeds from our public offering of common stock, Senior Note offering and Series B Preferred Stock transaction was primarily used to fully redeem all outstanding shares of the Company's Series A Preferred Stock and repay and close the Revolving Credit Facility on June 30, 2021. The cash provided from financing activities in the prior year was attributable to the drawdown from our Revolving Credit Facility.

Effect of Inflation

While inflationary increases in certain input costs, such as occupancy, labor and benefits, and general administrative costs, have an impact on our operating results, inflation has had minimal net effect on our results of operations during the three or nine months ended September 30, 2021 and 2020. We cannot assure you, however, that we will not be affected by general inflation in the future.

Contractual Obligations

Our contractual obligations consist of contingent consideration, office equipment and colocation services and contractual commitments under third-party hosting, software licenses and maintenance agreements. The following table summarizes our long-term contractual obligations as of September 30, 2021 (in thousands).

	Payments Due by Period				
	Total	2021	2022-2024	2025-2026	Thereafter
Capital lease obligations	\$ 738	\$ 65	\$ 599	\$ 74	\$ —
Operating lease obligations	57,460	2,975	27,730	16,213	10,542
Purchase obligations ¹	63,020	4,788	48,533	9,699	—
Senior Note Payable	125,000	—	—	125,000	—
Total	\$ 247,963	\$ 9,573	\$ 76,862	\$ 150,986	\$ 10,542

¹ Amount represents obligations associated with colocation agreements and other customer delivery related purchase obligations.

Uncertain Tax Positions

Unrecognized tax positions of \$4.6 million at September 30, 2021 are excluded from the table above as we are not able to reasonably estimate when we would make any cash payments required to settle these liabilities, but we do not believe that the ultimate settlement of our obligations will materially affect our liquidity. We anticipate that the balance of unrecognized tax benefits will decrease by approximately \$0.6 million over the next twelve months.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and accompanying notes have been prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements in accordance with U.S. GAAP requires us to utilize accounting policies and make certain estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies as of the date of the financial statements and the reported amounts of revenues and expenses during a fiscal period. The SEC considers an accounting policy to be critical if it is important to a company's financial condition and results of operations, and if it requires significant judgment and estimates on the part of management in its application.

These estimates and assumptions take into account historical and forward looking factors that the Company believes are reasonable, including but not limited to the potential impacts continuing to arise from COVID-19 and public and private sector policies and initiatives aimed at reducing its transmission. As the extent and duration of the impacts from COVID-19 remain unclear, the Company's estimates and assumptions may evolve as conditions change. Actual results could differ significantly from those estimates. If actual results or events differ materially from those contemplated by us in making these estimates, our reported financial condition and results of operations for future periods could be materially affected. See Part II, "Item 1A. Risk Factors" in this Form 10-Q for certain matters bearing risks on our future results of operations.

During the nine months ended September 30, 2021, there were no significant changes in our critical accounting policies and estimates discussed in our Form 10-K for the year ended December 31, 2020. Please refer to Management's Discussion and Analysis of Financial Condition and Results of Operations contained in Part II, Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2020 for a more complete discussion of our critical accounting policies and estimates.

Recently Issued Accounting Standards

For a discussion of recently issued accounting standards see **Note 2. Basis of Presentation and Consolidation** included in Part I, Item 1. "Notes to Condensed Consolidated Financial Statements (unaudited)" of this Quarterly Report on Form 10-Q.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements as of September 30, 2021 and December 31, 2020 that have, or are reasonably likely to have, a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

The following discussion about market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. We deposit our excess cash in what we believe are high-quality financial instruments, primarily money market funds and certificates of deposit and, we may be exposed to market risks related to changes in interest rates. We do not actively manage the risk of interest rate fluctuations on our marketable securities; however, such risk is mitigated by the relatively short-term nature of these investments. These investments are denominated in United States dollars.

The primary objective of our investment activities is to preserve our capital for the purpose of funding operations, while at the same time maximizing the income, we receive from our investments without significantly increasing risk. To achieve these objectives, our investment policy allows us to maintain a portfolio of cash equivalents and short- and long-term investments in a variety of securities, which could include commercial paper, money market funds and corporate and government debt securities. Our cash, cash equivalents and marketable securities at September 30, 2021 and December 31, 2020 were invested in liquid money market accounts, certificates of deposit and government securities. All market-risk sensitive instruments were entered into for non-trading purposes.

Foreign Currency Exchange Risk

We are exposed to translation risk because certain of our foreign operations utilize the local currency as their functional currency and those financial results must be translated into U.S. dollars. As currency exchange rates fluctuate, translation of the financial statements of foreign businesses into U.S. dollars affects the comparability of financial results between years.

We do not hold any derivative instruments and do not engage in any hedging activities. Although our reporting currency is the U.S. dollar, we may conduct business and incur costs in the local currencies of other countries in which we may operate, make sales and buy materials and services. As a result, we are subject to foreign currency transaction risk. Further, changes in exchange rates between foreign currencies and the U.S. dollar could affect our future net sales, cost of sales and expenses and could result in foreign currency transaction gains or losses.

We cannot accurately predict future exchange rates or the overall impact of future exchange rate fluctuations on our business, results of operations and financial condition. To the extent that our international activities recorded in local currencies increase in the future, our exposure to fluctuations in currency exchange rates will correspondingly increase and hedging activities may be considered if appropriate.

Interest Rate Risk

We are exposed to the risk of interest rate fluctuations on the interest income earned on our cash and cash equivalents. A hypothetical 100 basis point movement in interest rates applicable to our cash and cash equivalents outstanding at September 30, 2021 would increase interest income by approximately \$0.2 million on an annual basis.

ITEM 4. CONTROLS AND PROCEDURES**Evaluation of Disclosure Controls and Procedures**

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of the registrant's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934), as of the end of the period covered by this quarterly report, that ensure that information relating to the registrant which is required to be disclosed in this report is recorded, processed, summarized and reported within required time periods using the criteria for effective internal control established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that the registrant's disclosure controls and procedures were effective as of September 30, 2021.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a discussion of our material pending legal proceedings that could impact our results of operations, financial condition or cash flows see **Note 13. Commitments, Contingencies and Other** included in Part I, Item 1. “Notes to Condensed Consolidated Financial Statements (unaudited)” of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

Other than set forth below, there have been no material changes to our risk factors as previously disclosed in Part I, Item 1A. included in our Annual Report on Form 10-K for the year ended December 31, 2020.

Risks Related to our Senior Notes, Series B Preferred Stock and Common Stock

We are subject to investigations relating to certain transactions in 2015 and 2016 that resulted in the restatement of our financial statements in 2018, and the Securities and Exchange Commission staff has preliminarily determined to recommend the initiation of an enforcement action against us in connection with that matter.

On June 22, 2021, the SEC staff verbally notified us that it has made a preliminary determination to recommend that the SEC initiate an enforcement action against us in connection with certain financial transactions that we effected in 2015 and 2016 and our disclosure of and accounting for such transactions, which we restated in the third quarter of 2018 in our restated annual and quarterly financial statements for 2015 and 2016. That restatement followed our announcement on June 13, 2017 (the “June 2017 Announcement”), that certain of our prior financial statements would need to be restated. Certain individuals, including current and former members of our management team, received similar notifications. We remain in discussions with the SEC staff regarding the prospect of resolving this matter through settlement. If we are unable to resolve this matter through settlement then we would expect to receive a “Wells notice” from the SEC staff in connection with this matter. Although a Wells notice is neither a formal charge of wrongdoing nor a final determination that the recipient has violated any law, it is a formal notice that the SEC intends to bring an enforcement action against the recipient. Upon receipt of a Wells notice, the recipient has the opportunity to respond to the SEC staff’s position before any formal enforcement action is taken.

In the third quarter of 2017, the SEC and Department of Justice initiated investigations in connection with the June 2017 Announcement and certain transactions that we restated in the third quarter of 2018. We have received subpoenas, produced documents, and provided additional information to the government in connection with those investigations.

At this time, we cannot predict with certainty what the outcome of these government investigations or the SEC staff’s preliminary determination might be, but they could have a material adverse impact on our financial position, prospects and results of operations.

Downgrades in our credit ratings may increase our future borrowing costs, limit our ability to raise capital, cause our stock price to decline or reduce analyst coverage, any of which could have a material adverse impact on our business.

Credit rating agencies review their ratings periodically and, therefore, the credit rating assigned to us by each of the rating agencies may be subject to revision at any time. Factors that can affect our credit ratings include changes in our operating performance, the economic environment, our financial position, conditions in and periods of disruption in any of our principal markets and changes in our business strategy. If weak financial market conditions or competitive dynamics cause any of these factors to deteriorate, we could see a reduction in our corporate credit rating. Since investors, analysts and financial institutions often rely on credit ratings to assess a company’s creditworthiness and risk profile, make investment decisions and establish threshold requirements for investment guidelines, our ability to raise capital, our access to external financing, our stock price and analyst coverage of our stock could be negatively impacted by a downgrade to our credit rating.

Our current or future debt securities or preferred equity securities, which would be senior to our common stock, may adversely affect the market price of our common stock.

Our Senior Notes and Series B Preferred Stock are senior to our common stock. In addition, in the future, we may attempt to increase our capital resources by offering debt or preferred equity securities, including medium term notes, senior or

subordinated notes and classes of preferred stock. Debt securities or shares of preferred stock will generally be entitled to receive interest payments or distributions, both current and in connection with any liquidation or sale, prior to the holders of our common stock. We are not required to offer any such additional debt or preferred equity securities to existing common stockholders on a preemptive basis, and we may generally issue any such debt or preferred equity securities in the future without obtaining the consent of our common stockholders. As a result, any such future offerings of debt securities or preferred equity securities may adversely affect the market price of the common stock.

B. Riley Securities, Inc. and its affiliates (“BRS”) have significant influence over us and may have conflicts of interest that arise out of future contractual relationships it or its affiliates may have with us.

As of June 30, 2021, BRS owned 19.2% of our outstanding common stock and all of our Series B Preferred Stock. As a result, BRS holds significant influence over us as a significant shareholder and may have conflicts of interest that arise out of current or future contractual relationships it or its affiliates may have with us. In addition, for so long as BRS and its affiliates beneficially own at least 10% of our outstanding common stock, BRS will have the right to nominate one member of our board of directors pursuant to an investor rights agreement.

As a result of the foregoing arrangements, BRS has significant influence over our management and policies and over all matters requiring shareholder approval, including the election of directors, amendment of our certificate of incorporation and approval of significant corporate transactions. Further, if BRS and other significant shareholders of the Company were to act together on any matter presented for shareholder approval, they could have the ability to control the outcome of that matter. BRS can take actions that have the effect of delaying or preventing a change of control of us or discouraging others from making tender offers for our shares, which could prevent shareholders from receiving a premium for their shares. These actions may be taken even if other shareholders oppose them.

We may be able to incur substantially more debt, which could have important consequences to investors.

We may be able to incur substantial additional indebtedness in the future. The terms of the indenture governing the Senior Notes does not prohibit us from doing so. If we incur any additional indebtedness that ranks equally with the Senior Notes, the holders of that debt will be entitled to share ratably with you in any proceeds distributed in connection with any insolvency, liquidation, reorganization or dissolution. This may have the effect of reducing the amount of proceeds paid to investors. Incurrence of additional debt would also further reduce the cash available to invest in operations, as a result of increased debt service obligations. If new debt is added to our current debt levels, the related risks that we now face could intensify.

Our level of indebtedness could have important consequences to investors, because:

- it could affect our ability to satisfy our financial obligations, including those relating to the Senior Notes;
- a substantial portion of our cash flows from operations would have to be dedicated to interest and principal payments and may not be available for operations, capital expenditures, expansion, acquisitions or general corporate or other purposes;
- it may impair our ability to obtain additional debt or equity financing in the future;
- it may limit our ability to refinance all or a portion of our indebtedness on or before maturity;
- it may limit our flexibility in planning for, or reacting to, changes in our business and industry; and
- it may make us more vulnerable to downturns in our business, our industry or the economy in general.

Our operations may not generate sufficient cash to enable us to service our debt. If we fail to make a payment on the Senior Notes, we could be in default on the Senior Notes, and this default could cause us to be in default on other indebtedness, to the extent outstanding. Conversely, a default under any other indebtedness, if not waived, could result in acceleration of the debt outstanding under the related agreement and entitle the holders thereof to bring suit for the enforcement thereof or exercise other remedies provided thereunder. In addition, such default or acceleration may result in an event of default and acceleration of other indebtedness of the Company, entitling the holders thereof to bring suit for the enforcement thereof or exercise other remedies provided thereunder. If a judgment is obtained by any such holders, such holders could seek to collect on such judgment from the assets of the Company. If that should occur, we may not be able to pay all such debt or to borrow sufficient funds to refinance it. Even if new financing were then available, it may not be on terms that are acceptable to us.

However, no event of default under the Senior Notes would result from a default or acceleration of, or suit, other exercise of remedies or collection proceeding by holders of, our other outstanding debt, if any. As a result, all or substantially all of our

assets may be used to satisfy claims of holders of our other outstanding debt, if any, without the holders of the Senior Notes having any rights to such assets.

The Senior Notes are unsecured and therefore are effectively subordinated to any secured indebtedness that we currently have or that we may incur in the future.

The Senior Notes are not secured by any of our assets or any of the assets of our subsidiaries. As a result, the Senior Notes are effectively subordinated to any secured indebtedness that we or our subsidiaries have currently outstanding or may incur in the future (or any indebtedness that is initially unsecured to which we subsequently grant security) to the extent of the value of the assets securing such indebtedness. The indenture governing the Senior Notes does not prohibit us or our subsidiaries from incurring additional secured (or unsecured) indebtedness in the future. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of any of our existing or future secured indebtedness and the secured indebtedness of our subsidiaries may assert rights against the assets pledged to secure that indebtedness and may consequently receive payment from these assets before they may be used to pay other creditors, including the holders of the Senior Notes.

The Senior Notes are structurally subordinated to the indebtedness and other liabilities of our subsidiaries.

The Senior Notes are obligations exclusively of Synchronoss Technologies, Inc. and not of any of our subsidiaries. None of our subsidiaries is a guarantor of the Senior Notes, and the Senior Notes are not required to be guaranteed by any subsidiaries we may acquire or create in the future. Therefore, in any bankruptcy, liquidation or similar proceeding, all claims of creditors (including trade creditors) of our subsidiaries will have priority over our equity interests in such subsidiaries (and therefore the claims of our creditors, including holders of the Senior Notes) with respect to the assets of such subsidiaries. Even if we are recognized as a creditor of one or more of our subsidiaries, our claims would still be effectively subordinated to any security interests in the assets of any such subsidiary and to any indebtedness or other liabilities of any such subsidiary senior to our claims. Consequently, the Senior Notes are structurally subordinated to all indebtedness and other liabilities (including trade payables) of any of our subsidiaries and any subsidiaries that we may in the future acquire or establish as financing vehicles or otherwise. The indenture governing the Senior Notes does not prohibit us or our subsidiaries from incurring additional indebtedness in the future. In addition, future debt and security agreements entered into by our subsidiaries may contain various restrictions, including restrictions on payments by our subsidiaries to us and the transfer by our subsidiaries of assets pledged as collateral.

The indenture under which the Senior Notes were issued contains limited protection for holders of the Senior Notes.

The indenture under which the Senior Notes were issued offers limited protection to holders of the Senior Notes. The terms of the indenture and the Senior Notes does not restrict our or any of our subsidiaries' ability to engage in, or otherwise be a party to, a variety of corporate transactions, circumstances or events that could have an adverse impact on your investment in the Senior Notes. In particular, the terms of the indenture and the Senior Notes do not place any restrictions on our or our subsidiaries' ability to:

- issue debt securities or otherwise incur additional indebtedness or other obligations, including (1) any indebtedness or other obligations that would be equal in right of payment to the Senior Notes, (2) any indebtedness or other obligations that would be secured and therefore rank effectively senior in right of payment to the Senior Notes to the extent of the values of the assets securing such debt, (3) indebtedness of ours that is guaranteed by one or more of our subsidiaries and which therefore is structurally senior to the Senior Notes and (4) securities, indebtedness or obligations issued or incurred by our subsidiaries that would be senior to our equity interests in our subsidiaries and therefore rank structurally senior to the Senior Notes with respect to the assets of our subsidiaries;
- pay dividends on, or purchase or redeem or make any payments in respect of, capital stock or other securities subordinated in right of payment to the Senior Notes;
- sell assets (other than certain limited restrictions on our ability to consolidate, merge or sell all or substantially all of our assets);
- enter into transactions with affiliates;
- create liens (including liens on the shares of our subsidiaries) or enter into sale and leaseback transactions;
- make investments; or
- create restrictions on the payment of dividends or other amounts to us from our subsidiaries.

In addition, the indenture does not include any protection against certain events, such as a change of control, a leveraged recapitalization or “going private” transaction (which may result in a significant increase of our indebtedness levels), restructuring or similar transactions. Furthermore, the terms of the indenture and the Senior Notes will not protect holders of the Senior Notes in the event that we experience changes (including significant adverse changes) in our financial condition, results of operations or credit ratings, as they do not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow, or liquidity. Also, an event of default or acceleration under our other indebtedness would not necessarily result in an Event of Default under the Senior Notes.

Our ability to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the Senior Notes may have important consequences for you as a holder of the Senior Notes, including making it more difficult for us to satisfy our obligations with respect to the Senior Notes or negatively affecting the trading value of the Senior Notes.

Other debt we issue or incur in the future could contain more protections for its holders than the indenture and the Senior Notes, including additional covenants and events of default. The issuance or incurrence of any such debt with incremental protections could affect the market for and trading levels and prices of the Senior Notes.

An increase in market interest rates could result in a decrease in the value of the Senior Notes.

In general, as market interest rates rise, notes bearing interest at a fixed rate decline in value. We cannot predict the future level of market interest rates.

An active trading market for the Senior Notes may not develop, which could limit the market price of the Senior Notes or your ability to sell them.

The Senior Notes are listed on Nasdaq under the symbol “SNCRL”. We cannot provide any assurances that an active trading market will develop for the Senior Notes or that you will be able to sell your Notes. If the Senior Notes are traded after their initial issuance, they may trade at a discount from their initial offering price depending on prevailing interest rates, the market for similar securities, our credit ratings, general economic conditions, our financial condition, performance and prospects and other factors. The underwriters of our Senior Note offering have advised us that they may make a market in the Senior Notes, but they are not obligated to do so. The underwriters may discontinue any market-making in the Senior Notes at any time at their sole discretion. Accordingly, we cannot assure you that a liquid trading market will develop for the Senior Notes, that you will be able to sell your Senior Notes at a particular time or that the price you receive when you sell will be favorable. To the extent an active trading market does not develop, the liquidity and trading price for the Senior Notes may be harmed. Accordingly, you may be required to bear the financial risk of an investment in the Senior Notes for an indefinite period of time.

In addition, there may be a limited number of buyers when you decide to sell your Senior Notes. This may affect the price, if any, offered for your Notes or your ability to sell your Notes when desired or at all.

We may issue additional Senior Notes.

Under the terms of the indenture governing the Senior Notes, we may from time to time without notice to, or the consent of, the holders of the Senior Notes, create and issue additional notes which will be equal in rank to the Senior Notes. We will not issue any such additional Notes unless such issuance would constitute a “qualified reopening” for U.S. federal income tax purposes.

The rating for the Senior Notes could at any time be revised downward or withdrawn entirely at the discretion of the issuing rating agency.

We have obtained a rating for the Senior Notes. Ratings only reflect the views of the issuing rating agency or agencies and such ratings could at any time be revised downward or withdrawn entirely at the discretion of the issuing rating agency. A rating is not a recommendation to purchase, sell or hold the Senior Notes. Ratings do not reflect market prices or suitability of a security for a particular investor and the rating of the Senior Notes may not reflect all risks related to us and our business, or the structure or market value of the Senior Notes. We may elect to issue other securities for which we may seek to obtain a rating in

the future. If we issue other securities with a rating, such ratings, if they are lower than market expectations or are subsequently lowered or withdrawn, could adversely affect the market for or the market value of the Senior Notes.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On June 30, 2021, we issued and sold 75,000 shares of Series B Preferred Stock, par value \$0.0001 per share, with an initial liquidation preference of \$1,000 per share, for an aggregate purchase price of \$75.0 million (the “Series B Transaction”). The sale of the Series B Preferred Stock was pursuant to the Series B Preferred Stock Purchase Agreement, dated as of June 24, 2021 (the “Series B Purchase Agreement”), between Synchronoss and B. Riley Principal Investments, LLC (“BRPI”). The sale was deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
3.1	Restated Certificate of Incorporation of the Registrant, incorporated by reference to Registrant's Registration Statement on Form S-1 (Commission File No. 333-132080).
3.2	Amended and Restated Bylaws of the Registrant, incorporated by reference to Registrant's Registration Statement on Form S-1 (Commission File No. 333-132080).
3.3	Amendment No. 1 to Amended and Restated Bylaws of Registration, incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed on February 20, 2018.
3.4	Amendment No. 2 to the Amended and Restated Bylaws of Synchronoss Technologies, Inc., incorporated by reference to Exhibit 3.3 to the Registrant's Current Report on Form 8-K filed on June 30, 2021.
3.5	Certificate of Designations of the Series B Perpetual Non-Convertible Preferred Stock, incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on June 30, 2021.
10.1†	Transition and Separation Agreement dated September 2, 2021 between the Registrant and Ronald Prague
10.2†	Tier One Executive Employment Plan dated July 27, 2021 between the Registrant and Christina Gabrys
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Exchange Act, as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(b) of the Exchange Act and section 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(b) of the Exchange Act and section 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith)
101.INS	XBRL Instance Document
101.SCH	XBRL Schema Document
101.CAL	XBRL Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Labels Linkbase Document
101.PRE	XBRL Presentation Linkbase Document

† Compensation Arrangement.

SIGNATURES

Pursuant to the requirements of Securities Exchange Act of 1934, the registrant has caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Synchronoss Technologies, Inc.

/s/ Jeff Miller

Jeff Miller
Chief Executive Officer
(Principal Executive Officer)

/s/ Taylor Greenwald

Taylor Greenwald
Chief Financial Officer

November 9, 2021

TRANSITION AND SEPARATION AGREEMENT

This Transition and Separation Agreement (the “Agreement”) is dated as of July 27, 2021 (the “Effective Date”) by and between Synchronoss Technologies, Inc. (the “Company”) and Ronald Prague.

WHEREAS, you have entered into an employment agreement with the Company dated as of May 1, 2017 (the “Employment Agreement”); and

WHEREAS, you and the Company have agreed that you will leave your position as Chief Legal Officer, General Counsel and Secretary on the Effective Date and you reemployment with the Company will end, effective as of the Separation Date (as defined below).

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the Parties hereby agree as follows:

1. Termination. You agree to continue to serve as Chief Legal Officer, General Counsel and Secretary of the Company until July 27, 2021, and shall continue as an employee of the Company until September 2, 2021 (such date, as applicable, the “Separation Date”). As of the Separation Date, you hereby resign as an officer of the Company and from any position you hold at any of its subsidiaries, affiliates and joint ventures (collectively, the “Affiliates”), to the extent applicable. You confirm and agree that your employment with the Company will be terminated effective as of the Separation Date. To the extent that the Company has not already done so, the Company shall pay to you in the next scheduled payroll after the Separation Date a lump-sum amount equal to any accrued and unpaid salary.

2. Severance Benefits.

In consideration of the execution of this Agreement, and provided you do not revoke this Agreement as set forth in Section 12 below, the Company agrees to pay you severance in the amount of \$728,065.25, less all applicable federal and state withholdings, in equal semi-monthly payments. This severance will be paid to you as follows:

(a) **Semi-Monthly Payments.** The Company agrees to pay you \$535,805.00 less all applicable federal and state withholdings, in equal semi-monthly payments, commencing on the September 15, 2021 pay date or the first pay date immediately following the Effective Date of this Agreement, whichever occurs later in time, and continuing for thirty-five (35) successive pay dates thereafter.

(b) **Lump sum Payment.** In addition to the foregoing, the Company agrees to pay you \$192,260.25, less applicable federal and state withholdings, in a lump sum payment on the date and in the same payment structure that either the Chief Executive Officer or any of his/her direct reports receive payment for their bonus for 2021, but in no event later than June 30, 2022.

(c) **2020 Bonus Payment.** In addition to the foregoing, the Company agrees to pay your 2020 Bonus in the amount of \$151,286.00 on the date and in the payment structure that either the Chief Executive Officer or any one of his/her direct reports receive payment for their 2020 bonuses, but in no event later than December 31, 2021.

3. Benefits.

Your current group health insurance coverage will continue through September 30, 2021. No later than the 7th business day following the Effective Date of this Agreement, the Company will pay you a lump sum payment equal to \$51,772, representing the employer portion of your health insurance premiums for a period of 24 months, which shall be reported as wages for purposes of Federal income tax.

4. Release of Claims.

(a) You voluntarily and irrevocably release and discharge the Company, each related or affiliated entity, employee benefit plans, and the predecessors, successors, and assigns of each of them, and each of their respective current and former officers, directors, shareholders, employees, and agents (any and all of which are referred to as "Releasees") generally from all charges, complaints, claims, promises, agreements, causes of action, damages, and debts that relate in any manner to your employment with or services for the Company, known or unknown ("Claims"), which you have, claim to have, ever had, or ever claimed to have had against any of the Releasees through the date on which you execute this Agreement. This general release of Claims includes, without implication of limitation, all Claims related to the compensation provided to you by the Company, the termination of your employment with the Company, your resignation from directorships, offices and other positions with the Company, or your activities on behalf of the Company, including, without implication of limitation, any Claims of wrongful discharge, breach of contract, breach of an implied covenant of good faith and fair dealing, tortious interference with advantageous relations, any intentional or negligent misrepresentation, and unlawful discrimination or deprivation of rights under the common law or any statute or constitutional provision (including, without implication of limitation, the Employee Retirement Income Security Act, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act and the Americans with Disabilities Act. You also waive any Claim for reinstatement, damages of any nature, severance pay, attorney's fees, or costs.

(b) You agree that you will not hereafter pursue any Claim against any Releasee, by filing a lawsuit in any local, state or federal court for or on account of anything which has occurred up to the present time as a result of your previous employment and you shall not seek reinstatement, damages of any nature, severance pay, attorney's fees, or costs, provided, however, that nothing in this general release shall be construed to include a release of Claims that (i) arise from the Company's obligations under this Agreement, any equity award/grant agreements (of whatever name or kind), and any shareholder agreements between you and the Company, (ii) relate to your status as a shareholder in the Company, (iii) relate to Section 1(d) of the Employment Agreement, (iv) relate to the Company's obligation to defend and indemnify you under the Company's certificate of incorporation and by-laws, Delaware law and any applicable directors and officers liability insurance policy, and (v) cannot be released as a matter

of law. You represent you have not assigned to any third party and you have not filed with any agency or court any Claim released by this Agreement.

5. Exceptions. You are not releasing any claim that cannot be waived under applicable state or federal law, and you are not releasing any rights that you have to be indemnified (including any right to reimbursement of expenses) arising under applicable law, the certificate of incorporation or by-laws (or similar constituent documents of the Company), any indemnification agreement between you and the Company, or any directors' and officers' liability insurance policy of the Company. You understand that nothing contained in this Agreement limits your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). Notwithstanding any provision in this Agreement or any other agreement between you and the Company, you may communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. This Agreement does not limit your right to receive an award for information provided to any Government Agencies. However, you understand and agree that you shall not be entitled to, and shall not seek nor permit anyone to seek on your behalf, any personal, equitable or monetary relief for any claims or causes of action released by you in this Agreement, to the fullest extent permitted by law.

6. Proprietary Information/Confidentiality. You agree and acknowledge your ongoing covenants under the Proprietary Information and Inventions Agreement you executed in connection with your employment. You agree that you will not discuss your employment by the Company or circumstances of your departure with any non-governmental entity or person (other than information that is publicly available in connection with the Company's filings with the Securities and Exchange Commission) unless (i) required to do so by a court of law, by any governmental agency having supervisory authority over the business of the Company or by any administrative or legislative body (including a committee thereof) with jurisdiction to order you to divulge, disclose or make accessible such Confidential Information; provided that you shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and reasonably cooperate with any attempts by the Company to obtain a protective order or similar treatment and (ii) to your spouse, attorney and/or personal tax and financial advisors as reasonably necessary or appropriate to assist in your tax, financial and other personal planning (each an "Exempt Person"), provided, however, that any disclosure or use of Confidential Information by an Exempt Person shall be deemed to be a breach of this Section 6 by you. In the event this Section 6 is breached by you at any time, then the Company shall have the right to terminate this Agreement and the parties agree that in such event no payments shall be paid to you under this Agreement including but not limited to Section 2 or 3.

7. Return of Property. All documents, records, material and all copies of any of the foregoing pertaining to Company confidential information, and all software, equipment, and other supplies, whether or not pertaining to confidential information, that have come into your possession or been produced by you in connection with your employment or performance of the ("Property") have been and remain the sole property of the Company and you agree to return to the Company all Property no later than the Separation Date. In no event should this provision be construed to require you to return to the Company any document or other materials concerning

your remuneration and benefits during your employment with the Company. You agree to assume the lease of your Company automobile as soon as reasonably practicable after the Separation Date and subject to the approval of the automobile leasing company.

8. Litigation Cooperation. You agree to fully cooperate with the Company in the defense or prosecution of any claims or actions which already have been brought or which may be brought in the future against or on behalf of the Company which relate to events or occurrences that you were involved in or which you gained knowledge of during your employment with the Company. Your cooperation in connection with such claims or actions shall include, without implication of limitation, being available to meet with counsel to prepare for discovery or trial and to testify truthfully as a witness when reasonably requested by the Company, at reasonable times. You agree that you will not voluntarily disclose any information to any non-governmental person or party that is adverse to the Company and that you will maintain the confidences and privileges of the Company.

9. Protective Covenants. You acknowledge and affirm the ongoing validity of the protective covenants set forth in Section 6 of the Employment Agreement which covenants are incorporated herein by this reference. You acknowledge and affirm the Company's right to seek injunctive relief as provided in Section 6 of the Employment Agreement to restrain any violations under Section 6 of the Employment Agreement.

10. Nondisparagement. You agree not to make any disparaging statements concerning the Company or any of its affiliates, subsidiaries or current or former officers, directors, shareholders, employees or agents. The Company shall not, and shall cause its officers, directors, and Investor Relations personnel not to, (a) make any disparaging statements concerning you or your performance as an executive officer of the Company, and/or (b) take any action or make any statement, orally or in writing, which disparages or criticizes you or that would harm your reputation.

11. Notices, Acknowledgments and Other Terms. You are advised to consult with an attorney before signing this Agreement. This Agreement and the Employment Agreement set forth the entire agreement between you and the Company, and all previous agreements, or promises between you and the Company relating to the subject matter of this Agreement and the Employment Agreement are superseded, null, and void, with the exception of any equity grant/award agreements (of whatever name or kind), shareholder agreements, and indemnification agreements between you and the Company, the terms of which remain in full force and effect.

12. Consideration/Revocation. You acknowledge that you have been given the opportunity, if you so desired, to consider this Agreement for 21 days before executing it. If not signed by you and returned to me so that the Company's general counsel receives it by close of business on the day next following the foregoing period, this Agreement will be invalid. In addition, if you breach any of the conditions of the Agreement within the 21-day period, the offer of this Agreement will be withdrawn and your execution of the Agreement will not be valid. In the event that you execute and return this Agreement in less than the 21-day period you have been provided, you acknowledge that such decision was entirely voluntary and that you had the opportunity to consider this letter agreement for the entire period. The Company acknowledges that for a period of seven days from the date of the execution of this Agreement, you shall retain the right to revoke this Agreement by written notice that the Company's General Counsel

actually receive before the end of such period, and that this Agreement shall not become effective or enforceable until the later of the expiration of such revocation period or the Separation Date (the “Effective Date”).

13. Counterparts. This Agreement may be executed in counterparts, and each counterpart will have the same force and effect as an original and will constitute an effective, binding agreement on the part of each of the undersigned.

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by their duly authorized officers, as of the day and year first above written.

SYNCHRONOSS TECHNOLOGIES, INC.

By: /s/ Jeffrey Miller
Name: Jeffrey Miller
Title: President & Chief Executive Officer

Accepted and agreed to:

/s/ Ronald Prague July 27, 2021
Ronald Prague Date



July, 2021

Christina Gabrys
(delivered electronically)

Re: Promotion

Dear Chrissy,

On behalf of Synchronoss, I am pleased to promote you to your new position of **Chief Legal Officer & SVP** with an effective date as of date of announcement. You will report directly to me.

Your new annual base salary will be **\$255,000** less all applicable taxes and withholdings.

Your new **target bonus opportunity (“TBO”)** is **40%** of your annual base salary.

In addition, you can expect to receive the following equity award:

You will receive **5,000** shares in the form of a **restricted stock award (“RSAs”)** under the Synchronoss Technologies 2015 Incentive Plan (the “Incentive Plan”) pursuant to the Company’s RSA agreement (the “RSA Agreement”). Subject to your continued employment on each vesting date, the RSAs shall vest 1/3rd of the shares on August 2, 2022; 1/3rd of the shares on April 9, 2023; and 1/3rd of the shares on April 9, 2024.

You will also receive **5,000** shares in the form of a **stock option award (“Stock Options”)** under the Synchronoss Technologies 2015 Equity Incentive Plan (the “incentive plan”) pursuant to the Company’s Stock Option Award agreement (the “Stock Option Agreement”). Subject to your continued employment on each vesting date, the Stock Options shall vest 1/3rd of the shares on August 2, 2022; 1/3rd of the shares on April 9, 2023; and 1/3rd of the shares on April 9, 2024. The Stock Option strike price will be determined by the stock close price on August 2, 2021.

You will receive **10,000 Performance-Based Cash Units (“PBCUs”)** pursuant to the Company’s Performance-Based Cash Units Agreement (the “PBCU Agreement”) which represent the target award of performance-based cash units with the opportunity to earn up to 200% of the target number, based upon performance achievement of the financial parameters outlined in your PBCU Agreement. Vesting of earned performance-based cash units will occur at the end of the 3-year performance period after the Compensation Committee or the Board ratify the performance results of the metrics of the plan. The Compensation Committee reserves the discretion to pay out the performance-based cash units in cash or shares issued from the 2015 Equity Incentive Plan.

The grant date will be August 2, 2021. Fidelity will provide you with a notification once the grant is loaded. You must log onto the Fidelity portal to accept the terms and conditions of the awards before the first vesting date.

Finally, I am pleased to inform you that you have been identified as a Tier One Executive and an elected officer of the Company. As a Tier One Executive and Officer of the Company, your employment will be governed by the terms and conditions of the Tier One Executive Employment Plan, a copy of which is attached hereto. As such, you will now receive the benefits and be subject to the obligations set forth in the attached Plan.

Please be aware that you still retain the option, as does the Company, of ending your employment at any time, with or without notice and with or without cause. As such, your employment is at-will and neither this nor any other oral or written representations may be considered a contract for any specific period.

Once again, congratulations on this promotion, and being named as a Tier One Executive and officer. I want to thank you for your contributions and dedication on behalf of our customers, shareholders, and employees. I look forward to continuing to work with you as we build a stronger and more successful company.

Please verify the acceptance of your role as a Tier One Executive and officer by signing below and indicating the date on which you signed.

Sincerely,

/s/ Jeff Miller

President & Chief Executive Officer

Acknowledgement:

/s/ Christina Gabrys

Name

July 27, 2021

Date

TIER ONE EXECUTIVE EMPLOYMENT PLAN

In addition to the terms of your offer letter or executive employment letter (“Offer Letter”) with Synchronoss Technologies, Inc., a Delaware corporation (the “Company”), the employment of each Tier One Executive (“Executive”) shall be governed by the terms and conditions set forth in this Tier One Executive Employment Plan (the “Plan”).

Scope of Employment.

(a) Position and Compensation. Executive shall be employed by the Company in the position and at the location provided in the Offer Letter and at the base salary and annual target bonus percentage set forth in the Offer Letter. Executive shall not be entitled to an incentive bonus if Executive is not employed by the Company on the last day of the fiscal year for which such bonus is payable. Any bonus for a fiscal year shall be paid within 2½ months after the close of that fiscal year. The determinations of the Company’s Board of Directors or its Compensation Committee with respect to such bonus shall be final and binding. The Offer Letter shall also include any initial equity awards to be granted to the Executive, which shall be governed by the respective equity award agreement of the Company.

(b) Obligations to the Company. During Employment, Executive (i) shall devote substantially all of Executive’s full business efforts and time to the Company, (ii) shall not engage in any other employment, consulting or other business activity that would create a conflict of interest with the Company, (iii) shall not assist any person or entity in competing with the Company or in preparing to compete with the Company, (iv) shall comply with the Company’s policies and rules, as they may be in effect from time to time and (v) shall comply with the Proprietary Information and Inventions Agreement. This provision shall not restrict Executive’s ability to sit on one non-profit board and, subject to review and written approval by the CEO, Executive may request to sit on one corporate board.

No Conflicting Obligations. Executive represents and warrants to the Company that he is under no obligations or commitments, whether contractual or otherwise, that are inconsistent with Executive’s obligations hereunder. Executive represents and warrants that he will not use or disclose, in connection with Executive’s Employment, any trade secrets or other proprietary information or intellectual property in which Executive or any other person has any right, title or interest and that Executive’s Employment will not infringe or violate the rights of any other person. Executive represents and warrants to the Company that he has returned all property and confidential information belonging to any prior employer.

(d) Indemnification/D&O Insurance. To the maximum extent permitted by applicable law and the Company’s by-laws, the Company shall indemnify Executive for all acts and omissions by him and any action on his part while acting in such capacity, and for losses that arise from serving at the request of the Company or a subsidiary thereof as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. Executive shall be covered by directors’ and officers’ liability insurance on a basis no less favorable than provided to directors and officers of the Company, including “tail” coverage.

Paid Time Off and Employee Benefits. During Executive’s Employment, Executive shall be eligible for paid time off in accordance with the Company’s paid time off policy, as it may be

amended from time to time, with a minimum of 20 paid time off days per year (accruing for each year on the first day of such year), and any United States Company-wide holidays; provided, however, Executive shall not be entitled to carry over any paid time off days from year to year. During Executive's Employment, Executive shall be eligible to participate in the employee benefit plans maintained by the Company, subject in each case to the terms and conditions of the plan in question.

Business Expenses. During Executive's Employment, Executive shall be authorized to incur necessary and reasonable travel, entertainment and other business expenses in connection with Executive's duties hereunder. The Company shall reimburse Executive for such expenses upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies. Notwithstanding anything to the contrary herein, except to the extent any expense or reimbursement provided hereunder does not constitute a "deferral of compensation" within the meaning of Section 409A of the Code, (a) the amount of expenses eligible for reimbursement provided to Executive during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Executive in any other calendar year, (b) the reimbursements for expenses for which Executive is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred and (c) the right to payment or reimbursement hereunder may not be liquidated or exchanged for any other benefit.

Termination.

Termination of Employment. The Company may terminate Executive's Employment at any time and for any reason (or no reason), and with or without Cause, by giving Executive 30 days' advance notice in writing. Executive may terminate Executive's Employment by giving the Company 30 days' advance notice in writing. The Company shall have the right at any time during such 30-day period, to relieve Executive of Executive's offices, duties and responsibilities and place him on a paid leave-of-absence status, provided that during such notice period, Executive shall remain a full-time employee of the Company and shall continue to receive Executive's then current salary compensation and other benefits as provided herein. Executive's Employment shall terminate automatically in the event of Executive's death. The termination of Executive's Employment shall not limit or otherwise affect Executive's obligations under Section 6.

Rights Upon Termination. Upon Executive's termination of Employment for any reason, Executive shall be entitled to the compensation, benefits and reimbursements described in Executive's Offer Letter or hereunder for the period preceding the effective date of such termination or otherwise accrued before such termination. Upon the termination of Executive's Employment under certain circumstances, Executive may be entitled to additional severance pay benefits as described in Section 6. The payments hereunder shall fully discharge all responsibilities of the Company to Executive.

Rights Upon Death. If Executive's Employment ends due to death, (A) Executive's estate shall be entitled to receive an amount equal to Executive's target bonus for the fiscal year in which Executive's death occurred (or, if greater, the bonus amount determined based on the applicable factors and actual performance for such fiscal year), prorated based on the number of days he was employed by the Company during that fiscal year, and (B) all stock options, shares of restricted stock (other than performance-related restricted stock), and other time-based equity awards granted

by the Company and held by Executive at the time of his death shall be fully vested. All amounts under this Section 4(c) shall be paid no later than the date regular employees are paid their bonuses.

Rights Upon Permanent Disability. If Executive's Employment ends due to Permanent Disability and a Separation occurs, (I) Executive shall be entitled to receive (i) an amount equal to Executive's Target Bonus for the fiscal year in which Executive's Employment ended (or, if reasonably ascertainable and greater, the bonus amount determined based on the applicable factors and actual performance for such fiscal year), prorated based on the number of days he was employed by the Company during that fiscal year, and (ii) a lump sum amount equal to the product of (A) 24 and (B) the monthly amount the Company was paying on behalf of Executive and Executive's eligible dependents with respect to the Company's health insurance plans in which Executive and Executive's eligible dependents were participants as of the date of Separation, and (II) all stock options, shares of restricted stock (other than performance-related restricted stock) and other time-based equity awards granted by the Company and held by Executive shall be fully vested as of the date of Executive's Separation. The amounts payable under this Section 5(e) shall be paid no later 60 days after Executive's Separation.

Termination Benefits.

Preconditions. Any other provision of this Plan notwithstanding, Subsections (b) and (c) below shall not apply unless Executive:

Has executed (or, with respect to Section 4(d), the executor or Executive's estate has executed) a general release of all claims Executive (or Executive's executor or estate) may have against the Company or persons affiliated with the Company (substantially in the form attached hereto as Exhibit A) (the "Release");

Complies with Executive's obligations under Section 6 below;

Has returned all property of the Company in Executive's possession; and

If requested by the Board, has resigned as a member of the Board and as a member of the boards of directors of all subsidiaries of the Company, to the extent applicable.

Executive must execute and return the Release within the period of time set forth in the Release (the "Release Deadline"). The Release Deadline will in no event be later than 50 days after Executive's Separation. If Executive fails to return the Release on or before the Release Deadline or if Executive revokes the Release, then Executive will not be entitled to the benefits described in this Section 5.

Severance Pay in the Absence of a Change in Control. If, during Executive's employment with the Company and not at a time described in subsection (c) below, Executive resigns Executive's Employment for Good Reason and a Separation occurs, or the Company terminates Executive's Employment with the Company for a reason other than death, Cause or Permanent Disability and a Separation occurs, then the Company shall pay Executive a lump sum severance payment equal to (i) one and one-half times Executive's Base Salary in effect at the time of the termination of Employment and one and one-half times Executive's average annual bonus based on the actual amounts received in the immediately preceding two years, and (ii) the product of (A) 12 and (B) the monthly amount the Company was paying on behalf of Executive and Executive's eligible

dependents with respect to the Company's health insurance plans in which Executive and Executive's eligible dependents were participants as of the date of Separation. In the event that Executive Employment is terminated for a reason other than death, Cause or Permanent Disability or Executive resigns Executive's Employment for Good Reason under this Subsection (b) within two years after commencement of employment with the Company, then in lieu of using the average bonus received in the immediately preceding two years for the above calculation, such calculation shall use Executive's Target Bonus in the year of termination if such termination under this Subsection (b) occurs in the first year of employment with the Company and the actual bonus Executive received during the first year of employment with the Company if such termination under this Subsection (b) occurs in the second year of employment with the Company. However, the amount of the severance payment under this Subsection (b) shall be reduced by the amount of any severance pay or pay in lieu of notice that Executive receives from the Company under a federal or state statute (including, without limitation, the Worker Adjustment and Retraining Notification Act).

Severance Pay in Connection with a Change in Control. If, during Executive's employment with the Company and within (i) 120 days prior to or (ii) 24 months following a Change in Control, Executive is subject to an Involuntary Termination, then (i) the Company shall pay Executive a lump sum severance payment equal to (x) two times Executive's Base Salary in effect at the time of the termination of Employment plus two times Executive's average bonus received in the immediately preceding two years, and (y) a lump sum amount equal to the product of (A) 18 and (B) the monthly amount the Company was paying on behalf of Executive and Executive's eligible dependents with respect to the Company's health insurance plans in which Executive and Executive's eligible dependents were participants as of the date of Separation and (ii) all stock options, shares of restricted stock (other than performance-related restricted stock that is tied to performance after the Change in Control), and other time-based equity awards granted by the Company and held by Executive shall be fully vested as of the date of the Involuntary Termination. In the event that Executive is subject to an Involuntary Termination under this Subsection (c) within two years after commencement of employment with the Company, then in lieu of using the average bonus received in the immediately preceding two years for the above calculation, such calculation shall use Executive's Target Bonus in the year of the Involuntary Termination if such termination under this Subsection (c) occurs in the first year of employment with the Company and the actual bonus Executive received during the first year of employment with the Company if such termination under this Subsection (c) occurs in the second year of employment with the Company. However, the amount of the severance payment under this Subsection (c) shall be reduced by the amount of any severance pay or pay in lieu of notice that Executive receives from the Company under a federal or state statute (including, without limitation, the Worker Adjustment and Retraining Notification Act).

Commencement of Severance Payments. Payment of the severance pay provided for hereunder will be made no later than the first regularly scheduled payroll date that occurs no later than 50 days after Executive's Separation, but only if Executive has complied with the release and other preconditions set forth in Subsection (a) (to the extent applicable). However, except as provided in the next following sentence, if the 50-day period described in Section 5(a) spans two calendar years, then the payment will be made on the first payroll date in the second calendar year following expiration of the applicable revocation period. In the event that Executive experiences an Involuntary Termination immediately at or after a Change in Control, the Company shall work with the surviving company to ensure that any payments due to Executive under subsection (c) above be

paid upon the closing of the Change in Control. In addition, if at any time the parties agree that a Good Reason arises after the Change in Control and severance is due to Executive under subsection (c), the Company shall work with the surviving company to insure that any such payments due to Executive are paid promptly after such Good Reason arises.

Section 409A. This Plan shall be construed consistently with the intent that all payments hereunder shall be exempt from the requirements of Section 409A of the Code by reason of the “short-term” deferral exemption or a different exemption. Each payment made under this Plan shall be treated as a separate payment and the right to a series of installment payments under this Plan is to be treated as a right to a series of separate payments. If the Company determines that Executive is a “specified employee” under Section 409A(a)(2)(B)(i) of the Code at the time of Executive’s Separation, then (i) payment of any “nonqualified deferred compensation” (within the meaning of Section 409A) that is payable to Executive upon Separation shall be delayed until the first business day following (A) expiration of the six-month period measured from Executive’s Separation, or (B) the date of Executive’s death, and (ii) the installments that otherwise would have been paid prior to such date will be paid in a lump sum when such payments commence.

Protective Covenants.

Non-Competition. As one of the Company’s executive and management personnel and officer, Executive has acquired extensive and valuable knowledge and confidential information concerning the business of the Company, including certain trade secrets the Company wishes to protect. Executive further acknowledges that during Executive’s employment he will have access to and knowledge of Proprietary Information. To protect the Company’s Proprietary Information, and in consideration of the terms of this Plan, Executive agrees that during Executive’s employment with the Company and for a period of twelve (12) months after the termination of Executive’s employment with the Company for any reason, whether hereunder or otherwise (the “Restricted Period”), Executive will not without the Company’s approval (which shall not be unreasonably withheld), directly or indirectly engage in (whether as an employee, consultant, proprietor, partner, director or otherwise), have any ownership interest in, or participate in the financing, operation, management or control of, any person, firm, corporation or business that engages in a Restricted Business in a Restricted Territory. It is agreed that ownership of (i) no more than one percent (1%) of the outstanding voting stock of a publicly traded corporation or (ii) any stock he presently owns shall not constitute a violation of this Section.

Non-Solicitation and Non-Servicing. During Executive’s employment with the Company and continuing for a period of twelve (12) months after termination of Executive’s employment with the Company for any reason, whether under this Agreement or otherwise, Executive shall not directly or indirectly, personally or through others,

- (i) attempt in any manner to solicit, persuade or induce any Client of the Company to terminate, reduce or refrain from renewing or extending its contractual or other relationship with the Company in regard to the purchase or licensing of products or services manufactured, marketed, licensed or sold by the Company, or to become a Client of or enter into any contractual or other relationship with Executive or any other individual, person or entity in regard to the purchase or license of products or services similar or identical to those manufactured, marketed or sold by the Company; or

(ii) attempt in any manner to solicit, persuade or induce any individual, person or entity which is, or at any time during Executive's employment with the Company was, a supplier of any product or service to the Company or vendor of the Company (whether as a distributor, agent, employee or otherwise) to terminate, reduce or refrain from renewing or extending Executive's, Executive's contractual or other relationship with the Company; provided, however, this subparagraph (ii) shall not apply to any employee of the Company who reports in to Executive's organization, was recommended by Executive and had worked with Executive at least two prior organizations; or

(iii) render to or for any Client any services of the type rendered by the Company; or

(iv) employ as an employee or retain as a consultant any person who is then, or at any time during the preceding twelve months was, an employee of or consultant to the Company (unless the Company had terminated the employment or engagement of such employee or exclusive consultant prior to the time of the alleged prohibited conduct), or persuade or attempt to persuade any employee of or consultant to the Company to leave the employ of the Company or to breach any service arrangement with the Company.

Non-Disclosure. Executive has entered into a Proprietary Information and Inventions Agreement with the Company, which is incorporated herein by reference.

Reasonable. Executive agrees and acknowledges that the time limitation on the restrictions in this Section 6, combined with the geographic scope, is reasonable. Executive also acknowledges and agrees that this provision is reasonably necessary for the protection of Proprietary Information, that through Executive's employment he shall receive adequate consideration for any loss of opportunity associated with the provisions herein, and that these provisions provide a reasonable way of protecting the Company's business value which will be imparted to him. If any restriction set forth in this Section 6 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable.

Successors.

Company's Successors. This Plan shall be binding upon any successor (whether direct or indirect and whether by purchase, lease, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets. For all purposes hereunder, the term "Company" shall include any successor to the Company's business and/or assets which becomes bound by this Plan.

Employee's Successors. This Plan and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

Taxes.

Withholding Taxes. All payments made hereunder shall be subject to reduction to reflect applicable withholding and payroll taxes or other deductions required to be withheld by law.

Tax Advice. Executive is encouraged to obtain Executive's own tax advice regarding Executive's compensation from the Company. Executive agrees that the Company does not have a duty to design its compensation policies in a manner that minimizes Executive's tax liabilities, and Executive shall not make any claim against the Company or the Board related to tax liabilities arising from Executive's compensation.

Parachute Taxes. Notwithstanding anything in this Plan to the contrary, if it shall be determined that any payment or distribution by the Company to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms hereunder or otherwise ("Total Payments") to be made to Executive would otherwise exceed the amount (the "Safe Harbor Amount") that could be received by Executive without the imposition of an excise tax under Section 4999 of Code, then the Total Payments shall be reduced to the Safe Harbor Amount 9f (and only if) the Safe Harbor Amount (net of applicable taxes) is greater than the net amount payable to Executive after taking into account any excise tax imposed under section 4999 of the Code on the Total Payments. All determinations to be made under this subparagraph (c) shall be made by a public accounting firm selected by the Company before the date of the Change in Control (the "Accounting Firm"). In determining whether such Benefit Limit is exceeded, the Accounting Firm shall make a reasonable determination of the value to be assigned to the restrictive covenants in effect for Executive pursuant to Section 6 above, and the amount of Executive's potential parachute payment under Section 280G of the Code shall be reduced by the value of those restrictive covenants and all other permissible adjustments to the extent consistent with Section 280G of the Code and the regulations thereunder. To the extent a reduction to the Total Payments is required to be made in accordance with this subparagraph (c), such reduction and/or cancellation of acceleration of equity awards shall occur in the order that provides the maximum economic benefit to Executive. In the event that acceleration of equity awards is to be reduced, such acceleration of vesting also shall be canceled in the order that provides the maximum economic benefit to Executive. Notwithstanding the foregoing, any reduction shall be made in a manner consistent with the requirements of section 409A of the Code and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis but not below zero. All of the fees and expenses of the Accounting Firm in performing the determinations referred to in this subparagraph (c) shall be borne solely by the Company.

Definitions.

Cause. For all purposes under this Plan, "Cause" shall mean:

An intentional and unauthorized use or disclosure by Executive of the Company's confidential information or trade secrets, which use or disclosure causes material harm to the Company;

A material breach by Executive of any material agreement between Executive and the Company;

A material failure by Executive to comply with the Company's written policies or rules;

Executive's conviction of, indictment for or plea of "guilty" or "no contest" to, a felony under the laws of the United States or any State thereof;

Executive's gross negligence or willful misconduct which causes material harm to the Company;

A continued failure by Executive to perform reasonably assigned duties after receiving written notification of such failure from the Board (other than by reason of Executive's physical or mental illness, incapacity or disability); or

A failure by Executive to cooperate in good faith with a governmental or internal investigation of the Company or its directors, officers or employees, if the Company has requested in writing Executive's cooperation, and Executive has not cooperated in good faith within 5 business days.

With respect to subparagraphs (ii), (iii) or (vi), the Company shall not have the right to terminate Executive for Cause if Executive cures the breach or failure within 30 days of the Company's written notice to Executive of such breach or failure.

Change in Control. For all purposes under this Plan, "Change in Control" shall mean the occurrence of:

- (i) The acquisition, by a person or persons acting as a group, of the Company's stock that, together with other stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the Company;
- (ii) The acquisition, during a 12-month period ending on the date of the most recent acquisition, by a person or persons acting as a group, of 30% or more of the total voting power of the Company;
- (iii) The replacement of a majority of the members of the Board, during any 12-month period, by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of such appointment or election; or
- (iv) The acquisition, during a 12-month period ending on the date of the most recent acquisition, by a person or persons acting as a group, of the Company's assets having a total gross fair market value (determined without regard to any liabilities associated with such assets) of 80% or more of the total gross fair market value of all of the assets of the Company (determined without regard to any liabilities associated with such assets) immediately prior to such acquisition or acquisitions.

Notwithstanding the foregoing, a Change in Control shall not be deemed to occur unless such transaction also qualifies as an event under Treas. Reg. §1.409A-3(i)(5)(v) (change in the ownership of a corporation), Treas. Reg. §1.409A-3(i)(5)(vi) (change in the effective control of a corporation), or Treas. Reg. §1.409A-3(i)(5)(vii) (change in the ownership of a substantial portion of a corporation's assets).

Client. For all purposes under this Plan, "Client" shall mean (i) anyone who is a client of the Company as of, or at any time during the one-year period immediately preceding, the termination of Executive's employment, but only if Executive had a direct relationship with, supervisory responsibility for or otherwise were involved with such client during Executive's employment with the Company and (ii) any prospective client to whom the Company made a new business presentation (or similar offering of services) at any time during the one-year period immediately preceding, or six-month period immediately following, Executive's employment termination (but only if initial discussions between the Company and such prospective client relating to the

rendering of services occurred prior to the termination date, and only if Executive participated in or supervised such presentation and/or its preparation or the discussions leading up to it).

Code. For all purposes under this Plan, “Code” shall mean the Internal Revenue Code of 1986, as amended.

Company. For all purposes under this Plan, “Company” shall include Synchronoss Technologies, Inc. and all of its subsidiaries and affiliates.

Good Reason. For all purposes under this Plan, “Good Reason” shall mean:

a material diminution in Executive’s authorities, duties or responsibilities;

a reduction in Executive’s base salary by more than 10% unless pursuant to a Company-wide salary reduction affecting all Executives proportionately;

relocation of Executive’s principal workplace that results in an increase to Executive’s commute by more than 50 miles;

a material reduction in the kind or level of incentive compensation or employee benefits to which Executive is entitled immediately prior to such reduction with the result that Executive’s overall compensation and benefits package is significantly reduced, unless such reduction occurs solely as a result of a reduction in the kind or level of employee benefits of employees that applies for all employees of the Company; or

a material breach by the Company of this Agreement.

A condition shall not be considered “Good Reason” unless Executive gives the Company written notice of such condition within 90 days Executive has knowledge of such condition and the Company fails to remedy such condition (or in the case of (v) remedy such breach) within 30 days after receiving Executive’s written notice. In addition, Executive’s resignation must occur within 12 months after Executive has knowledge of such condition.

Involuntary Termination. For all purposes under this Plan, “Involuntary Termination” shall mean either (i) the Company terminates Executive’s Employment with the Company for a reason other than death, Cause or Permanent Disability and a Separation occurs, or (ii) Executive resigns Executive’s Employment for Good Reason and a Separation occurs.

Permanent Disability. For all purposes under this Plan, “Permanent Disability” shall mean, in the reasonable determination by the Compensation Committee, Executive’s inability to perform the essential functions of Executive’s position, with or without reasonable accommodation, for a period of at least 180 consecutive days because of a physical or mental impairment.

Proprietary Information. For all purposes under this Plan, “Proprietary Information” shall mean any and all confidential and/or proprietary knowledge, data or information of the Company. By way of illustration but not limitation, Proprietary Information includes (i) trade secrets, inventions, mask works, ideas, processes, formulas, source and object codes, data, programs, other works of authorship, knowhow, improvements, discoveries, developments, designs and techniques; and (ii) information regarding plans for research, development, new products, marketing and selling.

business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of other employees of the Company.

Restricted Business. For all purposes under this Plan, “Restricted Business” shall mean the design, development, marketing or sales of software, or any other process, system, product, or service marketed, sold or under development by the Company (and expected to reach market before the end of the Restricted Period) at the time Executive’s employment with the Company ends, whether during or after the Term.

Restricted Territory. For all purposes under this Plan, “Restricted Territory” shall mean any state, county, or locality in the United States or around the world in which the Company conducts business.

Separation. For all purposes under this Plan, “Separation” means a “separation from service,” as defined in the regulations under Section 409A of the Code.

Solicit. For all purposes under this Plan, “solicit” shall mean (i) active solicitation of any Client or Company employee (but not general marketing of a product, service or open position not targeted at such employee); (ii) the provision of information regarding any Client or Company employee to any third party where such information could be useful to such third party in attempting to obtain business from such Client or attempting to hire any such Company employee; (iii) participation in any meetings, discussions, or other communications with any third party regarding any Client or Company employee where the purpose or effect of such meeting, discussion or communication is to obtain business from such Client or employ such Company employee; and (iv) any other passive use of information about any Client or Company employee which has the purpose or effect of assisting a third party or causing harm to the business of the Company.

Miscellaneous Provisions.

Notice. Notices and all other communications contemplated by this Plan shall be in writing and shall be deemed to have been duly given when personally delivered, when delivered by FedEx with delivery charges prepaid, or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices shall be addressed to him at the home address that he most recently communicated to the Company in writing. In the case of the Company, mailed notices shall be addressed to its corporate headquarters, and all notices shall be directed to the attention of its Secretary.

Modifications and Waivers. No provision of this Plan shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Plan by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

Whole Agreement. This Plan and the Proprietary Information and Inventions Agreement supersede and replace any prior agreements, representations or understandings (whether oral or written and whether express or implied) between Executive and the Company and constitute the complete agreement between Executive and the Company regarding the subject matter set forth

herein; provided that nothing in this Agreement shall supersede an express promise made by the Company in Executive's Offer Letter.

Choice of Law and Severability. This Plan shall be interpreted in accordance with the laws of the State of New Jersey (except their provisions governing the choice of law). If any provision of this Plan becomes or is deemed invalid, illegal or unenforceable in any applicable jurisdiction by reason of the scope, extent or duration of its coverage, then such provision shall be deemed amended to the minimum extent necessary to conform to applicable law so as to be valid and enforceable or, if such provision cannot be so amended without materially altering the intention of the parties, then such provision shall be stricken and the remainder of this Plan shall continue in full force and effect. If any provision of this Plan is rendered illegal by any present or future statute, law, ordinance or regulation (collectively the "Law"), then such provision shall be curtailed or limited only to the minimum extent necessary to bring such provision into compliance with the Law. All the other terms and provisions of this Plan shall continue in full force and effect without impairment or limitation.

No Assignment. This Plan and all rights and obligations of Executive hereunder are personal to Executive and may not be transferred or assigned by Executive at any time. The Company may assign its rights under this Plan to any entity that assumes the Company's obligations hereunder in connection with any sale or transfer of all or a substantial portion of the Company's assets to such entity.

Survival. The rights and obligations of the parties under the provisions of this Plan (including without limitation Section 6) shall survive, and remaining binding and enforceable, notwithstanding the termination of Executive's employment hereunder or otherwise, to the extent necessary to preserve the intended benefits of such provision.

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)**

I, **Jeff Miller**, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synchronoss Technologies, Inc. for the quarter ended September 30, 2021;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2021

/s/ Jeff Miller
Jeff Miller
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECURITIES AND EXCHANGE COMMISSION RULE 13a-14(a)**

I, **Taylor Greenwald**, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Synchronoss Technologies, Inc. for the quarter ended September 30, 2021;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2021

/s/ Taylor Greenwald
Taylor Greenwald
Chief Financial Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Synchronoss Technologies, Inc. (the "Company") for the quarter ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, **Jeff Miller**, the Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being provided pursuant to 18 U.S.C. 1350 and is not to be deemed a part of the Report, nor is it to be deemed to be "filed" for any purpose whatsoever.

Date: November 9, 2021

/s/ Jeff Miller
Jeff Miller
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Synchronoss Technologies, Inc. (the "Company") for the quarter ended September 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, **Taylor Greenwald**, the Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge and belief that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being provided pursuant to 18 U.S.C. 1350 and is not to be deemed a part of the Report, nor is it to be deemed to be "filed" for any purpose whatsoever.

Date: November 9, 2021

/s/ Taylor Greenwald
Taylor Greenwald
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.