

Edgar Filing: SUNCOM WIRELESS HOLDINGS, INC. - Form 8-K

SUNCOM WIRELESS HOLDINGS, INC.

Form 8-K

July 14, 2006

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

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 10, 2006

SunCom Wireless Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-15325
(Commission
File Number)

23-2974475
(I.R.S. Employer
Identification No.)

1100 Cassatt Road
Berwyn, Pennsylvania
19312

(Address Of Principal Executive Offices, Including Zip Code)

(610) 651-5900
(Registrant's Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Edgar Filing: SUNCOM WIRELESS HOLDINGS, INC. - Form 8-K

Item 1.01. Entry into a Material Definitive Agreement.

As previously reported, on May 9, 2006, Scott I. Anderson, a director of SunCom Wireless Holdings Interim Chairman of the Board of Holdings, to serve during the medical leave of absence of Michael Chief Executive Officer. On July 12, 2006, the Holdings Board of Directors approved an additional \$50,000 to be paid on a pro-rata basis to Mr. Anderson for his service as Interim Chairman of the Board. Kalogris officially resumes his duties as Chairman of the Board.

Also as previously reported, on May 9, 2006, Eric Haskell, Executive Vice President and Chief Financial Officer, appointed Interim Chief Executive Officer of Holdings, to serve during the medical leave of absence of Michael Chairman and Chief Executive Officer. On July 12, 2006, SunCom Wireless Management Company, Inc., a subsidiary of Holdings, and Eric Haskell entered into a letter agreement setting forth the terms of his additional service as our Interim Chief Executive Officer. Pursuant to the letter agreement, his base salary increased from \$285,000 to \$450,000 per annum, payable bi-weekly, during the period he serves as our Interim Chief Executive Officer. The \$165,000 difference (referred to as the interim stipend) will be pro-rated to the extent Mr. Haskell performs a portion of his duties as Chief Executive Officer. In addition, the calculation of Mr. Haskell's interim stipend on his original base salary plus the aggregate interim stipend received during the year.

Mr. Haskell's service as Interim Chief Executive Officer will terminate immediately upon the date he resumes his duties as Chief Executive Officer on a substantially full-time basis. Following his termination as Interim Chief Executive Officer, Mr. Haskell will continue to serve as Executive Vice President and Chief Financial Officer until his employment is terminated under the terms of his employment agreement.

The principal terms of Mr. Haskell's employment agreement have previously been described in Holdings' Form 8-K dated May 26, 2006 and filed on June 2, 2006. The description of Mr. Haskell's letter agreement is not intended to be complete and is qualified in its entirety by reference to Mr. Haskell's letter agreement, which is filed with this report and is incorporated into this report by this reference.

Item 1.02. Termination of a Material Definitive Agreement.

On July 10, 2006, Daniel E. Hopkins tendered his resignation as Senior Vice President, Finance and Administration. As a result, Mr. Hopkins' employment agreement with SunCom Wireless Management Company, Inc., dated as of May 26, 2006, will terminate after the expiration of the 60-day notice period provided for under his employment agreement. Certain provisions of Mr. Hopkins' employment agreement (including a one year non-compete, a one year non-disparagement agreement and a confidentiality agreement) will survive the termination of the employment agreement. In connection with his resignation, Mr. Hopkins and SunCom Wireless Management Company are expected to execute a separation agreement and release, the form of which was attached as an exhibit to, and filed with, Mr. Hopkins' resignation letter.

The principal terms of Mr. Hopkins' employment agreement have previously been described in Holdings' Form 8-K dated December 14, 2005 and filed on December 20, 2005. The description of Mr. Hopkins' employment agreement is not intended to be complete and is qualified in its entirety by reference to Mr. Hopkins' employment agreement, which is filed as Exhibit 10.3 hereto and is incorporated into this report by this reference.

Item 9.01. Financial Statements and Exhibits.

(a) Not applicable.

(b) Not applicable.

(c) Not applicable.

(d) Exhibits:

10.1 Employment Agreement, dated as of May 26, 2006, between SunCom Wireless Holdings, Inc. and Eric Haskell (incorporated by reference to Exhibit 10.1 to Holdings' Form 8-K dated May 26, 2006 and filed June 2, 2006).

10.2 Letter Agreement, dated as of July 12, 2006, between SunCom Wireless Holdings, Inc. and Eric Haskell.

Edgar Filing: SUNCOM WIRELESS HOLDINGS, INC. - Form 8-K

10.3 Employment Agreement, dated as of December 20, 2006, between SunCom Wireless Holdings, Inc. and Daniel E. Hopkins (incorporated by reference to Exhibit 10.1 of this filing) for the year ended December 31, 2005).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this filing to be made on behalf of the undersigned hereunto duly authorized.

SUNCOM WIRELESS HOLDINGS, INC.

Date: July 14, 2006

By: /s/ Charles H. Kall

Charles H.N. Kall
Senior Vice President
Regulatory Affairs

July 12, 2006

Mr. Eric Haskell
518 Candace Road
Villanova, Pennsylvania 19085

Dear Mr. Haskell:

You have entered into an employment agreement with SunCom Wireless Management Company, Inc. ("SunCom") dated July 12, 2006 (the "Employment Agreement"). Under the terms of the Employment Agreement, you have agreed to serve as the interim Chief Executive Officer and Chief Financial Officer of the Company. In connection with the medical leave of absence of Daniel E. Hopkins, Chief Executive Officer of SunCom Wireless Holdings, Inc. and SunCom Wireless, Inc. ("SunCom") and appointed by the Board of Directors of SunCom (the "Board") to serve as the interim Chief Executive Officer of SunCom as of May 9, 2006. In light of the additional services the parties expect you to provide as interim Chief Executive Officer, this letter agreement (this "Agreement") sets forth certain modifications to the terms of the Employment Agreement effective during your service as interim Chief Executive Officer:

1. Title. You have been appointed and you have agreed to serve as Interim Chief Executive Officer and such other affiliates of SunCom and the Company (collectively and including any entities that are part of the SunCom Group as of the effective date of this Agreement, the "SunCom Group") as the Board may determine to be necessary.
2. Employment Term. Your employment as Interim Chief Executive Officer under this Agreement shall commence on July 12, 2006 (the "Effective Date") and shall continue until terminated pursuant to Paragraph 7 below (the "Term").
3. Continued Duties Under Employment Agreement. You acknowledge that during the Interim Term you shall continue to perform the duties of the Executive Vice President and Chief Financial Officer of the Company and to perform your duties as Chief Executive Officer pursuant to the terms of the Employment Agreement. Except as otherwise expressly modified under the terms of this Agreement, the terms and conditions of the Employment Agreement shall continue in full force and effect and are hereby ratified.
4. General Duties, Authority and Direction. You shall report directly to the Board, including the Chairman of the Board. SunCom and the Company expect that you shall have all the power, authority and discretion necessary to carry out your duties as Interim Chief Executive Officer.

Edgar Filing: SUNCOM WIRELESS HOLDINGS, INC. - Form 8-K

attendant to the position of Chief Executive Officer, which may be modified to reflect that you are the Executive Vice President and Chief Financial Officer of SunCom and the Company.

5. Base Salary. During the Interim Term, your annual Base Salary under the Employment Agreement shall be \$17,307.69 (the "Interim Base Salary"). The Interim Base Salary will remain in effect for all time while you perform the duties of interim Chief Executive Officer. The difference in your annual Base Salary (the "Interim Stipend") will be pro-rated to the extent Michael Kalogris, the Chairman and Chief Executive Officer ("Michael Kalogris") officially resumes all or a portion of his duties. For instance, if Michael Kalogris and Chief Executive Officer is given permission to resume his duties, but for only twenty (20) hours per week, your Interim Stipend would be reduced by 50%.

6. Annual Bonus. During the Interim Term, your annual Bonus target under the terms of your Employment Agreement shall be the same. Calculation of your 2006 annual Bonus will be calculated using Total Base Salary earned during the year of your annual Base Salary plus any Interim Stipend paid to you. This will increase your 2006 annual Bonus to recognize interim duties performed during the 2006 bonus plan year.

7. Termination. Your service as Interim Chief Executive Officer is at the pleasure of the Company. The Company may terminate your service as Interim Chief Executive Officer at any time for any reason. Your service as Interim Chief Executive Officer shall terminate immediately upon the date that Michael E. Kalogris resumes his duties as Chief Executive Officer on a full-time basis. Following the termination of your service as Interim Chief Executive Officer, you shall continue to serve as Executive Vice President and Chief Financial Officer unless such service is terminated under the terms of your Employment Agreement. Termination of your service as Interim Chief Executive Officer shall not constitute "Good Reason" for purposes of your employment as such term is otherwise defined under the Employment Agreement. Upon termination of your service as Interim Chief Executive Officer, you shall be entitled to payment of any Base Salary or Annual Bonus that has been earned as of the date of such termination.

8. Headings. Headings to paragraphs in this Agreement are for the convenience of the parties and shall not constitute part of or to affect the meaning or interpretation hereof.

9. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be a copy of the original and together shall constitute one and the same instrument.

10. Withholding. Any payments provided for herein shall be reduced by any amounts required to be withheld under applicable Federal, State or local income or employment tax laws or similar statutes or other laws having effect.

11. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Pennsylvania.

12. Resolution of Disputes. All disputes, controversies and claims arising in connection with this Agreement shall be settled by agreement between the parties shall be finally settled as set forth in Paragraph 9(1) of the Employment Agreement.

13. Notices. Any notice required or desired to be delivered under this Agreement shall be delivered to the party to whom such notice is directed personally against receipt, by courier service or by registered mail, return receipt requested, or by electronic mail, with a receipt by the party to which such notice shall be directed, and shall be addressed as follows (or such other address as the party entitled to notice shall hereafter designate in accordance with the terms hereof):

If to SunCom or the Company, to the attention of the Compensation Committee at SunCom's principal executive office:

Dow Lohnes PLLC
1200 New Hampshire Avenue, N.W.
Washington, D.C. 20036
Attention: Leonard J. Baxt
Facsimile: (202) 776-2222

Edgar Filing: SUNCOM WIRELESS HOLDINGS, INC. - Form 8-K

And

SunCom Wireless
1100 Cassatt Road
Berwyn, PA 19312
Attention: Legal Department
Facsimile: (610) 722-4288

If to Executive, to:

Mr. Eric Haskell
518 Candace Road
Villanova, PA 19085
Home Phone: (610) 527-6547
Home Facsimile: (610) 520-9223

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the Parties as of

SunCom Wireless Holdings, Inc.

By: /s/ Scott Anderson

Scott Anderson
Interim Chairman, Board of Directors,

SunCom Wireless Management Company, Inc.

By: /s/ Scott Anderson

Scott Anderson
Interim Chairman, Board of Directors,

Executive

/s/ Eric Haskell

Eric Haskell