

CompuCredit Holdings Corp
Form DEF 14A
April 18, 2011

SCHEDULE 14A
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the
Commission Only (as permitted by
Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §
240.14a-12

COMPUCREDIT HOLDINGS CORPORATION
(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(5)

Total fee paid:

.. Fee paid previously with preliminary materials.

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(1)

Amount Previously Paid:

(2)

Form, Schedule or Registration Statement No.:

(3)

Filing Party:

(4)

Date Filed:

April 15, 2011

Dear Shareholder:

On behalf of the Board of Directors, I cordially invite you to attend the 2011 Annual Meeting of Shareholders of CompuCredit Holdings Corporation, which will be held at the company's corporate headquarters, Five Concourse Parkway, Suite 400, Atlanta, Georgia 30328, on Thursday, May 12, 2011, commencing at 10:00 a.m., local time. The matters to be acted upon at the meeting are described in the attached Notice of Annual Meeting of Shareholders and Proxy Statement.

Your vote on the business to be considered at the meeting is important, regardless of the number of shares you own. Whether or not you plan to attend the meeting, please complete, sign and date the accompanying proxy card and promptly return it in the enclosed prepaid envelope prior to the meeting so that your shares may be represented at the meeting. Returning the proxy card does not deprive you of your right to attend the meeting and to vote your shares in person.

Sincerely yours,

David G. Hanna
Chief Executive Officer

COMPUCREDIT HOLDINGS CORPORATION

Five Concourse Parkway, Suite 400
Atlanta, Georgia 30328

Notice of Annual Meeting of Shareholders

To be held on Thursday, May 12, 2011

Notice is hereby given that the Annual Meeting of Shareholders of CompuCredit Holdings Corporation, a Georgia corporation, will be held on Thursday, May 12, 2011, at 10:00 a.m., local time, at the company's corporate headquarters, Five Concourse Parkway, Suite 400, Atlanta, Georgia 30328 for the following purposes:

1. To elect five directors for terms expiring at the 2012 Annual Meeting of Shareholders; and
2. To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on March 11, 2011 as the record date for determining the shareholders entitled to notice of, and to vote at, the Annual Meeting or any adjournments. A list of such shareholders is available for inspection by any shareholder during ordinary business hours at our principal place of business at Five Concourse Parkway, Suite 400, Atlanta, Georgia 30328. The shareholder list also will be available for inspection by any shareholder at the time and place of the Annual Meeting. Please mark, sign and date the enclosed proxy card and mail it promptly in the accompanying envelope.

By Order of the Board of Directors,

Rohit H. Kirpalani
Secretary

Atlanta, Georgia
April 15, 2011

IMPORTANT

Whether or not you expect to attend the Annual Meeting, please complete, sign and date the enclosed proxy card and return it in the envelope provided. In the event you attend the Annual Meeting, you may revoke your proxy and vote your shares in person.

COMPUCREDIT HOLDINGS CORPORATION

Five Concourse Parkway, Suite 400
Atlanta, Georgia 30328
(770) 828-2000

Proxy Statement
Annual Meeting of Shareholders
To be held on Thursday, May 12, 2011

General Information

The Board of Directors of CompuCredit Holdings Corporation, a Georgia corporation, is furnishing this Proxy Statement to the holders of its Common Stock, in connection with its solicitation of proxies for use at the Annual Meeting of Shareholders to be held at the company's corporate headquarters, Five Concourse Parkway, Suite 400, Atlanta, Georgia 30328, at 10:00 a.m., local time, on Thursday, May 12, 2011, and at any and all adjournments thereof. You may obtain directions to the location of the Annual Meeting by visiting www.compucredit.com/2011AnnualMeeting or by contacting Jay Putnam at the address or telephone number listed above.

A proxy delivered pursuant to this solicitation is revocable at the option of the person giving it at any time before it is exercised. A proxy may be revoked, prior to its exercise, by executing and delivering a later dated proxy, by delivering written notice of the revocation of the proxy to the Secretary of CompuCredit Holdings Corporation ("CompuCredit") prior to the Annual Meeting or by attending and voting at the Annual Meeting. Attendance at the Annual Meeting, in and of itself, will not constitute a revocation of a proxy. Unless previously revoked, the shares represented by the enclosed proxy will be voted in accordance with the shareholder's directions if the proxy card is duly executed and returned prior to the Annual Meeting. If no directions are specified, the shares will be voted "FOR" the election of the director nominees recommended by the Board of Directors and in accordance with the discretion of the named proxies on other matters brought before the Annual Meeting.

CompuCredit will bear the expense of preparing, printing and mailing this Proxy Statement and soliciting the proxies it is seeking. In addition to the use of the mails, proxies may be solicited by officers, directors and employees of CompuCredit, in person or by telephone, e-mail or facsimile transmission. CompuCredit also will request brokerage firms, banks, nominees, custodians and fiduciaries to forward proxy materials to the beneficial owners of the underlying shares as of the Record Date and will reimburse the cost of forwarding the proxy materials in accordance with customary practice. Your cooperation in promptly completing, signing and returning the enclosed proxy card will help to avoid additional expense.

This Proxy Statement and the enclosed proxy card are first being mailed to shareholders on or about April 19, 2011. A copy of the 2010 Annual Report to Shareholders, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as filed with the Securities and Exchange Commission (the "SEC"), is being mailed with this Proxy Statement.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting To Be Held on May 12, 2011:

This Proxy Statement and the 2010 Annual Report to Shareholders are available at www.compucredit.com/2011AnnualMeeting.

Voting Rights

CompuCredit's Common Stock is the only class of voting securities outstanding. The close of business on March 11, 2011 has been fixed as the Record Date for the determination of our shareholders entitled to notice of, and to vote at, the 2011 Annual Meeting. Only shareholders of record at the close of business on the Record Date will be entitled to notice of, and to vote at, the Annual Meeting. On the Record Date, we had outstanding 38,031,568 shares of Common Stock. Each outstanding share of Common Stock entitles the holder to one vote on all matters submitted to the shareholders.

Quorum and Voting Requirements

For each proposal to be considered at the Annual Meeting, the holders of a majority of the number of shares entitled to vote on such matter at the meeting, present in person or by proxy, will constitute a quorum. Both abstentions and "broker non-votes" will be treated as present for purposes of determining a quorum. A "broker non-vote," however, does not count as a vote in favor of or against a particular proposal for which the broker has no discretionary voting authority. "Broker non-votes" are votes that brokers holding shares of record for their customers (i.e., in "street name") are not permitted to cast under applicable stock market regulations because the brokers have not received instructions (or have received incomplete instructions) from their customers as to certain proposals, and, therefore, the brokers have advised us that they lack voting authority.

With regard to Proposal One (Election of Directors), votes may be cast for the nominees or may be withheld. Each director nominee was recommended by the Nominating and Corporate Governance Committee of the Board of Directors, and all nominees are current directors, standing for re-election. The election of directors requires a plurality of the votes cast, and the five nominees receiving the greatest number of votes will be elected. Votes that are withheld and broker non-votes are not considered "votes cast" and therefore will have no effect on the outcome of Proposal One.

Holding Company Reorganization

On June 30, 2009, CompuCredit Corporation completed its holding company reorganization (the "Reorganization"). In the Reorganization, CompuCredit Corporation became a wholly owned subsidiary of CompuCredit Holdings Corporation. The Reorganization was effected through a merger pursuant to an Agreement and Plan of Merger, dated as of June 2, 2009. As a result of the Reorganization, each outstanding share of CompuCredit Corporation common stock was automatically converted into one share of CompuCredit Holdings Corporation common stock. Information presented in this Proxy Statement for the period on and prior to June 30, 2009 refers to CompuCredit Corporation and information for the period after June 30, 2009 refers to CompuCredit Holdings Corporation.

Proposal One:

Election of Directors

Action will be taken at the Annual Meeting for the election of five directors. Each director elected at the Annual Meeting will serve until the 2012 Annual Meeting or until his successor is elected and qualified. Proxies can be voted for only five nominees.

The Board of Directors has no reason to believe that any of the nominees for director will not be available to stand for election as director. However, if some unexpected occurrence should require the substitution by the Board of Directors of some other person or persons for any one or more of the nominees, the proxies may be voted in accordance with the discretion of the named proxies "FOR" such substitute nominees.

The terms of Gregory J. Corona, Richard W. Gilbert and Frank J. Hanna, III expire at this year's Annual Meeting, and they have decided not to stand for re-election. Our Bylaws provide that the number of directors shall be not less than five, the precise number to be fixed by resolution of the Board of Directors. The size of our Board currently is fixed at nine directors, including one vacancy. The Board of Directors has decided to reduce the size of the Board from nine directors to five directors, effective upon the time of the Annual Meeting. Accordingly, the Board of Directors has nominated five directors for election at the Annual Meeting.

The name, age, principal occupation for the last five years, selected biographical information and period of service as a director of CompuCredit of the nominees for election as directors are set forth below.

Nominees for Director

David G. Hanna, age 46. Chairman of the Board. Mr. Hanna has been the Chief Executive Officer of CompuCredit since its formation in 1996 and has been the Chairman of the Board since our initial public offering in 1999. Mr. Hanna has been in the consumer credit industry for over 21 years. Since 1992, Mr. Hanna has served as President and a director of HBR Capital, Ltd., an administrative services firm, and since 2006, as President of Hanna Capital, LLC, an investment firm. Mr. Hanna's role as a founder of CompuCredit provides the Board with considerable institutional knowledge and an important long-term perspective on the company and our industry as a whole. Mr. Hanna is the brother of Frank J. Hanna, III, who is a director.

Richard R. House, Jr., age 47. Mr. House has been President of CompuCredit since 2000 and has been a director since 2002. Mr. House served as Chief Credit Officer from the time he joined CompuCredit in 1997 until being named President. His 14 years with CompuCredit provide the Board with an intimate understanding of the company's operations and insightful institutional knowledge. Mr. House has a total of 24 years experience in the consumer credit industry. This experience provides the Board with valuable insight into our industry.

Deal W. Hudson, age 61. Dr. Hudson became a director in 2002. Since 2004, Dr. Hudson has been the Executive Director of the Morley Institute, a religious think tank, in Washington, D.C. He also is President of the Morley Publishing Group, a religious publishing company. Dr.

Hudson's leadership experience in the not-for-profit sector provides the Board with important insight in the areas of corporate responsibility and community affairs. Dr. Hudson helps the Board to incorporate these considerations into its decision-making process.

Mack F. Mattingly, age 80. Senator Mattingly became a director in 1999. He was elected to the United States Senate from the State of Georgia in 1981, where he served until 1987. While in the Senate, he was Chairman of the Military Construction Appropriations Subcommittee, the Legislative Branch Subcommittee and the Congressional Operations and Oversight Subcommittee, as well as a member of the Appropriations Committee, the Banking and Housing Committee, the Governmental Affairs Committee and the Joint Economic Committee. In 1987, President Ronald Reagan appointed him Assistant Secretary General for Defense Support for NATO in Brussels, Belgium. In 1988, he received the Secretary of Defense Medal for Outstanding Public Service. In 1992, President George H. W. Bush appointed him Ambassador to the Republic of the Seychelles. Prior to serving in the Senate, Senator Mattingly worked 20 years for the IBM Corporation and served four years in the United States Air Force. Since 1993, Senator Mattingly has been a self-employed entrepreneur, speaker and author. Senator Mattingly's experience in business and government provides the Board with valuable insight in the areas of governmental, regulatory and community affairs.

Thomas G. Rosencrants, age 61. Mr. Rosencrants became a director in 1999. Since 1997, Mr. Rosencrants has been the Chairman and Chief Executive Officer of Greystone Capital Group, LLC, an investment firm. He is also the Chairman and Chief Executive Officer of Ravello Solutions, LLC, an insurance software firm. Mr. Rosencrants also served as a member of the Board and Compensation Committee and as Chairman of the Audit Committee of Cambridge Display Technology, Inc. from 2006 until its sale in 2007. In addition, he is a Chartered Financial Analyst. Mr. Rosencrants provides the Board and Audit Committee with expertise in the areas of finance, financial reporting, accounting, corporate governance and risk management.

The Board of Directors recommends a vote "FOR ALL NOMINEES"
listed in Proposal One for election to the Board of Directors.

Executive Officers of CompuCredit