

INSIGHT ENTERPRISES INC  
Form DEF 14A  
April 01, 2013  
Table of Contents

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**SCHEDULE 14A**

(Rule 14a-101)

**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

**INSIGHT ENTERPRISES, INC.**

(Name of Registrant as Specified in its Charter)



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Table of Contents

INSIGHT ENTERPRISES, INC.

6820 South Harl Avenue

Tempe, Arizona 85283

NOTICE OF 2013 ANNUAL MEETING OF STOCKHOLDERS

May 15, 2013

TO OUR STOCKHOLDERS:

You are cordially invited to attend the Insight Enterprises, Inc. 2013 annual meeting of stockholders on Wednesday, May 15, 2013, at 11:00 a.m. Mountain Standard Time, at our client support center, 910 West Carver Road, Suite 110, Tempe, Arizona 85284, for the following purposes:

- (1) To elect three Class I directors to serve until the 2016 annual meeting of stockholders or until their respective successors have been duly elected and qualified;
- (2) To hold an advisory vote to approve named executive officer compensation;
- (3) To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the year ending December 31, 2013; and
- (4) To transact such other business as may properly come before the annual meeting or any adjournment of the meeting.

These items are more fully described in the enclosed proxy statement.

Each outstanding share of our common stock entitles the holder of record at the close of business on March 22, 2013 to receive notice of and to vote at the annual meeting or any adjournment or postponement of the meeting. Shares of common stock can be voted at the annual meeting only if the holder is present in person or by valid proxy. A copy of our annual report on Form 10-K is enclosed.

By Order of the Board of Directors,

/s/ Steven R. Andrews

Tempe, Arizona  
April 5, 2013

Steven R. Andrews  
General Counsel and Secretary

**YOU MAY VOTE YOUR SHARES BY TELEPHONE, VIA THE INTERNET OR BY MAIL BY FOLLOWING THE INSTRUCTIONS ON YOUR PROXY CARD. IF YOU VOTE BY TELEPHONE OR VIA THE INTERNET, YOU SHOULD NOT RETURN YOUR PROXY CARD. IF YOU CHOOSE TO VOTE BY MAIL, PLEASE SIGN, DATE AND RETURN THE PROXY CARD IN THE ENVELOPE PROVIDED. THE PROXY MAY BE REVOKED AT ANY TIME BEFORE YOUR SHARES ARE VOTED AT THE MEETING BY SUBMITTING WRITTEN NOTICE OF REVOCATION TO THE CORPORATE SECRETARY OF INSIGHT ENTERPRISES, INC. OR BY SUBMITTING ANOTHER TIMELY PROXY BY TELEPHONE, INTERNET OR MAIL. IF YOU ARE PRESENT AT THE MEETING, YOU MAY VOTE YOUR SHARES IN PERSON, AND THE PROXY WILL NOT BE**

**USED. IF YOU HOLD SHARES THROUGH A BROKER OR OTHER CUSTODIAN, PLEASE CHECK THE VOTING INSTRUCTIONS USED BY THAT BROKER OR CUSTODIAN.**

**Table of Contents**

**INSIGHT ENTERPRISES, INC.**

**PROXY STATEMENT**

**2013 ANNUAL MEETING OF STOCKHOLDERS**

**TABLE OF CONTENTS**

	<b>Page</b>
<b><u>Proxy Summary</u></b>	1
<b><u>Proposal No. 1 Election of Directors</u></b>	4
<b><u>Information Concerning Directors and Executive Officers</u></b>	5
<b><u>Corporate Governance</u></b>	
<u>The Board and Its Committees</u>	10
<u>Governance Initiatives</u>	13
<u>Risk Management</u>	15
<u>Compensation Consultants</u>	15
<b><u>Compensation Discussion and Analysis</u></b>	
<u>Executive Summary</u>	16
<u>Discussion and Analysis</u>	18
<u>Chief Executive Officer Compensation</u>	32
<u>Response to Last Year's Say-on-Pay Vote</u>	33
<u>Tax and Accounting Considerations</u>	33
<b><u>Compensation Committee Report</u></b>	34
<b><u>Compensation Committee Interlocks and Insider Participation</u></b>	34
<b><u>Summary Compensation Table</u></b>	35
<b><u>Grants of Plan-Based Awards</u></b>	37
<b><u>Outstanding Equity Awards at Fiscal Year-End</u></b>	39
<b><u>Option Exercises and Stock Vested Table</u></b>	40
<b><u>Employment Agreements, Severance and Change in Control Plans</u></b>	40
<b><u>Nonqualified Deferred Compensation Table</u></b>	46
<b><u>Director Compensation</u></b>	47
<b><u>Section 16(a) Beneficial Ownership Reporting Compliance</u></b>	49
<b><u>Related Party Transactions</u></b>	49
<b><u>Code of Ethics</u></b>	50
<b><u>Security Ownership of Certain Beneficial Owners and Management</u></b>	51
<b><u>Proposal No. 2 Advisory Vote to Approve Named Executive Officer Compensation</u></b>	52
<b><u>Securities Authorized for Issuance under Equity Compensation Plans</u></b>	54
<b><u>Audit Committee Report</u></b>	55
<b><u>Relationship with Independent Registered Public Accounting Firm</u></b>	56
<b><u>Proposal No. 3 Ratification of the Appointment of KPMG LLP as Independent Registered Public Accounting Firm</u></b>	57
<b><u>Stockholder Proposals</u></b>	58
<b><u>Other Matters</u></b>	58
<b><u>Forward-Looking Statements</u></b>	58
<b><u>Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on May 15, 2013</u></b>	59

**Table of Contents**

**INSIGHT ENTERPRISES, INC.**

**6820 South Harl Avenue**

**Tempe, Arizona 85283**

**PROXY STATEMENT**

**2013 ANNUAL MEETING OF STOCKHOLDERS**

**May 15, 2013**

This proxy statement is being furnished to you in connection with the solicitation of proxies by the Board of Directors of Insight Enterprises, Inc. Your vote is very important. For this reason, the Board of Directors is requesting that you allow your common stock to be represented at the annual meeting by the persons named as proxies on the enclosed proxy card. **This proxy statement is being sent to you in connection with this request and has been prepared for the Board of Directors by our management.** The terms we, our, Insight and Company refer to Insight Enterprises, Inc. and its subsidiaries. This proxy statement is first being sent to our stockholders on or about April 5, 2013.

**PROXY SUMMARY**

*Who can vote?*

You are entitled to vote your common stock if our records show that you held your shares as of March 22, 2013, the record date for our meeting. At the close of business on that date, 44,586,827 shares of common stock were outstanding and entitled to vote. Each share of common stock has one vote. The enclosed proxy card shows the number of shares that you are entitled to vote. Your individual vote is confidential. We use our transfer agent to tabulate votes, but we will not disclose your vote to others.

*How do I vote?*

If your common stock is held by a broker, bank or other nominee (i.e., in street name), you will receive instructions from the registered holder that you must follow in order to have your shares voted. If you hold your shares in your own name (i.e., as a holder of record), you may vote your shares by telephone, via the Internet or by mail. To vote by mail you may instruct the persons named as proxies how to vote your shares by signing, dating and mailing the proxy card in the envelope provided. You may vote by telephone or Internet 24 hours a day, 7 days a week until 12:00 p.m. (CT) on May 14, 2013. The enclosed proxy card contains instructions for telephone and Internet voting. You may also come to the meeting and vote your shares in person.

**Table of Contents**

*How may I revoke my proxy instructions?*

You may revoke your proxy instructions by any of the following procedures:

1. Send us another signed proxy with a later date;
2. Vote or re-vote by telephone or over the Internet at a later date;
3. Send a letter to our Corporate Secretary, at 6820 South Harl Avenue, Tempe, Arizona 85283, revoking your proxy before your common stock has been voted by proxies at the meeting; or
4. Attend the annual meeting and vote your shares in person.

*How are votes counted?*

The annual meeting will be held if a majority of our outstanding shares entitled to vote is represented at the meeting. If you have returned valid proxy instructions or attend the meeting in person, your shares will be counted for the purpose of determining whether there is a quorum, even if you wish to abstain from voting on some or all matters introduced at the meeting.

Shares of common stock represented by properly executed proxy cards received by the Company in time for the meeting will be voted in accordance with the instructions in the proxies. If you return a signed proxy card without giving specific voting instructions, your shares will be voted as recommended by the Board of Directors, as follows:

Proposal No. 1    FOR    the election of all Class I director nominees

Proposal No. 2    FOR    the advisory vote to approve named executive officer compensation

Proposal No. 3    FOR    the ratification of the appointment of KPMG LLP as our independent registered public accounting firm

We are not aware of any other matters to be presented at the annual meeting except for those described in this proxy statement. However, if any other matters not described in this proxy statement are properly presented at the meeting, the persons named as proxies will use their own judgment to determine how to vote your shares. If the meeting is adjourned, your shares may be voted by the persons named as proxies on the new meeting date as well, unless you have revoked your proxy instructions prior to that time.



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A broker non-vote occurs when a broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or other nominee does not have discretionary voting power with respect to that item and has not received instructions from the beneficial owner. Broker non-votes are counted as present or represented for purposes of determining the presence or absence of a quorum for the annual meeting but are not counted for the purpose of determining the number of shares entitled to vote on any proposal in respect of which the broker or other nominee lacks discretionary authority. Broker non-votes are not considered to be shares entitled to vote on proposals where the broker does not have discretionary authority and will not be considered in determining the number of votes necessary for approval and will have no affect on the outcome of any vote at the meeting to which the broker or other nominee lacks discretionary authority.

**Table of Contents**

An abstention is generally viewed as the voluntary act of not voting by a stockholder who is present at the meeting and otherwise entitled to vote. An abstaining stockholder is present at the meeting and entitled to vote, and therefore, will be counted for purposes of determining whether a quorum is present. Where the proposal requires a majority of the shares outstanding and entitled to vote on the proposal, an abstention will be counted as a vote against the proposal. Where, however, the proposal requires a majority of the votes cast, an abstention will not be counted, since it is not a vote cast for or against the proposal.

*May I attend the annual meeting?*

If you are a holder of record, you may attend the annual meeting. If you plan to attend the annual meeting, please indicate this when you return your proxy. If you are a beneficial owner of common stock held by a broker or bank, you will need proof of ownership to be admitted to the meeting. A recent brokerage statement or letter from a broker or bank showing your current ownership and ownership of our shares on the record date are examples of proof of ownership. If you want to vote in person shares you hold in street name, you will have to get a proxy in your name from the registered holder before the annual meeting.

*What vote is required?*

With respect to Proposal No. 1 (Election of Directors), each of the three nominees for director will be elected upon the affirmative vote of the majority of votes cast with respect to the director's election, which means the number of votes cast for a director nominee must exceed the number of votes cast against that director nominee. Any incumbent director nominee who is not elected by a majority of votes cast must tender his or her resignation to the Board, and the Nominating and Governance Committee will make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. In such a situation, the Board will act on the Nominating and Governance Committee's recommendation and publicly disclose its decision and the rationale behind its decision within 90 days from the date of the certification of the election results. In the event of a contested election, director nominees who receive the most votes for the number of seats up for election will be elected.

Proposal No. 2 (Advisory Vote to Approve Named Executive Officer Compensation) and Proposal No. 3 (Ratification of the Appointment of KPMG LLP as our Independent Registered Public Accounting Firm) will be adopted upon the affirmative vote of the holders of a majority of the voting power of the shares entitled to vote on such proposal, present in person or represented by proxy at the annual meeting.

Broker non-votes shall not be treated as votes cast and will have no effect on Proposal No. 1 and Proposal No. 2.

With the exception of Proposal No. 1, in determining whether each of these proposals has received the requisite number of affirmative votes, abstentions will have the same effect as a vote cast against the proposal. Abstentions will have no effect on Proposal No. 1.

**Table of Contents**

*Who pays the cost of this proxy solicitation?* We will pay the cost of this proxy solicitation. We will, upon request, reimburse brokers, banks and other nominees for their expenses in sending proxy material to their principals and obtaining their proxies. We will solicit proxies by mail, except for any incidental personal solicitation made by our directors, officers and employees, for which they will not be paid. We have retained Georgeson Inc. to assist us in the distribution and solicitation of proxies. We estimate that we will pay Georgeson Inc. approximately \$10,500, plus reimbursement of out-of-pocket expenses, for its services.

*Who should I call if I have questions?* If you have questions about the annual meeting or voting, please call our Corporate Secretary, Steven R. Andrews, at (480) 333-3000.

*How may I receive a copy of Insight's annual report on Form 10-K and proxy materials?* A copy of our annual report on Form 10-K for the year ended December 31, 2012 is enclosed. Company stockholders who share an address may receive only one copy of this proxy statement and the 2012 annual report on Form 10-K from their bank, broker or other nominee, unless contrary instructions are received. We will deliver promptly a separate copy of this proxy statement and the 2012 annual report on Form 10-K to any stockholder who resides at a shared address and to which a single copy of the documents was delivered, if the shareholder makes a request by contacting our Corporate Secretary at 6820 South Harl Avenue, Tempe, Arizona 85283, or by telephone at (480) 333-3000. Stockholders sharing an address who are receiving multiple copies of this proxy statement and the 2012 annual report on Form 10-K and who wish to receive a single copy in the future will need to contact their bank, broker or other nominee.

**Insight will mail without charge, upon written request, another copy of our annual report on Form 10-K for the year ended December 31, 2012, including the consolidated financial statements and list of exhibits, and any particular exhibit specifically requested.** Requests should be addressed to our Corporate Secretary at 6820 South Harl Avenue, Tempe, Arizona 85283. Our annual report on Form 10-K is also available at [www.insight.com](http://www.insight.com).

**PROPOSAL NO. 1**

**ELECTION OF DIRECTORS**

There are three nominees to our Board in this year's election. Michael M. Fisher and Bennett Dorrance are standing for re-election to the Board and Richard E. Allen was appointed as a Class I director on January 19, 2012 and will stand for election at the 2013 annual meeting of stockholders. Messrs. Fisher and Dorrance have served as directors since 2001 and 2004, respectively. All are Class I directors. Messrs. Fisher, Dorrance and Allen each qualify as an independent director as defined in NASDAQ Listing Rule 5605(a)(2). Unless otherwise instructed, the proxy holders will vote for the election of Messrs. Fisher, Dorrance and Allen.

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**Table of Contents**

Each of the nominees was nominated by the Nominating and Governance Committee and has agreed to be named in this proxy statement and serve if elected, and we know of no reason why any of the nominees would not be able to serve. However, if any nominee is unable or declines to serve as a director, or if a vacancy occurs before the election (which events are not anticipated), the proxy holders will vote for the election of such other person or persons nominated by the Board.

Information concerning each director nominee is set forth below, along with information about other members of our Board and about our executive officers.

**Vote Required**

To be elected, a director nominee must receive the affirmative vote of the majority of votes cast, meaning that the number of votes cast for a director nominee must exceed the number of votes cast against that director nominee. Abstentions and broker non-votes will have no effect on Proposal No. 1.

**YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS**

**A VOTE FOR ELECTION OF THE NOMINEES**

**INFORMATION CONCERNING DIRECTORS AND EXECUTIVE OFFICERS**

Our Board currently consists of nine persons, divided into three classes serving staggered terms of three years. The terms of the Class I directors will expire at the 2013 annual meeting (if re-elected or elected, as the case may be, their new terms will expire at the 2016 annual meeting) and the terms of the Class II and Class III directors will expire at the 2014 and 2015 annual meetings, respectively.

**Directors**

The names of our directors and information about them, including their specific qualifications, are set forth below.

*Timothy A. Crown*

(Age 49)

Mr. Crown has been a director since 1994 and assumed the position of Chair of the Board in November 2004. Mr. Crown has been a non-employee director since 2004. Mr. Crown, a co-founder of the Company, stepped down from the position of President and Chief Executive Officer in November 2004, positions he had held since January 2000 and October 2003, respectively. Mr. Crown is also an officer and director of various private companies, including companies in which he has made investments.

Chair of the Board

The Board believes Mr. Crown's experience as a co-founder of the Company gives him a unique perspective on the Company's opportunities, operations and challenges, and on the industry in which we operate. Mr. Crown's experience in co-founding over 20 companies in the public, private and not-for-profit sectors also brings to the Company a focus on innovation and managing growth in rapidly changing environments.

Class III Director

Chair of the Executive Committee

**Table of Contents**

*Kenneth T. Lamneck*  
(Age 58)

Mr. Lamneck was appointed President and Chief Executive Officer of Insight effective January 1, 2010. From 2004 through 2009, Mr. Lamneck served as President, the Americas, at Tech Data Corporation, a wholesale distributor of technology products, where he led operations in the United States, Canada and Latin America. From 1996 to 2003, he held various executive management positions at Arrow Electronics, including President of Arrow/Richey Electronics and President of Arrow's Industrial Computer Products business.

President and Chief  
Executive Officer

Class II Director

Mr. Lamneck's knowledge of our business, based on over 20 years of industry experience and his extensive management experience, make him a valuable contributor to the Board. In addition, as our President and Chief Executive Officer, the Board believes it is appropriate for him to be a member of the Board.

Member of the  
Executive Committee

*Richard E. Allen*  
(Age 56)

Richard E. Allen was appointed a director effective January 19, 2012 and is one of the Audit Committee's designated financial experts. Mr. Allen served as Executive Vice President, Finance and Administration of J.D. Edwards & Company, a cross-industry ERP software solutions company, from 1985 to 2004 and served as a member of its board from 1992 to 2004. Mr. Allen is currently a member of the board of directors of Quantros, Inc., a privately-held cloud-based healthcare solutions provider, AtTask, Inc., a privately-held, cloud-based enterprise work management solutions provider, and Therapeutic Research Center, a provider of analytical and advisory content for pharmacists. Mr. Allen serves as the chair of the audit committee for these three companies. Prior to each company being acquired, he also served on the board of directors of RightNow Technologies, Inc., a publicly-held cloud-based CRM business to consumer solutions provider, from 2004 until January 2012, and HireRight, Inc., a publicly-held provider of comprehensive employee background checks, from 2007 to 2009. He was the chair of the audit committee and a member of the compensation committee at both RightNow and HireRight. He previously served on the board of four other public and private companies. Mr. Allen began his business career as a certified public accountant with Coopers & Lybrand in the audit division, where he last served as a Senior Auditor.

Class I Director

Chair of the Audit  
Committee effective January 1, 2013

Member of the  
Compensation Committee

The Board believes that Mr. Allen's over 30 years of finance, accounting, business operations and board experience, including his experience with cloud-based businesses, audit committees and compensation committees, brings corporate governance and financial and industry expertise to our Board.

**Table of Contents**

*Bennett Dorrance*

(Age 67)

Mr. Dorrance has been a director since 2004. Mr. Dorrance has been a Managing Director of DMB Associates, Inc., a real estate service company based in Scottsdale, Arizona, since 1984. Mr. Dorrance has served on the board of directors of Campbell Soup Company since 1989.

Class I Director

The Board believes that Mr. Dorrance's experience in real estate development and finance, and his experience as a director of a public international consumer products company, provide him with extensive knowledge of finance, capital markets, international business issues and corporate governance.

Member of the Compensation  
and Nominating and  
Governance Committees

*Michael M. Fisher*

(Age 67)

Mr. Fisher has been a director since 2001 and is one of the Audit Committee's designated financial experts. Mr. Fisher served as President of Power Quality Engineering, Inc., a manufacturer of specialty filters, from 1995 to 2007. Since 2007, Mr. Fisher has also served as a Director of Open Tech Alliance, Inc., a private company engaged in the development of kiosks for the self-storage industry. Before joining Power Quality Engineering, Mr. Fisher was employed for 10 years with Computer Associates International, Inc., a publicly-held computer software vendor, where he had oversight responsibility for a number of the company's foreign subsidiaries. Mr. Fisher began his business career as a certified public accountant with Arthur Andersen in the audit division, where he last served as a Senior Audit Manager.

Class I Director

Member of the Audit and Compensation  
Committees

The Board believes that Mr. Fisher's experience as president of a specialty manufacturing company, as well as his earlier extensive global experience with Computer Associates, Inc. and his public accounting experience, brings to our Board his broad financial, managerial, operational and international expertise.

*Larry A. Gunning*

(Age 69)

Mr. Gunning has been a director since 1995. Mr. Gunning has been Manager and Director of several petroleum wholesale and retail operations since the early 1970's. He is also a Member and Director of Cobblestone AutoSpa, which owns and operates several full-service carwashes.

Class II Director

The Board believes that Mr. Gunning's entrepreneurial and business background brings to the Board his extensive knowledge of distribution, marketing and service operations.

Member of the Audit  
and Nominating and  
Governance Committees

**Table of Contents**

*Anthony A. Ibarguen*

(Age 54)

Class III Director

Chair of the Nominating and  
Governance Committee

Mr. Ibarguen has served as a director since July 2008, and from September to December 2009, he served as our interim President and Chief Executive Officer. In October 2010, Mr. Ibarguen was appointed Chief Executive Officer of Quench USA, a privately-held water filtration company. From 2004 to 2008, Mr. Ibarguen was President and Chief Executive Officer of Alliance Consulting Group, a privately-held IT consulting firm. From October 2003 through December 2007, Mr. Ibarguen served as a Director of C-COR Inc., a publicly-held global on-demand network solutions provider to the cable industry, and he has served as a director of CODi Inc., a manufacturer and supplier of laptop bags and cases, mobile security and accessories since January 2006. From 1996 to 2000, Mr. Ibarguen was President, Chief Operating Officer and a director of Tech Data Corporation, a Fortune 500 global technology distribution company.

The Board believes that Mr. Ibarguen's over 25 years of experience in the IT industry and extensive knowledge of global enterprise management, finance, product distribution, value-added services and capital markets brings valuable perspective to the Board.

Member of the Audit and  
Executive Committees

*Robertson C. Jones*

(Age 68)

Class II Director

Member of the Audit, Compensation and  
Nominating and  
Governance Committees

Mr. Jones has been a director since 1995. From 1992 through 2001, Mr. Jones was Senior Vice President and General Counsel of Del Webb Corporation, a real estate developer of master-planned residential communities previously listed on the New York Stock Exchange.

Mr. Jones' legal career has included advising boards of directors and management as a law firm partner and as an in-house attorney, with 10 years of experience as General Counsel of a NYSE-listed real estate development company and a member of its Executive Management Committee. The Board believes his background provides him with unique experience in large company management, as well as legal and governance issues.

*Kathleen S. Pushor*

(Age 55)

Class III Director

Chair of the Compensation  
Committee

Ms. Pushor has been a director since September 2005. Ms. Pushor has operated an independent consulting practice since June 2009. From 2006 through June 2009, she served as President and Chief Executive Officer of the Greater Phoenix Chamber of Commerce. From 2003 to 2005, Ms. Pushor served as Chief Executive Officer of the Arizona Lottery. From 1999 to 2002, Ms. Pushor operated an independent consulting practice in the technology distribution sector. During the period from 1998 to 2005, Ms. Pushor was a member of the Board of Directors of Zones, Inc., a direct marketer of IT products.

The Board believes that Ms. Pushor's industry knowledge and perspective, experience as a public company director and leadership experience from her many years as a Chief Executive Officer in the public sector bring valuable insights to the Board.

Member of the Nominating and  
Governance Committee

**Table of Contents**

**Officers**

The names of our executive officers and information about them are set forth below.

<p><i>Steven R. Andrews</i></p> <p>(Age 60)</p> <p>General Counsel and Secretary</p>	<p>Mr. Andrews joined Insight in September 2007 as our General Counsel and was appointed Secretary in November 2007. From February 2009 through 2010, Mr. Andrews was also our Chief Administrative Officer. Prior to joining Insight, Mr. Andrews was Senior Vice President, Law and Human Resources of ShopKo Stores, Inc. from 2002 to 2006, where he was the chief legal and human resources officer of the company. Prior to joining ShopKo, Mr. Andrews served as Senior Vice President, General Counsel and Secretary of PepsiAmericas, Inc. from 1999 through 2001.</p>
<p><i>Glynis A. Bryan</i></p> <p>(Age 54)</p> <p>Chief Financial Officer</p>	<p>Ms. Bryan joined Insight in December 2007 as our Chief Financial Officer. Prior to joining Insight, Ms. Bryan served as Executive Vice President and Chief Financial Officer at Swift Transportation Co., Inc. from April 2005 to May 2007. Prior to joining Swift, Ms. Bryan served as Chief Financial Officer at APL Logistics in Oakland, California and in various finance roles at Ryder System, Inc., including Chief Financial Officer of Ryder's largest business unit, Ryder Transportation Services. Ms. Bryan is a member of the board of directors, the governance committee (Chair) and compensation committee of Pentair, Ltd., a diversified industrial manufacturing company.</p>
<p><i>Steven W. Dodenhoff</i></p> <p>(Age 50)</p> <p>President Insight United States</p>	<p>Mr. Dodenhoff joined Insight in January 2012 as our Senior Vice President, Human Resources and Business Development and was promoted to President of our United States operations effective October 1, 2012. Prior to joining Insight, Mr. Dodenhoff served as President of Enghouse Interactive, a unified communications software and solutions provider, from 2002 to December 2011.</p>
<p><i>Stuart A. Fenton</i></p> <p>(Age 44)</p> <p>President Insight EMEA</p>	<p>Mr. Fenton joined Insight in October 2002 as Managing Director of Insight Direct UK Ltd. and was promoted to President of our EMEA operating segment in November 2006. From February 2009 through December 2011, Mr. Fenton also served as President of our Asia-Pacific operating segment. From 1995 to 2002, Mr. Fenton held various positions at Micro Warehouse Inc., serving most recently as the General Manager of Micro Warehouse Canada.</p>
<p><i>Michael P. Guggemos</i></p> <p>(Age 46)</p> <p>Chief Information Officer</p>	<p>Mr. Guggemos joined Insight in November 2010 as Chief Information Officer. From 1994 through October 2010, Mr. Guggemos held numerous positions with Motorola, Inc., having served most recently as Corporate Vice President, Information Technology. At Motorola, Mr. Guggemos was responsible for IT applications, infrastructure, engineering and other IT services for a number of the company's global business segments.</p>



**Table of Contents**

*Helen K. Johnson*  
(Age 44)  
Senior Vice President    Treasurer

Ms. Johnson joined Insight in October 2007 as Senior Vice President, Treasurer and assumed additional responsibilities as the Chief Financial Officer of our North America operating segment effective January 1, 2013. In her current role, Ms. Johnson is responsible for global treasury and investor relations activities as well as all finance functions in our North America operating segment. Prior to joining Insight, Ms. Johnson served from 2000 to 2007 at eFunds Corporation, a publicly-held technology solutions provider to the financial institutions market, most recently as Senior Vice President, Treasurer and Investor Relations.

*Dana A. Leighty*  
(Age 48)  
Vice President    Principal  
Accounting Officer

Ms. Leighty joined Insight in October 2006 as Vice President, SEC Reporting and was appointed Principal Accounting Officer on March 2, 2012. Prior to joining Insight, from 1987 through October 2006, Ms. Leighty provided audit and advisory services at the public accounting firm, PricewaterhouseCoopers LLP, having served most recently as Director, Assurance Services. Ms. Leighty is a Certified Public Accountant.

**CORPORATE GOVERNANCE**

**The Board and Its Committees**

The Board of Directors held a total of eight meetings during the year ended December 31, 2012. None of our current directors who were directors during 2012 attended fewer than 75% of the aggregate of Board and relevant committee meetings during 2012. The Company's corporate governance guidelines provide that each director should make every effort to attend the Company's annual meeting of stockholders. All nine of the Board members attended the annual meeting of stockholders in May 2012. The Board has an Executive Committee, an Audit Committee, a Compensation Committee and a Nominating and Governance Committee, and all of these are standing committees.

The Board has determined that all of our directors, except for Mr. Lamneck, our President and Chief Executive Officer, meet the independence requirements of the Listing Rules of the NASDAQ Stock Market. The independent directors hold executive sessions without management present on a quarterly basis and more often as they determine appropriate.

***The Executive Committee***

The Executive Committee consists of Messrs. Crown (Chair), Ibarguen and Lamneck. The Executive Committee is empowered to act on Board matters that arise between meetings of the full Board or matters that require immediate attention if a quorum of our Board cannot be convened, unless such matters are required to be acted upon by independent directors. The Executive Committee did not meet in 2012. Under the Executive Committee's charter, the Executive Committee may not exercise powers delegated to other committees of the Board or powers which, under Delaware law, may not be delegated to any committee.

## **Table of Contents**

### ***The Audit Committee***

The Audit Committee, established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934 (the Exchange Act), consists of Messrs. Allen (Chair), Fisher, Gunning, Ibarguen and Jones. The Audit Committee met 10 times in 2012. The Audit Committee assists the Board in fulfilling its responsibilities for generally overseeing our financial reporting processes and the audit of the Company's consolidated financial statements, including the integrity of the consolidated financial statements and the Company's system of internal control over financial reporting established by management, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm, the performance of our internal audit function and our independent registered public accounting firm, our financial risk assessment and financial risk management, and our finance and investment functions. The Vice President of Internal Audit reports directly to the Chair of the Audit Committee. In addition, the Audit Committee reviews and discusses with the Chief Executive Officer and the Chief Financial Officer the procedures undertaken in connection with their certifications included in the Company's annual and quarterly reports filed with the Securities and Exchange Commission (SEC). The Audit Committee has the authority to obtain advice and assistance from, and receive funding from the Company for, outside legal, accounting or other advisors as the Audit Committee deems necessary to carry out its duties. The Audit Committee operates pursuant to a written charter, adopted by the Audit Committee and approved by the Board and reviewed annually. The charter may be viewed online on our website at <http://nsit.client.shareholder.com/governance.cfm>.

The Board has determined that the responsibilities of the Audit Committee, as reflected in its charter, are in accordance with applicable SEC rules and NASDAQ Listing Rules for audit committees. Further, the composition and attributes of its members meet the requirements of the NASDAQ Listing Rules, including, without limitation, the independence requirements of the NASDAQ Listing Rules. All Audit Committee members possess the required level of financial literacy, and our Board has determined that Mr. Allen and Mr. Fisher, independent directors, each qualifies as an audit committee financial expert as defined by the SEC's rules and regulations.

### ***The Compensation Committee***

The Compensation Committee consists of Ms. Pushor (Chair), and Messrs. Allen, Dorrance, Fisher and Jones. The Compensation Committee met nine times in 2012. Each member of the Compensation Committee is an independent director as defined in the NASDAQ Listing Rules, as amended in 2013. The Compensation Committee is charged with: reviewing and approving the base salary, annual incentive compensation, long-term incentive compensation and other compensation, perquisites or special or supplemental benefits to be paid or awarded to the Chief Executive Officer and other executive officers; reviewing and recommending to the Board new equity-based incentive compensation plans and changes to existing plans; performing an annual evaluation of the Chief Executive Officer's performance and effectiveness; reviewing the Company's talent management and succession planning activities for top management; and reviewing and discussing the Compensation Discussion and Analysis with management and recommending to the Board that the Compensation Discussion and Analysis be included in the Company's proxy statement.

The Compensation Committee operates pursuant to a written charter, adopted by the Compensation Committee and approved by the Board and reviewed annually. The charter may be viewed online on our website at <http://nsit.client.shareholder.com/governance.cfm>. In 2012, the Board of Directors confirmed the independence of all Compensation Committee members under the heightened independence rules of the NASDAQ. The Compensation Committee also reviewed the independence of its independent compensation adviser, Compensia, Inc. (Compensia) under the new NASDAQ Listing Rules regarding compensation adviser independence and found no relationships or other matters which would preclude a finding of independence under the new rules. See further information regarding the Compensation Committee's responsibilities in the following section, entitled Compensation Discussion and Analysis.

**Table of Contents**

*The Nominating and Governance Committee*

The Nominating and Governance Committee consists of Messrs. Ibarguien (Chair), Dorrance, Gunning and Jones and Ms. Pushor. The Nominating and Governance Committee met six times in 2012. The Nominating and Governance Committee, which recommends candidates to be nominated for election as directors at our annual meeting, supervises the evaluation process for the Board of Directors and the Board committees and the Chair of the Board as well as independent self evaluations of directors and peer evaluations of directors. In addition, the Nominating and Governance Committee leads the external recruiting process for Chief Executive Officer candidates and coordinates the assessment process and the selection and appointment of any Chief Executive Officer candidate, should the need arise. The Nominating and Governance Committee operates pursuant to a written charter, adopted by the Nominating and Governance Committee and approved by the Board and reviewed periodically. The charter may be viewed online on our website at <http://nsit.client.shareholder.com/governance.cfm>. Each member of the Nominating and Governance Committee is an independent director as defined in the NASDAQ Listing Rules.

The Nominating and Governance Committee is responsible for identifying, recruiting and evaluating candidates for the Board, when appropriate, assessing the appropriate size of the Board and making recommendations to the Board regarding the membership of the committees of the Board. The Nominating and Governance Committee charter provides that the Nominating and Governance Committee is responsible for reviewing criteria for Board membership. The Nominating and Governance Committee shall, when screening potential Board candidates, give due consideration to diversity, breadth of business experiences and skills, prominence and professional reputation, global business perspective, concern for the long-term interests of the stockholders of the Company, personal ethics, integrity and judgment and other areas that are expected to contribute to an effective Board. Diversity may encompass a candidate's gender, race, national origin, educational and professional experiences, expertise and specialized or unique technical backgrounds and/or other tangible or intangible aspects of the candidate's qualifications in relation to the qualifications of the then current board members and other potential candidates. The Nominating and Governance Committee does not have a formal policy specifying how diversity of background and personal experience should be applied in identifying or evaluating director candidates, and diversity is but one of many factors the Nominating and Governance Committee may consider. This general approach has been followed in the last six appointments of directors.

Two of the three nominees for director being voted upon at the annual meeting, Mr. Fisher and Mr. Dorrance, are directors standing for re-election, and Mr. Allen is standing for election after having been appointed to the Board in 2012. In determining to recommend the nomination for election as Class I directors of Messrs. Fisher, Dorrance and Allen, the Nominating and Governance Committee believes that, among other things, each of the nominees provides valuable oversight, contributions and perspective into the business of the Company.

## **Table of Contents**

The Nominating and Governance Committee will evaluate nominees recommended by stockholders in the same manner as described above.

Stockholders may propose director candidates for consideration by sending the name of any recommended candidate, together with pertinent biographical information, a document indicating the candidate's willingness to serve if elected, and evidence of the nominating stockholder's ownership of our common stock to our Corporate Secretary at 6820 South Harl Avenue, Tempe, Arizona 85283 in accordance with the provisions set forth under the heading "Stockholder Proposals" in this proxy statement.

## ***Contact Information***

Stockholders wishing to communicate with the Board or with a Board member should address communications to the Board or the particular Board member, c/o Corporate Secretary, Insight Enterprises, Inc., 6820 South Harl Avenue, Tempe, Arizona 85283. The Corporate Secretary will forward communications to the individual Board member or the Board, as appropriate.

## **Governance Initiatives**

During 2012, the Board of Directors and its various committees undertook a number of governance-related initiatives, with particular focus on the areas of strategy and Chief Executive Officer succession. The Board of Directors was actively involved in the strategic planning process, including the planning and determination of the scope of the exercise, and including individual interviews at various stages of the process. For the second consecutive year, the entire Board of Directors held its strategic planning meetings in connection with a visit to the headquarters of one of the Company's principal partners and spent several hours in management presentations on industry trends by executives of the partner. The Board of Directors and its various committees also devoted significant time to the topic of Chief Executive Officer succession planning, refining the responsibilities of the various committees with respect to Chief Executive Officer succession planning and with renewed attention to the internal succession planning process. Other governance-related activities included: regular review and discussion of governance-related articles by nationally recognized experts; consideration of the annual policy updates of prominent proxy advisory services; review of public company governance surveys conducted by prominent national organizations; an annual review of related party transactions; reviewing the director skills inventory maintained by the Nominating and Governance Committee; review and consultation with outside counsel of various governance issues; and a review of the director education guidelines, including attendance by all of the Company's directors at a seminar or training session conducted by a national governance organization, national accounting firm or both. In-person training of directors during the last twelve months included a review of industry trends in cloud computing by the Company's independent registered public accounting firm and a presentation on crisis management and directors' duties by outside counsel, together with a crisis communications consultant. These initiatives were in addition to the Board of Directors' review of all committee charters, governance guidelines and Board-level policies and continued focus on the Company's enterprise risk management and compliance programs. In addition, the Nominating and Governance Committee regularly reviews governance issues.

## **Table of Contents**

Briefly, our corporate governance framework includes the following:

*A **majority vote*** provision in the Company's Amended and Restated Bylaws requiring any director who does not receive a majority of votes cast in an uncontested election to tender his or her resignation to the Board. The Board must then decide whether or not to accept their resignation;

***Elimination of stockholder rights plan*** through a Bylaw provision requiring the Company to seek stockholder approval prior to its adoption of a stockholder rights plan (commonly referred to as a poison pill), unless the Board, in the exercise of its fiduciary duties, determines that, under the circumstances existing at the time, it is in the best interests of the Company's stockholders to adopt or extend a stockholder rights plan without delay (and in that event, the plan will provide that it will expire unless ratified by the stockholders within one year of adoption);

***Separation of the Board Chair and Chief Executive Officer positions;***

***An annual say-on-pay advisory vote;***

*A **commitment to director independence*** reflecting the Board's belief that the independent directors and management have different perspectives and roles in strategy development. The only non-independent member of the Board is the Chief Executive Officer. Independent directors bring experience, oversight and expertise from outside the Company and sometimes from outside the industry, while the Chief Executive Officer and other members of management bring company-specific and industry-specific experience and expertise. Accordingly, the Board has delineated its role in overseeing the development of strategic direction and management's role in execution of strategy;

***Appointment of a Presiding Director*** through a Corporate Governance Guidelines provision appointing the Chair of the Nominating and Governance Committee, currently Anthony A. Ibarguen, to serve as the Presiding Director and, as needed, to: review and propose revisions to the Company's Corporate Governance Guidelines and Board procedures, after consultation with the full Board; review and recommend to the Chair or the Corporate Secretary agenda items and materials for Board meetings; and perform such other roles and responsibilities as are assigned from time to time by the Nominating and Governance Committee or the full Board. In addition, in the event of an unforeseen vacancy in the position of the Chair of the Board, the Presiding Director serves as interim Chair of the Board for the sole purpose of calling and holding a meeting of the Board to elect a new Chair.

***Prohibition of hedging and speculative transactions*** through the Company's Investor Relations/Stock Trading policy which, among other things, prohibits all directors and employees from pledging Company securities and hedging or otherwise engaging in short-term or speculative transactions involving Company securities;

***Attention to committee membership rotation and chair assignments*** through regular review of regulatory requirements, committee workload and individual skills. The Nominating and Governance Committee actively monitors the assignments and makes recommendations to the Board of Directors as necessary or appropriate, a practice which has resulted in planned rotation of all three committee chair positions and other committee assignments in the last three years;

## **Table of Contents**

*A thorough Board evaluation process* focusing on Board of Directors and committee governance, priorities and effectiveness. The Board of Directors conducts board, committee, chair, self and peer evaluations annually. The Chair of the Board of Directors and the Chair of the Nominating and Governance Committee discuss the results individually with each director, and the overall results are discussed collectively within each committee and with the full Board of Directors;

*Executive compensation recovery*, providing for clawback of incentive compensation from executives under certain circumstances; and

*A policy of not providing gross-up provisions* in employment agreements (there is, however, one legacy employment agreement with such provisions which has been in place for a number of years).

## **Risk Management**

The Board has an active role, both as a whole and at the committee level, in overseeing management of the Company's risks. The Board and the Audit Committee regularly review information regarding the Company's credit, liquidity and operations, as well as the risks associated with each. The Company's Compensation Committee oversees the management of the risks relating to the Company's executive compensation plans and arrangements. The Audit Committee oversees management of financial risk and reviews the results of the Internal Audit function's annual risk assessment process. The Nominating and Governance Committee oversees management of risks associated with the independence of the Board of Directors, potential conflicts of interest, and corporate governance issues. The Chief Executive Officer, the Chief Financial Officer, the General Counsel and other members of senior management conduct regular quarterly assessments of risks to the enterprise and provide a comprehensive report on its results at least twice per year, or more frequently as necessary, to the Board of Directors. Management and the Audit Committee have also aligned the focus of the Company's Internal Audit function to address certain of the principal risk areas identified.

## **Compensation Consultants**

Compensia, a Silicon Valley-based compensation consultant with many technology clients, advised the Compensation Committee in connection with the Company's executive compensation plans for 2012 and 2013. To maintain Compensia's independence and reporting relationship to the Compensation Committee, no other services were provided by Compensia to the Company outside of those performed directly for the Compensation Committee. Also, the Compensation Committee's Chair approves the consulting fees for services provided by any compensation consultant utilized by the Compensation Committee. The Compensation Committee also reviewed the independence of Compensia under the new NASDAQ rules regarding compensation adviser independence and found no relationships or other matters which would preclude a finding of independence under the new rules.

**Table of Contents**

**COMPENSATION DISCUSSION AND ANALYSIS**

This Compensation Discussion and Analysis ( CD&A ) addresses and explains the numerical and related information contained in the summary compensation tables and includes a discussion of key actions regarding executive compensation that occurred after the end of 2012, including the award of bonuses related to 2012 performance, and the adoption of our 2013 compensation programs.

**Executive Summary**

The Compensation Committee believes its compensation philosophy has been effective in attracting and retaining key personnel while aligning the interests of executive officers with those of the stockholders and paying for performance. We believe our long-term success depends on our ability to attract and retain individuals who are committed to the Company's vision, strategy and core values of client service, respect, teammate development, integrity and operational excellence. We structure our executive compensation program so the compensation of our executive officers, including our named executive officers, is tied meaningfully to our strategy and the success of the Company. Accordingly, our general philosophy of executive compensation is to offer competitive base salaries, but to emphasize cash and equity-based incentive compensation which is competitive in the marketplace and which (i) permits us to attract and retain highly-qualified executives, (ii) encourages extraordinary effort on behalf of the Company and (iii) rewards the achievement of specific financial and strategic goals by the Company and the individual executive. We believe this aligns the interests of management with the interests of our stockholders, promotes retention and is financially sound. The Compensation Committee carefully monitors the mix of base salaries and the performance-based or variable compensation components of our executive officers' compensation. The Compensation Committee also places substantial emphasis on the mix of long-term and current compensation, with long-term compensation comprising a significant amount of an executive's total potential compensation.

The Compensation Committee designs the overall executive compensation program to pay for performance toward financial and strategic goals, and a substantial portion of potential executive compensation is performance-based. Positive results in 2010 and 2011 resulted in increased overall compensation.

Entering the 2012 fiscal year, the Compensation Committee recognized that the Company's 2011 performance was very strong but believed there remained uncertainty in the Company's markets. Accordingly, the Compensation Committee considered the targeted financial objectives to be challenging in that the target performance levels required significant improvement, but not so challenging as to make achievement highly unlikely in an uncertain market.

Financial results were relatively flat for the Company in 2012, with diluted earnings per share ( EPS ) of \$2.07, which was below internal expectations. These results reflect softer market conditions than were expected at the beginning of 2012, as macro-economic concerns globally led to lower capital spending for IT products, particularly with larger enterprise clients, resulting in a decrease in market share. As many of the financial performance measures were not fully met, overall executive compensation levels decreased in 2012, and annual cash incentive compensation levels decreased significantly from 2011.

## **Table of Contents**

In addition to basing a substantial amount of executive compensation on performance-based criteria, the Company has recently taken a number of steps and adopted policies intended to further align our executives' interests with those of stockholders. These include:

*Stock ownership guidelines* for our executive officers;

A *clawback policy* that permits the Company to recover incentive compensation that was based on having met or exceeded performance targets if an executive officer engaged in fraud or intentional misconduct that resulted in an increase in his or her incentive compensation;

*The absence of many pay practices considered to be unfriendly to stockholders*, such as extensive perquisites, guaranteed salary increases and non-performance-based bonuses. Additionally, the Company has only one remaining employment agreement that calls for the gross-up of excise taxes imposed on change-in-control payments under Section 280G of the Internal Revenue Code, as amended. This agreement has been in place for a number of years; however, it is the policy of the Compensation Committee not to approve any new agreements with such provisions;

*An independent compensation consultant* retained directly by the Compensation Committee, with payments to the consultant approved by the Chair of the Compensation Committee, specific actions to eliminate other services provided by the consultant to the Company and annual confirmation of the consultant's independence;

*A compensation risk assessment* whereby the Compensation Committee reviews the Company's incentive compensation programs and discusses the concept of risk as it relates to the compensation programs to ensure the Company's compensation programs do not encourage excessive or inappropriate risk taking; and

*A lengthened vesting schedule* for the service-based restricted stock units (RSUs) granted to the named executive officers and other executives. Based on market and peer comparison data and in order to align our practices with the market and promote retention, starting in 2011, the Compensation Committee lengthened the vesting schedule from three to four years.

Further, to continue to improve the alignment of the Company's compensation plans with the interests of its stockholders and focus on attracting and retaining qualified executives, the following considerations were reflected in our 2013 executive compensation plans:

The Compensation Committee continued its commitment to tie pay to performance in establishing the 2013 compensation plans for executive officers and to align the executive compensation programs with the Company's strategic goals.

Reflecting the focus of the Company and the Compensation Committee on the strategic objective of increasing U.S. market share, the cash incentive plan for 2013 again incorporates the performance measure of market share for all named executive officers (other than Mr. Fenton), which requires the Company to increase its share of U.S. hardware sales as measured by an independent third party market research company, and its share of U.S. software sales based on data provided by a major U.S. software partner. Reflecting the focus of the Company and the Compensation Committee on the strategic objective of increasing services gross profit, the plan again incorporates a performance measure of services gross profit for all named executive officers, with consolidated services gross profit, North America services gross profit and EMEA services gross profit all being performance measures for 2013. In addition, the plan will include performance measures for consolidated earnings from operations (EFO), North America EFO and EMEA EFO. The Compensation Committee also believes these performance measures will be important drivers of stockholder value.



**Table of Contents**

For 2013, consistent with 2012, the number of performance-based RSUs for named executive officers will increase or decrease depending on the Company's results related to return on invested capital ( ROIC ).

**Discussion and Analysis**

***Our Named Executive Officers***

The purpose of this CD&A is to provide information about each material element of compensation that we pay or award to, or that is earned by, our named executive officers. For 2012, our named executive officers were:

Kenneth T. Lamneck, President and Chief Executive Officer;

Glynis A. Bryan, Chief Financial Officer;

Stuart A. Fenton, President, Insight EMEA;

Steven W. Dodenhoff, President, Insight United States; and

Michael P. Guggemos, Chief Information Officer.

***Executive Compensation Philosophy and Objectives***

Our long-term success depends on our ability to attract and retain individuals who are committed to the Company's vision, strategy and core values of client service, respect, teammate development, integrity and operational excellence. Our general philosophy of executive compensation is to offer competitive base salaries and emphasize cash and equity-based incentive compensation that:

is competitive in the marketplace;

permits us to attract and retain highly qualified executives;

encourages extraordinary effort on behalf of the Company;

rewards the achievement of specific financial, strategic and tactical goals by the Company and the individual executive that aligns the interests of management with the interests of our stockholders; and

is financially sound.

Each year the Compensation Committee goes to great lengths to develop an executive compensation program that is mindful of stockholder interests and expectations while at the same time is fair and motivating to our executives.

## **Table of Contents**

### ***Compensation Consultants and Benchmarking***

The Compensation Committee utilizes management to help it carry out its responsibilities, consults with other members of the Board in connection with its decision making, as appropriate, and has consistently over time engaged independent consultants to assist it in fulfilling its responsibilities. The Compensation Committee has the authority to obtain advice and assistance from, and receives funding from the Company for, outside advisors as the Compensation Committee deems necessary to carry out its duties.

In 2011, the Compensation Committee retained Compensia, a management consulting firm providing executive compensation advisory services, as its independent compensation consultant to advise the Compensation Committee on all matters related to executive compensation and to set compensation for executives for 2012. In late 2011, Compensia provided a competitive analysis of the compensation of the Company's most senior executives, including the Company's named executive officers. The Compensation Committee plans to obtain such analyses at least every other year. The Compensation Committee began its process of setting executive compensation for 2012 in 2011. Compensia advised the Compensation Committee on a wide range of issues, including market studies at the time of hire and at the time of promotions for specific positions. Compensia's 2011 study, which was used to set 2012 executive compensation levels, measured the competitiveness of the Company's compensation relative to two groups of companies (the comparison groups) summarized below, plus a broader benchmark database if the other groups do not provide adequate comparisons. The comparison groups were approved by the Compensation Committee based upon management's and the Compensation Committee's concerted review of competitors and relevant industry comparisons, and on the advice of Compensia.

The primary characteristics of the comparison groups were:

First, a small group of seven companies that we consider to be our competitors, particularly with respect to competition for talent, customers or suppliers (the Tech Distribution Peer Companies). The Tech Distribution Peer Companies, which comparison group was used to assess compensation levels for the Chief Executive Officer and Chief Financial Officer, includes seven publicly-traded technology distribution companies with revenues of less than \$10 billion. The median revenue of this comparison group was \$4.4 billion, and the median market cap was \$800 million;

Second, a group of companies in the broader distribution business with comparable business and financial characteristics (the Broad Industry Peer Group). The Broad Industry Peer Group, which comparison group was used to assess compensation levels for the Chief Executive Officer, Chief Financial Officer, President, Insight EMEA and President, Insight United States, includes 14 publicly-traded companies from the technology, technology distribution and broader distribution industries with revenues from \$2.5 billion to \$10 billion. The median revenue of this comparison group was \$4.7 billion and the median market cap was \$1.4 billion; and

**Table of Contents**

Third, a broad database to provide a reference point where the other groups might not provide adequate comparisons (the 2011 U.S. Mercer Benchmark Database ). The 2011 U.S. Mercer Benchmark Database, which was used to assess compensation levels for all of the Company's most senior executives, including the Company's named executive officers, includes publicly-traded companies from a group of cross-industry companies (excluding companies from financial, insurance and energy industries) with revenues between \$1 billion and \$4 billion. The revenues of the U.S. Mercer Benchmark Database are somewhat lower than the other distribution peer groups identified above to reflect the economics of the distribution industry.

While the Tech Distribution Peer Companies comparison group comprises companies that are competitors and are close comparisons in terms of sales and market capitalization, it is a relatively small group of only seven companies. Moreover, the other groups are not limited to companies that are merely competitors or that are close comparisons in terms of sales and market capitalization. Accordingly, the Company does not necessarily consider these groups to be comparison groups for other purposes.

The companies included in the Tech Distribution Peer Companies comparison group in the Compensia analysis were as follows:

Anixter International, Inc.	PC Mall, Inc.
Brightpoint, Inc.	SYNNEX Corp.
CDW	ScanSource, Inc.
PC Connection, Inc.	

Five of the seven companies included in this comparison group were the same companies included in the primary comparison group from the competitive analysis that was utilized by the Compensation Committee's previous compensation consultants. The two new companies added were CDW and ScanSource, Inc.

The companies included in the Broad Industry Peer Group comparison group in the Compensia analysis were as follows:

The Andersons, Inc.	Nash-Finch Company
Anixter International, Inc.	Owens & Minor, Inc.
Brightpoint, Inc.	Sanmina-SCI Corporation
CDW	United Natural Foods, Inc.
Diebold, Incorporated	United Stationers Inc.
ManTech International Corporation	Watsco, Inc.
MEMC Electronic Materials, Inc.	WESCO International, Inc.

None of the companies included in this comparison group were included in the secondary comparison group from the competitive analysis that was utilized by the Compensation Committee's previous compensation consultants.

The 2011 U.S. Mercer Benchmark Database was also utilized as another point of comparative data in the Compensia analysis. The companies included in the third-party Mercer survey were not adjusted by Compensia in preparing their analysis.

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## **Table of Contents**

The Compensia study provided the Compensation Committee with data for base salary, annual cash incentives and long-term equity-based incentive compensation on an aggregate basis for the combined comparison groups. The study showed that total target compensation for 2012 for the Company's executives, with variations from position to position, was positioned between the 50<sup>th</sup> and 75<sup>th</sup> percentiles. With respect to total cash compensation for 2012, which included base salaries and target cash incentive compensation, the Compensia study showed that, with variations from position to position, the Company was competitive, with base salary levels competitive and actual total target cash compensation levels near the 50<sup>th</sup> percentile. With respect to long-term equity-based incentive compensation, the Compensia study generally indicated that the Company's target long-term equity-based compensation for 2012, which included the grant date fair value of the 2012 equity-based incentive compensation awards to the Company's executives, was positioned between the 50<sup>th</sup> and 75<sup>th</sup> percentiles.

The Compensation Committee also used the 2011 Compensia study in addition to other relevant sources of information, such as existing pay levels and other publicly available information about trends in executive compensation, in setting compensation for executives for 2013. Additionally, Compensia advised the Compensation Committee and the Company regarding executive compensation programs generally and provided advice on trends in compensation.

### ***Role of Executives in the Compensation Setting Process***

The Compensation Committee has the overall responsibility for approving the cash-based incentive compensation for the officers that are subject to the reporting requirements of Section 16(a) of the Exchange Act (Section 16 officers). To facilitate this process, the Chief Executive Officer and other members of the management team prepare and present information and recommendations to the Compensation Committee for review, consideration and approval.

With respect to the cash compensation of all other teammates, the Compensation Committee functions in an oversight role as these decisions are considered the responsibility of management. With respect to equity-based compensation, the Compensation Committee approves the annual RSU program grants, including grants to all Section 16 officers, as well as the pool of available shares from which the Chief Executive Officer may make discretionary or new-hire RSU grants, or both, throughout the year to individuals other than non-employee directors or Section 16 officers. The Compensation Committee reviews reports on such discretionary grants on a quarterly basis.

The Chief Executive Officer does not have the ability to call Compensation Committee meetings and does not attend those portions of the Compensation Committee meetings where his compensation is discussed. During 2012, the Chief Executive Officer did not meet with Compensia outside of Compensation Committee meetings or retain any other compensation consultant.

### ***Compensation Programs Design***

The principal components of compensation for the Company's named executive officers are:

base salary and benefits;

short-term cash incentive compensation; and

long-term equity-based incentive compensation.

As a result of our executive compensation philosophy, a significant percentage of total potential compensation is allocated to performance-based or variable compensation. The Compensation Committee has allocated between cash and equity, and between short-term and long-term incentive compensation, based on the comparisons to the peer group companies and market data utilized by the Compensation Committee at the time. Moreover, the different elements of compensation are designed to support and encourage varying performance levels and behaviors that the Compensation Committee believes will contribute favorably to Company strategy and performance in the period covered by each plan, consistent with the Compensation Committee's commitment to pay for performance.

## Table of Contents

For 2012, the Compensation Committee reviewed the new comparison groups to ensure that the market comparisons for the two primary comparison groups included companies with similar business and financial characteristics (as discussed above). This resulted, in general, in placing the Company in comparison groups the Compensation Committee believes will provide even greater accuracy and fairness by focusing on more companies in the same or similar industries and with similar business and financial characteristics. Moreover, given the economic outlook at the time, the Compensation Committee decided to remain cautious and for 2012 (i) increased base salaries for its Section 16 officers (other than the Chief Executive Officer) by 2.5% and (ii) left cash incentive compensation targets for the Company's Section 16 officers (other than the Chief Executive Officer) at the same levels as in 2011 (except for three officers, including Mr. Guggemos, whose cash incentive compensation was expressed as a percentage of base salary). The target values of equity awards for the Company's Section 16 officers (other than the Chief Executive Officer) for 2012 also remained equal to 2011 and 2010 values, and the Compensation Committee continued its practice of granting a combination of service- and performance-based RSUs. However, the number of shares awarded to each officer decreased due to the increase in the price of the Company's common stock in 2012 over the 2011 level at the time of grant. In order to align with peer group comparisons and enhance retention value, the Compensation Committee elected to increase the Chief Executive Officer's compensation levels for 2012, as detailed below.

### *Base Salaries*

Base salaries are designed to attract and retain executives by providing a fixed compensation based on competitive market practices. This component of compensation is designed to reward an executive's core competency in his or her position relative to skills, experience and expected contributions to the Company and to provide the executive with a fair, predictable and reliable component of compensation for his or her service.

The Compensation Committee reviews base salaries annually and, in setting base salaries for 2012, the Compensation Committee worked with its compensation advisor, Compensia, and relied on the 2011 Compensia market study. In setting 2013 executive compensation, the Compensation Committee reviewed the same competitive market data utilized in the 2011 Compensia market study. Management recommended, and the Compensation Committee agreed, that there would be a 2.5% increase in base salary for 2013 (other than for Mr. Dodenhoff who was recently promoted in October 2012). The approved 2013 salaries, which reflect the 2.5% increase, and the comparable 2012 salaries for named executive officers are as follows:

Kenneth T. Lamneck, President and Chief Executive Officer \$691,875 (\$675,000 2012);

Glynis A. Bryan, Chief Financial Officer \$432,858 (\$422,300 2012);

Stuart A. Fenton, President, Insight EMEA \$482,057 (\$485,188 2012)

Steven W. Dodenhoff, President, Insight United States \$375,000 (\$375,000 effective on date of promotion, October 1, 2012); and

Michael P. Guggemos, Chief Information Officer \$346,706 (\$338,250 2012).

1 Mr. Fenton's base salary is shown in U.S. dollars for presentation in this proxy statement, but Mr. Fenton is paid in British Pounds Sterling (GBP). Approved 2013 and 2012 base salaries were GBP 321,371 and GBP 313,533, respectively.

**Table of Contents*****Short-Term Cash Incentive Compensation***

The Compensation Committee views cash incentive compensation as a means of closely tying a significant portion of the total potential annual cash compensation for executives to the financial and operational performance of the Company, or the portion of the Company for which the executive has management responsibility, depending on the executive's position.

For 2012 and 2013, the cash incentive plan was designed to reward performance based on defined financial objectives of the Company. All Section 16 officers, including our named executive officers, have an annual cash incentive plan. The financial objectives for each Section 16 officer are approved by the Compensation Committee and are set at the beginning of the year. These objectives and goals are integrated into the overall cash incentive plans for the Company's management employees throughout the organization to foster a team environment whereby the entire Company is focused on the same or similar set of objectives and goals.

The Compensation Committee annually reviews financial objectives and target cash incentive compensation. The Compensation Committee generally targets cash incentive compensation for executive officers at or near the 50<sup>th</sup> percentile of the comparison groups utilized by the Compensation Committee at the time and adjusts, as appropriate, for tenure, performance and variations in actual position responsibilities from position descriptions in the comparison groups. The Compensation Committee utilized the 2011 Compensia analysis to set 2012 and 2013 cash incentive targets, which study showed that the Company's cash incentive compensation is competitive based on its comparison group analysis.

**2012 Cash Incentive Plan**

For 2012, the Compensation Committee continued its emphasis on cash incentive compensation by setting cash incentive plans for executive officers so that a significant portion of total cash compensation would be awarded if performance targets were met.

The 2012 cash incentive plan (the 2012 Plan) provided incentive award opportunities for select employees, including executive officers. The 2012 Plan was adopted pursuant to the Amended Insight Enterprises, Inc. 2007 Omnibus Plan (the Amended 2007 Omnibus Plan). Under the 2012 Plan, the Company established defined financial objectives for each of its named executive officers and established the percentage of total cash incentive compensation to be tied to each of the specified financial objectives, as follows:

Position	EFO	Market Share	Services GP	EMEA	
				EMEA EFO	Services GP
President and Chief Executive Officer	50%	25%	25%		
Chief Financial Officer	50%	25%	25%		
President, Insight EMEA	25%			50%	25%
President, Insight United States	50%	25%	25%		
Chief Information Officer	50%	25%	25%		

**Table of Contents**

For purposes of the 2012 Plan, EFO was calculated on a consolidated non-GAAP basis, with non-GAAP EFO being defined as the Company's actual 2012 consolidated earnings from operations, excluding certain items, specified and approved in advance by the Compensation Committee, that were not considered to be part of ongoing business. EMEA EFO was calculated on a non-GAAP basis, with non-GAAP EMEA EFO being defined as the actual 2012 earnings from the Company's EMEA operating segment, excluding certain items specified and approved in advance by the Compensation Committee, that were not considered to be part of ongoing business. Services GP was based on the change in the Company's actual 2012 consolidated services gross profit compared to 2011. EMEA Services GP was based on the change in the actual 2012 services gross profit from the Company's EMEA operating segment compared to 2011. Market Share was based on growth in market share from 2011 to 2012 utilizing data for U.S. hardware sales as provided by the NPD Group, Inc. (NPD), a third-party market research company that provides market share information on the commercial purchasing of IT products sold through a group of national corporate resellers and direct marketers in the United States who have agreed to share their data with NPD. This data is adjusted by management, as agreed to by the Compensation Committee at the time the targets were set, to reflect variations in the percentage of the Company's U.S. hardware sales submitted to the third party, which can vary by month.

The 2012 Plan required that the Company or the relevant operating segment achieve a certain threshold percentage of the budgeted amounts for the particular performance measure for any payment to be made to an executive with respect to that performance measure. Therefore, it was possible that an executive would have different levels of achievement for each of the three separate performance measures, and perhaps receive no payment at all, depending on performance against the goal for each performance measure. The levels of performance were set in conjunction with the Company's overall annual budget and were considered to be challenging, but achievable, given the uncertain economic environment and the tactical and strategic plans that were developed for 2012. The following levels of achievement, and the corresponding levels of payment of targeted cash incentive compensation, were used for the 2012 consolidated EFO and EMEA EFO performance measures set forth above, with 200% of target being the maximum each executive could earn:

**Attainment**

	<b>Below</b>									
<b>(of budgeted EFO)</b>	<b>80%</b>	<b>80%</b>	<b>85%</b>	<b>90%</b>	<b>95%</b>	<b>100%</b>	<b>105%</b>	<b>110%</b>	<b>115%</b>	<b>120%</b>
Payout Multiple	0%	50%	62.5%	75%	87.5%	100%	125%	150%	175%	200%

The following levels of achievement, and the corresponding levels of payment of targeted cash incentive compensation, were used for the 2012 consolidated Services GP and EMEA Services GP performance measures set forth above, with 200% being the maximum each executive could earn:

**Attainment**

	<b>Below</b>									
<b>(Change vs. 2011)</b>	<b>-5.6%</b>	<b>-5.6%</b>	<b>-0.1%</b>	<b>5.5%</b>	<b>11%</b>	<b>15.2%</b>	<b>19.3%</b>	<b>23.5%</b>	<b>27.7%</b>	
Payout Multiple	0%	50%	66.7%	83.4%	100%	125%	150%	175%	200%	

The following levels of achievement, and the corresponding levels of payment of targeted cash incentive compensation, were used for the 2012 Market Share performance measure set forth above, with 200% of target being the maximum each executive could earn:

**Attainment**

	<b>Below</b>								
<b>(Basis Point Change over 2011)</b>	<b>1</b>	<b>1</b>	<b>7</b>	<b>14</b>	<b>30</b>	<b>50</b>	<b>70</b>	<b>90</b>	
Payout Multiple	0%	50%	75%	100%	125%	150%	175%	200%	

**Table of Contents**

The budgeted target, actual financial attainment and payout levels for the 2012 Plan were as follows:

<b>Financial Objective</b>	<b>Target</b>	<b>Actual</b>	<b>% Payout</b>
Consolidated EFO (non-GAAP)	\$164.7 million	\$154.5 million	84.4%
Market Share	14 bps increase	54 bps decrease	0%
Consolidated Services Gross Profit	11.0% increase	0.9% increase	69.7%
EMEA EFO (non-GAAP)	\$35.5 million	\$22.9 million	0%
EMEA Services Gross Profit	22.2% increase	0.1% increase	0%

Based on the achievement levels set forth above, the approved 2012 target and earned cash incentive compensation for each of our named executive officers were as follows:

Kenneth T. Lamneck, Chief Executive Officer Target \$675,000; Earned \$402,469;

Glynis A. Bryan, Chief Financial Officer Target \$425,000; Earned \$253,406;

Stuart A. Fenton, President, Insight EMEA Target \$226,926; Earned \$46,401;

Steven W. Dodenhoff, Insight United States Target \$232,500; Earned \$114,333 and

Michael P. Guggemos, Chief Information Officer Target \$152,213; Earned \$90,757.

- 1 Mr. Fenton's 2012 target and earned cash incentive compensation are shown in U.S. dollars for presentation in this proxy statement, but Mr. Fenton is paid in GBP. The target was 145,503 GBP, and the amount earned was 30,701 GBP.
- 2 Mr. Dodenhoff's cash incentive target cash incentive amount for 2012 represents the annualized amount per Mr. Dodenhoff's promotion offer letter in September 2012. The target amount that Mr. Dodenhoff was entitled to for 2012 and the amount he actually earned in 2012 were pro-rated based on the effective dates of his employment and subsequent promotion during 2012.



**Table of Contents**2013 Cash Incentive Plan

For 2013, the Compensation Committee continued its emphasis on cash incentive compensation by setting cash incentive plans for executive officers so that a significant portion of total cash compensation will be awarded through cash incentives if performance targets are met.

The 2013 cash incentive plan (the 2013 Plan ) provides incentive award opportunities for select employees, including named executive officers. The 2013 Plan was also adopted pursuant to the Amended 2007 Omnibus Plan. Under the 2013 Plan, the Company established defined financial objectives for each of its current named executive officers and established the percentage of total cash incentive compensation to be tied to each of the specified financial objectives, as follows:

Position	EFO	Services GP Growth	U.S. Hardware Market Share Growth	U.S. Software Market Share Growth	North America EFO	North America Services GP Growth
President and Chief Executive Officer	50%	25%	12.5%	12.5%		
Chief Financial Officer	50%	25%	12.5%	12.5%		
President, Insight United States			12.5%	12.5%	50%	25%
Chief Information Officer	50%	25%	12.5%	12.5%		

Position	EMEA EFO	EMEA Services GP Growth
President, Insight EMEA	75%	25%

For purposes of the 2013 Plan, EFO will be calculated on a consolidated non-GAAP basis, with non-GAAP EFO being defined as the Company's actual 2013 consolidated earnings from operations, excluding certain items, specified and approved in advance by the Compensation Committee, that are not considered to be part of ongoing business. North America EFO will be calculated on a non-GAAP basis, with non-GAAP North America EFO being defined as the actual 2013 earnings from the Company's North America operating segment, excluding certain items specified and approved in advance by the Compensation Committee, that are not considered to be part of ongoing business. EMEA EFO will be calculated on a non-GAAP basis, with non-GAAP EMEA EFO being defined as the actual 2013 earnings from the Company's EMEA operating segment, excluding certain items specified and approved in advance by the Compensation Committee, that are not considered to be part of ongoing business. Services GP Growth will be based on the Company's actual 2013 consolidated services gross profit compared to 2012. North America Services GP Growth will be based on the actual 2013 services gross profit from the Company's North America operating segment compared to 2012. EMEA Services GP Growth will be based on the actual 2013 services gross profit from the Company's EMEA operating segment compared to 2012. U.S. Hardware Market Share Growth will be based on data for U.S. hardware sales as provided by the NPD Group, Inc., with adjustments to data similar to those made under the 2012 Plan. U.S. Software Market Share Growth will be based on market share data for the U.S. as reported by a major software partner, with certain adjustments by management, as agreed to by the Compensation Committee at the time the targets were set.

## **Table of Contents**

The 2013 Plan requires that the Company or relevant operating segment achieve a certain percentage of the target amounts for the particular performance measure before any payment may be made to an executive with respect to that performance measure. Therefore, it is possible that an executive will have different levels of achievement for each of his or her separate performance measures and could receive no payment at all, depending on performance against the goal for each performance measure. The levels of performance were set in conjunction with the Company's overall annual budget and are considered to be challenging, but achievable, given the tactical and strategic plans that have been developed for 2013, with no payment below a threshold level and with 200% of target being the maximum each executive may earn.

The approved 2013 target cash incentive compensation amounts for each of our current named executive officers are set forth below. Some 2013 target cash incentive compensation amounts reflect a change from 2012 in that they are calculated as a percentage of base salary.

Kenneth T. Lamneck, President and Chief Executive Officer Target 100% of 2013 base salary, or \$691,875;

Glynis A. Bryan, Chief Financial Officer Target 100% of 2013 base salary, or \$432,858;

Stuart A. Fenton, President, Insight EMEA Target 46% of 2013 base salary, or \$221,746

Steven W. Dodenhoff, President, Insight United States Target 62% of 2013 base salary, or \$232,500; and

Michael P. Guggemos, Chief Information Officer Target 45% of 2013 base salary, or \$156,018.

1 Mr. Fenton's 2013 target cash incentive compensation is shown in U.S. dollars for presentation in this proxy statement, but Mr. Fenton will be paid in GBP, with a target payout of 147,831 GBP.

The target award for each of the executives is intended to define the amount that would be earned by the executive if the Company achieves the budgeted financial objectives for the 2013 Plan. The Compensation Committee also sets award levels for performance below the target performance level and seeks to encourage outstanding executive performance by setting achievement levels above the target performance, up to the maximum level.

### ***Long-Term Equity-Based Incentive Compensation***

The Compensation Committee views long-term equity-based compensation as a critical component of the overall executive compensation program. The principal objectives for long-term equity-based compensation are to:

enhance the link among Company performance, the creation of stockholder value and long-term incentive compensation;

facilitate increased equity ownership by executives;

encourage executive retention through use of multiple-year vesting periods; and

provide competitive levels of total compensation to executive officers if expected levels of performance are achieved.



**Table of Contents**

Long-term equity-based incentives are currently issued in the form of service and performance-based RSUs. Consistent with the practice adopted in 2009, the Compensation Committee decided that the Company's executive officers would receive 60% of their RSU awards in performance-based RSUs and 40% in service-based RSUs. To encourage continued employment with the Company, service-based awards vest over a four-year vesting schedule. Performance-based RSUs are issued only if predetermined annual financial performance goals are achieved and are then subject to a three-year vesting period. One of the Compensation Committee's goals in granting 40% of the RSUs in the form of service-based RSUs vesting over four years is to provide retention benefits, whereas the other 60% of the RSUs are performance-based, which the Compensation Committee believes aligns the interests of management and the stockholders. To encourage overachievement of targets, significant upside potential exists related to the number of RSUs ultimately issued. The number of performance-based RSUs ultimately issued varies based on the achievement of threshold levels of financial performance, with greater numbers of shares awarded for higher levels of financial performance. If the Company's financial performance does not meet or exceed a set performance threshold, no performance-based RSUs are issued. All grants of equity-based compensation are currently made under the Amended 2007 Omnibus Plan. The Compensation Committee believes that the 60/40 split of performance-based and service-based RSUs has demonstrated its value in paying for performance and promoting retention.

For 2012 and 2013, the Compensation Committee determined target equity-based incentive compensation for executive officers considering comparison group data in the market analysis prepared by Compensia in 2011. Based on this recent study as well as market data prepared by previous consultants, the Compensation Committee believes that the equity-based incentive compensation plan, including the use of performance-based RSUs and the target level of grants to each executive, is competitive with market practice, and the 60/40 split of performance-based and service-based RSUs continues to reward executives for performance and promotes retention of the Company's executives.

In order to link equity-based incentive compensation to annual performance and to continue to align the interests of management and stockholders, the Compensation Committee initiates annual grants of equity-based incentive compensation awards to executives early in the year (as opposed to later in the year or periodically throughout the year) in connection with the annual budgeting process. Also, early in the year, the Compensation Committee approves the annual RSU program grants as well as a pool of shares from which the Chief Executive Officer may make discretionary and/or new hire RSU grants throughout the year to individuals other than non-employee directors or Section 16 officers. The pool of RSUs is based on the recommendation of management and review of the overall equity compensation expense expected to be recorded in current and future years in the Company's consolidated financial statements.

**Table of Contents**2012 Equity-Based Incentive Plan

The 2012 RSU awards for executive officers, which were 40% service-based and 60% performance-based, were approved on February 15, 2012. The service-based RSUs vest in four equal annual installments beginning on February 20, 2013. The performance-based grants, to the extent earned, vest in three equal annual installments beginning on February 20, 2013, and the number of RSUs issued was dependent on the Company's actual ROIC for the fiscal year ended December 31, 2012, on a consolidated non-GAAP basis, with non-GAAP ROIC being defined as actual 2012 consolidated EFO, excluding certain items not considered to be part of the ongoing business, as approved in advance by the Compensation Committee, divided by Invested Capital. Invested Capital is defined as average equity, plus average debt, less average cash balances, as reported by the Company during the year ended December 31, 2012. The averages were computed using the five most recent quarter-end balances (December 31, 2011 through December 31, 2012) and included the assumption that acquisition goodwill was not impaired and continued to be present in all periods (i.e., average equity was not reduced for the non-cash goodwill impairment charge that was taken in 2008). For the performance-based RSUs, the Company's actual ROIC fell in the range for 2012 of 10.71% - 10.96%, which equated to 50% of the target number of RSUs being issued to each named executive officer. The ROIC target range was set in conjunction with the Company's overall annual budget and was considered to be challenging, but achievable, given the tactical and strategic plans that were developed for 2012. The following levels of achievement, and corresponding levels of award of targeted equity-based incentive compensation, were used for the ROIC performance measure, with 200% of target being the maximum each executive could earn:

ROIC Range	% of Target RSUs
Above 13.30%	200.0%
13.05% - 13.30%	175.0%
12.79% - 13.04%	150.0%
12.53% - 12.78%	137.5%
12.27% - 12.52%	125.0%
12.01% - 12.26%	112.5%
11.75% - 12.00%	100.0%
11.49% - 11.74%	87.5%
11.23% - 11.48%	75.0%
10.97% - 11.22%	62.5%
10.71% - 10.96%	50.0%
Below 10.71%	0.0%

The following table sets forth the number of service-based and performance-based awards to our named executive officers under the 2012 equity-based incentive plan:

Named Executive Officer	Performance-Based RSU Awards				
	Service-Based RSUs Awarded (#)	Target Number of Performance- Based RSUs (1)	2012 Actual ROIC (2)	Award Level	Performance- Based RSUs Awarded (#)
Kenneth T. Lamneck, President and Chief Executive Officer	34,577	51,866	10.74%	50%	25,933
Glynis A. Bryan, Chief Financial Officer	11,772	17,659	10.74%	50%	8,830
Stuart A. Fenton,	9,099	13,649	10.74%	50%	6,825

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President, Insight EMEA Steven W. Dodenhoff,					
President, Insight United States Michael P. Guggemos,	5,195	7,792	10.74%	50%	3,896
Chief Information Officer	6,824	10,237	10.74%	50%	5,119

- (1) Target was based on the Company achieving 100% of its ROIC target range for 2012 of 11.75% 12.00%.
- (2) As defined by and calculated in accordance with the 2012 equity-based incentive plan.

**Table of Contents**2013 Equity-Based Incentive Plan

The 2013 RSU awards for executive officers, which are 40% service-based and 60% performance-based, were approved on February 13, 2013. The service-based RSUs will vest in four equal annual installments beginning on February 20, 2014. The performance-based grants will, if earned, vest in three equal annual installments beginning on February 20, 2014, and the number of RSUs to be issued, if any, will vary depending on the Company's ROIC for the fiscal year ending December 31, 2013, on a consolidated non-GAAP basis, with non-GAAP ROIC and Invested Capital being defined consistent with 2012 (as discussed above). For the performance-based RSUs: if the Company achieves less than 94% of its 2013 ROIC target range, no RSUs will be issued and if the Company achieves greater than 115% of its 2013 ROIC target range, 200% of the target number of RSUs will be issued. The ROIC target range was set in conjunction with the Company's overall annual budget and is considered to be challenging, but achievable, given the tactical and strategic plans that have been developed for 2013.

In determining the amount of equity-based incentive compensation for 2013, the Compensation Committee considered its goal to provide retention value for senior executives through stock price improvement, which the Compensation Committee believes aligns the interests of management and the stockholders. Based on the Compensation Committee's careful review of the 2011 Compensia analysis of the competitiveness of the Company's compensation levels, including its equity-based award levels, and on the Compensation Committee's review of the Company's 2013 budget and the recommendations of Compensia, the Compensation Committee awarded RSUs to executive officers in 2013 equal in value (as of the grant date) to the 2012 awards.

The 2013 service-based and performance-based RSUs, granted on February 20, 2013, included the following awards for our current named executive officers:

Named Executive Officer	Service-Based RSUs (#)	Target Number of Performance- Based RSUs (#)(1)
Kenneth T. Lamneck, President and Chief Executive Officer	37,055	55,583
Glynis Bryan, Chief Financial Officer	12,616	18,924
Stuart A. Fenton, President, Insight EMEA	9,752	14,627
Steven W. Dodenhoff, President, Insight United States	6,826	10,239
Michael P. Guggemos, Chief Information Officer	7,314	10,970

- (1) Target award, which is based on the Company achieving 100% of its 2013 ROIC target range, as defined by and calculated in accordance with the 2013 equity-based incentive plan. As discussed above, if the Company achieves less than 94% of its 2013 ROIC target range, no performance-based RSUs will be issued and if the Company achieves greater than 115% of its 2013 ROIC target range, a total of 200% of the target number of performance-based RSUs will be issued.

## **Table of Contents**

### ***Severance and Change in Control Plans***

Severance and change in control plans are designed to facilitate the Company's ability to attract and retain executives as the Company competes for talented employees in a marketplace where such protections are commonly offered. Severance benefits are designed to provide benefits to ease an executive's transition following an unexpected employment termination by the Company due to changes in the Company's employment needs. Change in control benefits are intended to encourage executives to remain focused on the Company's business in the event of rumored or actual fundamental corporate changes. See further detail under the section entitled "Employment Agreements, Severance and Change in Control Plans."

### ***Benefits and Perquisites***

Our named executive officers participate in benefit plans generally available to all of our teammates, including medical, health, life insurance and disability plans. Our named executive officers other than Mr. Fenton are also eligible to participate in the Company's 401(k) plan, and receive Company matching contributions, to the extent made by the Company, which are generally available to our teammates. Mr. Fenton is eligible to participate in a group personal pension plan in the United Kingdom and receive Company matching contributions, to the extent made by the Company, which is a benefit generally available to our teammates in the United Kingdom. Mr. Fenton also receives an automobile allowance, which is a benefit generally available to executives in the United Kingdom. These benefits are part of our broad-based total compensation programs offered in the geography in which each of the executives resides.

We provide our executive officers with relatively limited perquisites that we believe are reasonable and in the best interests of the Company. We promote wellness initiatives in our employee health insurance plans and make premium payments for long-term disability insurance for all of our named executive officers. In 2012, Mr. Fenton was provided with an automobile allowance and private medical coverage, which are benefits generally available to management in the United Kingdom where Mr. Fenton works and resides. Except for perquisites provided to Mr. Lamneck, Ms. Bryan and Mr. Fenton, the value of perquisites did not exceed \$10,000 in the aggregate for the other named executive officers during 2012. The costs of perquisites and other personal benefits provided to our named executive officers during 2012 are included in the Summary Compensation Table in this proxy statement and identified in the footnotes thereto.

### ***Nonqualified Deferred Compensation Plan***

Prior to the termination of the plan effective May 31, 2012, named executive officers other than Mr. Fenton (as well as other eligible U.S. employees) could participate in the Insight Nonqualified Deferred Compensation Plan ("Deferred Compensation Plan"), a nonqualified deferred compensation plan adopted and approved by the Compensation Committee and ratified by the Board of Directors. The Deferred Compensation Plan permitted participants to voluntarily defer receipt of compensation, and participants earned a rate of return on their deferred amounts based on their selection from a variety of independently managed funds. The Company did not provide a guaranteed rate of return on these deferred amounts, and the rate of return realized depended on the participant's fund selections and market performance of these funds. The Company did not make any contributions to the Deferred Compensation Plan and, other than immaterial administrative costs, incurred no expense with this program. The Deferred Compensation Plan's assets will be liquidated and participant account balances will be paid out by July 2013.



## **Table of Contents**

### ***Stock Ownership Guidelines***

In February 2007, the Board, upon the recommendation of the Compensation Committee, adopted stock ownership guidelines that:

are designed to align the interests of key executives, Board members and stockholders;

provide a five-year transition period for each new executive and each new Board member to reach ownership guidelines; and

define which ownership interests will count towards the guidelines.

The guidelines specify that, subsequent to the five-year transition period, as of each January 1, each executive and each Board member is expected to hold shares of Insight common stock with a value at least equal to a specified multiple of his or her annual base salary or retainer. For the President and Chief Executive Officer, two times annual base salary is required, for all other Executives, one times annual base salary is required, and for Board members, two times the annual base retainer is required. Failure to meet or to show sustained progress toward meeting the Stock Ownership Guidelines may result in a reduction in future long-term incentive grants and also may result in a requirement to retain some or all stock attained through Company grants of equity until the Stock Ownership Guidelines are attained.

### ***Executive Compensation Recovery***

We have an incentive compensation recovery policy that applies to our executive officers. Under this policy, in the event of a material restatement of our financial results, we may recover from an executive officer any incentive compensation that was based on having met or exceeded performance targets if an executive officer engaged in fraud or intentional misconduct that resulted in an increase in his or her incentive compensation.

### ***Chief Executive Officer Compensation***

The Compensation Committee determines compensation for the Chief Executive Officer using the same criteria it uses for other executives, placing relatively less emphasis on base salary and, instead, creating greater performance-based opportunities for short-term and long-term incentive compensation (cash and equity, respectively).

In setting the Chief Executive Officer's compensation for 2012, the Compensation Committee used Compensia's 2011 market study, which indicated that total cash compensation for 2011 for the Company's Chief Executive Officer fell below the 25<sup>th</sup> percentile relative to the companies cited in the Compensia study, while long-term equity-based incentive compensation levels for the Chief Executive Officer fell generally between the 25<sup>th</sup> and 50<sup>th</sup> percentile. Based on the work conducted by the Compensation Committee and Compensia, the Compensation Committee decided to increase the Chief Executive Officer's compensation in 2012 to approximate the 50<sup>th</sup> percentile of the Tech Distribution Peer Group Companies comparison group included in the 2011 Compensia market study, with an adjustment to make base salary competitive, while emphasizing cash and equity-based incentive compensation. As a result, Mr. Lamneck's base salary and target cash incentive compensation for 2012 were each raised to \$675,000 (from \$618,000 and \$600,000, respectively), and his target equity-based compensation was raised from \$1,500,000 to \$1,900,000, for total target direct compensation of \$3,250,000 (from \$2,718,000). As noted above, the Compensation Committee approved a 2.5% increase in base salaries for 2013 for the Company's executive officers, including Mr. Lamneck, raising his base salary to \$691,875 for 2013. Also as noted above, executive officer target cash incentive compensation is reflected as a percentage of base salary (100% in Mr. Lamneck's case) resulting in an increase in Mr. Lamneck's target cash incentive award from \$675,000 in 2012 to \$691,875 in 2013. Also as noted above, target equity-based compensation approved by the Compensation Committee for 2013 reflect no increases from 2012. As a result, Mr. Lamneck's total target direct compensation for 2013 is \$3,283,750 (compared to \$3,250,000 in 2012).

## **Table of Contents**

### **Response to Last Year's Say-on-Pay Vote**

At our 2012 annual stockholders' meeting, we held a non-binding advisory stockholder vote on the compensation of our named executive officers, commonly referred to as a say-on-pay vote. Our stockholders approved the compensation of our named executive officers, with over 90% of stockholder votes cast in favor of our 2012 say-on-pay resolution. As we evaluated our executive compensation practices since that vote, we were mindful of the strong support our stockholders expressed for our pay-for-performance compensation philosophy. Nonetheless, the Compensation Committee undertakes an annual review of our executive compensation philosophy and our general approach to executive compensation and continually refines the executive compensation programs to align them with the Company's strategic goals and to emphasize pay-for-performance.

### **Tax and Accounting Considerations**

#### ***Deductibility of Executive Compensation***

Section 162(m) generally prohibits a public company from taking an income tax deduction for compensation over \$1 million paid to the principal executive officer and any one of the three highest paid executive officers (other than the principal executive officer or the principal financial officer) as of the close of the applicable taxable year, unless certain conditions are met. While the anticipated tax treatment of compensation is given some weight in making compensation decisions, the Compensation Committee has not adopted a policy of limiting awards of compensation to amounts that would be deductible under Section 162(m) because the Compensation Committee believes that awards of compensation which would not comply with the Section 162(m) requirements could at times further the long-term interests of the Company and its stockholders. Nevertheless, the Compensation Committee believes that it is important to maximize the corporate tax deductibility of executive compensation. Therefore, to help maximize the deductibility of payments made beginning in 2008, the Company sought and received stockholder approval of its Amended 2007 Omnibus Plan.

#### ***Accounting for Stock-Based Compensation***

Stock-based compensation is measured based on the fair value of the award on the date of grant, and the corresponding expense is recognized over the period during which the executive is required to provide service in exchange for the reward. Compensation expense related to service-based RSUs is recognized on a straight-line basis over the requisite service period for the entire award. Compensation expense related to performance-based RSUs is recognized on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards (i.e., a graded vesting basis).

**Table of Contents**

**COMPENSATION COMMITTEE REPORT**

The Compensation Committee has reviewed and discussed the above Compensation Discussion and Analysis with management, and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

COMPENSATION COMMITTEE:

Kathleen S. Pushor, Chair

Richard E. Allen  
Bennett Dorrance

Michael M. Fisher  
Robertson C. Jones

*Notwithstanding anything to the contrary set forth in any of our previous filings under the Securities Act of 1933, as amended, or the Exchange Act, as amended, that incorporate future filings, including this proxy statement, in whole or in part, the foregoing Compensation Committee Report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any such filings.*

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

The members of the Compensation Committee during 2012 were Ms. Pushor (Chair) and Messrs. Allen, Dorrance and Jones. No member of the Compensation Committee was at any time during 2012 or at any other time an officer or employee of Insight, and no member had any relationship with Insight requiring disclosure under Item 404 of Regulation S-K. No executive officer of Insight has served on the Board or Compensation Committee of any other entity that has or has had one or more executive officers who served as a member of the Board or the Compensation Committee of Insight during 2012.

**Table of Contents****SUMMARY COMPENSATION TABLE**

The table below sets forth the total compensation for services rendered to us by our principal executive officer, our principal financial officer and our three other most highly compensated executive officers. We refer to these persons as named executive officers.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)(1)	Stock Awards (\$)(2)	Non-Equity Incentive Plan	All Other	Total (\$)
					Compensation (\$)(3)	Compensation (\$)(4)	
Kenneth T. Lamneck (5) President and Chief Executive Officer	2012	675,000		1,900,017	402,469	24,688	3,002,174
	2011	618,000		1,500,005	913,950	12,730	3,044,685
	2010	600,000	500,000	3,240,375	1,200,000	114,217	5,654,592
Glynis A. Bryan Chief Financial Officer	2012	422,300		646,893	253,406	16,623	1,339,222
	2011	412,000		646,880	647,381	12,518	1,718,779
	2010	400,000		646,878	637,600		1,684,478
Stuart A. Fenton (6) President Insight EMEA	2012	496,947		500,001	46,401	59,816	1,103,165
	2011	490,611		500,007	373,861	51,225	1,415,704
	2010	459,134		1,307,742	345,060	29,050	2,140,986
Steven W. Dodenhoff	2012	310,417		389,376	114,333	5,745	819,871
President Insight United States							
Michael P. Guggemos Chief Information Officer	2012	338,250		375,001	90,757	8,437	812,445
	2011	330,000		375,010	226,203	11,581	942,794

- (1) In conjunction with Mr. Lamneck's employment effective January 1, 2010, the Company agreed to compensate Mr. Lamneck for incentive compensation foregone at his previous employer by making a one-time payment of \$500,000 in addition to the one-time award of service-based awards described below.
- (2) These amounts reflect the grant date fair value of the RSU awards granted to our named executive officers. For awards subject to performance conditions, the grant date fair value reported was based on the probable outcome of the performance conditions, determined as of the grant date.

For 2012, the grant date fair value was calculated based on the closing price of the Company's common stock on February 17, 2012 (the last trading day immediately preceding the grant date because the grant date was not a trading day) of \$21.98 multiplied by the target number of RSU awards, as the target was considered to be the probable outcome as of the grant date. For the 60% of the 2012 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. For Mr. Lamneck, Ms. Bryan, Mr. Fenton, Mr. Dodenhoff and Mr. Guggemos, the maximum value of RSUs assuming the maximum achievement at the highest level of performance was \$3,040,032, \$1,035,038, \$800,006, \$559,998, and \$600,010, respectively. For Mr. Dodenhoff, this amount includes a stock award with a grant date fair value of \$120,000 in service-based RSUs on February 10, 2012 that Mr. Dodenhoff received in conjunction with his employment by the Company effective January 30, 2012 and an award that Mr. Dodenhoff was granted in connection with his appointment as President, Insight United States, effective October 1, 2012. Upon his promotion, Mr. Dodenhoff was granted RSUs having an aggregate value of the difference between a target award of \$350,000 and the target award amount of \$250,000 that he was granted on February 20, 2012, prorated for the remainder of 2012. The grant date fair value of this incremental award was calculated based on the closing price of the Company's common stock on November 9, 2012 (the last trading day immediately preceding the grant date because the grant date was not a trading day) of \$15.50 multiplied by 62.5% of the target number of RSU awards, as that percentage was considered to be the probable outcome as of the grant date. As discussed in the CD&A section of this proxy statement, the actual award for 2012 was 50% of the target number of performance-based RSUs.

**Table of Contents**

For 2011, the grant date fair value was calculated based on the closing price of the Company's common stock on February 18, 2011 (the last trading day immediately preceding the grant date because the grant date was not a trading day) of \$18.32 multiplied by the target number of RSU awards, as the target was considered to be the probable outcome as of the grant date. For the 60% of the 2011 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. For Mr. Lamneck, Ms. Bryan, Mr. Fenton and Mr. Guggemos, the maximum value of RSUs assuming the maximum achievement at the highest level of performance was \$2,400,012, \$1,035,007, \$800,016 and \$600,017, respectively. The actual award for 2011 was 125% of the target number of performance-based RSUs.

For 2010, the grant date fair value was calculated based on the closing price of the Company's common stock on February 19, 2010 (the last trading day immediately preceding the grant date because the grant date was not a trading day) of \$13.25 multiplied by the target number of RSU awards, as the target was considered to be the probable outcome as of the grant date. For the 60% of the 2010 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. For Mr. Lamneck, Ms. Bryan, and Mr. Fenton, the maximum value of RSUs assuming the maximum achievement at the highest level of performance was \$2,784,607, \$1,035,011 and \$800,009, respectively. The actual award for 2010 was 200% of the target number of performance-based RSUs. Additionally, in conjunction with Mr. Lamneck's employment effective January 1, 2010, the Company agreed to compensate Mr. Lamneck for incentive compensation foregone at his previous employer, by making a one-time award of 131,349 service-based RSUs, which equated to an aggregate value of \$1,500,000, based on the closing price of the Company's common stock on December 31, 2009 (the last trading day immediately preceding the grant date of January 1, 2010 since the grant date was not a trading day) in addition to the one-time cash bonus payment of \$500,000 described above. On March 10, 2010, the Compensation Committee awarded a special RSU grant to Mr. Fenton of 56,604 shares as a retention incentive, vesting over a 5-year period, with no shares vesting on the first anniversary of the award and 25% vesting on each of the second, third, fourth and fifth anniversaries of the award. The grant date fair value of the special award to Mr. Fenton was calculated based on the closing price of the Company's common stock on March 10, 2010 (the grant date) of \$14.27.

For all three years for which grant date fair value is presented in the table above, no estimate of forfeitures is included in these amounts, nor were any actual forfeitures included in these amounts.

- (3) Non-Equity Incentive Plan Compensation represents bonuses earned by executives under the 2012, 2011 and 2010 cash incentive plans, respectively. The cash incentive plan compensation for 2012 was paid to the named executive officers prior to March 15, 2013.
- (4) All Other Compensation for 2012 represents payments to:

Mr. Lamneck for enhanced healthcare benefits, expenses incurred related to premium payments made on his behalf for long-term disability insurance, matching contributions to his 401(k), value received related to an annual sales incentive trip and an allowance for cell phone expenses. We consider the cost of the enhanced healthcare benefits, premium payments for long-term disability insurance and value received related to an annual sales incentive trip to be perquisites.

Ms. Bryan for enhanced healthcare benefits, expenses incurred related to premium payments made on her behalf for long-term disability insurance, matching contributions to her 401(k) and an allowance for cell phone expenses. We consider the cost of the enhanced healthcare benefits and premium payments for long-term disability insurance to be perquisites.

Mr. Fenton for retirement plan contributions, an auto allowance of \$27,349 and private medical coverage. We consider the cost of the auto allowance and private medical coverage to be perquisites.

Mr. Dodenhoff for matching contributions to his 401(k), an allowance for cell phone expenses and expenses incurred related to premium payments made on his behalf for long-term disability insurance. We consider the premium payments for long-term disability insurance to be perquisites.

Mr. Guggemos for matching contributions to his 401(k), expenses incurred related to premium payments made on his behalf for long-term disability insurance and an allowance for cell phone expenses. We consider the premium payments for long-term disability

insurance to be perquisites.

**Table of Contents**

- (5) Mr. Lamneck was appointed President and Chief Executive Officer effective January 1, 2010. The amounts shown in the Summary Compensation Table for 2010 include \$2,000,000 of one-time amounts to compensate Mr. Lamneck for incentive compensation foregone at his previous employer. Mr. Lamneck's 2010 compensation is detailed as follows:

	Salary	Bonus	Stock Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
One-time	\$	\$ 500,000	\$ 1,500,000	\$	\$ 104,897	\$ 2,104,897
Ongoing	600,000		1,740,375	1,200,000	9,320	3,549,695
Total	\$ 600,000	\$ 500,000	\$ 3,240,375	\$ 1,200,000	\$ 114,217	\$ 5,654,592

- (6) Mr. Fenton is a resident of the United Kingdom. He is paid in GBP. The salary and all other compensation amounts included in the table above were determined by multiplying the average exchange rates applicable for the quarters ended March 31, June 30, September 30, and December 31 of each year, respectively, by the compensation earned during the quarter. The non-equity incentive plan compensation amounts included in the table above were determined by multiplying the GBP paid by the exchange rate applicable on the date paid.

**GRANTS OF PLAN-BASED AWARDS**

The following table sets forth information regarding grants of plan-based awards made during the year ended December 31, 2012 to the named executive officers.

Name	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)		Estimated Future Payouts Under Equity Incentive Plan Awards (2)		All Other Awards: Number of Shares of Stock (#)(3)	Grant Date Fair Value of Stock and Option Awards (\$)(3)
			Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)		
Kenneth T. Lamneck		2/15/2012		675,000	1,350,000			
	2/20/2012	2/15/2012				51,866	103,732	1,140,015
	2/20/2012	2/15/2012					34,577	760,002
Glynis A. Bryan		2/15/2012		425,000	850,000			
	2/20/2012	2/15/2012				17,659	35,318	388,145
	2/20/2012	2/15/2012					11,772	258,748
Stuart A. Fenton (4)		2/15/2012		226,926	453,852			
	2/20/2012	2/15/2012				13,649	27,298	300,005
	2/20/2012	2/15/2012					9,099	199,996
Steven W. Dodenhoff (5)	2/10/2012	12/22/2011					6,483	120,000
		12/22/2011		200,000	400,000			
	2/20/2012	2/15/2012				6,824	13,648	149,992
	2/20/2012	2/15/2012					4,550	100,009
		9/25/2012		32,500	65,000			
	11/10/2012	9/25/2012				968	1,936	9,377
Michael P. Guggemos		9/25/2012					645	9,998
		2/15/2012		152,213	304,426			
	2/20/2012	2/15/2012				10,237	20,474	225,009
	2/20/2012	2/15/2012					6,824	149,992

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- (1) Represents awards under the 2012 cash incentive plan discussed under the heading "2012 Cash Incentive Plan" of the CD&A in this proxy statement. The maximum estimated future payouts under non-equity incentive plan awards was computed as 200% of the target cash incentive compensation component that was based exclusively on three specific financial objectives for each named executive officer. Actual amounts are reflected in the Summary Compensation Table in the Non-Equity Incentive Plan Compensation column, and there are no future payouts related to these awards.



**Table of Contents**

- (2) Pursuant to the 2012 equity-based incentive compensation program, grants of service-based (40%) and performance-based (60%) RSUs to our named executive officers were made on February 20, 2012. For the 60% of the 2012 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. The number of actual performance-based RSUs ultimately awarded was 50% of the target, as actual consolidated ROIC was below the target range for the fiscal year ended December 31, 2012.
- (3) The grant date fair value for the annual plan-based awards was calculated based on the closing price of the Company's common stock on February 17, 2012 of \$21.98 multiplied by the target number of RSU awards, as the target was considered to be the probable outcome as of the grant date. The grant date fair values of stock awards are also reflected in the Summary Compensation Table. Mr. Dodenhoff also received a stock award with a grant date fair value of \$120,000 in service-based RSUs on February 10, 2012 in conjunction with his employment by the Company effective January 30, 2012. Upon his appointment as President, Insight United States, effective October 1, 2012, Mr. Dodenhoff was also granted RSUs having an aggregate value of the difference between a target award of \$350,000 and the target award amount of \$250,000 that he was granted on February 20, 2012, prorated for the remainder of 2012. The grant date fair value of this incremental award was calculated based on the closing price of the Company's common stock on November 9, 2012 (the last trading day immediately preceding the grant date because the grant date was not a trading day) of \$15.50 multiplied by 62.5% of the target number of RSU awards, as that percentage was considered to be the probable outcome as of the grant date. As discussed in the CD&A section of this proxy statement, the actual award for 2012 was 50% of the target number of performance-based RSUs.
- (4) Mr. Fenton's cash incentive target and maximum amounts for the 2012 cash incentive plan were translated into U.S. dollars for presentation in this proxy statement. The target and maximum estimated future payouts under non-equity incentive plan awards are 145,503 GBP and 291,006 GBP, respectively.
- (5) Mr. Dodenhoff's cash incentive target and maximum amounts for the 2012 cash incentive plan represent the annualized amounts per Mr. Dodenhoff's original offer letter in December 2011 and his promotion offer letter in September 2012. The actual target and maximum amounts that Mr. Dodenhoff was entitled to for 2012 were pro-rated based on the effective dates of his employment and subsequent promotion during 2012.

**Table of Contents****OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END**

The following table sets forth information regarding outstanding equity awards at December 31, 2012 for the named executive officers.

	Stock Awards	
	Number of Shares or Units of Stock	Market Value of Shares or Units
	That Have Not Vested (#)(1)	of Stock That Have Not Vested (\$)(2)
Kenneth T. Lamneck	239,848	4,166,160
Glynis A. Bryan	74,887	1,300,787
Stuart A. Fenton	100,335	1,742,819
Steven W. Dodenhoff	15,574	270,520
Michael P. Guggemos	40,747	707,775

- (1) Under various service-based equity incentive compensation programs, our named executive officers have received varying levels of grants of service-based RSUs that vest ratably over four years (for grants pursuant to the 2012 and 2011 equity-based incentive compensation plans) or three years (for grants pursuant to the 2010 equity-based incentive compensation plans).

Pursuant to the 2012 equity-based incentive compensation program, grants of service-based (40%) and performance-based (60%) RSUs to our named executive officers were made in February 2012. For the 60% of the 2012 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. The number of actual performance-based RSUs ultimately awarded was 50% of the target, as actual consolidated ROIC was below the target range for the fiscal year ended December 31, 2012. As of December 31, 2012, upon the Company's achievement of the actual ROIC amount for the fiscal year ended December 31, 2012, the RSUs effectively became service-based RSUs, vesting ratably over the three years following the grant date. All of these grants of RSUs were made under the Amended 2007 Omnibus Plan.

Pursuant to the 2011 equity-based incentive compensation program, grants of service-based (40%) and performance-based (60%) RSUs to our named executive officers were made in February 2011. For the 60% of the 2011 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. The number of actual performance-based RSUs ultimately awarded was 125% of the target, determined by over-achievement of targeted consolidated ROIC of the Company for the fiscal year ended December 31, 2011. As of December 31, 2011, upon the Company's achievement of the actual ROIC amount for the fiscal year ended December 31, 2011, the RSUs effectively became service-based RSUs, vesting ratably over the three years following the grant date. All of these grants of RSUs were made under the Amended 2007 Omnibus Plan.

Pursuant to the 2010 equity-based incentive compensation program, grants of service-based (40%) and performance-based (60%) RSUs to our named executive officers were made in February 2010. For the 60% of the 2010 awards that were subject to performance conditions, the maximum award attainable was 200% of the target number of RSU awards. The number of actual performance-based RSUs ultimately awarded was 200% of the target, determined by over-achievement of targeted consolidated non-GAAP diluted EPS of the Company for the fiscal year ended December 31, 2010. As of December 31, 2010, upon the Company's achievement of the actual non-GAAP diluted EPS amount for the fiscal year ended December 31, 2010, the RSUs effectively became service-based RSUs, vesting ratably over the three years following the grant date. All of these grants of RSUs were made under the 2007 Omnibus Plan.

- (2) Represents the value based upon the number of shares awarded multiplied by the closing price on December 31, 2012 (\$17.37).

**Table of Contents****OPTION EXERCISES AND STOCK VESTED TABLE**

The following table sets forth information with respect to shares of Company common stock acquired through exercises of stock options and vesting of restricted shares and units and the number of shares acquired and value realized on exercise or vesting by the named executive officers during 2012.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)(1)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)(2)	Value Realized on Vesting (\$)(2)
Kenneth T. Lamneck			142,494	2,839,110
Glynis A. Bryan	148,611	258,381	71,909	1,580,560
Stuart A. Fenton			71,513	1,558,695
Steven W. Dodenhoff				
Michael P. Guggemos			19,594	373,876

- (1) During 2012, the stock option activity during the year ended December 31, 2012 included the exercise by Ms. Bryan of 148,611 options with an aggregate intrinsic value when exercised of \$258,381. Ms. Bryan's remaining 51,389 options expired unexercised in December 2012. No options remain outstanding as of December 31, 2012.
- (2) During 2012, the stock awards (all RSUs) that vested for the named executive officers in the United States were net-share settled such that the Company withheld shares with value equivalent to the named executive officer's minimum statutory tax obligation for the applicable income and other employment taxes and remitted cash to the appropriate taxing authorities. The amounts in the table represent the gross number of shares and value realized on vesting for each of the named executive officers. The net number of shares acquired by Mr. Lamneck, Ms. Bryan and Mr. Guggemos on vesting was 90,153, 47,999 and 13,477, respectively.

**EMPLOYMENT AGREEMENTS, SEVERANCE AND CHANGE IN CONTROL PLANS**

Our current employment agreements with executives and our incentive compensation plans reflect our compensation philosophy. The employment agreements for our named executive officers provide for continually renewing terms (one year for Messrs. Lamneck, Dodenhoff and Guggemos and two years for Ms. Bryan and Mr. Fenton). All change in control benefits are double trigger (which means that they are triggered by two events, a change in control plus a triggering termination under the change of control agreement), provided, however, that under the terms of the Amended 2007 Omnibus Plan, applicable to all employees, a change in control would result in all stock awards becoming fully exercisable and vested to the full extent of the original grant, any restrictions would lapse and all performance-based awards would be earned and payable in full at target levels.

The Company's employment agreements with its executives are intended to comply with Section 409A of the Code (other than Mr. Fenton, who resides in the United Kingdom). The material terms of the employment agreements with our current named executive officers are as follows:

**Table of Contents****Kenneth T. Lamneck**

- (i) Effective as of January 1, 2010.
- (ii) A severance payment upon termination without cause, by Mr. Lamneck for good reason, as those terms are defined in the agreement, or at the expiration of the term due to the Company's issuance of a non-renewal notice. In the event of such termination and subject to a release of claims against the Company by Mr. Lamneck, he will be entitled to receive severance pay in the amount of \$1,800,000, payable in equal installments over a period of 12 months following the date of termination.
- (iii) In the event of Mr. Lamneck's death or disability, as such term is defined in the agreement, he or his estate shall receive payment for earned, but unpaid base salary, accrued but unused vacation, unreimbursed business expenses and any vested benefits he may be entitled to receive under any Company disability or insurance plan or other applicable employee benefit plan.
- (iv) The agreement also provides for non-disclosure by Mr. Lamneck of our confidential information and includes covenants by him not to compete with Insight or solicit its employees, suppliers or customers for a period of 12 months following termination of employment.

The table below outlines the potential payments to Mr. Lamneck upon the occurrence of certain termination triggering events assuming a hypothetical effective date of termination of December 31, 2012:

Triggering Event	Severance	Stock Based Compensation Awards (1)	Benefits	Total
Termination Without Cause or for Good Reason as defined in the employment agreement	\$ 1,800,000	\$	\$	\$ 1,800,000
Change in Control Involuntary Termination	1,800,000	4,166,160		5,966,160
Change in Control Without Termination		4,166,160		4,166,160
Disability				
Death				

- (1) The value of stock based compensation awards is based on the closing price of the Company's common stock on December 31, 2012 of \$17.37 per share.

**Glynis A. Bryan**

- (i) Effective as of January 1, 2009.
- (ii) A severance payment upon termination without cause or termination by Ms. Bryan for good reason, as those terms are defined in the agreement, payable upon termination, equal to two times her annual base salary, plus one times the annual cash incentive bonus during one of the two immediately preceding fiscal years that would produce the higher award, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation until the earlier of (1) 24 months or (2) the day on which she is eligible to receive substantially similar benefits without being required to pay any premiums with respect to such benefits.

**Table of Contents**

- (iii) A severance payment following a change in control of the Company if Ms. Bryan terminates her employment for good reason, or the Company terminates her employment without cause, as those terms are defined in the agreement, prior to the expiration of 24 months after the change in control occurs, equal to two times her highest annual base salary in effect during the term of the agreement plus two times the higher annual cash incentive bonus during one of the two immediately preceding fiscal years which would produce the higher award, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation through the earlier of (1) 42 months following termination or (2) the date on which she is eligible to receive substantially similar benefits without being required to pay any premiums with respect to such benefits. All payments made following a change in control are to be grossed-up for Ms. Bryan's excise taxes if the payment exceeds prescribed limits.
- (iv) In the event of Ms. Bryan's termination as a result of disability, as such term is defined in the agreement, or death, she or her estate, as the case may be, will be entitled to a lump sum payment equal to 90 days of her base salary plus a prorated portion of any cash incentive compensation earned for the quarter in which the agreement is terminated due to disability, plus a prorated cash incentive bonus for the year in which the termination takes place for any cash incentive compensation plan with annual objectives.
- (v) The agreement also provides for non-disclosure by Ms. Bryan of our confidential information and includes covenants by her not to compete with Insight or solicit its employees, suppliers or customers for a period of two years following termination of employment. The table below outlines the potential payments to Ms. Bryan upon the occurrence of certain termination triggering events assuming a hypothetical effective date of termination of December 31, 2012:

Triggering Event	Severance	Stock Based Compensation		Total
		Awards (1)	Benefits	
Termination Without Cause or for Good Reason as defined in the employment agreement	\$ 1,735,606	\$	\$ 19,109	\$ 1,754,715
Change in Control Involuntary Termination	2,373,206	1,300,787	33,441	3,707,434
Change in Control Without Termination		1,300,787		1,300,787
Disability	358,981			358,981
Death	358,981			358,981

- (1) The value of stock based compensation awards is based on the closing price of the Company's common stock on December 31, 2012 of \$17.37 per share.

**Table of Contents**

***Stuart A. Fenton***

- (i) Amended and restated agreement entered into as of May 18, 2010.
  
- (ii) A severance payment upon termination without cause or termination by Mr. Fenton for good reason, as those terms are defined in the agreement, payable upon termination, equal to two times his annual base salary, plus one times the annual cash incentive bonus during one of the two immediately preceding fiscal years that would produce the higher award, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation until the earlier of (1) 24 months or (2) the date on which he is eligible to receive substantially similar benefits without being required to pay any premium with respect to such benefits.
  
- (iii) A severance payment following a change in control of the Company if Mr. Fenton terminates his employment for good reason, or the Company terminates his employment without cause, as those terms are defined in the agreement, prior to the expiration of 24 months after the change in control occurs, equal to two times his highest annual base salary in effect during the term of the agreement plus two times the higher annual cash incentive bonus during one of the two immediately preceding fiscal years which would produce the higher award, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation through the earlier of (1) 42 months following termination or (2) the date on which he is eligible to receive substantially similar benefits without being required to pay any premium with respect to such benefits.
  
- (iv) In the event of Mr. Fenton's termination as a result of disability, as such term is defined in the agreement, or death, he or his estate, as the case may be, will be entitled to a lump sum payment equal to 90 days of his base salary plus a prorated portion of any cash incentive compensation earned for the quarter in which the agreement is terminated due to disability, plus a prorated cash incentive bonus for the year in which the termination takes place for any cash incentive compensation plan with annual objectives.
  
- (v) The agreement also provides for non-disclosure by Mr. Fenton of our confidential information and includes covenants by him not to compete with Insight or solicit its employees, suppliers or customers for a period of 12 months following termination of employment.

**Table of Contents**

The table below outlines the potential payments to Mr. Fenton upon the occurrence of certain termination triggering events assuming a hypothetical effective date of termination of December 31, 2012:

Triggering Event	Severance (1)	Stock Based Compensation		Total
		Awards (2)	Benefits	
Termination Without Cause or for Good Reason as defined in the employment agreement	\$ 1,385,355	\$	\$ 5,301	\$ 1,390,656
Change in Control Involuntary Termination	1,730,415	1,742,819	9,276	3,482,510
Change in Control Without Termination		1,742,819		1,742,819
Disability	170,638			170,638
Death	170,638			170,638

- (1) Severance payment translated into U.S. dollars using the GBP average exchange rates applicable for the quarters ended March 31, June 30, September 30, and December 31, 2012 by the compensation earned during the quarter.
- (2) The value of stock based compensation awards is based upon the closing price of the Company's common stock on December 31, 2012 of \$17.37 per share.

**Steven W. Dodenhoff**

- (i) Effective as of January 30, 2012.
- (ii) A severance payment upon termination without cause or termination by Mr. Dodenhoff for good reason, as those terms are defined in the agreement, payable upon termination, equal to one times his annual base salary, plus one times the annual cash incentive bonus during the immediately preceding fiscal year, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation until the earlier of (1) 12 months or (2) the day on which he is eligible to receive substantially similar benefits without being required to pay any premium with respect to such benefits.
- (iii) A severance payment following a change in control of the Company if Mr. Dodenhoff terminates his employment for good reason, or the Company terminates his employment without cause, as those terms are defined in the agreement, prior to the expiration of 12 months after the change in control occurs, equal to one times his highest annual base salary in effect during the term of the agreement plus one times his annual cash incentive bonus during the immediately preceding fiscal year, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation through the earlier of (1) 12 months following termination or (2) the day on which he is eligible to receive substantially similar benefits without being required to pay any premium with respect to such benefits. In the event that payments made following a change in control would trigger an excise tax under the Code, the payments are to be reduced to the highest amount that would not trigger that excise tax, except that the limitation would not apply if the difference between the calculated amount (without applying the cap) and the reduced amount (after applying the cap) is greater than 25%.
- (iv) In the event of Mr. Dodenhoff's termination as a result of disability, as such term is defined in the agreement, or death, he or his estate, as the case may be, will be entitled to a lump sum payment equal to 90 days of his base salary plus a prorated portion of any cash incentive compensation earned for the quarter in which the agreement is terminated due to disability, plus a prorated cash incentive bonus for the year in which the termination takes place for any cash incentive compensation plan with annual objectives.

**Table of Contents**

- (v) The agreement also provides for non-disclosure by Mr. Dodenhoff of our confidential information and includes covenants by him not to compete with Insight or solicit its employees, suppliers or customers for a period of 12 months following termination of employment.

The table below outlines the potential payments to Mr. Dodenhoff upon the occurrence of certain termination triggering events assuming a hypothetical effective date of termination of December 31, 2012:

Triggering Event	Severance	Stock Based Compensation		Total
		Awards (1)	Benefits	
Termination Without Cause or for Good Reason as defined in the employment agreement	\$ 489,333	\$	\$ 16,185	\$ 505,518
Change in Control Involuntary Termination	489,333	270,520	16,185	776,038
Change in Control Without Termination		270,520		270,520
Disability	208,083			208,083
Death	208,083			208,083

- (1) The value of stock based compensation awards is based on the closing price of the Company's common stock on December 31, 2012 of \$17.37 per share.

**Michael P. Guggemos**

- (i) Effective as of November 1, 2010.
- (ii) A severance payment upon termination without cause or termination by Mr. Guggemos for good reason, as those terms are defined in the agreement, payable upon termination, equal to one times his annual base salary, plus one times the annual cash incentive bonus during the immediately preceding fiscal year, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation until the earlier of (1) 12 months or (2) the day on which he is eligible to receive substantially similar benefits without being required to pay any premium with respect to such benefits.
- (iii) A severance payment following a change in control of the Company if Mr. Guggemos terminates his employment for good reason, or the Company terminates his employment without cause, as those terms are defined in the agreement, prior to the expiration of 12 months after the change in control occurs, equal to one times his highest annual base salary in effect during the term of the agreement plus one times his annual cash incentive bonus during the immediately preceding fiscal year, plus a prorated portion of any current quarterly or annual cash incentive bonus, plus benefits continuation through the earlier of 12 months following termination or eligibility for new benefits. In the event that payments made following a change in control would trigger an excise tax under the Code, the payments are to be reduced to the highest amount that would not trigger that excise tax, except that the limitation would not apply if the difference between the calculated amount (without applying the cap) and the reduced amount (after applying the cap) is greater than 25%.



**Table of Contents**

- (iv) In the event of Mr. Guggemos' termination as a result of disability, as such term is defined in the agreement, or death, he or his estate, as the case may be, will be entitled to a lump sum payment equal to 90 days of his base salary plus a prorated portion of any cash incentive compensation earned for the quarter in which the agreement is terminated due to disability, plus a prorated cash incentive bonus for the year in which the termination takes place for any cash incentive compensation plan with annual objectives.
- (v) The agreement also provides for non-disclosure by Mr. Guggemos of our confidential information and includes covenants by him not to compete with Insight or solicit its employees, suppliers or customers for a period of 12 months following termination of employment. The table below outlines the potential payments to Mr. Guggemos upon the occurrence of certain termination triggering events assuming a hypothetical effective date of termination of December 31, 2012:

Triggering Event	Severance	Stock Based Compensation Awards (1)	Benefits	Total
Termination Without Cause or for Good Reason as defined in the employment agreement	\$ 569,007	\$	\$ 14,119	\$ 583,126
Change in Control Involuntary Termination	569,007	707,775	14,119	1,290,901
Change in Control Without Termination		707,775		707,775
Disability	175,320			175,320
Death	175,320			175,320

- (1) The value of stock based compensation awards is based on the closing price of the Company's common stock on December 31, 2012 of \$17.37 per share.

**NONQUALIFIED DEFERRED COMPENSATION TABLE**

Effective January 1, 2008, the Company established the Deferred Compensation Plan. The Deferred Compensation Plan is a nonqualified deferred compensation plan maintained primarily to provide deferred compensation benefits for a select group of management or highly compensated employees as defined by the Employee Retirement Income Security Act of 1974, as amended, and was designed to comply with Section 409A of the Code. The Deferred Compensation Plan permits participants to voluntarily defer receipt of compensation including salary, bonuses and any other cash compensation, up to 90% of base salary and up to 100% for other cash compensation. Participants earn a rate of return on their deferred amounts based on their selection from a variety of independently managed funds. Employees are fully vested in their deferrals, but withdrawals at times other than deferral dates selected by participants are not permitted until retirement, termination of employment, disability or death, except in case of unforeseen emergencies. The Company does not provide a guaranteed rate of return on these deferred amounts, and the rate of return realized depends on the participant's fund selections and market performance of these funds. The Deferred Compensation Plan was terminated effective May 31, 2012. The Deferred Compensation Plan's assets will be liquidated and participant account balances will be paid out by July 2013.

**Table of Contents**

The following table provides information regarding voluntary contributions by each named executive officer who participated in our Deferred Compensation Plan during 2012. The table also presents each named executive officer's earnings, withdrawals and year-end balances in the plan.

Name	Executive Contributions in Last FY \$(1)	Company Contributions in Last FY \$(2)	Aggregate Earnings in Last FY \$(3)	Aggregate Withdrawals/ Distributions (\$)	Aggregate Balance at Last FYE \$(4)
Kenneth T. Lamneck	64,224		14,305		173,232
Michael P. Guggemos			4,828		71,096

- (1) The amounts reported in this column reflect, on a cash basis, named executive officer contributions during 2012 to the Deferred Compensation Plan. All of these amounts are included in the 2012 salary and non-equity incentive compensation amounts in the Summary Compensation Table.
- (2) The Company does not make any matching or discretionary contributions to the Deferred Compensation Plan and incurs immaterial administrative costs to maintain the plan.
- (3) The amounts are deemed investment returns in 2012 on executive contribution balances.
- (4) The balances are the balances of the named executive officers' accounts as of December 31, 2012. All of the salary and non-equity compensation amounts voluntarily deferred by the named executive officers have been included in the salary and non-equity incentive compensation amounts reported for the named executive officers in the Summary Compensation Table.

**DIRECTOR COMPENSATION**

Mr. Lamneck did not receive any separate compensation for his Board service or activities. In 2012, each non-employee director received \$20,000 per quarter for serving on the Board. Through May 14, 2012, an additional \$2,500 per quarter was paid to the director serving as Chair of a committee and, commencing May 15, 2012, the quarterly rates for service as a committee Chair were increased to \$6,250 and \$5,000 for the Chairs of the Audit and Compensation Committees, respectively, and no change was made to the payment for service as Chair of the Nominating and Governance Committee. For 2013, each non-employee director will again receive \$20,000 per quarter for serving on the Board, and payments for serving as Chair of a committee will remain unchanged as well. In lieu of standard compensation for directors, because of his time commitments to the Company as Chair of the Board, Mr. Crown was paid a retainer of \$110,000 through May 14, 2012, and commencing May 15, 2012, Mr. Crown's retainer was increased to \$130,000. For 2013, the Compensation Committee has recommended to the Board for approval and the Board has approved a \$130,000 retainer for Mr. Crown for service as Chair of the Board. We reimburse non-employee directors for their reasonable expenses incurred in connection with service as directors, and non-employee directors may elect to participate at their own cost in the medical and dental benefit programs offered to all teammates.

For 2012, existing non-employee directors received a grant of RSUs with a grant date fair value equal to \$80,016, calculated at the closing price of the Company's shares on the date of its 2012 annual meeting. For 2013, existing non-employee directors will continue to receive a grant of RSUs with a grant date fair value equal to approximately \$80,000, calculated at the closing price of the Company's shares on the date of its annual meeting. Upon joining the Board, new non-employee directors will receive a pro-rata share of the last annual grant of RSUs to the other non-employee directors, based on service before the next regularly scheduled annual meeting date. RSU awards to non-employee directors vest ratably over three years, and awards to non-employee directors made beginning in May 2011 will fully vest upon retirement, resignation or disability, subject to risk of loss if the non-employee director ends service on the Board without proper notice to the Board.

**Table of Contents**

The table below sets forth information concerning compensation of the Company's directors in 2012.

Name	Fees Earned or	Stock	Total (\$)
	Paid in Cash (\$)	Awards \$(1)(2)	
Richard E. Allen (3)	76,044	97,681	173,725
Timothy A. Crown	122,582	80,016	202,598
Bennett Dorrance	80,000	80,016	160,016
Michael M. Fisher	99,437	80,016	179,453
Larry A. Gunning	80,000	80,016	160,016
Anthony A. Ibarguen	90,000	80,016	170,016
Robertson C. Jones	80,000	80,016	160,016
Kathleen S. Pushor	96,291	80,016	176,307

- (1) These amounts reflect the grant date fair value of the RSU awards granted to our directors. On May 16, 2012, each non-employee director was granted RSUs with a grant date fair value equal to \$80,016, calculated at the closing price of the Company's shares on the date of its 2012 annual meeting (\$16.27). These amounts include awards pursuant to the Amended 2007 Omnibus Plan. An estimate of forfeitures is not included in these amounts, nor were any actual forfeitures included in these amounts.
- (2) As of December 31, 2012, the aggregate number of unvested stock awards outstanding for each non-employee director was as follows:

Name	Unvested Stock Awards
Richard E. Allen	5,725
Timothy A. Crown	9,211
Bennett Dorrance	9,211
Michael M. Fisher	9,211
Larry A. Gunning	9,211
Anthony A. Ibarguen	9,211
Robertson C. Jones	9,211
Kathleen S. Pushor	9,211

- (3) Richard E. Allen was appointed to the Board effective January 19, 2012. On February 15, 2012, Mr. Allen was granted 807 RSUs related to the commencement of his Board service. The grant date fair value of these awards was \$17,665 (calculated by multiplying the number of shares by \$21.89 per share, the closing price of the Company's shares on the date of grant).

## **Table of Contents**

The cost of certain perquisites and other personal benefits are not included because in the aggregate they did not exceed, in the case of any director, \$10,000.

### **SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE**

Under the securities laws of the United States, our directors, executive officers, and any persons beneficially owning more than 10% of our common stock are required to report their initial ownership of our common stock and any subsequent changes in that ownership to the SEC. Specific due dates for these reports have been established, and we are required to disclose any known failure to file by these dates. Based upon a review of such reports furnished to us, or written representations that no reports were required, we believe that these filing requirements were satisfied in a timely manner during the year ended December 31, 2012, except that one filing was made one day late on November 15, 2012 with respect to the grant of restricted stock units to Mr. Dodenhoff on November 10, 2012.

### **RELATED PARTY TRANSACTIONS**

#### ***Transactions with Related Persons***

No director, executive officer or any beneficial owner of more than 5% of our outstanding capital stock had any direct or indirect material interest, in any transaction with us required to be disclosed during 2012 or since the commencement of the 2013 fiscal year.

#### ***Related Party Transaction Approval Policy***

Our Board of Directors has adopted a written related party transaction policy, which is administered by the Audit Committee. This policy applies to any transaction or series of transactions in which the Company is a participant, the amount involved exceeds or is expected to exceed \$120,000 in any calendar year and any related person has a direct or indirect interest. For purposes of the policy, related persons consist of directors or executive officers, any stockholder beneficially owning more than 5% of the Company's common stock or immediate family members of any such persons. Under the policy, the Audit Committee will review all applicable related party transactions for approval, ratification or other action unless the transaction falls within the following list of categories of pre-approved transactions: employment of an executive officer if compensation is otherwise subject to disclosure requirements or approved by the Compensation Committee; director compensation subject to disclosure requirements; in the ordinary course of business, sales to or purchases from another company where a related party is employed or a director if the aggregate amount involved does not exceed the greater of \$1 million or 2% of the other company's total annual revenues (for sales) or \$50,000 (for purchases); any charitable contribution, grant or endowment where the related party is employed or a director if the aggregate amount involved does not exceed the lesser of \$10,000 or 2% of the charitable organization's annual receipts; any transaction where the related party's interest arises solely from the ownership of common stock and all holders of common stock received the same benefit on a pro rata basis; any transaction with a related party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; and any transaction with a related party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services. In general, the Company is of the view that these transactions with related persons are not significant to investors because they take place under the Company's standard policies and procedures or are otherwise subject to review. Any related party transaction requiring individual review will only be approved if the Audit Committee determines that such transaction will not impair the involved person's service to, and exercise of judgment on behalf of, the Company, or otherwise create a conflict of interest that would be detrimental to the Company.

**Table of Contents**

We also require that each executive officer, director and director nominee complete an annual questionnaire and report all transactions with us in which such persons (or their immediate family members) had or will have a direct or indirect material interest (except for directors fees). Management reviews responses to the questionnaires and, if any such transactions are disclosed, they are reviewed by the Audit Committee. The types of transactions that have been reviewed in the past typically include the purchase from, and sale of products and services to, companies for which our directors serve as executive officers or directors, including purchases of marketing services for our use and products for resale to clients and the sale of products, software and services.

**CODE OF ETHICS**

We have adopted a Code of Ethics that applies to directors and all employees, including our Chief Executive Officer and our senior financial executives. The Code of Ethics may be viewed online on our website at <http://nsit.client.shareholder.com/governance.cfm>. We intend to satisfy the disclosure requirement under Form 8-K regarding any amendments to, or waivers from, a provision of our Code of Ethics by posting such information on our website at the location specified above, unless otherwise required by NASDAQ Listing Rules to disclose any such waiver on Form 8-K. To receive a copy, you may also write to our Corporate Secretary at 6820 South Harl Avenue, Tempe, Arizona 85283.

**Table of Contents****SECURITY OWNERSHIP OF CERTAIN****BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding the beneficial ownership of our common stock as of March 15, 2013 (except as otherwise indicated) by (i) each person or entity known to us own beneficially more than 5% of the outstanding shares of our common stock, (ii) each of our directors, (iii) each of the named executive officers and (iv) all directors and named executive officers as a group.

Name	Shares of Common Stock Beneficially Owned <sup>(1)</sup>	
	Number of Shares	Percent
FMR LLC	5,301,289 <sup>(2)</sup>	11.90%
BlackRock, Inc.	3,414,650 <sup>(3)</sup>	7.66%
AllianceBernstein LP	3,009,816 <sup>(4)</sup>	6.80%
Dimensional Fund Advisors LP	2,975,475 <sup>(5)</sup>	6.68%
The Vanguard Group, Inc.	2,959,048 <sup>(6)</sup>	6.64%
Burgundy Asset Management Ltd.	2,694,315 <sup>(7)</sup>	6.05%
Kenneth T. Lamneck	172,577	*
Glynis A. Bryan	129,354	*
Timothy A. Crown	110,447	*
Bennett Dorrance	23,781	*
Michael P. Guggemos	16,226	*
Stuart A. Fenton	14,151	*
Richard E. Allen	10,269	*
Anthony A. Ibarguen	9,281	*
Michael M. Fisher	9,234	*
Robertson C. Jones	8,781	*
Kathleen S. Pushor	4,281	*
Steven W. Dodenhoff	2,641	*
Larry A. Gunning	525	*
All directors and named executive officers as a group (13 persons)	511,548	1.15%

\* Less than 1%

(1) Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to securities. In accordance with SEC rules, a person is deemed to own beneficially any shares that such person has the right to acquire within 60 days of the date of determination of beneficial ownership. Such shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of any other person. Except as indicated by footnote, and subject to community property laws where applicable, to our knowledge the persons or entities named in the table above have sole voting and investment power with respect to all shares of common stock shown as beneficially owned by them.

**Table of Contents**

- (2) Share data based on information in an amendment to a Schedule 13G filed on February 14, 2013 with the SEC by FMR LLC and Edward C. Johnson 3d. As of December 31, 2012, the Schedule 13G indicates that FMR LLC had sole voting power with respect to 1,162 shares and that each of FMR LLC and Edward C. Johnson 3d had sole dispositive power with respect to 5,301,289 shares, Fidelity Management & Research Company, a wholly-owned subsidiary of FMR LLC, beneficially owns 5,301,289 shares as a result of acting as investment advisor to various investment companies, and the interest of one investment company, Fidelity Advisor Small Cap Fund, amounted to 3,500,000 shares. The address of each of FMR LLC, Edward C. Johnson 3d, Fidelity Management & Research Company and Fidelity Advisor Small Cap Fund is 82 Devonshire Street, Boston, MA 02109.
- (3) Share data based on information in an amendment to a Schedule 13G filed on February 8, 2013 with the SEC by BlackRock, Inc. As of December 31, 2012, the Schedule 13G indicates that BlackRock, Inc. had sole voting power with respect to 3,414,650 shares and sole dispositive power with respect to 3,414,650 shares. The address of BlackRock, Inc. is 40 East 52<sup>nd</sup> Street, New York, NY 10022.
- (4) Share data based on information in an amendment to a Schedule 13G filed on February 12, 2013 with the SEC by AllianceBernstein LP. As of December 31, 2012, the Schedule 13G indicates that AllianceBernstein LP had sole voting power with respect to 2,514,924 shares and sole dispositive power with respect to 3,009,816 shares. The address of AllianceBernstein LP is 1345 Avenue of the Americas, New York, NY 10105.
- (5) Share data based on information in an amendment to a Schedule 13G filed on February 11, 2013 with the SEC by Dimensional Fund Advisors LP. As of December 31, 2012, the Schedule 13G indicates that Dimensional Fund Advisors LP had sole voting power with respect to 2,918,250 shares and sole dispositive power with respect to 2,975,475 shares. The address of Dimensional Fund Advisors LP is Palisades West, Building One, 6300 Bee Cave Road, Austin, TX 78746.
- (6) Share data based on information in an amendment to a Schedule 13G filed on February 11, 2013 with the SEC by The Vanguard Group, Inc. As of December 31, 2012, the Schedule 13G indicates that The Vanguard Group, Inc. had sole voting power with respect to 70,811 shares and sole dispositive power with respect to 2,890,537 shares. The address of The Vanguard Group, Inc. is 100 Vanguard Boulevard, Malvern, PA 19355.
- (7) Share data based on information in a Schedule 13G filed on February 11, 2013 with the SEC by Burgundy Asset Management Ltd. As of December 31, 2012, the Schedule 13G indicates that Burgundy Asset Management Ltd. had sole voting power with respect to 1,788,673 shares and sole dispositive power with respect to 2,694,315 shares. The address of Burgundy Asset Management Ltd. is 181 Bay Street, Suite 4510, Toronto, Ontario M5J 2T3.

**PROPOSAL NO. 2**

**ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires us to obtain an advisory vote (non-binding) from our stockholders on the compensation of our named executive officers as disclosed in this proxy statement, which is often referred to as a say-on-pay proposal. At the 2011 annual meeting of stockholders held on May 18, 2011, the Board of Directors recommended an annual vote on the compensation of our named executive officers ( say-on-pay ), and the stockholders voted for holding future advisory say-on-pay votes annually. Based on the voting results, the Board affirmed its recommendation and elected to hold future advisory say-on-pay votes on an annual basis. Our next vote on the frequency of our say-on-pay votes will be held on or before our 2017 Annual Meeting of Stockholders.

As described in the CD&A section of this proxy statement, our executive compensation philosophy is to offer competitive base salaries and emphasize cash and equity-based incentive compensation that encourage extraordinary effort on behalf of the Company. The objective of our executive compensation plans is to reward the achievement of specific financial, strategic and tactical goals by the Company and the individual executive that aligns the interests of management with the interests of our stockholders.

**Table of Contents**

We are asking that our stockholders indicate their support of our executive compensation for our named executive officers as described in this proxy statement. While this advisory vote on our executive compensation is non-binding, our Board and the Compensation Committee will review the outcome of this vote and take the vote into consideration when reviewing our compensation policies and procedures. This vote is not intended to address specific items of compensation, but rather the overall compensation of our named executive officers and our executive compensation policies and procedures as described in this proxy statement. Stockholders who want to communicate with our Board of Directors should refer to *Corporate Governance The Board and Its Committees* in this proxy statement for additional information.

Stockholders will be given the opportunity to vote on the following advisory resolution:

**RESOLVED**, that the stockholders of Insight Enterprises, Inc. hereby approve the compensation of the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis and compensation tables and accompanying narrative disclosures set forth in this proxy statement.

**Vote Required**

The affirmative vote of the holders of a majority of the voting power of the shares entitled to vote on the proposal, present in person or represented by proxy at the annual meeting, is required for the advisory approval of Proposal No. 2. Abstentions will have the same effect as a vote cast against Proposal No. 2, and broker non-votes shall not be treated as votes cast and will have no effect on Proposal No. 2. The advisory vote is non-binding.

**YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR  
THE APPROVAL OF OUR NAMED EXECUTIVE OFFICER COMPENSATION AS  
DESCRIBED IN THIS PROXY STATEMENT**



**Table of Contents****SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY****COMPENSATION PLANS**

The following table gives information with respect to our existing equity compensation plans as of December 31, 2012:

<b>Plan Category</b>	<b>Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights</b> (a)	<b>Weighted Average Exercise Price of Outstanding Options, Warrants and Rights</b> (b)	<b>Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a))</b> (c)
Equity compensation plans approved by security holders	1,162,231 <sup>(1)</sup>		4,512,374 <sup>(2)</sup>
Equity compensation plans not approved by security holders			
<b>Total</b>	<b>1,162,231</b>		<b>4,512,374</b>

(1) Represents the number of underlying shares of Common Stock associated with outstanding restricted stock units under approved plans.

(2) Shares of common stock remaining available for issuance under the Amended 2007 Omnibus Plan.

On October 1, 2007, the Company's Board of Directors approved the 2007 Omnibus Plan, and the 2007 Omnibus Plan became effective when it was approved by Insight's stockholders at the annual meeting on November 12, 2007. On May 18, 2011, Insight's stockholders approved the Company's Amended 2007 Omnibus Plan to increase the number of shares of common stock authorized to be issued thereunder by 3,000,000 shares to a total of 7,250,000 shares. The Amended 2007 Omnibus Plan is administered by the Compensation Committee of the Company's Board of Directors. Except as provided below, the Compensation Committee has the exclusive authority to administer the Amended 2007 Omnibus Plan, including the power to determine eligibility, the types of awards to be granted, the price and the timing of awards. Under the Amended 2007 Omnibus Plan, the Compensation Committee may delegate some of its authority to our Chief Executive Officer to grant awards to individuals other than non-employee directors or individuals who are subject to the reporting requirements of Section 16(a) of the Exchange Act. Teammates, officers and members of the Board of Directors are eligible for awards under the Amended 2007 Omnibus Plan, and consultants and independent contractors are also eligible if they provide bona fide services to the Company that are not related to capital raising or promoting or maintaining a market for Insight's stock. The Amended 2007 Omnibus Plan allows for awards of options, stock appreciation rights, restricted stock, RSUs, performance awards as well as grants of cash awards. As of December 31, 2012, of the 7,250,000 shares of stock reserved for awards issued under the Amended 2007 Omnibus Plan, 4,512,374 shares of stock were available for grant.

**Table of Contents**

**AUDIT COMMITTEE REPORT**

As described more fully in its charter, the purpose of the Audit Committee is to assist the Board in its general oversight of the Company's financial reporting, internal control and audit functions. The Company's management is responsible for the preparation, presentation and integrity of our consolidated financial statements, accounting and financial reporting principles, internal controls and procedures designed to assure compliance with accounting standards, applicable laws and regulations. The Company's independent registered public accounting firm, KPMG LLP ( "KPMG" ), is responsible for performing an independent audit of the consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States).

Among other matters, the Audit Committee monitors the activities and performance of the Company's internal auditors and KPMG, including the audit scope, auditor independence matters and the extent to which KPMG may be retained to perform non-audit services. The Audit Committee has the ultimate authority and responsibility to select, evaluate, and when appropriate, replace the independent registered public accounting firm. The Audit Committee also reviews the results of the internal auditors' and KPMG's work with regard to the adequacy and appropriateness of the Company's financial, accounting and internal controls, including obtaining progress reports throughout the year on the Company's compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002. The Audit Committee engaged in regular discussions with the Vice President of Internal Audit and KPMG without the presence of members of management during 2012. Management and KPMG presentations to, and discussions with, the Audit Committee also covered various topics and events that have significant financial impact on the Company or were the subject of discussions between management and KPMG. In this context, the Audit Committee met 10 times during 2012. As needed at such meetings, the Audit Committee held executive sessions with the Chief Financial Officer, the General Counsel and Secretary, the Principal Accounting Officer, the Vice President of Internal Audit and KPMG.

Management has reviewed and discussed the Company's audited consolidated financial statements with the Audit Committee including a discussion of the quality, not just the acceptability, of the relevant accounting principles, the reasonableness of significant judgments made in connection with critical accounting estimates and the accuracy and clarity of disclosures in the consolidated financial statements. In addressing the quality of management's accounting judgments, members of the Audit Committee asked for management's representations that the audited consolidated financial statements of the Company have been prepared in conformity with United States generally accepted accounting principles.

The Audit Committee discussed with KPMG the matters required to be discussed with the Audit Committee under Statement on Auditing Standards No. 61, "Communication with Audit Committees" and Rule 2-07 of Regulation S-X, "Communication with Audit Committees." KPMG also provided to the Audit Committee a letter with the written disclosures required by the applicable requirements of the Public Company Accounting Oversight Board regarding independence, and the Audit Committee has discussed with KPMG its independence.

Based on the Audit Committee's discussions with management and KPMG and its review of the representations of management and the reports of KPMG to the Audit Committee, the Audit Committee recommended to the Board that the audited consolidated financial statements be included in Insight's annual report on Form 10-K for the year ended December 31, 2012 filed with the SEC.

**Table of Contents**

AUDIT COMMITTEE:

Richard E. Allen, Chair

Michael M. Fisher  
Larry A. Gunning

Anthony A. Iburgüen  
Robertson C. Jones

*Notwithstanding anything to the contrary set forth in any of our previous filings under the Securities Act of 1933, as amended, or the Exchange Act, as amended, that incorporate future filings, including this proxy statement, in whole or in part, the foregoing Audit Committee Report does not constitute soliciting material and shall not be deemed filed or incorporated by reference into any such filings.*

**RELATIONSHIP WITH INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

KPMG served as our independent registered public accounting firm for the year ended December 31, 2012 and has served in that capacity since being appointed in 1988. The Audit Committee has reappointed KPMG as our independent auditor for the year ending December 31, 2013. Pursuant to its charter, the Audit Committee has sole authority to retain (subject to ratification by stockholders) and terminate the Company's independent registered public accounting firm.

**Fees and Independence**

*Audit Fees.* KPMG billed us an aggregate of \$2,251,000 and \$1,936,000 for professional services rendered for the audit of our consolidated financial statements, reviews of our consolidated financial statements included in our quarterly reports on Form 10-Q and statutory audits for foreign subsidiaries for the years ended December 31, 2012 and 2011, respectively.

*Audit-Related Fees.* Audit-related fees billed by KPMG for the years ended December 31, 2012 and 2011 were \$107,000 and \$116,000, respectively, and primarily included examinations associated with the Company's Service Organization Controls reporting.

*Tax Fees.* Tax fees billed by KPMG for the years ended December 31, 2012 and 2011 were \$160,000 and \$176,000, respectively, and included fees for services relating to tax compliance and tax planning and advice, including assistance with tax audits.

*All Other Fees.* There were no other fees paid to KPMG for the years ended December 31, 2012 and 2011.

The Audit Committee has determined that the provision of services by KPMG described in the preceding paragraphs is compatible with maintaining KPMG's independence. All permissible non-audit services provided by KPMG in 2012 were pre-approved by the Audit Committee. In addition, no audit engagement hours were spent by people other than KPMG's employees, KPMG member firms located outside the United States and other third-party service providers operating under KPMG's supervision.

**Table of Contents**

The Audit Committee has adopted procedures for pre-approving all audit and permissible non-audit services provided by KPMG. For each non-audit service, as defined in the policy, performed by KPMG, an engagement letter confirming the scope and terms of the work to be performed is obtained by management. The terms of the engagement are summarized by management and submitted to the Audit Committee for pre-approval. Any modification to an executed engagement letter must also be pre-approved by the Audit Committee. As permitted by Section 10A(i)(3) of the Exchange Act, the Audit Committee has delegated pre-approval authority to the Chair of the Audit Committee for all engagements under \$100,000. The Chair of the Audit Committee must report any pre-approval decisions to the Audit Committee for ratification at its next regular quarterly meeting. Pursuant to Section 202 of the Sarbanes-Oxley Act of 2002, our Audit Committee has approved all auditing and non-audit services performed to date and currently planned to be provided related to the fiscal year 2012 by KPMG. The services include the annual audit, quarterly reviews, statutory audits for foreign subsidiaries, issuances of consents related to SEC filings and certain tax compliance services.

**PROPOSAL NO. 3**

**RATIFICATION OF THE APPOINTMENT OF KPMG LLP**

**AS INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our Audit Committee has retained KPMG as our independent registered public accounting firm for the year ending December 31, 2013, and we are asking stockholders to ratify that appointment. Although ratification by stockholders is not required, the Board is submitting the selection of KPMG to our stockholders as a matter of good corporate practice. In the event the stockholders fail to ratify the appointment, the Audit Committee will reconsider this appointment but will not necessarily select another firm. Even if the appointment is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent registered public accounting firm at any time during the year if the Audit Committee determines that such a change would be in the best interests of the Company and our stockholders.

We expect that representatives of KPMG will attend the annual meeting, have an opportunity to make a statement and be available to answer questions.

**Vote Required**

The affirmative vote of the holders of a majority of the voting power of the shares entitled to vote on the proposal, present in person or represented by proxy at the annual meeting, is required for the advisory approval of Proposal No. 3. Abstentions will have the same effect as a vote cast against Proposal No. 3.

**YOUR BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS**

**A VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP**

**AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**FOR THE YEAR ENDING DECEMBER 31, 2013**

**Table of Contents**

**STOCKHOLDER PROPOSALS**

If any stockholder would like to make a proposal at our 2014 annual meeting pursuant to Rule 14a-8 of the Exchange Act, we must receive it no later than December 6, 2013 in order that it may be considered for inclusion in the proxy statement and form of proxy relating to that meeting.

Stockholders may propose director candidates for consideration by sending the name of any recommended candidate, together with pertinent biographical information, a document indicating the candidate's willingness to serve if elected, and evidence of the nominating stockholder's ownership of our common stock.

If any stockholder intends to present a proposal at the 2014 annual meeting of stockholders without inclusion of such proposal in our proxy materials, we must receive notice of such proposal no earlier than February 14, 2014 and no later than March 16, 2014. Any notice received prior to February 14, 2014 or after March 16, 2014 is untimely. We reserve the right to reject, rule out of order, or take other appropriate action with respect to any proposal that does not comply with these and other applicable requirements. Proposals should be addressed to our Corporate Secretary at 6820 South Harl Avenue, Tempe, Arizona 85283.

**OTHER MATTERS**

We know of no other matters to be brought before the annual meeting. If any other matter properly comes before the annual meeting, it is the intention of the persons named in the enclosed proxy card to vote the shares represented by the proxies as the Board may recommend.

**FORWARD-LOOKING STATEMENTS**

This proxy statement contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations and involve substantial risks and uncertainties, which may cause results to differ materially from those set forth in the statements. The forward-looking statements may include, but are not limited to, statements made in the Compensation Discussion and Analysis section of this proxy statement regarding the benefits and anticipated results of our compensation programs and the Compensation Committee's plans and intentions relating thereto. The Company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements should be evaluated together with the many uncertainties that affect our business, particularly those mentioned under the heading "Risk Factors" in our annual report on Form 10-K (accompanying this report), and in the periodic reports that we file with the SEC on Form 10-Q and Form 8-K.

**Table of Contents**

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS**

**FOR THE STOCKHOLDER MEETING TO BE HELD ON MAY 15, 2013**

The proxy materials for the Company's annual meeting of stockholders, including the 2012 annual report on Form 10-K and this proxy statement, are available over the Internet by accessing the Company's website at <http://nsit.client.shareholder.com/financials.cfm>. Other information on the Company's website does not constitute part of the Company's proxy materials.

**Table of Contents**

**Table of Contents**