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As filed with the Securities and Exchange Commission on August 1, 2011

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware	3674	27-0306875
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

100 Chelmsford Street
Lowell, MA 01851
(978) 656-2500

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Charles Bland
Chief Executive Officer
M/A-COM Technology Solutions Holdings, Inc.
100 Chelmsford Street
Lowell, MA 01851
(978) 656-2500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ (Do not check if a smaller reporting company) Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Common stock, $0.001 par value per share	$230,000,000	$26,703

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.
(2) Includes offering price of shares that the underwriters have the option to purchase to cover over-allotments, if any.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated August 1, 2011

PRELIMINARY PROSPECTUS

Shares

M/A-COM Technology Solutions Holdings, Inc.

Common Stock

This is the initial public offering of the common stock of M/A-COM Technology Solutions Holdings, Inc. We are offering shares of our common stock and the selling stockholders identified in this prospectus are offering shares of our common stock. We will not receive any proceeds from the sale of shares offered by the selling stockholders. No public market currently exists for our common stock.

We intend to apply to list our common stock on the Nasdaq Global Select Market under the symbol "MTSI."

We anticipate that the initial public offering price will be between $ and $ per share.

Investing in our common stock involves risks. See "Risk Factors" beginning on page 11 of this prospectus.

	Per Share	Total
Price to the public	$	$
Underwriting discounts and commissions	$	$
Proceeds to us (before expenses)	$	$
Proceeds to the selling stockholders (before expenses)	$	$

We have granted the underwriters the option to purchase up to an additional shares of our common stock on the same terms and conditions set forth above if the underwriters sell more than shares of our common stock in this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about , 2011.

Barclays Capital **J.P. Morgan** **Jefferies**

Morgan Keegan **Needham & Company, LLC**
Raymond James **Stifel Nicolaus Weisel**

Prospectus dated , 2011

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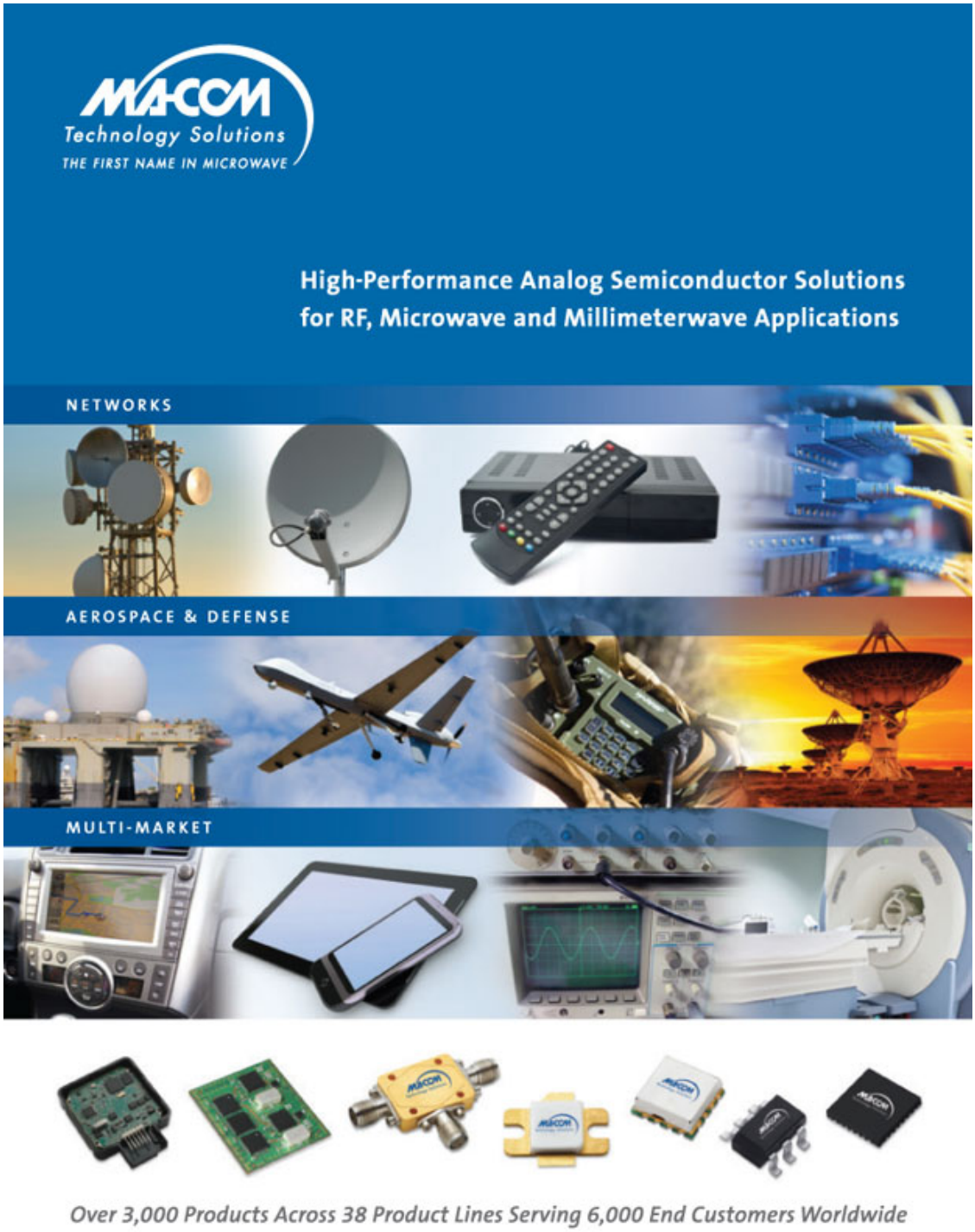

Over 3,000 Products Across 38 Product Lines Serving 6,000 End Customers Worldwide

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You should rely only on the information contained in this prospectus or in any free writing prospectus filed with the Securities and Exchange Commission. Neither we, the selling stockholders nor the underwriters have authorized anyone to provide you with information different from that contained in this prospectus. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date on the front cover of this prospectus, or other date stated in this prospectus, regardless of the time of delivery of this prospectus or of any sale of our shares of common stock.

Until , 2011, (25 days after commencement of this offering), all dealers that buy, sell, or trade our shares of common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside the United States: Neither we, the selling stockholders nor any of the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. The distribution of this prospectus and any free writing prospectus and the offering and sale of shares of common stock may be restricted by law in your jurisdiction. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus.

PROSPECTUS SUMMARY

The following summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our common stock, you should carefully read this entire prospectus, including our financial statements and the related notes and the information set forth under the heading "Risk Factors." See "Corporate Information" below in this summary and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—History and Basis of Presentation" for important details regarding our corporate history and presentation of our financial statements.

Company Overview

We are a leading provider of high-performance analog semiconductor solutions for use in wireless and wireline applications across the radio frequency (RF), microwave and millimeterwave spectrum. We leverage our system-level expertise to design and manufacture differentiated, high-value products for customers who demand high performance, quality and reliability. The diversity and depth of our business across technologies, products, applications, end markets and geographies provide us with a stable foundation for growth and enable us to develop strong relationships with our customers. We offer over 3,000 standard and custom devices, integrated circuits (ICs), multi-chip modules and complete subsystems across 38 product lines serving over 6,000 end customers in three large and growing primary markets. Our primary markets are Networks, which includes cable television (CATV), cellular backhaul, cellular infrastructure and fiber optic applications; Aerospace and Defense (A&D); and Multi-market, which includes automotive, industrial, medical, mobile and scientific applications.

We build upon a strong 60-year heritage of delivering innovative solutions dating back to the founding of Microwave Associates, Inc. We utilize our system-level knowledge and our extensive capabilities in high-frequency modeling, IC design, integration, packaging and manufacturing of semiconductors to address our customers' needs. Our specialized engineers and technologists located across six global design centers collaborate with our customers during the early stage of their system development process to incorporate our standard products and identify custom products we can develop to enhance their overall system performance. We believe the combination of our market-facing strategy and our engineering expertise enables us to identify profitable growth opportunities and rapidly develop and deliver new products and solutions. We have a comprehensive new product opportunity assessment process with 128 products in development as of July 1, 2011 that we believe will enhance our revenue growth and improve our gross margin through a richer product mix. Many of our products have long lifecycles ranging from 5 to 10 years, and some products have been shipping for over 20 years. We believe these factors create a competitive advantage that often leads to sole source design wins and strengthened customer relationships.

We believe our "fab-lite" manufacturing model provides us with a competitive advantage and an attractive financial model through a variable cost structure. We operate a single gallium arsenide (GaAs) and silicon semiconductor fabrication facility (fab) at our Lowell, Massachusetts headquarters. We also utilize external semiconductor foundries to supply us with additional capacity in periods of high demand and to provide us access to additional process technologies. The ability to utilize a broad array of internal proprietary process technologies as well as commercially available foundry technologies allows us to select the most appropriate technology to solve our customers' needs. We believe our fab-lite strategy provides us with dependable domestic supply, control over quality, reduced capital investment requirements, faster time to market and additional outsourced capacity when needed. In the A&D market, an internal domestic fab is often a requirement to be a strategic supplier. In addition, the experience base cultivated through the continued operation of our internal fab provides us with the expertise to better manage our external foundry suppliers.

We serve our broad and diverse customer base through a multi-channel sales strategy utilizing direct sales and a global network of independent sales representatives and distributors. Our direct sales force and application engineers are focused on securing design wins by supporting industry-leading original equipment manufacturer (OEM) customers. Our customers include Alcatel-Lucent, Cisco Systems, Inc., Ericsson AB, Ford Motor Company (Ford), Harris Corporation, Huawei Technologies Co., Ltd., ITT Corporation, Rockwell Collins, Inc., Samsung Electronics Co., Ltd. and Thales S.A. Our top 25 direct customers, most of whom have been purchasing our products for at least a decade, accounted for 50.9% of our revenue in fiscal year 2010 and 57.2% of our revenue in the nine months ended July 1, 2011. Sales to our distributors accounted for 30.0% of our revenue in fiscal year 2010 and 25.1% of our revenue in the nine months ended July 1, 2011.

We generated revenue of $260.3 million for fiscal year 2010 and $231.5 million and $186.1 million for the nine months ended July 1, 2011 and July 2, 2010, respectively. Our revenue grew 24.4% for the nine months ended July 1, 2011 over the nine months ended July 2, 2010. We had 712 employees as of July 1, 2011.

Industry

The growth of advanced electronic systems using RF, microwave and millimeterwave technologies has created strong demand for high-performance analog semiconductor components, modules and solutions. This market demand is driven by the growth of mobile internet devices, cloud computing and streaming video that strain existing network capacity, as well as the growth in advanced information-centric military applications. In addition, the increasing need for real-time information, sensing and imaging functions in automotive, industrial, medical, scientific and test and measurement applications is driving demand in these markets.

As the demand for advanced electronics systems relying on RF, microwave and millimeterwave technologies increases, OEMs are facing increasing challenges including:

- higher performance requirements such as increased throughput, reduced power consumption and increased signal integrity;
- greater systems complexity due to competitive pressures to enhance system features and improve overall performance;
- reducing development time in order to bring systems to market faster for customers facing increasing competition;
- pressure to deliver more advanced and complex systems in a cost-effective manner; and
- higher quality and reliability requirements, as the consequences of a field failure can be particularly serious or expensive to service.

Our Competitive Strengths

We believe our key competitive strengths include the following:

Extensive design and integration capabilities. Our 60-year heritage of innovation and experience includes advanced modeling, IC design, wafer fabrication processes, packaging and associated assembly and testing of individual devices and complete subsystems. Our system-level approach to integration, innovative IC and package design capabilities and experienced engineering talent enable us to provide a comprehensive set of high-performance and high-value solutions to meet the increasingly complex needs of our customers.

Fab-lite manufacturing with broad and differentiated process and packaging technologies. We believe our fab-lite model provides us with an operating advantage over fabless competitors and those that only use an internal fab by giving us the flexibility to use our internal fab for proprietary process technologies and external fabs for other technologies. Our fab-lite model also provides us with dependable domestic supply, control over quality, reduced capital investment requirements, faster time to market and additional outsourced capacity when needed. In the A&D market, an internal domestic fab is often a requirement to be a strategic supplier.

Breadth and depth of product portfolio and diverse end markets. We offer more than 3,000 standard and custom ICs, modules and complete subsystems across 38 product lines. Many of our products have long lifecycles ranging from 5 to 10 years. Our broad range of products are offered in numerous form factors to facilitate their use in a variety of applications within our diverse primary markets of Networks, A&D and Multi-market, which represented 31%, 30% and 39%, respectively, of our revenue in the nine months ended July 1, 2011.

Global sales and engineering footprint fostering strong customer relationships. We employ a global multi-channel sales strategy and support model intended to facilitate our customers' evaluation and selection of our products. We have strategically positioned our direct sales and applications engineering staff in 25 locations worldwide, augmented by independent sales representatives and distributors in 135 locations worldwide, to offer responsive local support to our customers, build long-term relationships and reach new customers in new geographies more effectively.

Proven track record, extensive history and reputation for delivering high-quality and reliable solutions. Our management team has an average of 23 years of experience in our industry. In addition, M/A-COM as a global brand leverages a 60-year heritage of designing and manufacturing innovative and reliable solutions. We have long-standing relationships with many of our industry-leading OEM customers who depend on us for high-quality and reliable solutions for technically demanding RF, microwave and millimeterwave applications.

Strategy

Our objective is to be the leader in providing high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum. Key elements of our strategy to achieve this objective include:

Aggressively deliver new products and solutions. Our system-level expertise, engineering talent and broad technology portfolio provide us with a strong foundation for delivering new products and solutions. We use our new product opportunity assessment process to identify and develop more integrated, higher-margin and value-added solutions with long lifecycles that we believe can support our revenue growth and improve our gross margin through a richer product mix. As of July 1, 2011, we had 128 new products in development.

Leverage technology expertise and innovation. We believe our core competency is the ability to model, design, integrate, package and manufacture differentiated solutions that are known for high performance, quality and reliability. We intend to leverage this core competency to continue to solve increasingly difficult and complex challenges that our customers face and to enhance and defend our technology leadership and sole supplier status with many of our customers.

Increase sales to existing customers and pursue new markets and customers. We intend to continue to expand our revenue opportunities through our market-facing strategy of aligning our solutions with our customers' needs and collaborating with them during the product definition stage of their system, which allows us to sell more complete and highly-integrated semiconductor solutions. We believe we will continue to grow our sales by utilizing our multi-channel sales strategy and leveraging our technology across each of our large and growing primary markets.

Utilize our fab-lite manufacturing approach to optimize our solutions. We intend to continue capitalizing on our fab-lite strategy as an operating advantage, allowing us to leverage our internal proprietary process technologies as well as other technologies from external fabs. We believe the flexibility and breadth of our fab-lite model help us provide optimized solutions for our customers and will help us continue to gain market share over time.

Opportunistically pursue complementary acquisitions. We may pursue acquisitions of technologies, design teams, products and companies that complement our strengths and help us execute our strategies. Our acquisition strategy is designed to accelerate our revenue growth, expand our technology portfolio, grow our addressable market and create shareholder value.

Continue to improve operational efficiency. We believe we will expand our gross margin primarily through a higher margin product mix driven by our new product development strategy. We also intend to continue to increase our operational efficiency by leveraging our existing fixed-cost structure, achieving greater capacity utilization and continuing to optimize our supply chain.

Risks

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled “Risk Factors” immediately following this prospectus summary, which you should carefully consider before deciding to invest in our common stock. Some of these risks include:

- revenue growth that is substantially dependent on our successful development and release of new products;
- various factors that may reduce our gross margin, which could negatively affect our results of operations;
- order and shipment uncertainties, which could negatively affect our profitability if we fail to accurately forecast customer demand when managing inventory;
- having a limited history of operations as a standalone company, which could make it difficult to evaluate our current business and prospects;
- our principal end markets declining or failing to grow, which could negatively affect our revenue and profitability;
- the decrease of the average selling prices of our products over time, which could have a material adverse effect on our revenue and gross margin;
- our inability to compete successfully in the face of intense competition in our industry, which could negatively affect our revenue and gross margin; and
- our dependence on orders from a limited number of customers for a significant percentage of our revenue.

Corporate Information

M/A-COM Technology Solutions Holdings, Inc. was incorporated under the laws of the State of Delaware in March 2009. The address of our principal executive offices is 100 Chelmsford Street, Lowell, Massachusetts 01851, and our telephone number is (978) 656-2500. In this prospectus, the terms “we,” “us” and “M/A-COM Tech” mean M/A-COM Technology Solutions Holdings, Inc. and its consolidated subsidiaries. Our operations are conducted through our various subsidiaries, which are organized and operated according to the laws of their respective jurisdictions of incorporation, and consolidated by M/A-COM Tech.

On March 30, 2009, we acquired 100% of the outstanding stock of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited and the related M/A-COM brand (collectively, the M/A-COM Tech Business). In this prospectus, we refer to the acquisition of the M/A-COM Tech Business as the M/A-COM Acquisition.

We acquired Mimix Holdings, Inc. (Mimix), a supplier of high-performance GaAs semiconductors, on May 28, 2010 (Mimix Merger) for its complementary products and technologies in our primary markets. Although Mimix operated as an independent company before the acquisition, we and Mimix had the same majority owner, who controlled Mimix prior to our incorporation. We therefore present in this prospectus combined financial statements in a manner similar to a pooling-of-interests. We treat Mimix as our accounting acquirer for financial statement presentation purposes because our majority owner acquired control of Mimix before acquiring control of us. Accordingly, our financial statements are presented as if the Mimix Merger occurred on the date of our incorporation in March 2009, when we came under common control with Mimix. Our financial statements for periods prior to March 30, 2009 reflect only the operations of Mimix and do not reflect the operations of the M/A-COM Tech Business. More specifically, our financial statements for fiscal year 2008 reflect only the operations of Mimix. Our financial statements for fiscal year 2009 reflect only the operations of Mimix through March 30, 2009 and reflect the combined operations of Mimix and the M/A-COM Tech Business from March 30, 2009 through October 2, 2009.

On April 25, 2011, we acquired Optomai, Inc. (Optomai), a fabless semiconductor company that develops high-performance ICs and modules for next generation fiber optic networks.

Our website address is *www.macomtech.com*. The information on or accessible through our website is not part of this prospectus. Our trademarks include “M/A-COM” and “The First Name in Microwave.” This prospectus also refers to the products or services of other companies by the trademarks and trade names used and owned by those companies.

THE OFFERING

Common stock offered by us	shares
Common stock offered by selling stockholders	shares
Common stock to be outstanding immediately after this offering	shares
Underwriters' option to purchase additional shares	The underwriters have an option to purchase up to an aggregate of additional shares of common stock from us to cover over-allotments. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Use of proceeds	We plan to use $ of the net proceeds from this offering to pay to the holders of our Class B convertible preferred stock a preference payment to which they are entitled under our current amended and restated certificate of incorporation in connection with the conversion of the Class B convertible preferred stock prior to completion of this offering. We plan to use any remaining net proceeds from this offering for general corporate purposes, including working capital. We may also use a portion of these proceeds to acquire or make investments in complementary technologies, design teams, products and companies. We will not receive any proceeds from the common stock sold by the selling stockholders in this offering. See "Use of Proceeds."
Risk factors	See "Risk Factors" beginning on page 11 and the other information included in this prospectus for a discussion of risk factors you should carefully consider before deciding to invest in our common stock.
Proposed Nasdaq Global Select Market symbol	MTSI

The number of shares of common stock outstanding immediately after this offering as set forth above is based on 158,664,636 shares of common stock outstanding, which assumes the conversion of all outstanding shares of our convertible preferred stock on a one-for-one basis into shares of common stock, as of July 15, 2011 and excludes:

- shares of our common stock reserved for future issuance under our 2011 Omnibus Incentive Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans;"
- 9,395,102 shares of our common stock issuable upon the exercise of options outstanding as of July 15, 2011, to purchase shares of our common stock at a weighted-average exercise price of $0.315 per share;
- 5,125,431 shares of our common stock issuable upon the exercise of warrants outstanding as of July 15, 2011, to purchase shares of our common stock at an exercise price of $3.511898 per share; and

- shares of our common stock reserved for future issuance under our 2011 Employee Stock Purchase Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans."

Except as otherwise indicated, all information in this prospectus assumes:

- the conversion of all outstanding shares of our convertible preferred stock on a one-for-one basis into 150,991,337 shares of our common stock to be effected upon the closing of this offering;
- the filing and effectiveness of our fourth amended and restated certificate of incorporation and the effectiveness of our second amended and restated bylaws, which will occur immediately following the completion of this offering; and
- no exercise by the underwriters of their option to purchase an additional shares of our common stock to cover over-allotments.

SUMMARY FINANCIAL DATA

You should read the following summary financial data in conjunction with our combined consolidated financial statements and related notes, as well as the sections titled "Risk Factors," "Capitalization," "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" appearing elsewhere in this prospectus. We were incorporated in March 2009 and completed the M/A-COM Acquisition on March 30, 2009. We acquired Mimix on May 28, 2010. Because we and Mimix had the same majority owner since our incorporation, we present in this prospectus combined financial statements in a manner similar to a pooling-of-interests. Because our majority owner acquired control of Mimix before acquiring control of us, we treat Mimix as our accounting acquirer for financial statement presentation purposes. Accordingly, our financial statements are presented as if the Mimix Merger had occurred on the date of our incorporation in March 2009, the date in which we came under common control with Mimix, and the financial statements for periods prior to March 30, 2009 reflect only the operations of Mimix. We derived (i) the statements of operations data for the fiscal years ended September 30, 2008, October 2, 2009 and October 1, 2010, and for the nine months ended July 1, 2011, and (ii) the balance sheet data as of October 2, 2009, October 1, 2010 and July 1, 2011, from our audited combined consolidated financial statements, which appear elsewhere in this prospectus. We derived the statements of operations data for the nine months ended July 2, 2010 from our unaudited combined consolidated financial statements, which appear elsewhere in this prospectus. These unaudited interim combined consolidated financial statements have been prepared on a basis consistent with our audited combined consolidated financial statements, and in the opinion of our management, include all adjustments, consisting only of normal, recurring adjustments and accruals, necessary for a fair presentation of our financial position and results of operations for the periods presented. All information presented as pro forma below is unaudited. We believe the financial results prior to March 30, 2009 are not comparable to our financial results for subsequent periods because they reflect only the operations of Mimix. For additional information on our presentation of financial statements, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—History and Basis of Presentation" appearing elsewhere in this prospectus.

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Statements of Operations Data *(in thousands)*:					
Revenue	$25,423	$ 102,718	$ 260,297	$ 186,124	$ 231,493
Cost of revenue (1)	17,228	77,171	166,554	120,264	134,516
Gross profit	8,195	25,547	93,743	65,860	96,977
Operating expenses:					
Research and development (1)	6,728	13,553	25,795	18,672	25,533
Selling, general and administrative (1)	6,047	25,601	45,860	33,281	36,617
Accretion of contingent consideration	—	2,800	2,000	1,500	660
Restructuring charges	—	5,100	2,234	1,369	866
Total operating expenses	12,775	47,054	75,889	54,822	63,676
Income (loss) from operations	(4,580)	(21,507)	17,854	11,038	33,301
Other (expense) income:					
Gain on bargain purchase	—	27,073	—	—	—
Accretion of common stock warrant liability (2)	—	—	—	—	(10,241)
Accretion of Class B conversion liability (3)	—	—	—	—	(57,051)
Interest expense	(1,009)	(1,699)	(2,323)	(1,738)	(750)
Total other (expense) income, net	(1,009)	25,374	(2,323)	(1,738)	(68,042)
Income (loss) before income taxes	(5,589)	3,867	15,531	9,300	(34,741)
Income tax (provision) benefit	—	124	(8,996)	(5,167)	(3,779)
Net income (loss) from continuing operations	(5,589)	3,991	6,535	4,133	(38,520)
Net income from discontinued operations	—	198	494	1,160	754
Net income (loss)	(5,589)	4,189	7,029	5,293	(37,766)
Less net income attributable to noncontrolling interest in a subsidiary	—	23	195	195	—
Net income (loss) attributable to controlling interest	(5,589)	4,166	6,834	5,098	(37,766)
Accretion to redemption value of redeemable preferred stock and preferred stock dividends (4)	(1,780)	(3,559)	(6,298)	(4,585)	(79,062)
Net income (loss) attributable to common stockholders	$ (7,369)	$ 607	$ 536	$ 513	$ (116,828)

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010	July 1, 2011
Net Income (Loss) Per Share *(in thousands, except per share data)*:				(Unaudited)	
Basic and diluted income (loss) per common share:					
Income (loss) from continuing operations	$(9.67)	$ 0.01	$ 0.00	$ (0.01)	$ (20.53)
Income from discontinued operations	—	0.00	0.01	0.02	0.13
Net income (loss)	$(9.67)	$ 0.01	$ 0.01	$ 0.01	$ (20.40)
Shares used to compute net income (loss) per common share:					
Basic	762	52,806	47,521	62,200	5,727
Diluted	762	53,366	50,343	62,553	5,727
Pro forma net income (loss) per common share: (5)					
Basic			$		$
Diluted			$		$
Shares used to compute pro forma net income (loss) per common share: (5)					
Basic					
Diluted					

	As of		As of July 1, 2011	
	October 2, 2009	October 1, 2010	Actual	Pro Forma As Adjusted (6) (Unaudited)
Consolidated Balance Sheet Data *(in thousands)*:				
Cash and cash equivalents	$ 15,358	$ 23,946	$ 36,728	
Working capital	46,313	56,955	70,480	
Total assets	153,315	164,836	204,592	
Note payable (7)	30,191	30,000	—	
Class B conversion liability	—	—	98,692	
Convertible and redeemable preferred stock	—	—	180,628	
Stockholders' equity (deficit)	37,215	44,655	(180,654)	

(1) Amortization expense related to intangible assets arising from acquisitions and non-cash compensation expense included in our combined consolidated statements of operations is set forth below (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010	July 1, 2011
				(Unaudited)	
Amortization expense:					
Cost of revenue	$ 98	$862	$1,594	$ 1,194	$ 1,207
Selling, general and administrative	98	613	1,095	822	811
Non-cash compensation expense:					
Cost of revenue	26	173	194	139	290
Research and development	36	159	208	183	155
Selling, general and administrative	113	536	1,143	949	690

(2) Represents changes in the fair value of common stock warrants recorded as liabilities and adjusted each reporting period to fair value.

(3) Represents changes in the fair value of features of our Class B convertible preferred stock that are recorded as liabilities and adjusted each reporting period to fair value.

(4) For the nine months ended July 1, 2011, includes $76.2 million of dividends declared and paid in January 2011 to holders of our Series A-1 and A-2 convertible preferred stock.

(5) Assumes the conversion of all outstanding shares of our convertible preferred stock into 150,991,337 shares of common stock upon the completion of this offering and the issuance of shares to fund, in a manner similar to a dividend, the settlement of the Class B preference payment.

(6) The pro forma as adjusted column reflects the conversion of all outstanding shares of our convertible preferred stock into 150,991,337 shares of our common stock and the sale of shares of our common stock offered by this prospectus at an assumed initial public offering price of per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us and the application of the net proceeds to settle the Class B convertible preferred stock preference payment.

(7) Reflects seller financing in connection with the M/A-COM Acquisition, which was subsequently paid off in December 2010.

Quarterly Results (Unaudited):

The following table presents unaudited quarterly statement of operations data for each of the quarters in fiscal year 2010 and in the nine months ended July 1, 2011. This unaudited quarterly statement of operations information has been prepared on a basis consistent with our audited combined consolidated financial statements, and in the opinion of our management, include all adjustments, consisting only of normal, recurring adjustments and accruals, necessary for a fair presentation of our financial position and results of operations for the periods presented.

	Three Months Ended						
	January 1, 2010	April 2, 2010	July 2, 2010	October 1, 2010	December 31, 2010	April 1, 2011	July 1, 2011
	(in thousands)						
Revenue	$ 57,405	$61,014	$67,705	$ 74,173	$ 74,909	$77,884	$ 78,700
Cost of revenue (1)	37,986	39,699	42,579	46,290	44,295	45,639	44,582
Gross profit	19,419	21,315	25,126	27,883	30,614	32,245	34,118
Operating expenses:							
Research and development (1)	4,756	6,352	7,564	7,123	7,714	8,356	9,463
Selling, general and administrative (1)	10,795	10,580	11,906	12,579	12,237	12,556	11,824
Accretion of contingent consideration	600	500	400	500	97	198	365
Restructuring charges	523	527	319	865	382	357	127
Total operating expenses	16,674	17,959	20,189	21,067	20,430	21,467	21,779
Income from operations	2,745	3,356	4,937	6,816	10,184	10,778	12,339
Net income (loss) (2)	$ 2,563	$ 1,103	$ 1,627	$ 1,736	$ 8,606	$ (9,757)	$ (36,615)

(1) Amortization expense related to intangible assets arising from acquisitions and non-cash compensation expense included in our quarterly financial data is set forth below:

	Three Months Ended						
	January 1, 2010	April 2, 2010	July 2, 2010	October 1, 2010	December 31, 2010	April 1, 2011	July 1, 2011
	(in thousands)						
Amortization expense:							
Cost of revenue	$ 399	$ 397	$ 398	$ 400	$ 382	$ 382	$ 443
Selling, general and administrative	274	274	274	273	258	257	296
Non-cash compensation expense:							
Cost of revenue	(16)	54	101	55	46	102	142
Research and development	6	39	138	25	34	40	81
Selling, general and administrative	266	208	475	194	85	386	219

(2) Net loss for the three months ended April 1, 2011 and July 1, 2011 includes an aggregate of $20.4 million and $46.9 million of expense, respectively, relating to changes in the fair value of common stock warrants and features of our Class B convertible preferred stock that are recorded as liabilities and adjusted each reporting period to fair value.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors, together with the other information and financial statements appearing elsewhere in this prospectus, before you decide to invest in our common stock. If any of the following risks actually occur, our business, financial condition, results of operations and prospects could suffer, the market price of our common stock could decline and you might lose all or part of your investment in our common stock. See "Special Note Regarding Forward-Looking Statements" appearing elsewhere in this prospectus.

Risks Relating to Our Business

Our revenue growth is substantially dependent on our successful development and release of new products.

Our revenue growth will depend on our ability to timely develop new products for existing and new markets that meet customers' performance, reliability and price requirements. The development of new products is a highly complex process, and we have in the past and may in the future experience delays and failures in completing the development and introduction of new products. Our successful product development depends on a number of factors, including the following:

- accurate prediction of market requirements, changes in technology and evolving standards;
- the availability of qualified product designers and process technologies needed to solve difficult design challenges in a cost-effective, reliable manner;
- our ability to design products that meet customers' cost, size and performance requirements;
- our ability to manufacture new products according to customer needs with acceptable manufacturing yields;
- our ability to offer new products at competitive prices;
- acceptance by customers of our new product designs;
- identification of and entry into new markets for our products;
- acceptance of our customers' products by the market and the lifecycle of such products;
- our ability to deliver products in a timely manner within our customers' product planning and deployment cycle; and
- our ability to increase our product content in our customers' systems.

A new product design effort may last 12 to 18 months or longer, and requires material investments in engineering hours and materials, as well as sales and marketing expenses, which will not be recouped if the product launch is unsuccessful. We may not be able to design and introduce new products in a timely or cost-efficient manner, and our new products may fail to meet the requirements of the market or our customers. In that case, we may not reach our expected level of production orders and lose market share, which could adversely affect our ability to sustain our revenue growth or maintain our current revenue levels.

Various factors may reduce our gross margin, which could negatively affect our business, financial condition and results of operations.

If we are unable to utilize our design, fabrication, assembly and test facilities at a high level, the significant fixed costs associated with these facilities may not be fully absorbed, resulting in higher average unit costs and lower gross margin. Our various products have different gross margin and increased sales of lower-margin products in a given period relative to other products may cause us to report lower overall gross margin. In the past, we have experienced periods where our gross margin declined due to, among other things, reduced factory utilization resulting from reduced customer demand, reduced selling prices and a change in product mix towards lower-margin products. Future market conditions may adversely affect our revenue and utilization rates and

consequently our future gross margin, and this, in turn, could have an adverse impact on our business, financial condition and results of operations. In addition, increased raw material costs, manufacturing yields, more complex engineering requirements and other factors may lead to lower margins for us in the future. As a result of these or other factors, we may be unable to maintain or increase our gross margin in future periods and our gross margin may fluctuate from period to period.

We are subject to order and shipment uncertainties. Our profitability will decline if we fail to accurately forecast customer demand when managing inventory.

We generally sell our products on the basis of purchase orders rather than long-term purchase commitments from our customers. Our customers can typically cancel purchase orders or defer product shipments for some period without incurring liability to us. We typically plan production and inventory levels based on internal forecasts of customer demand, which can be highly unpredictable and can fluctuate substantially, leading to excess inventory write-downs and resulting negative impacts on gross margin and net income. We have limited visibility into our customers' inventories, future customer demand and the product mix that our customers will require, which could adversely affect our production forecasts and operating margins. In addition, the rapid pace of innovation in our industry could render significant portions of our inventory obsolete. If we overestimate our customers' requirements, we may have excess inventory, which could lead to obsolete inventory and unexpected costs. Conversely, if we underestimate our customers' requirements, we may have inadequate inventory, which could lead to foregone revenue opportunities, loss of potential market share and damage to customer relationships as product deliveries may not be made on a timely basis, disrupting our customers' production schedules. Some of our larger customers also require us to build and maintain minimum inventories and keep them available for purchase at specified locations based on non-binding demand estimates that are subject to change, which exposes us to increased inventory risk and makes it more difficult to manage our working capital. If demand from such customers decreases, we may be left with excess or obsolete inventory we are unable to sell. In response to anticipated long lead times to obtain inventory and materials from outside suppliers and foundries, we periodically order materials in advance of customer demand. This advance ordering has in the past and may in the future result in excess inventory levels or unanticipated inventory write-downs if expected orders fail to materialize, or other factors make our products less saleable. In addition, any significant future cancellation or deferral of product orders could adversely affect our revenue and margins, increase inventory write-downs due to obsolete inventory, and adversely affect our operating results and stock price.

Because we have a limited history of operations as a standalone company, it may be difficult to evaluate our current business and prospects.

While many of the products and technologies now comprising our business had a long history of operations as part of the larger organizations of prior owners, our standalone business began in March 2009. This short operating history as a standalone company, rather than as a small subset of a much larger corporate parent, combined with the rapidly evolving nature of our industry and fluctuations in the overall worldwide economy since March 2009, may make it difficult to evaluate our current business and future prospects. In addition, the financial statements included in this prospectus treat Mimix as our accounting acquirer. Therefore, our financial results prior to March 30, 2009 do not contain results from the M/A-COM Tech Business and are not comparable with the results after such date.

If our primary markets decline or fail to grow, our revenue and profitability may suffer.

Our future growth depends to a significant extent on the continued growth in usage of advanced electronic systems in Networks, A&D or Multi-market. The rate or extent to which these markets grow, if at all, is uncertain. These markets may fail to grow or decline for many reasons, including insufficient consumer demand, lack of access to capital, changes in the U.S. defense budget and procurement processes, changes in regulatory environments, and changes in network specifications. If demand for electronic systems in which our products are incorporated declines, fails to grow, or grows more slowly than we anticipate, purchases of our products may be reduced, which may adversely affect our business, financial condition and results of operations. In particular, our sales to Ford, which accounted for more than 10% of our revenue for the nine months ended July 1, 2011, are dependent upon the health of the automotive market and Ford's ability to maintain or grow its market share.

The average selling prices of our products may decrease over time, which could have a material adverse effect on our revenue and gross margin.

It is common in our industry for the average selling price of a given product to decrease over time as production volumes increase, competing products are developed or new technologies featuring higher performance or lower cost emerge. To combat the negative effects that erosion of average selling prices have had in the past and may in the future have on our revenue and gross margin, we attempt to actively manage the prices of our existing products and regularly introduce new process technologies and products in the market that exhibit higher performance, new features that are in demand, or lower manufacturing cost. Failure to maintain our current prices or to successfully execute on our new product development strategy will cause our revenue and gross margin to decline, which could decrease the value of your investment in our common stock.

We face intense competition in our industry, and our inability to compete successfully could negatively affect our operating results.

The semiconductor industry is highly competitive. While we compete with a wide variety of companies, we compete with Hittite Microwave Corporation (Hittite) across all three of our primary markets. Our other significant competitors include, among others, Aeroflex, Inc. (Aeroflex), Avago, Inc. (Avago), Microsemi Corporation (Microsemi), RF Micro Devices, Inc. (RFMD), Skyworks Solutions, Inc. (Skyworks) and TriQuint Semiconductor, Inc. (TriQuint).

We believe future competition could also come from companies developing new alternative technologies, component suppliers based in countries with lower production costs and IC manufacturers achieving higher levels of integration that exceed the functionality offered by our products. Our customers and suppliers could also develop products that compete with or replace our products. A decision by any of our large customers to design and manufacture ICs internally could have an adverse effect on our operating results. Increased competition could mean lower prices for our products, reduced demand for our products and a corresponding reduction in our ability to recover development, engineering and manufacturing costs.

Many of our existing and potential competitors have entrenched market positions, historical affiliations with OEMs, considerable internal manufacturing capacity, established intellectual property rights and substantial technological capabilities. Many of them may also have greater financial, technical, manufacturing or marketing resources than we do. Prospective customers may decide not to buy from us due to concerns about our relative size, financial stability or other factors. Our failure to successfully compete could result in lower revenue, decreased profitability and a lower stock price.

We typically depend on orders from a limited number of customers for a significant percentage of our revenue.

In fiscal year 2010, sales to our distributor Richardson Electronics, an Arrow Electronics Company (Richardson), and to Ford each accounted for more than 10% of our revenue, and sales to our top 10 direct and distribution customers accounted for 58% of our revenue. In the nine months ended July 1, 2011, sales to Richardson and Ford each accounted for more than 10% of our revenue, and sales to our top 10 direct and distribution customers accounted for an aggregate of 59% of our revenue. While the composition of our top 10 customers varies from year to year, we expect that sales to a limited number of customers will continue to account for a significant percentage of our revenue for the foreseeable future. The purchasing arrangements with our customers are typically conducted on a purchase order basis that does not require our customers to purchase any minimum amount of our products over a period of time. As a result, it is possible that any of our major customers could terminate their purchasing arrangements with us or significantly reduce or delay the amount of our products that they order, purchase products from our competitors or develop their own products internally. The loss of, or a reduction in, orders from any major customer could cause a decline in revenue and adversely affect our results of operations.

We operate in the semiconductor industry, which is cyclical and subject to significant downturns.

The semiconductor industry is highly cyclical and is characterized by constant and rapid technological change, price erosion, product obsolescence, evolving standards, short product lifecycles and significant fluctuations in supply and demand. The industry has historically experienced significant fluctuations in demand and product obsolescence, resulting in product overcapacity, high inventory levels and accelerated erosion of average selling prices. Downturns in many sectors of the electronic systems industry have in the past contributed to extended periods of weak demand for semiconductor products. We have experienced adverse effects on our profitability and cash flows during such downturns in the past, and our business may be similarly harmed by any downturns in the future, particularly if we are unable to effectively respond to reduced demand in a particular market.

Our operating results may fluctuate significantly from period to period. We may not meet investors' quarterly or annual financial expectations and, as a result, our stock price may decline.

Our quarterly and annual operating results may vary significantly in the future based upon a number of factors, many of which are beyond our control. Factors that could cause operating results to fluctuate include:

- general economic growth or decline in the U.S. or foreign markets;
- the timing, reduction or cancellation of orders by customers, whether as a result of a loss of market share by us or our customers, changes in the design of customers' products, or slowing demand for our products or customers' products;
- the gain or loss of a key customer or significant changes in the financial condition of one or more key customers;
- fluctuations in manufacturing output, yields, capacity levels, quality control or other potential problems or delays we or our subcontractors may experience in the fabrication, assembly, testing or delivery of our products;
- changing conditions for products containing RF, microwave or millimeterwave applications, specifically in our Networks, A&D or Multi-market primary markets;
- fluctuations in demand relating to the A&D market due to changes in government programs;
- the market acceptance of our products and particularly the timing and success of new product and technology introductions by us, customers or competitors;
- the amount, timing and relative success of our investments in research and development, which impacts our ability to develop, introduce and market new products and solutions on a timely basis;
- period-to-period changes in the mix of products we sell, which can result in lower gross margin;
- availability, quality and cost of semiconductor wafers and other raw materials, equipment, components and internal or outsourced manufacturing, packaging and test capacity, particularly where we have only one qualified source of supply;
- seasonal and other changes in customer purchasing cycles and component inventory levels;
- the effects of competitive pricing pressures, including decreases in average selling prices of our products;
- impairment charges associated with intangible assets, including goodwill and acquisition-related intangible assets;
- loss of key personnel or the shortage of available skilled workers;
- factors that could cause our reported domestic and foreign income taxes and income tax rate to increase in future periods, such as limits on our ability to utilize net operating losses or tax credits and the geographic distribution of our income, which may change from period to period; and
- the effects of war, natural disasters, acts of terrorism or geopolitical unrest.

The foregoing factors are difficult to forecast, and these, as well as other factors, could materially and adversely affect our quarterly and annual operating results. In addition, if our operating results in any period do not meet our publicly stated guidance, if any, or the expectations of investors or securities analysts, our stock price may decline.

Our investment in research and development may not be successful, which may impact our profitability.

The semiconductor industry requires substantial investment in research and development in order to develop and bring to market new and enhanced technologies and products. Research and development expenses were $25.5 million for the nine months ended July 1, 2011 and $25.8 million for our fiscal year 2010. In fiscal year 2010 and the nine months ended July 1, 2011, we increased our research and development expenditures as part of our strategy toward the development of innovative and sustainable products and solutions to fuel our growth and profitability. We cannot assure you if or when the products and solutions where we have focused our research and development expenditures will become commercially successful. In addition, we may not have sufficient resources to maintain the level of investment in research and development required to remain competitive or succeed in our strategy. For example, development of certain process technologies requires significant expenditures that may not generate a sufficient return.

We may incur significant risk and expense in attempting to win new business, and such efforts may never generate revenue.

To obtain new business, we often need to win a competitive selection process to develop semiconductors for use in our customers' systems, known in the industry as a "design win." These competitive selection processes can be lengthy and can require us to incur significant design and development expenditures and dedicate scarce engineering resources in pursuit of an opportunity for a single customer opportunity. We may not win the competitive selection process and may never generate any revenue despite incurring significant design and development expenditures and selling, general and administrative expenses. Failure to obtain a design win sometimes prevents us from offering an entire generation of a product. This can result in lost revenue and could weaken our position in future competitive selection processes.

Even when we achieve a design win, success is not assured. Customer qualification and design cycles can be lengthy, and it may take a year or more following a successful design win and product qualification for one of our products to be purchased in volume by the customer. We may experience difficulties manufacturing the part in volume, such as low yields, supply chain delays or shortages, or quality issues. Further, while the customer has successfully qualified our part for use in its system when it awards a design win to us, it may not have qualified all of the other components being sourced for its system, or qualified its system as a whole with its end customers. Any difficulties our customer may experience in completing those qualifications may delay or prevent us from translating the design win into revenue. Any of these events, or any cancellation of a customer's program or failure of our customer to successfully market its own product after our design win could materially and adversely affect our business, financial condition and results of operations, as we may have incurred significant expense and generated no revenue.

We expect to make future acquisitions, dispositions and investments, which involve numerous risks.

We have an active corporate development program and routinely evaluate potential acquisitions of, and investments with or other strategic alliances involving, complementary technologies, design teams, products and companies. We also may evaluate the merits of a potential divestment of one or more of our existing business lines. We expect to pursue such transactions if appropriate opportunities arise. However, we may not be able to identify suitable transactions in the future, or if we do identify such transactions, we may not be able to complete them on commercially acceptable terms, or at all. We also face intense competition for acquisitions from other acquirers in our industry. These competing acquirers may have significantly greater financial and other resources than us, which may prevent us from successfully pursuing a transaction. In the event we pursue acquisitions, we will face numerous risks including:

- difficulties in integrating the personnel, culture, operations, technology or products and service offerings of the acquired company;

- diversion of management's attention from normal daily operations of our business;
- difficulties in entering markets where competitors have stronger market positions;
- difficulties in managing and integrating operations in geographically dispersed locations;
- difficulties in improving and integrating the financial reporting capabilities and operating systems of any acquired operations, particularly foreign and formerly private operations, as needed to maintain effective internal control over financial reporting and disclosure controls and procedures;
- the loss of any key personnel of the acquired company as well as their know-how, relationships and expertise, which is common following an acquisition;
- maintaining customer, supplier or other favorable business relationships of acquired operations;
- generating insufficient revenue from completed acquisitions to offset increased expenses associated with any abandoned or completed acquisitions;
- acquiring unknown liabilities associated with any acquired operations; and
- additional expense associated with amortization or depreciation of acquired tangible and intangible assets.

Our past acquisitions of Mimix and Optomai required significant management time and attention relating to the transaction and subsequent integration. If we fail to properly integrate these acquired companies with ours, we may not receive the expected benefits of the acquisitions. Even if a proposed acquisition is successfully realized and integrated, we may not receive the expected benefits of the transaction.

Past transactions have resulted, and future transactions may result, in significant costs, expenses, liabilities and charges to earnings. The accounting treatment for any acquisition may result in significant amortizable intangible assets which, when amortized, will negatively affect our consolidated results of operations. The accounting treatment for any acquisition may result in significant goodwill, which, if impaired, will negatively affect our consolidated results of operations. Furthermore, we may incur indebtedness or issue equity securities to pay for acquisitions. The incurrence of indebtedness could limit our operating flexibility and be detrimental to our profitability, and the issuance of equity securities would be dilutive to our existing stockholders. Any or all of the above factors may differ from the investment community's expectations in a given quarter, which could negatively affect our stock price. In addition, as a result of the foregoing, we may not be able to successfully execute acquisitions in the future to the same extent as we have the in the past, if at all.

In the event we make future investments, the investments may decline in value or fail to deliver any strategic benefits we anticipate from them, and we may lose all or part of our investment. In the event we undertake divestments, we may suffer from associated management distraction, damaged customer relationships, failure to realize the perceived strategic or financial merits of the divestment or suffer indemnity liabilities to the purchaser.

We depend on third parties for products and services required for our business, which may limit our ability to meet customer demand, assure product quality and control costs.

We purchase numerous raw materials, such as ceramic packages, precious metals, semiconductor wafers and dies, from a limited number of external suppliers. We also currently use several external manufacturing suppliers for assembly and testing of our products, and in some cases for fully-outsourced turnkey manufacturing of our products. We currently expect to increase our use of outsourced manufacturing in the future as a strategy for lowering our fixed operating costs. The ability and willingness of our external suppliers to perform is largely outside of our control. The use of external suppliers involves a number of risks, including the possibility of material disruptions in the supply of key components, the lack of control over delivery schedules, capacity constraints, manufacturing yields, quality and fabrication costs, and misappropriation of our intellectual property.

For example, a defective batch of a chemical etchant received from a supplier caused higher than normal scrap loss in our internal manufacturing facility in March 2011, which reduced manufacturing yields and margins. If these vendors' processes vary in reliability or quality, they could negatively affect our products and, therefore, our customer relations and results of operations.

We generally purchase raw materials on a purchase order basis and we do not have significant long-term supply commitments from our vendors. In terms of relative bargaining power, many of our suppliers are larger than we are, with greater resources, and many of their other customers are larger and have greater resources than we do. If these vendors experience shortages or fail to accurately predict customer demand, they may have insufficient capacity to meet our demand, creating a capacity constraint on our business. They may also choose to supply others in preference to us in times of capacity constraint or otherwise, particularly where the other customers purchase in higher volume. Third-party supplier capacity constraints have in the past and may in the future prevent us from supplying customer demand that we otherwise could have fulfilled at attractive prices.

Based on superior performance features, cost parameters or other factors, we utilize sole source suppliers for certain semiconductor packages and other materials, and it is not uncommon for one of our outside semiconductor foundries to be our sole supplier for the particular semiconductor fabrication process technologies manufactured at that supplier's facility. Such supplier concentrations involve the risk of a potential future business interruption if the supplier becomes unable or unwilling to supply us at any point. While in some cases alternate suppliers may exist, because there are limited numbers of third-party wafer fabs that use the process technologies we select for our products and that have sufficient capacity to meet our needs, it may not be possible or may be expensive to find an alternative source of supply. Even if we are able to find an alternative source, moving production to an alternative external fab requires an extensive qualification or re-qualification process that could prevent or delay product shipments or disrupt customer's production schedules, which could harm our business. In addition, some of our external foundry suppliers compete against us in the market in addition to being our supplier. The loss of a supplier can also significantly harm our business and operating results. A supplier may discontinue supplying us if its business is not sufficiently profitable, for competitive reasons or otherwise. We have in the past and may in the future have our supply relationship discontinued by an external foundry, causing us to experience supply chain disruption, customer dissatisfaction, loss of business and increased cost.

If we lose key personnel or fail to attract and retain key personnel, we may be unable to pursue business opportunities or develop our products.

We believe our continued ability to recruit, hire, retain and motivate highly-skilled engineering, operations, sales, administrative and managerial personnel is key to our future success. Competition for these employees is intense, particularly with respect to qualified engineers. Our failure to retain our present employees and hire additional qualified personnel in a timely manner and on reasonable terms could harm our competitiveness and results of operations. In addition, from time to time we may recruit and hire employees from our customers, suppliers and distributors, which could result in liability to us and has in the past and could in the future damage our business relationship with these parties. None of our senior management team is contractually bound to remain with us for a specified period, and we generally do not maintain key person life insurance covering our senior management. The loss of any member of our senior management team could strengthen a competitor or harm our ability to implement our business strategy.

Sources for certain components and materials are limited, which could result in interruptions, delays or reductions in product shipments.

Our industry may be affected from time to time by limited supplies of certain key components and materials. We have in the past and may in the future experience delays or reductions in supply shipments, which could reduce our revenue and profitability. If key components or materials are unavailable, our costs could increase and our revenue could decline.

In particular, our manufacturing headquarters, design facilities, assembly and test facilities and supply chain, and those of our contract manufacturers, are subject to risk of catastrophic loss due to fire, flood, or other natural or man-made disasters, such as the earthquake and tsunami that devastated parts of Japan in 2011. Most of our semiconductor products are fabricated in our Lowell, Massachusetts headquarters, where our only internal wafer fab is located. In the nine months ended July 1, 2011, a substantial majority of the semiconductors used in our manufacturing were sourced internally. The majority of the internal and outsourced assembly and test facilities we utilize are located in the Pacific Rim, and some of our internal design, assembly and test facilities are located in California, regions with above average seismic and severe weather activity. In addition, our research and development personnel are concentrated in a few locations, primarily our headquarters and our Santa Clara, California, Sydney, Australia, Belfast, Northern Ireland and Cork, Ireland locations, with the expertise of the personnel at each such location generally focused on one or two specific areas. Any catastrophic loss or significant damage to any of these facilities would likely disrupt our operations, delay production, shipments and revenue and result in significant expenses to repair or replace the facility, and in some instances, could significantly curtail our research and development efforts in a particular product area or primary market, which could have a material adverse effect on our operations. In particular, any catastrophic loss at our headquarters facility would materially and adversely affect our business and financial results, revenue and profitability.

Our failure to continue to keep pace with new or improved semiconductor process technologies could impair our competitive position.

Semiconductor manufacturers constantly seek to develop new and improved semiconductor process technologies. Our future success depends in part upon our ability to continue to gain access to these semiconductor process technologies, internally or externally, in order to adapt to emerging customer requirements and competitive market conditions. If we fail for any reason to remain abreast of new and improved semiconductor process technologies as they emerge, we may lose market share, which could adversely affect our operating results.

Minor deviations in the manufacturing process can cause substantial manufacturing yield loss or even cause halts in production, which could have a material adverse effect on our revenue and gross margin.

Our products involve complexities in both the design and the semiconductor process technology employed in the fabrication of our products. In many cases, the products are also assembled in customized packages or feature high levels of integration. Our products must meet exacting customer specifications for quality, performance and reliability. Our manufacturing yield, or the percentage of units of a given product in a given period that is usable relative to all such units produced, is a combination of yields including wafer fabrication, assembly, and test yields. Due to the complexity of our products, we periodically experience difficulties in achieving acceptable yields as even minor deviations in the manufacturing process can cause substantial manufacturing yield loss or even cause halts in production. Our customers may also test our components once they have been assembled into their products. The number of usable products that result from our production process can fluctuate as a result of many factors, including the following:

- design errors;
- defects in photomasks, which are used to print circuits on wafers;
- minute impurities in materials used;
- contamination of the manufacturing environment;
- equipment failure or variations in the manufacturing processes;
- losses from broken wafers or other human error;
- defects in packaging; and
- issues and errors in testing.

Typically, for a given level of sales, when our yields improve, our gross margin improves, and when our yields decrease, our unit costs are higher, our gross margin is lower and our profitability is adversely affected.

We depend on third-party sales representatives and distributors for a material portion of our revenues.

We sell many of our products to customers through independent sales representatives and distributors, as well as through our direct sales force. We are unable to predict the extent to which our independent sales representatives and distributors will be successful in marketing and selling our products. Moreover, many of our independent sales representatives and distributors also market and sell competing products. Our relationships with our representatives and distributors may be terminated by either party at any time, and do not require them to buy any of our products. Sales to distributors accounted for 30.0% of our revenue in fiscal year 2010, and sales to our largest distributor, Richardson, represented 23.4% of our revenue in the same period. If our distributors cease doing business with us or fail to successfully market and sell our products, our ability to sustain and grow our revenue could be materially adversely affected.

Our internal and external manufacturing, assembly and test model subjects us to various manufacturing and supply risks.

We operate a semiconductor wafer processing and manufacturing facility at our headquarters in Lowell, Massachusetts. This facility is also our primary internal design, assembly and test facility. We maintain other internal assembly and test operation facilities as well, including leased sites in Torrance, California and Hsinchu, Taiwan. We also use multiple external foundries for outsourced semiconductor wafer supply, as well as multiple domestic and Asian assembly and test suppliers to assemble and test our products. A number of factors will affect the future success of these internal manufacturing facilities and outsourced supply and service arrangements, including the following:

- the level of demand for our products;
- our ability to expand and contract our facilities and purchase commitments in a timely and cost-effective manner in response to changes in demand for our products;
- our ability to generate revenue in amounts that cover the significant fixed costs of operating our facilities;
- our ability to qualify our facilities for new products in a timely manner;
- the availability of raw materials, including GaAs substrates and high purity source materials such as gallium, aluminum, arsenic, indium and silicon;
- our manufacturing cycle times and yields;
- the political and economic risks associated with our reliance on outsourced Asian assembly and test suppliers;
- the location of our facilities and those of our outsourced suppliers;
- natural disasters impacting our facilities and those of our outsourced suppliers;
- our ability to hire, train, manage and retain qualified production personnel;
- our compliance with applicable environmental and other laws and regulations; and
- our ability to avoid prolonged periods of downtime or high levels of scrap in our facilities for any reason.

We may experience difficulties in managing any future growth.

To successfully conduct business in a rapidly evolving market, we must effectively plan and manage any current and future growth. Our ability to do so will be dependent on a number of factors, including:

- maintaining access to sufficient manufacturing capacity to meet customer demands;
- arranging for sufficient supply of key raw materials and services to avoid shortages or supply bottlenecks;

- building out our administrative infrastructure at the proper pace to support any current and future sales growth while maintaining operating efficiencies;
- adhering to our high quality and process execution standards, particularly as we hire and train new employees and during periods of high volume;
- managing the various components of our working capital effectively;
- upgrading our operational and financial systems, procedures and controls, including improvement of our accounting and internal management systems; and
- maintaining high levels of customer satisfaction.

If we do not effectively manage any future growth, we may not be able to take advantage of attractive market opportunities, our operations may be impacted and we may experience delays in delivering products to our customers or damaged customer relationships, and achieve lower than anticipated revenue and decreased profitability.

We may not realize the expected benefits of our recent restructuring activities and other initiatives designed to reduce costs and increase revenue across our operations.

We have pursued a number of restructuring initiatives designed to reduce costs and increase revenue across our operations. These initiatives included reductions in our number of manufacturing facilities and significant workforce reductions in certain areas as we realigned our business. Additional initiatives included establishing certain operations closer in location to our global customers and evaluating functions that may be more efficiently performed through outsourcing arrangements. These initiatives have been substantial in scope and disruptive to some of our historical operations. We may not realize the expected benefits of these new initiatives. As a result of these initiatives, we have incurred restructuring or other charges and we may in the future experience disruptions in our operations, loss of personnel and difficulties in delivering products timely. In the nine months ended July 1, 2011 and our fiscal year 2010, we incurred restructuring charges of $0.9 million and $2.2 million, respectively, consisting primarily of employee severance and related costs resulting from reductions in our workforce.

Our business could be harmed if systems manufacturers choose not to use components made of compound semiconductor materials we utilize.

Silicon semiconductor technologies are the dominant process technologies for the manufacture of ICs in high-volume, commercial markets and the performance of silicon ICs continues to improve. While we use silicon for some applications, we also often use compound semiconductor technologies such as GaAs, indium phosphide (InP) or gallium nitride (GaN) to deliver reliable operation at higher power, higher frequency or smaller form factor than a silicon solution would allow. While these compound semiconductor materials offer high-performance features, it is generally more difficult to design and manufacture products with reliability and in volume. GaN and InP, in particular, are newer process technologies that do not have as extensive a track record of reliable performance in the field as many of the competing process technologies. Compound semiconductor technology tends to be more expensive than silicon technology due to its above-described challenges and the generally lower volumes at which parts in those processes tend to be manufactured relative to silicon parts for high-volume consumer applications.

System designers in some markets may be reluctant to adopt our non-silicon products or may be likely to adopt silicon products in lieu of our products if silicon products meeting their demanding performance requirements are available, because of:

- their unfamiliarity with designing systems using our products;
- their concerns related to manufacturing costs and yields;
- their unfamiliarity with our design and manufacturing processes; or
- uncertainties about the relative cost effectiveness of our products compared to high-performance silicon components.

We cannot be certain that additional systems manufacturers will design our compound semiconductor products into their systems or that the companies that have utilized our products will continue to do so in the future. If our products fail to achieve market acceptance, our results of operations will suffer.

Earn-out arrangements from our acquisitions may negatively affect our future cash flows.

In connection with the M/A-COM Acquisition, we agreed to pay Cobham Electronic Systems Corporation (Cobham) up to $30.0 million in the aggregate in the form of an earn-out based on our achievement of revenue targets in the 12-month periods ending September 30, 2010, 2011 and 2012, payable within 60 days of the end of the respective periods. The 2010 earn-out payment made to Cobham based on our performance was $8.8 million. Cobham may earn up to $15.0 million in each of the remaining two annual earn-out periods (subject in each case to the aggregate $30.0 million cap on all payments under the earn-out as a whole). Although neither period has been completed, our current expectation is that we will likely pay Cobham the maximum possible earn-out payment of $15.0 million for the period ending September 30, 2011, and that we will likely pay Cobham the remaining maximum possible earn-out payment of $6.2 million for the period ending September 30, 2012. The earn-out arrangement also provides the potential for accelerated earn-out payments and revision of the revenue targets in the event of a sale of our company or significant divestments by us of assets or businesses that would otherwise contribute revenue toward the earn-out. For example, if our current majority stockholder's beneficial ownership of our outstanding equity securities drops below 50.1%, including in connection with this offering, the earn-out payments will accelerate.

We also entered into an earn-out arrangement in connection with our purchase of Optomai in April 2011. We agreed to pay the stockholders and option holders of Optomai up to $16.0 million in the aggregate in the form of an earn-out based on our achievement of certain revenue, product release and contribution margin targets based on sales of products utilizing Optomai intellectual property in the 12-month periods ending March 30, 2012 and March 29, 2013. The maximum aggregate earn-out payable by us pursuant to this earn-out arrangement is $1.0 million in the first annual earn-out period, and $16.0 million (less any earn-out paid in the first annual earn-out period) in the second annual earn-out period.

If an earn-out is achieved under either of these arrangements in any applicable period, payment of the earn-out will reduce the cash we otherwise would have available for general corporate purposes. If an earn-out payment is required in connection with our sale to an acquirer, it will reduce the proceeds otherwise available for distribution to stockholders in connection with the closing of such sale. As of July 1, 2011, we have recorded a liability of $26.0 million relating to these earn-out arrangements.

We may incur material costs and our business may be interrupted in connection with consolidation and outsourcing initiatives.

We have a number of ongoing strategic initiatives aimed at reducing our long-term operating cost model, including the outsourcing of various manufacturing functions to third party suppliers and consolidation of our operations within existing facilities. While the goal of these actions is to reduce recurring fixed cost, there are associated restructuring charges and execution risks associated with these initiatives. Exiting a leased site may involve negotiated exit payments with the landlord, temporary holding over at an increased lease rate, costs to perform restoration work required by the lease, or associated environmental liability, any of which may be material in amount. For example, we paid $2.5 million in exit costs in connection with our exit from a former leased site in Santa Clara, California in September 2010. Consolidation of operations and outsourcing may involve substantial capital expenses and the transfer of manufacturing processes and personnel from one site to another, with resultant startup issues at the receiving site and need for re-qualification of the transitioned operations with major customers and for ISO or other certifications. We may experience shortages of affected products, delays and higher than expected expenses. Affected employees may be distracted by the transition or may seek other employment, which could cause our overall operational efficiency to suffer.

We are subject to risks from our international sales and operations.

We have operations in Europe, Asia and Australia, and customers around the world. As a result, we are subject to regulatory, geopolitical and other risks associated with doing business outside the U.S. Global operations involve inherent risks, including currency controls, currency exchange rate fluctuations, tariffs, required import and export licenses, associated delays and other related international trade restrictions and regulations.

The legal system in many of the regions where we conduct business can lack transparency in certain respects relative to that of the U.S. and can accord local government authorities a higher degree of control and discretion over business than is customary in the U.S. This makes the process of obtaining necessary regulatory approvals and maintaining compliance inherently more difficult and unpredictable. In addition, the protection accorded to proprietary technology and know-how under these legal systems may not be as strong as in the U.S., and, as a result, we may lose valuable trade secrets and competitive advantage. The cost of doing business in European jurisdictions can also be higher than in the U.S. due to exchange rates, local collective bargaining regimes and local legal requirements and norms regarding employee benefits and employer-employee relations, in particular.

Sales to customers located outside the U.S. accounted for 39.7% of our revenue in fiscal year 2010 and 47.6% of our revenue in the nine months ended July 1, 2011. We expect that revenue from international sales will continue to be a significant part of our total revenue. Because the majority of our foreign sales are denominated in U.S. dollars, our products become less price-competitive in countries with currencies that are low or are declining in value against the U.S. dollar. Also, we cannot be sure that our international customers will continue to accept orders denominated in U.S. dollars. If they do not, our reported revenue and earnings will become more directly subject to foreign exchange fluctuations. Some of our customer purchase orders and agreements are governed by foreign laws, which may differ significantly from U.S. laws. We may be limited in our ability to enforce our rights under such agreements and to collect amounts owed to us.

The majority of our assembly, packaging and test vendors are located in Asia. We generally do business with our foreign assemblers in U.S. dollars. Our manufacturing costs could increase in countries with currencies that are increasing in value against the U.S. dollar. Also, our international manufacturing suppliers may not continue to accept orders denominated in U.S. dollars. If they do not, our costs will become more directly subject to foreign exchange fluctuations. From time to time we may attempt to hedge our exposure to foreign currency risk by buying currency contracts or otherwise, and any such efforts involve expense and associated risk that the currencies involved may not behave as we expect, and we may lose money on such hedging strategies or not properly hedge our risk.

In addition, if terrorist activity, armed conflict, civil, economic or military unrest, or political instability occurs in the U.S. or other locations, such events may disrupt our manufacturing, assembly, logistics, security and communications, and could also result in reduced demand for our products. We have in the past and may again in the future experience difficulties relating to employees traveling in and out of countries facing civil unrest or political instability and with obtaining travel visas for our employees. Major health pandemics could also adversely affect our business and our customer order patterns. We could also be affected if labor issues disrupt our transportation arrangements or those of our customers or suppliers. There can be no assurance that we can mitigate all identified risks with reasonable effort. The occurrence of any of these events could have a material adverse effect on our operating results.

Our business could be adversely affected if we experience product returns, product liability and defects claims.

Our products are complex and frequently operate in high-performance, challenging environments. We may not be able to anticipate all of the possible performance or reliability problems that could arise with our products after they are released to the market. If such problems occur or become significant, we may experience reduced revenue and increased costs related to product recalls, inventory write-offs, warranty or damage claims, delays in, cancellations of, or returns of product orders, and other expenses. The many materials and vendors used in the

manufacture of our products increase the risk that some defects may escape detection in our manufacturing process and subsequently affect our customers, even in the case of long-standing product designs. Our use of newly-developed or less mature semiconductor process technologies, such as GaN and InP, which have a less extensive track record of reliability in the field than other more mature process technologies, also increases the risk of performance and reliability problems. These matters have arisen in our operations from time to time in the past, have resulted in significant net costs to us per occurrence, and will likely occur again in the future. The occurrence of defects could result in product returns and liability claims, reduced product shipments, the loss of customers, the loss of or delay in market acceptance of our products, harm to our reputation, diversion of management's time and resources, lower revenue, higher expenses and reduced profitability.

Any warranty or other rights we may have against our suppliers for quality issues caused by them may be more limited than those our customers have against us, based on our relative size, bargaining power, or otherwise. In addition, even if we ultimately prevail, such claims could result in costly litigation, divert management's time and resources, and damage our customer relationships.

We also face exposure to potential liability resulting from the fact that some of our customers integrate our products into consumer products such as automobiles or mobile devices, which are then sold to consumers in the marketplace. We may be named in product liability claims even if there is not evidence that our products caused a loss. Product liability claims could result in significant expenses in connection with the defense of such claims and possible damages. In addition, we may be required to participate in a recall if our products prove to be defective. Any product recall or product liability claim brought against us could have a material negative impact on our reputation, business, financial condition or results of operations.

The outcome of litigation in which we have been named as a defendant is unpredictable and an adverse decision in any such matter could subject us to damage awards and lower the market price of our stock.

We are a defendant in a litigation matter described under the heading "Business—Legal Proceedings" appearing elsewhere in this prospectus. This and any other future litigation may divert financial and management resources that would otherwise be used to benefit our operations. Although we intend to contest the lawsuit vigorously, we cannot assure you that the results of the litigation will be favorable to us. An adverse resolution of the lawsuit or others in the future, including the results of any amicable settlement, could subject us to material damage awards or settlement payments or otherwise harm our business.

Our financial results may be adversely affected by increased tax rates and exposure to additional tax liabilities.

Our effective tax rate is highly dependent upon the geographic composition of our worldwide earnings and tax regulations governing each region, each of which can change from period to period. We are subject to income taxes in both the U.S. and various foreign jurisdictions, and significant judgment is required to determine our worldwide tax liabilities. Our effective tax rate as well as the actual tax ultimately payable could be adversely affected by changes in the amount of our earnings attributable to countries with differing statutory tax rates, changes in the valuation of our deferred tax assets, changes in tax laws or tax rates (particularly in the U.S. or Ireland), increases in non-deductible expenses, the availability of tax credits, material audit assessments or repatriation of non-U.S. earnings, each of which could materially affect our profitability. Any significant increase in our effective tax rates could materially reduce our net income in future periods and decrease the value of your investment in our common stock.

Changes in tax laws are introduced from time to time to reform U.S. taxation of international business activities. Depending on the final form of legislation enacted, if any, these consequences may be significant for us due to the large scale of our international business activities. If any of these proposals are enacted into legislation, they could have material adverse consequences on the amount of tax we pay and thereby on our financial position and results of operations.

We may incur liability for claims of intellectual property infringement relating to our products.

The semiconductor industry is generally subject to frequent litigation regarding patents and other intellectual property rights. Other companies in the industry have numerous patents that protect their intellectual property rights in these areas, and have made in the past and may make in the future claims that we have infringed or misappropriated their intellectual property rights. One currently pending suit of this type is discussed elsewhere in this prospectus under "Business—Legal Proceedings." Our customers may assert claims against us for indemnification if they receive claims alleging that their or our products infringe others' intellectual property rights, and have in the past and may in the future choose not to purchase our products based on their concerns over such a pending claim. In the event of an adverse result of any intellectual property rights litigation, we could be required to pay substantial damages for infringement, expend significant resources to develop non-infringing technology, incur material liability for royalty payments or fees to obtain licenses to the technology covered by the litigation, or be subjected to an injunction, which could prevent us from selling our products and materially and adversely affect our revenue and results of operations. We cannot be sure that we will be successful in any such non-infringing development or that any such license would be available on commercially reasonable terms, if at all. Any claims relating to the infringement of third-party proprietary rights, even if not meritorious, could result in costly litigation, lost sales or damaged customer relationships, and diversion of management's attention and resources.

Our limited ability to protect our proprietary information and technology may adversely affect our ability to compete.

Our future success and ability to compete is dependent in part upon our protection of our proprietary information and technology through patent filings and otherwise. We cannot be certain that any patents we apply for will be issued or that any claims allowed from pending applications will be of sufficient scope or strength to provide meaningful protection or commercial advantage. Our competitors may also be able to design around our patents. The laws of some countries in which our products are or may be developed, manufactured or sold, may not protect our products or intellectual property rights to the same extent as U.S. laws, increasing the possibility of piracy of our technology and products. Although we intend to vigorously defend our intellectual property rights, we may not be able to prevent misappropriation of our technology.

In addition, we rely on trade secrets, technical know-how and other unpatented proprietary information relating to our product development and manufacturing activities. We try to protect this information by entering into confidentiality agreements with employees and other parties. We cannot be sure that these agreements will be adequate and will not be breached, that we would have adequate remedies for any breach or that our trade secrets and proprietary know-how will not otherwise become known or independently discovered by others.

Additionally, our competitors may independently develop technologies that are substantially equivalent or superior to our technology. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or otherwise obtain or use our products or technology. Our ability to enforce our patents and other intellectual property is limited by our financial resources and is subject to general litigation risks. If we seek to enforce our rights, we may be subject to claims that the intellectual property rights are invalid, are otherwise not enforceable or are licensed to the party against whom we assert a claim. In addition, our assertion of intellectual property rights could result in the other party seeking to assert alleged intellectual property rights of its own against us, which is a frequent occurrence in such litigations.

If we fail to comply with export control regulations we could be subject to substantial fines or other sanctions, including loss of export privileges.

Certain of our products are subject to the Export Administration Regulations, administered by the Department of Commerce, Bureau of Industry Security, which require that we obtain an export license before we can export products or technology to specified countries. Other products are subject to the International Traffic in Arms Regulations, which restrict the export of information and material that may be used for military or intelligence applications by a foreign person. We are also subject to U.S. import regulations and the import and export regimes of other countries in which we operate. Failure to comply with these laws could result in

sanctions by the government, including substantial monetary penalties, denial of export privileges and debarment from government contracts. Export and import regulations may create delays in the introduction of our products in international markets or prevent the export or import of our products to certain countries or customers altogether. Any change in export or import regulations or related legislation, shift in approach by regulators to the enforcement or scope of existing regulations, changes in the interpretation of existing regulations by regulators or change in the countries, persons or technologies targeted by such regulations, could harm our business by resulting in decreased use of our products by, or our decreased ability to export or sell our products to, existing or potential customers with international operations.

We face risks associated with government contracting.

Some of our revenue is derived from contracts with agencies of the U.S. government or subcontracts with its prime contractors. Under some of our government subcontracts, we are required to maintain secure facilities and to obtain security clearances for personnel involved in performance of the contract, in compliance with applicable federal standards. If we were unable to comply with these requirements, or if personnel critical to our performance of these contracts were to lose their security clearances, we might be unable to perform these contracts or compete for other projects of this nature, which could adversely affect our revenue.

We may need to modify our activities or incur substantial costs to comply with environmental laws, and if we fail to comply with environmental laws we could be subject to substantial fines or be required to change our operations.

We are subject to a variety of international, federal, state and local governmental regulations directed at preventing or mitigating climate change and other environmental harms, as well as to the storage, discharge, handling, generation, disposal and labeling of toxic or other hazardous substances used to manufacture our products. If we fail to comply with these regulations, substantial fines could be imposed on us, and we could be required to suspend production, alter manufacturing processes, cease operations, or remediate polluted land, air or groundwater, any of which could have a negative effect on our sales, income and business operations. Failure to comply with environmental regulations could subject us to civil or criminal sanctions and property damage or personal injury claims. Compliance with current or future environmental laws and regulations could restrict our ability to expand our facilities or build new facilities, or require us to acquire additional expensive equipment, modify our manufacturing processes, or incur other substantial expenses which could harm our business, financial condition and results of operations. In addition, under some of these laws and regulations, we could be held financially responsible for remedial measures if our properties or those nearby are contaminated, even if we did not cause the contamination. We have incurred in the past and may in the future incur environmental liability based on the actions of prior owners, lessees or neighbors of sites we have leased or may lease in the future, or sites we become associated with due to acquisitions. We cannot predict:

- changes in environmental or health and safety laws or regulations;
- the manner in which environmental or health and safety laws or regulations will be enforced, administered or interpreted;
- our ability to enforce and collect under indemnity agreements and insurance policies relating to environmental liabilities; or
- the cost of compliance with future environmental or health and safety laws or regulations or the costs associated with any future environmental claims, including the cost of clean-up of currently unknown environmental conditions.

In addition to the costs of complying with environmental, health and safety requirements, we may in the future incur costs defending against environmental litigation brought by government agencies and private parties. We may be defendants in lawsuits brought by parties in the future alleging environmental damage, personal injury or property damage. A significant judgment against us could harm our business, financial condition and results of operations.

Environmental regulations such as the WEEE and RoHS directives limit our flexibility and may require us to incur material expense.

Various countries require companies selling a broad range of electrical equipment to conform to regulations such as the Waste Electrical and Electronic Equipment (WEEE) and the European Directive 2002/95/Ec on restriction of hazardous substances (RoHS). New environmental standards such as these could require us to redesign our products in order to comply with the standards, require the development of compliance administration systems or otherwise limit our flexibility in running our business or require us to incur substantial compliance costs. For example, RoHS requires that certain substances be removed from all electronic components. The WEEE directive makes producers of electrical and electronic equipment financially responsible for specified collection, recycling, treatment and disposal of past and future covered products. We have already invested significant resources into complying with these regimes, and further investments may be required. Alternative designs implemented in response to regulation may be more costly to produce, resulting in an adverse effect on our gross profit margin. If we cannot develop compliant products in a timely fashion or properly administer our compliance programs, our revenue may also decline due to lower sales, which would adversely affect our operating results. Further, if we were found to be non-compliant with any rule or regulation, we could be subject to fines, penalties and/or restrictions imposed by government agencies that could adversely affect our operating results.

Our revolving credit facility could result in outstanding debt with a claim to our assets that is senior to that of our stockholders, and may have other adverse effects on our results of operations.

We have a revolving credit facility with RBS Business Capital with a potential future borrowing availability of up to $50.0 million, subject to compliance with financial and other covenants. As of July 1, 2011, our borrowing capacity under the revolving credit facility was $36.6 million. The facility is secured by a first priority lien on substantially all of our assets. The amount of our indebtedness could have important consequences, including the following:

- our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions, general corporate or other purposes may be limited;
- no proceeds will be available for distribution to our stockholders in a sale or liquidation until any balance on the line is repaid in full;
- we may be more vulnerable to economic downturns, less able to withstand competitive pressures and less flexible in responding to changing business and economic conditions;
- cash flow from operations will be allocated to the payment of the principal of, and interest on, any outstanding indebtedness; and
- we cannot assure you that our business will generate sufficient cash flow from operations or other sources to enable us to meet our payment obligations under the facility and to fund other liquidity needs.

Our revolving loan facility also contains certain restrictive covenants that may limit or eliminate our ability to, among other things, incur additional debt, sell, lease or transfer our assets, pay dividends, make capital expenditures, investments and loans, make acquisitions, guarantee debt or obligations, create liens, enter into transactions with our affiliates, enter into new lines of business and enter into certain merger, consolidation or other reorganizations transactions. These restrictions could limit our ability to withstand downturns in our business or the economy in general or to take advantage of business opportunities that may arise, any of which could place us at a competitive disadvantage relative to our competitors that are not subject to such restrictions. If we breach a loan covenant, the lenders could either refuse to lend funds to us or accelerate the repayment of any outstanding borrowings under the revolving credit facility. We might not have sufficient assets to repay such indebtedness upon a default. If we are unable to repay the indebtedness, the lenders could initiate a bankruptcy proceeding against us or collection proceedings with respect to our assets securing the facility, which could materially decrease the value of our common stock.

We are a holding company and rely on dividends, distributions and other payments, advances and transfers of funds from our subsidiaries to meet our obligations.

We have no direct operations and derive all of our cash flow from our subsidiaries. Because we conduct our operations through our subsidiaries, we depend on those entities for dividends and other payments or distributions to meet our operating needs. Legal and contractual restrictions in any existing and future outstanding indebtedness we or our subsidiaries incur may limit our ability to obtain cash from our subsidiaries. The deterioration of the earnings from, or other available assets of, our subsidiaries for any reason could limit or impair their ability to pay dividends or other distributions to us.

Variability in self-insurance liability estimates could impact our results of operations.

We self-insure for employee health insurance and workers' compensation insurance coverage up to a predetermined level, beyond which we maintain stop-loss insurance from a third-party insurer. Our aggregate exposure varies from year to year based upon the number of participants in our insurance plans. We estimate our self-insurance liabilities using an analysis provided by our claims administrator and our historical claims experience. Our accruals for insurance reserves reflect these estimates and other management judgments, which are subject to a high degree of variability. If the number or severity of claims for which we self-insure increases, it could cause a material change to our reserves for self-insurance liabilities, as well as to our earnings.

We may be subject to liabilities based on alleged links between the semiconductor manufacturing process and certain illnesses and birth defects.

In recent years, there has been increased media scrutiny and associated reports regarding a potential link between working in semiconductor manufacturing clean room environments and birth defects and certain illnesses, primarily cancer. Regulatory agencies and industry associations have begun to study the issue to determine if any actual correlation exists. Because we utilize clean rooms, we may become subject to liability claims alleging personal injury. In addition, these reports may also affect our ability to recruit and retain employees. A significant judgment against us or material defense costs could harm our reputation, business, financial condition and results of operations.

We rely on third parties to provide corporate infrastructure services necessary for the operation of our business. Any failure of one or more of our vendors to provide these services could have a material adverse effect on our business.

We rely on third-party vendors to provide critical corporate infrastructure services, including, among other things, certain services related to information technology, network development and monitoring, and human resources. We depend on these vendors to ensure that our corporate infrastructure will consistently meet our business requirements. The ability of these third-party vendors to successfully provide reliable, high quality services is subject to technical and operational uncertainties that are beyond our control. While we may be entitled to damages if our vendors fail to perform under their agreements with us, our agreements with these vendors limit the amount of damages we may receive. In addition, we do not know whether we will be able to collect on any award of damages or that any such damages would be sufficient to cover the actual costs we would incur as a result of any vendor's failure to perform under its agreement with us. Any failure of our corporate infrastructure could have a material adverse effect on our business, financial condition and results of operations. Upon expiration or termination of any of our agreements with third-party vendors, we may not be able to replace the services provided to us in a timely manner or on terms and conditions, including service levels and cost, that are favorable to us and a transition from one vendor to another vendor could subject us to operational delays and inefficiencies until the transition is complete.

Risks Relating to This Offering, Our Stock and Our Capitalization

An active trading market for our common stock may not develop and you may not be able to sell your common stock at or above the initial public offering price.

Prior to this offering, there has been no public market for our common stock. An active trading market for our common stock may never develop or be sustained following this offering. If an active trading market does not develop, you may have difficulty selling your common stock at an attractive price, or at all. The initial public offering price for our common stock will be determined by negotiations between us and the representatives of the underwriters and may not be indicative of prices that will prevail in the open market following this offering. Consequently, you may not be able to sell your common stock at or above the initial public offering price or at any other price or at the time that you would like to sell. An inactive market may also impair our future ability to raise capital by selling our common stock and may impair our ability to acquire other complementary technologies, design teams, products and companies by using our common stock as consideration.

The market price of our common stock may be volatile, which could result in substantial losses for investors purchasing shares in this offering.

You should consider an investment in our common stock risky and invest only if you can withstand a significant loss and wide fluctuations in the market value of your investment. In addition to the risks described in this prospectus, factors that may cause the market price of our common stock to fluctuate include:

- changes in general economic, industry and market conditions;
- domestic and international economic factors unrelated to our performance;
- actual or anticipated fluctuations in our quarterly operating results;
- changes in or failure to meet publicly disclosed expectations as to our future financial performance;
- changes in securities analysts' estimates of our financial performance or lack of research and reports by industry analysts;
- changes in market valuations or earnings of similar companies;
- addition or loss of significant customers;
- announcements by us or our competitors, customers or suppliers of significant products, contracts, acquisitions, strategic partnerships or other events;
- developments or disputes concerning patents or proprietary rights, including increases or decreases in litigation expenses associated with intellectual property lawsuits we may initiate, or in which we may be named as defendants;
- failure to complete significant sales;
- developments concerning current or future strategic alliances or acquisitions;
- any future sales of our common stock or other securities; and
- additions or departures of directors, executives or key personnel.

Furthermore, the stock markets recently have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may negatively impact the market price of our common stock. If the market price of our common stock after this offering does not exceed the initial public offering price, you may not realize any return on your investment in us and may lose some or all of your investment. In the past, companies that have experienced volatility in the market price of their stock have been subject to securities class

action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our common stock or change their opinion of our common stock, our stock price would likely decline. If one or more of these analysts cease their coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our stock price or trading volume to decline.

Upon expiration of lock-up agreements between the underwriters and our officers, directors and certain holders of our common stock, a substantial number of shares of our common stock could be sold into the public market shortly after this offering, which could depress our stock price.

Our officers, directors and certain holders of our common stock, options and warrants, holding substantially all of our outstanding shares of common stock prior to completion of this offering, have entered into lock-up agreements with our underwriters which prohibit, subject to certain limited exceptions, the disposal or pledge of, or the hedging against, any of their common stock or securities convertible into or exchangeable for shares of common stock for a period through the date 180 days after the date of this prospectus, subject to extension in certain circumstances. The market price of our common stock could decline as a result of sales by our existing stockholders in the market after this offering and after the expiration of these lock-up periods, or the perception that these sales could occur. Once a trading market develops for our common stock, and after these lock-up periods expire, many of our stockholders will have an opportunity to sell their stock for the first time. These factors could also make it difficult for us to raise additional capital by selling equity or equity-related securities in the future at a time and price we deem appropriate. See "Shares Eligible for Future Sale" appearing elsewhere in this prospectus.

Our common stock price may decline if a substantial number of shares are sold in the market by our stockholders.

Future sales of substantial amounts of shares of our common stock by our existing stockholders in the public market, or the perception that these sales could occur, may cause the market price of our common stock to decline. Increased sales of our common stock in the market for any reason could exert significant downward pressure on our stock price. These sales also might make it more difficult for us to sell equity or equity-related securities in the future at a time and price we deem appropriate.

Some of our stockholders can exert control over us, and they may not make decisions that reflect our interests or those of other stockholders.

Our largest stockholders control a significant amount of our outstanding common stock. As of July 15, 2011, John and Susan Ocampo beneficially owned 66.3% of our common stock and certain investment funds affiliated with Summit Partners, L.P. owned 23.8% of our common stock, each on an as-converted basis. After this offering, John and Susan Ocampo will beneficially own approximately % and certain investment funds affiliated with Summit Partners, L.P. will own approximately % of our common stock, assuming no exercise by the underwriters of their over-allotment option. As a result, these stockholders will be able to exert a significant degree of influence over our management and affairs and control over matters requiring stockholder approval, including the election of our directors and approval of significant corporate transactions. In addition, this concentration of ownership may delay or prevent a change in control of us and might affect the market price of our securities. In addition, the interests of these stockholders may not always coincide with your interests or the interests of other stockholders.

We may engage in future capital-raising transactions that dilute our stockholders or cause us to incur debt.

We may issue additional equity, debt or convertible securities to raise capital in the future. If we do, existing stockholders may experience significant further dilution. In addition, new investors may demand rights, preferences or privileges that differ from, or are senior to, those of our existing stockholders. Our incurrence of indebtedness could limit our operating flexibility and be detrimental to our results of operations.

We will incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could adversely affect our operating results.

As a public company we will incur significant legal, accounting and other expenses that we did not incur as a private company, including costs associated with public company reporting requirements. We also have incurred and will incur costs associated with applicable corporate governance requirements, including requirements under the Sarbanes-Oxley Act of 2002 and the Dodd-Frank Act, as well as related rules and regulations implemented by the SEC and Nasdaq. In addition, our management team will have to adapt to the requirements of being a public company. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are unable to currently estimate these costs with any degree of certainty. We also expect these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage than used to be available. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as our executive officers.

We are required to evaluate our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act of 2002, and any adverse results from such evaluation could result in a loss of investor confidence in our financial reports and have an adverse effect on our stock price.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, beginning as early as the time of filing of our Annual Report on Form 10-K for the fiscal year ending September 28, 2012 and no later than the fiscal year ending September 27, 2013, we will be required to furnish a report by our management on our internal control over financial reporting. Such a report will contain, among other matters, an assessment of the effectiveness of our internal control over financial reporting as of the end of our fiscal year, including a statement as to whether or not our internal control over financial reporting is effective. This assessment must include disclosure of any material weaknesses in our internal control over financial reporting identified by management. We have not completed the system and process documentation and evaluation needed to comply with these requirements. If our management identifies one or more material weaknesses in our internal control over financial reporting during this process, we will be unable to assert such internal control is effective. If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal controls, we could lose investor confidence in the accuracy and completeness of our financial reports, which could have an adverse effect on our stock price. We cannot assure you that we will not have deficiencies or weaknesses in our internal controls over financial reporting in the future.

In addition, as a new public company, we are implementing additional financial and management controls, reporting systems and procedures and are hiring additional accounting and finance staff in order to ensure the accuracy and completeness of our financial reports even before we are subject to the management report requirements under Section 404 of the Sarbanes-Oxley Act. If we are unable to accomplish these objectives in a timely and effective fashion, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies could be impaired, which could lead to inaccurate financial reports, which in turn could adversely affect our stock price.

We may also rely on external consultants to supplement our internal controls. For example, prior to completion of this offering, we have relied on external consultants to supplement our internal controls over

financial reporting in connection with our accounting for income taxes and other complex accounting and financial matters, some of which require significant technical accounting expertise or require significant judgment. Use of external consultants involves additional risk that our external consultants may not perform as expected, or that coordination between our internal and external resources may not be adequate, resulting in one or more procedures not being performed or reviewed as planned, or one or more errors not being identified and corrected. If we do not effectively manage our outside consultants or if they fail to perform as expected or fail to provide an adequate level of expertise in certain areas, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies could be impaired and the accuracy and completeness of our financial reports could be compromised, which could adversely affect our stock price.

We are obligated to use a substantial portion of the net proceeds from this offering to make a preference payment to the holders of our Class B convertible preferred stock, and management may apply the remainder of the net proceeds from this offering to uses that do not increase our market value or improve our operating results.

We plan to use $ of the net proceeds from this offering to pay to the holders of our Class B convertible preferred stock a preference payment to which they are entitled under our current amended and restated certificate of incorporation in connection with the conversion of the Class B convertible preferred stock prior to completion of this offering. We plan to use any remaining net proceeds from this offering for general corporate purposes, including working capital. We may also use a portion of the net proceeds to acquire or make investments in complementary technologies, design teams, products and companies. We cannot state with certainty how our management will use these net proceeds. Accordingly, our management will have considerable discretion in applying our net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether we are using our net proceeds appropriately. We may use our net proceeds for purposes that do not result in any increase in our results of operations or market value. Until the net proceeds we receive are used, they may be placed in investments that do not produce income or that lose value.

Anti-takeover provisions in our charter documents and Delaware law could prevent or delay a change in control of our company that stockholders may consider beneficial and may adversely affect the price of our stock.

Provisions of our fourth amended and restated certificate of incorporation and second amended and restated bylaws, each of which will be effective immediately following the completion of this offering, may discourage, delay or prevent a merger, acquisition or change of control that a stockholder may consider favorable. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors and take other corporate actions. The existence of these provisions could limit the price that investors might be willing to pay in the future for shares of our common stock. These provisions include authorizing the issuance of “blank check” preferred stock, staggered elections of directors, and establishing advance notice requirements for nominations for election to the board of directors and for proposing matters to be submitted to a stockholder vote. Provisions of Delaware law may also discourage, delay or prevent someone from acquiring or merging with our company or obtaining control of our company. Specifically, Section 203 of the Delaware General Corporate Law may prohibit business combinations with stockholders owning 15% or more of our outstanding voting stock and could reduce our value.

We do not intend to pay dividends for the foreseeable future.

We do not intend to pay any cash dividends on our common stock in the foreseeable future. The payment of cash dividends is restricted under the terms of the agreements governing our indebtedness. In addition, because we are a holding company, our ability to pay cash dividends may be limited by restrictions on our ability to obtain sufficient funds through dividends from subsidiaries, including restrictions under the terms of the agreements governing our indebtedness. We anticipate that we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

You will incur immediate and substantial dilution as a result of this offering.

If you purchase common stock in this offering, you will pay more for your stock than the amounts paid by existing stockholders for their stock. As a result, you will incur immediate and substantial dilution of $ per share, representing the difference between the initial public offering price of $ per share (the mid-point of the estimated price range set forth on the cover page of this prospectus) and our as adjusted net tangible book value per share after giving effect to this offering. See "Dilution" appearing elsewhere in this prospectus.

We expect to be a "controlled company" within the meaning of the rules of the Nasdaq Stock Market, and, as a result, will qualify for, and may rely on, exemptions from certain corporate governance requirements. You will not have the same protections afforded to stockholders of companies that are subject to such requirements.

After completion of this offering, we expect John and Susan Ocampo to continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of the Nasdaq Stock Market. Under these rules, a listed company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of the board of directors consist of independent directors;
- the requirement that the listed company have a nominating and governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;
- the requirement that the listed company have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating and governance and compensation committees.

Following this offering, we may utilize each of these exemptions. Accordingly, you may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq Stock Market.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements based on our management's beliefs and assumptions and on information currently available to our management. The forward-looking statements are contained principally in the sections of this prospectus entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business" and "Compensation Discussion and Analysis." Forward-looking statements include, among others, information concerning our possible or assumed future results of operations, business strategies, competitive position, industry, and potential growth and market opportunities. Forward-looking statements include all statements that are not historical facts and generally may be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "seeks," "should," "would" or similar expressions and the negatives of those terms.

Forward-looking statements contained in this prospectus reflect our views about future events and are subject to risks, uncertainties, assumptions and changes in circumstances that may cause events or our actual activities or results to differ significantly from those expressed in any forward-looking statement. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements, including, among others, those factors described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

All forward-looking statements included in this prospectus are based on information available to us on the date of this prospectus. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. You should read this prospectus and the documents that we reference in this prospectus and have filed with the Securities and Exchange Commission (SEC) as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, levels of activity, performance and events and circumstances may be materially different from what we expect.

MARKET, INDUSTRY AND OTHER DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the market in which we operate, including market opportunity and market size, is based on information from various publicly available sources, on assumptions that we have made that are based on that data and other similar sources and on our knowledge of the markets for our products and services. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We have not independently verified any third-party information and cannot assure you of its accuracy or completeness. While we believe the information included in this prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

USE OF PROCEEDS

We estimate that the net proceeds from our sale of common stock in this offering will be approximately $ million, assuming an initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any proceeds from the common stock sold by the selling stockholders in this offering. A $1.00 increase (decrease) in the assumed initial public offering price would increase (decrease) the net proceeds from this offering by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses.

We plan to use $ of the net proceeds from this offering to pay to the holders of our Class B convertible preferred stock a preference payment to which they are entitled under our current amended and restated certificate of incorporation in connection with the conversion of the Class B convertible preferred stock prior to completion of this offering. See “Certain Relationships and Related Person Transactions—Sale of Class B Convertible Preferred Stock and Warrants” appearing elsewhere in this prospectus for a description of this payment. We plan to use any remaining net proceeds from this offering for general corporate purposes, including working capital. We may also use a portion of these proceeds for the acquisition of, or investment in, complementary technologies, design teams, products and companies that complement our business, although we have no present commitments or agreements to enter into any acquisitions or investments.

DIVIDEND POLICY

We declared a one-time special dividend in the aggregate amount of $80.0 million on our Series A-1 convertible preferred stock, Series A-2 convertible preferred stock and common stock in January 2011. We do not intend to pay any additional cash dividends on our common stock in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and growth of our business. We are also restricted from paying dividends under certain requirements of law and the terms of the agreements governing our indebtedness. Any future determination to pay dividends will be subject to the discretion of our board of directors and will depend on various factors, including applicable laws, our results of operations, financial condition and liquidity requirements, restrictions that may be imposed by agreements governing our indebtedness and any other factors that our board of directors may consider relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of July 1, 2011:

- on an actual basis; and
- on a pro forma basis, as adjusted to give effect to (i) the conversion of all of our convertible preferred stock into an aggregate of 150,991,337 shares of our common stock to be effected upon the completion of this offering, including settlement of the Class B conversion liability, and (ii) the issuance and sale by us of shares of common stock in this offering, and the application of the net proceeds from the sale of such shares as described in "Use of Proceeds" at an assumed initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, after deducting any estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Our capitalization following this offering will depend upon the actual initial public offering price and other terms of this offering determined at pricing. You should read this table together with the sections entitled "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our combined consolidated financial statements and related notes appearing elsewhere in this prospectus.

	As of July 1, 2011	
	Actual	Pro Forma, as Adjusted (unaudited)
	(in thousands except share data)	
Cash and cash equivalents	$ 36,728	
Class B conversion liability	$ 98,692	
Convertible preferred stock, $0.001 par value:		
Series A-1 convertible preferred stock: 100,000,000 shares authorized, 100,000,000 shares issued and outstanding, actual; no shares issued and outstanding, pro forma as adjusted	$ 64,000	
Series A-2 convertible preferred stock: 17,626,500 shares authorized, 16,821,780 shares issued and outstanding, actual; no shares issued and outstanding, pro forma as adjusted	42,400	
Convertible preferred stock	106,400	
Redeemable convertible preferred stock, $0.001 par value:		
Class B convertible preferred stock: 34,169,560 shares authorized, 34,169,559.75 shares issued and outstanding, actual; no shares issued and outstanding, pro forma as adjusted	74,228	
Stockholders' equity (deficit)		
Common stock, $0.001 par value: 208,921,494 shares authorized, 7,653,799 shares issued and outstanding, actual; shares authorized, shares authorized, shares issued and outstanding, pro forma as adjusted	7	
Accumulated other comprehensive loss	(154)	
Additional paid-in capital	—	
Accumulated deficit	(180,507)	
Total stockholders' equity (deficit)	(180,654)	
Total capitalization	$ (26)	

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, would increase (decrease) the amount of cash and cash equivalents, working capital, total assets and total stockholders' equity and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of one million shares in the number of shares of our common stock offered by us would increase (decrease) the amount of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $ million, assuming the assumed initial public offering price remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing.

The number of shares in the table above excludes, as of July 1, 2011:

- shares of our common stock reserved for future issuance under our 2011 Omnibus Incentive Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans;"
- 9,414,602 shares of our common stock issuable upon the exercise of options outstanding as of July 1, 2011, to purchase shares of our common stock at a weighted-average exercise price of $0.315 per share;
- 5,125,431 shares of our common stock issuable upon the exercise of warrants outstanding as of July 1, 2011, to purchase shares of our common stock at an exercise price of $3.511898 per share; and
- shares of our common stock reserved for future issuance under our 2011 Employee Stock Purchase Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans."

DILUTION

If you invest in our common stock, your investment will be diluted immediately to the extent of the difference between the initial public offering price per share of our common stock in this offering and the pro forma net tangible book value per share of our common stock immediately after completion of this offering.

The historical net tangible book value of our common stock as of July 1, 2011 was $(26.7) million, or $(3.95) per share. Historical net tangible book value per share represents our total tangible assets (total assets less intangible assets) less total liabilities divided by the number of shares of outstanding common stock. After giving effect to (i) the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 150,991,337 shares of our common stock, the pro forma net tangible book value before this offering would be $ million, or $ per share, and (ii) the issuance and sale by us of shares of our common stock in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, and after deducting the underwriting discounts and commissions and our estimated offering expenses payable by us, our pro forma, as adjusted net tangible book value as of July 1, 2011 would have been $ million, or $ per share. This represents an immediate increase in net tangible book value of $ per share to our existing stockholders and an immediate dilution of $ per share to our new investors purchasing shares of common stock in this offering.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share of common stock	$
Pro forma net tangible book value per share as of July 1, 2011	
Increase in pro forma net tangible book value per share attributable to the sale of shares of our common stock in this offering	
Pro forma, as adjusted net tangible book value per share immediately after this offering	
Pro forma dilution per share to new investors	$

The following table sets forth as of July 1, 2011, on a pro forma basis, as adjusted as described above, the total number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid to us by existing stockholders and by new investors purchasing shares in this offering, based on an assumed initial public offering price of $ per share (the midpoint of the estimated price range set forth on the cover page of this prospectus), and before deducting any estimated underwriting discounts and commissions and estimated offering expenses:

	Total Shares		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors		%	$	%	$
Total		100%	$	100%	$

The sale of shares of our common stock to be sold by the selling stockholders in this offering, which assumes no exercise of the underwriters' over-allotment option, will reduce the number of shares of our common stock held by existing stockholders to , or % of the total shares outstanding, and will increase the number of shares of our common stock held by new investors to , or % of the total shares of our common stock outstanding in each case assuming no exercise of the underwriters' over-allotment option.

If the underwriters exercise their over-allotment option in full, the number of shares of common stock held by the new investors will be increased to , or approximately % of the total number of shares of our common stock outstanding after this offering. A $1.00 increase (decrease) in the assumed initial public offering

price of $ per share would increase (decrease) total consideration paid by new stockholders by $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters exercise their over-allotment option in full, our existing stockholders would own between % and %, in the aggregate, and new investors purchasing shares in this offering would own between % and %, in the aggregate, of the total number of shares of our common stock outstanding after this offering.

The tables and calculations above exclude:

- shares of our common stock reserved for future issuance under our 2011 Omnibus Incentive Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans;"
- 9,414,602 shares of our common stock issuable upon the exercise of options outstanding as of July 1, 2011, to purchase shares of our common stock at a weighted-average exercise price of $0.315 per share;
- 5,125,431 shares of our common stock issuable upon the exercise of warrants outstanding as of July 1, 2011, to purchase shares of our common stock at an exercise price of $3.511898 per share; and
- shares of our common stock reserved for future issuance under our 2011 Employee Stock Purchase Plan, which will become effective in connection with this offering, as more fully described in "Executive Compensation—Employee Benefit and Stock Plans."

SELECTED FINANCIAL DATA

You should read the following selected financial data in conjunction with our combined consolidated financial statements and related notes, as well as the sections titled “Risk Factors,” “Capitalization” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” appearing elsewhere in this prospectus.

We were incorporated in March 2009 and completed the M/A-COM Acquisition on March 30, 2009. We acquired Mimix on May 28, 2010. Because we and Mimix had the same majority owner since our incorporation, we present in this prospectus combined financial statements in a manner similar to a pooling-of-interests. Because our majority owner acquired control of Mimix before acquiring control of M/A-COM, we treat Mimix as our accounting acquirer for financial statement presentation purposes. Accordingly, our financial statements are presented as if the Mimix Merger occurred on the date of our incorporation in March 2009, the date in which we came under common control with Mimix, and the financial statements for periods prior to March 30, 2009 reflect only the operations of Mimix. We derived (i) the statements of operations data for the fiscal years ended September 30, 2008, October 2, 2009 and October 1, 2010, and for the nine months ended July 1, 2011, and (ii) the balance sheet data as of October 2, 2009, October 1, 2010 and July 1, 2011, from our audited combined consolidated financial statements, which appear elsewhere in this prospectus. We derived the statements of operations data for the nine months ended July 2, 2010 from our unaudited combined consolidated financial statements, which appear elsewhere in this prospectus. We derived the consolidated balance sheet data as of September 30, 2006, 2007 and 2008 and the statements of operations data for the fiscal years ended September 30, 2006 and 2007 from our financial systems. These unaudited combined consolidated financial statements have been prepared on a basis consistent with our audited combined consolidated financial statements, and in the opinion of our management, include all adjustments, consisting only of normal, recurring adjustments and accruals, necessary for a fair presentation of our financial position and results of operations for the periods presented. All information presented as pro forma below is unaudited. We believe the financial results prior to March 30, 2009 are not comparable to our financial results for subsequent periods because they reflect only the operations of Mimix. Beginning with our fiscal year 2009, we adopted a 52-or 53-week fiscal year ending on the Friday closest to September 30.

For additional information on our presentation of financial statements, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview—History and Basis of Presentation” appearing elsewhere in this prospectus.

	Fiscal Years					Nine Months Ended	
	2006	2007	2008	2009	2010	July 2, 2010	July 1, 2011
Statements of Operations Data *(in thousands, except per share data)*:						(Unaudited)	
Revenue	$20,189	$21,959	$25,423	$102,718	$260,297	$ 186,124	$ 231,493
Cost of revenue	16,039	12,718	17,228	77,171	166,554	120,264	134,516
Gross profit	4,150	9,241	8,195	25,547	93,743	65,860	96,977
Operating expenses:							
Research and development	5,876	6,643	6,728	13,553	25,795	18,672	25,533
Selling, general and administrative	5,815	6,762	6,047	25,601	45,860	33,281	36,617
Accretion of contingent consideration	—	—	—	2,800	2,000	1,500	660
Restructuring charges	—	—	—	5,100	2,234	1,369	866
Total operating expenses	11,691	13,405	12,775	47,054	75,889	54,822	63,676
Income (loss) from operations	(7,541)	(4,164)	(4,580)	(21,507)	17,854	11,038	33,301
Other (expense) income:							
Gain on bargain purchase	—	—	—	27,073	—	—	—
Accretion of common stock warrant liability (1)	—	—	—	—	—	—	(10,241)
Accretion of Class B conversion liability (2)	—	—	—	—	—	—	(57,051)
Interest expense	(87)	(109)	(1,009)	(1,699)	(2,323)	(1,738)	(750)
Total other (expense) income, net	(87)	(109)	(1,009)	25,374	(2,323)	(1,738)	(68,042)
Income (loss) before income taxes	(7,628)	(4,273)	(5,589)	3,867	15,531	9,300	(34,741)
Income tax (provision) benefit	—	—	—	124	(8,996)	(5,167)	(3,779)
Net income (loss) from continuing operations	(7,628)	(4,273)	(5,589)	3,991	6,535	4,133	(38,520)
Net income from discontinued operations	—	—	—	198	494	1,160	754
Net income (loss)	(7,628)	(4,273)	(5,589)	4,189	7,029	5,293	(37,766)
Less: net income attributable to noncontrolling interest in a subsidiary	—	—	—	23	195	195	—
Net income (loss) attributable to controlling interest	(7,628)	(4,273)	(5,589)	4,166	6,834	5,098	(37,766)
Accretion to redemption value of redeemable preferred stock and preferred stock dividends (3)	(1,435)	(1,776)	(1,780)	(3,559)	(6,298)	(4,585)	(79,062)
Net income (loss) attributable to common stockholders	$ (9,063)	$ (6,049)	$ (7,369)	$ 607	$ 536	$ 513	$(116,828)
Basic and diluted income (loss) per common share:							
Income (loss) from continuing operations	$ (11.98)	$ (7.94)	$ (9.67)	$ 0.01	$ 0.00	$ (0.01)	$ (20.53)
Income from discontinued operations	—	—	—	0.00	0.01	0.02	0.13
Net income (loss)	$ (11.98)	$ (7.94)	$ (9.67)	$ 0.01	$ 0.01	$ 0.01	$ (20.40)
Shares used to compute net income (loss) per common share:							
Basic	757	762	762	52,806	47,521	62,200	5,727
Diluted	757	762	762	53,366	50,343	62,553	5,727
Pro forma net income (loss) per common share: (4)							
Basic					$		$
Diluted					$		$
Shares used to compute pro forma net income (loss) per common share: (4)							
Basic							
Diluted							

	As of					
	September 30,			October 2,	October 1,	July 1,
	2006	2007	2008	2009	2010	2011
Consolidated Balance Sheet Data *(in thousands):*						
Cash and cash equivalents	$ 273	$ 160	$ 3,718	$ 15,358	$ 23,946	$ 36,728
Working capital (deficit)	131	(3,997)	6,184	46,313	56,955	70,480
Total assets	9,755	14,449	15,025	153,315	164,836	204,592
Note payable (5)	—	—	—	30,191	30,000	—
Class B conversion liability	—	—	—	—	—	98,692
Convertible and redeemable preferred stock	26,441	28,217	—	—	—	180,628
Stockholders' equity (deficit)	2,006	(1,799)	7,122	37,215	44,655	(180,654)

Dividends of $0.63 per share, $0.81 per share and $0.61 per share were paid to the record holders as of January 4, 2011 of our Series A-1 convertible preferred stock, Series A-2 convertible preferred stock and common stock, respectively, aggregating $80.0 million.

(1) Represents changes in the fair value of common stock warrants recorded as liabilities and adjusted each reporting period to fair value.

(2) Represents changes in the fair value of certain features of our Class B convertible preferred stock that are recorded as liabilities and adjusted each reporting period to fair value.

(3) For the nine months ended July 1, 2011, includes $76.2 million of dividends declared and paid in January 2011 to holders of our Series A-1 and A-2 convertible preferred stock.

(4) Assumes the conversion of all outstanding shares of our convertible preferred stock into 150,991,337 shares of common stock upon completion of this offering and the issuance of shares to fund, in a manner similar to a dividend, the settlement of the Class B preference payment.

(5) Reflects seller financing in connection with the M/A-COM Acquisition, which was subsequently paid off in December 2010.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our combined consolidated financial statements and related notes, as well as the sections titled "Risk Factors," "Capitalization" and "Selected Financial Data" appearing elsewhere in this prospectus. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Actual results may differ materially from those contained in or implied by any forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, particularly in "Risk Factors."

Overview

We are a leading provider of high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum. We leverage our system-level expertise to design and manufacture differentiated, high-value products for customers who demand high performance, quality and reliability. The diversity and depth of our business across technologies, products, applications, end markets and geographies provide us with a stable foundation for growth and enable us to develop strong relationships with our customers. We offer over 3,000 standard and custom devices, ICs, multi-chip modules and complete subsystems across 38 product lines serving over 6,000 end customers in three large and growing primary markets. Our primary markets are Networks, which includes CATV, cellular backhaul, cellular infrastructure and fiber optic applications; A&D; and Multi-market, which includes automotive, industrial, medical, mobile and scientific applications. We have one reportable operating segment, semiconductors and modules.

History and Basis of Presentation

M/A-COM Technology Solutions Holdings, Inc. was incorporated in the State of Delaware on March 25, 2009 and on March 30, 2009, acquired 100% of the outstanding stock of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited and the related M/A-COM brand, which we refer to as the M/A-COM Acquisition.

Throughout this Management's Discussion and Analysis of Financial Condition and Results of Operations, references to "Mimix" refer to Mimix Holdings, Inc. as a standalone entity prior to its acquisition; references to "M/A-COM" refer to M/A-COM Technology Solutions Holdings, Inc. and its consolidated subsidiaries prior to its acquisition of Mimix; and references to "we," "us" and "our" refer to the combined M/A-COM and Mimix businesses and operations or to M/A-COM Technology Solutions Holdings, Inc. and its consolidated subsidiaries as the context requires.

We acquired Mimix, a supplier of high-performance GaAs semiconductors, on May 28, 2010 (Mimix Merger) for its complementary products and technologies in our primary markets. Although Mimix operated as an independent company before the acquisition, M/A-COM and Mimix had the same majority owner, who had controlled Mimix prior to our incorporation. We therefore present in this prospectus combined financial statements in a manner similar to a pooling-of-interests. We treat Mimix as our accounting acquirer for financial statement presentation purposes because our majority owner acquired control of Mimix before acquiring control of M/A-COM. Accordingly, our financial statements are presented as if the Mimix Merger occurred on the date of our incorporation in March 2009, when we came under common control with Mimix. Our financial statements for periods prior to March 30, 2009 reflect only the operations of Mimix and do not reflect the operations of M/A-COM. More specifically, our financial statements for fiscal year 2008 reflect only the operations of Mimix. Our financial statements for fiscal year 2009 reflect only the operations of Mimix through March 30, 2009 and reflect the combined operations of Mimix and M/A-COM from March 30, 2009 through October 2, 2009.

We believe that our financial results for periods prior to March 30, 2009 are not representative of our current business and are not comparable to our financial results for subsequent periods because those results reflect only the operations of Mimix. Accordingly, in discussing and analyzing our financial statements in this Management's Discussion and Analysis of Financial Condition and Results of Operations, we focus primarily on our more recent results in fiscal year 2010 and the nine month periods ended July 2, 2010 and July 1, 2011.

Beginning with our fiscal year 2009, we adopted a 52-or 53-week fiscal year ending on the Friday closest to September 30.

Discontinued Operations

During the nine months ended July 1, 2011, in keeping with our focus on high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum, we divested non-core laser diode and ferrite business lines that have been reported as discontinued operations. Unless otherwise noted, we exclude the discontinued operations from our discussion of revenue, cost of revenue and expenses.

Description of Our Revenue, Cost of Revenue and Expenses

Revenue. Substantially all of our revenue is derived from sales of high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum. We design, integrate, manufacture and package differentiated product solutions that we sell to customers through our direct sales organization, our network of independent sales representatives and our distributors.

We believe the primary drivers of our future revenue growth will include:

- increasing design wins with new and existing customers, with a focus on early customer engagement;
- increasing content of our semiconductor solutions in our customers' systems through cross-selling of our 38 product lines;
- introduction of, and the market's reception to, new products that command higher prices because of added features, higher levels of integration and improved performance; and
- growth in the market for high-performance analog semiconductors generally, and in our three primary markets in particular.

Cost of revenue. Cost of revenue consists primarily of the cost of semiconductor wafers and other materials used in the manufacture of our products, and the cost of assembly and testing of our products, whether performed by our internal manufacturing personnel or outsourced vendors. Cost of revenue also includes costs associated with personnel engaged in our manufacturing operations, such as wages and share-based compensation expense, as well as costs and overhead related to our manufacturing operations, including lease occupancy and utility expense related to our manufacturing operations, depreciation, production computer services and equipment costs, and the cost of our manufacturing quality assurance and supply chain activities. Further, cost of revenue includes the impact of warranty and inventory adjustments, including write-downs for excess and obsolete inventory as well as amortization of intangible assets related to acquired technology.

One of our objectives is to increase our gross margin, which is our gross profit expressed as a percentage of our revenue. We seek to introduce high-performance products that are valued by our customers for their ability to address technically challenging applications, rather than commoditized products used in high-volume applications where cost, rather than performance, is the highest priority. We also strive to continuously reduce our costs and to improve the efficiency of our manufacturing operations.

Our gross margin in any period is significantly affected by industry demand and competitive factors in the markets into which we sell our products. Gross margin is also significantly affected by our product mix, that is, the percentage of our revenue in that period that is attributable to relatively higher or lower-margin products. Additional factors affecting our gross margin include fluctuations in the cost of wafers and materials, including precious metals, utilization of our fab, level of usage of outsourced manufacturing, assembly and test services, changes in our manufacturing yields, changes in foreign currencies and numerous other factors, some of which are not under our control. As a result of these or other factors, we may be unable to maintain or increase our gross margin in future periods and our gross margin may fluctuate from period to period.

Our gross margin was 36.0% in fiscal year 2010 and 41.9% and 35.4%, respectively, for the nine months ended July 1, 2011 and July 2, 2010.

Research and development. Research and development (R&D) expense consists primarily of costs relating to our employees engaged in the design and development of our products and technologies, including wages and share-based compensation. R&D expense also includes costs for consultants, facilities, services related to supporting computer design tools used in the engineering and design process, prototype development and project materials. We expense all research and development costs as incurred.

Selling, general and administrative. Selling, general and administrative (SG&A) expense consists primarily of costs of our executives, sales and marketing, finance, human resources and administrative organizations, including wages and share-based compensation. SG&A expense also includes professional fees, sales commissions paid to independent sales representatives, costs of advertising, trade shows, marketing, promotion, travel, occupancy and equipment costs, computer services costs, costs of providing customer samples and amortization of certain intangible assets relating to customer relationships.

Accretion of contingent consideration. We have partially funded the acquisition of businesses through contingent earn-out consideration, in which we have agreed to pay contingent amounts to the previous owners of acquired businesses based upon those businesses achieving contractual milestones. We record these obligations as liabilities at fair value and any changes in fair value are reflected in our earnings.

Restructuring charges. Following the M/A-COM Acquisition in March 2009, we began implementing our strategy to align our operations with the economic environment and our long-term fab-lite strategy, beginning with an initial staff reduction in April 2009. Restructuring expense consists of severance and related costs incurred in connection with reductions in staff. In fiscal years 2009 and 2010 and for the nine months ended July 1, 2011, we incurred $8.2 million of restructuring costs. We expect to incur an additional $0.7 million as we complete our planned restructuring in the fourth quarter of fiscal year 2011 or early in fiscal year 2012.

Other (expense) income. Other (expense) income consists of a gain on bargain purchase in 2009 in connection with the M/A-COM Acquisition, accretion of our common stock warrant liability, accretion of our Class B conversion liability and interest expense.

In December 2010, we issued shares of Class B convertible preferred stock and common stock warrants for gross proceeds of $120.0 million. The Class B convertible preferred stock has redemption rights that allow the holders to elect to receive an amount in excess of the fair value of our common stock commencing in December 2017. In addition, the holders of our Class B convertible preferred stock have the right to payments for up to $60.0 million upon a public offering of our common stock. Upon issuance of the Class B convertible preferred stock, the estimated fair values of these preferential features and the common stock warrants were bifurcated from the Class B convertible preferred stock proceeds and recorded as long-term liabilities. The carrying values of these liabilities are adjusted to estimate fair value at the end of each reporting period and the change in the estimated fair values are recognized in our earnings.

Results of Operations

The following table sets forth, for the periods indicated, our statement of operations data (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Revenue	$25,423	$102,718	$260,297	$ 186,124	$231,493
Cost of revenue (1)	17,228	77,171	166,554	120,264	134,516
Gross profit	8,195	25,547	93,743	65,860	96,977
Operating expenses:					
Research and development (1)	6,728	13,553	25,795	18,672	25,533
Selling, general and administrative (1)	6,047	25,601	45,860	33,281	36,617
Accretion of contingent consideration	—	2,800	2,000	1,500	660
Restructuring charges	—	5,100	2,234	1,369	866
Total operating expenses	12,775	47,054	75,889	54,822	63,676
Income (loss) from operations	(4,580)	(21,507)	17,854	11,038	33,301
Other (expense) income:					
Gain on bargain purchase	—	27,073	—	—	—
Accretion of common stock warrant liability (2)	—	—	—	—	(10,241)
Accretion of Class B conversion liability (3)	—	—	—	—	(57,051)
Interest expense	(1,009)	(1,699)	(2,323)	(1,738)	(750)
Total other (expense) income, net	(1,009)	25,374	(2,323)	(1,738)	(68,042)
Income (loss) before income taxes	(5,589)	3,867	15,531	9,300	(34,741)
Income tax (provision) benefit	—	124	(8,996)	(5,167)	(3,779)
Net income (loss) from continuing operations	(5,589)	3,991	6,535	4,133	(38,520)
Net income from discontinued operations	—	198	494	1,160	754
Net income (loss)	$ (5,589)	$ 4,189	$ 7,029	$ 5,293	$ (37,766)

(1) Amortization expense related to intangible assets arising from acquisitions and non-cash compensation expense included in our combined consolidated statements of operations is set forth below (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Amortization expense:					
Cost of revenue	$ 98	$862	$1,594	$ 1,194	$ 1,207
Selling, general and administrative	98	613	1,095	822	811
Non-cash compensation expense: (a)					
Cost of revenue	26	173	194	139	290
Research and development	36	159	208	183	155
Selling, general and administrative	113	536	1,143	949	690

(a) Includes (i) share-based compensation expense and (ii) incentive compensation amounts payable by the previous owner of the M/A-COM Tech Business to certain of our employees in connection with the sale of such business to us and recorded in our financial statements in a manner similar to share-based compensation.

(2) Represents changes in the fair value of common stock warrants recorded as liabilities and adjusted each reporting period to fair value.

(3) Represents changes in the fair value of certain features of our Class B convertible preferred stock that are recorded as liabilities and adjusted each reporting period to fair value.

The following table sets forth, for the periods indicated, our statement of operations data expressed as a percentage of our revenue:

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of revenue	67.8	75.1	64.0	64.6	58.1
Gross margin	32.2	24.9	36.0	35.4	41.9
Operating expenses:					
Research and development	26.5	13.2	9.9	10.0	11.0
Selling, general and administrative	23.8	24.9	17.6	17.9	15.8
Accretion of contingent consideration	—	2.7	0.8	0.8	0.3
Restructuring charges	—	5.0	0.9	0.7	0.4
Total operating expenses	50.2	45.8	29.2	29.5	27.5
Income (loss) from operations	(18.0)	(20.9)	6.9	5.9	14.4
Other (expense) income:					
Gain on bargain purchase	—	26.4	—	—	—
Accretion of common stock warrant liability	—	—	—	—	(4.4)
Accretion of Class B conversion liability	—	—	—	—	(24.6)
Interest expense	(4.0)	(1.7)	(0.9)	(0.9)	(0.3)
Total other (expense) income—net	(4.0)	24.7	(0.9)	(0.9)	(29.4)
Income (loss) before income taxes	(22.0)	3.8	6.0	5.0	(15.0)
Income tax (provision) benefit	—	0.1	(3.5)	(2.8)	(1.6)
Net income (loss) from continuing operations	(22.0)	3.9	2.5	2.2	(16.6)
Net income from discontinued operations	—	0.2	0.2	0.6	0.3
Net income (loss)	(22.0)%	4.1%	2.7%	2.8%	(16.3)%

Comparison of the Nine Months Ended July 1, 2011 to the Nine Months Ended July 2, 2010

Revenue. Our revenue increased $45.4 million or 24.4% to $231.5 million for the nine months ended July 1, 2011, from $186.1 million for the nine months ended July 2, 2010. Our sales growth in the 2011 period was primarily due to increased sales to existing and new customers of our existing products, market reception of new products developed within the last three years and general economic improvement across our primary markets. Revenue increased in the 2011 period in each of our primary markets compared to the corresponding period in 2010. Revenue from our primary markets, the percentage of change between the periods, and revenue by primary market expressed as a percentage of total revenue were (in thousands, except percentages):

	Nine Months Ended		
	July 2, 2010 (Unaudited)	July 1, 2011	% Change
Networks	$ 49,093	$ 71,730	46.1%
A&D	60,987	69,155	13.4%
Multi-market	76,044	90,608	19.2%
Total	$ 186,124	$231,493	
Networks	26.4%	31.0%	
A&D	32.8%	29.9%	
Multi-market	40.9%	39.1%	
Total	100%	100%	

The increase of revenue in Networks was primarily due to increased sales in cellular backhaul, cellular infrastructure and CATV applications such as Multi-media over Coax Alliance (MoCA) and set-top boxes, driven by increased mobile and video data traffic. The increase of revenue in A&D was primarily due to increased sales for radar and avionics applications, partially offset by lower sales in military communications and public safety radios. The increase of revenue in Multi-market was primarily due to increased sales in mobile device applications, as well as increased sales in automotive applications due to improved conditions in the automobile industry, particularly in North America.

Gross margin. Gross margin was 41.9% for the nine months ended July 1, 2011, compared with 35.4% for the nine months ended July 2, 2010. The increase in gross margin was primarily attributable to a favorable change in product mix towards higher margin products and lower costs as a percentage of revenue in the 2011 period, driven by manufacturing consolidation, outsourcing initiatives, staff reductions and improved factory utilization. The increase in gross margin was partially offset by higher costs to qualify outsource suppliers and the incurrence of additional costs to exit manufacturing facilities. Amortization and non-cash compensation expenses in cost of revenue represented 0.5% and 0.1%, respectively, of revenue in the 2011 period compared to 0.6% and 0.1%, respectively, in the 2010 period.

Research and development. R&D expense increased $6.9 million, or 36.7%, to $25.5 million, and represented 11.0% of our revenue, for the 2011 period, compared with $18.7 million for the 2010 period. The increase was primarily driven by increased new product development activities and related increases in staff, facility costs, computer design tools and engineering materials. Non-cash compensation expense in R&D expense was $0.2 million in both the 2010 period and the 2011 period.

Selling, general and administrative. SG&A expense increased $3.3 million, or 10.0%, to $36.6 million and represented 15.8% of our revenue for the 2011 period compared with $33.3 million for the 2010 period. The increase was primarily related to an increase in sales and marketing staff to support our revenue growth, professional fees in connection with preparation and audits of historical financial statements, travel expenses incurred in support of our efforts to expand sales at top domestic and foreign customer accounts, and costs to upgrade the software tools used by our worldwide sales and marketing organization. These increases were partially offset by reductions in fees paid under outsourced service arrangements as we built out our internal capabilities to provide for those functions. Amortization and non-cash compensation expenses in SG&A expense were $0.8 million and $0.7 million, respectively, in the 2011 period compared to $0.8 million and $0.9 million, respectively, in the 2010 period.

Accretion of contingent consideration. Accretion of contingent consideration expense decreased $0.8 million to $0.7 million for the nine months ended July 1, 2011 compared with $1.5 million for the nine months ended July 2, 2010. Our accretion of contingent consideration in the 2011 period was lower as a result of changes in the estimated fair value of the obligation arising in the M/A-COM Acquisition, offset partially by the addition of contingent consideration related to the acquisition of Optomai in April 2011. The estimates of fair value were primarily impacted by changes in interest rates underlying our estimates due to improvement in the credit environment, and a shortening of the discount period as we near the expected payment dates.

Restructuring charges. Restructuring charges decreased $0.5 million to $0.9 million for the nine months ended July 1, 2011 compared with $1.4 million for the nine months ended July 2, 2010. The decrease in our restructuring charges was primarily attributable to having completed a majority of our planned restructuring activities.

Accretion of common stock warrant liability. Common stock warrant liability expense of $10.2 million relates to the change in the estimated fair value of common stock warrants we issued in fiscal year 2011, which we carried as liabilities at fair value.

Accretion of Class B conversion liability. Class B convertible preferred stock conversion liability expense of $57.1 million relates to the change in the estimated fair value of certain features of our Class B convertible preferred stock issued in fiscal year 2011, which we carry as a liability at fair value.

Interest expense. Interest expense decreased $1.0 million or 56.8% to $0.8 million or 0.3% of our revenue for the nine months ended July 1, 2011, compared with $1.7 million or 0.9% of our revenue for the nine months ended July 2, 2010, as a result of repayment of our debt in fiscal year 2011. Interest expense includes the amortization of deferred financing costs classified as interest expense in the amount of $0.1 million in the 2011 period.

Provision for income taxes. Provision for income taxes decreased $1.4 million to $3.8 million for the nine months ended July 1, 2011, compared with $5.2 million for the nine months ended July 2, 2010, representing an effective tax rate of (10.9%) and 55.6% for the nine months ended July 1, 2011 and July 2, 2010, respectively. As of October 1, 2010, we evaluated available positive and negative evidence and determined that it was not more likely than not that our deferred tax assets would be realized, and we recorded a full valuation allowance. In arriving at this conclusion, we determined that the cumulative losses incurred by Mimix and us for the years prior to fiscal year 2010 outweighed our short earnings history. The increase in our valuation allowance during fiscal year 2010 was the principal factor resulting in our 57.9% effective tax rate for the fiscal year 2010.

During the nine months ended July 1, 2011, we continued to evaluate available positive and negative evidence and concluded it was appropriate to recognize our deferred tax assets in full. The primary factor we considered was our continued profitability during the period. We concluded that it was probable we would generate taxable income for our fiscal year 2011, and that two consecutive years of profitability and forecasted income in future years constituted sufficient positive evidence to support a more likely than not assessment of recoverability of the assets. Accordingly, we reversed $17.6 million of our income tax valuation allowance during the nine months ended July 1, 2011. The remaining valuation allowance of $2.7 million as of July 1, 2011 will be released during our last fiscal quarter of 2011 when the assets to which the valuation allowance relates are expected to be consumed.

In addition to the reversal of the valuation allowance, our effective tax rate for the nine months ended July 1, 2011 has been significantly impacted by the charges related to changes in fair value of our Class B conversion liability and common stock warrant liability which totaled $67.3 million and are not tax deductible. The difference between the statutory tax rate, which would have resulted in a 35% income tax benefit, and our effective tax rate for the nine months ended July 1, 2011, which resulted in a 10.9% income tax provision, is driven by the non-deductible charge for the Class B conversion and common stock warrant liabilities, partially offset by the reversal of the valuation allowance.

Comparison of Fiscal Years Ended October 1, 2010, October 2, 2009 and September 30, 2008

As discussed above, although the Mimix Merger occurred on May 28, 2010, our financial statements are presented as if the Mimix Merger occurred in March 2009 when we came under common control with Mimix. Therefore, our financial statements for periods prior to March 30, 2009 reflect only the operations of Mimix and do not reflect the operations of M/A-COM. More specifically, the financial statements for fiscal year 2008 reflect only the operations of Mimix. Our financial statements for fiscal year 2009 reflect only the operations of Mimix through March 30, 2009 and reflect the combined operations of Mimix and M/A-COM from March 30, 2009 through October 2, 2009. The financial statements for fiscal year 2010 reflect the combined operations of Mimix and M/A-COM for the entire fiscal year.

Unless otherwise noted below, the year-over-year changes in our financial results in the fiscal years ended October 1, 2010, October 2, 2009 and September 30, 2008 were primarily attributable to fiscal year 2010 including a full year of combined financial results of M/A-COM and Mimix, fiscal year 2009 including M/A-COM's financial results for only approximately six months from March 30, 2009 combined with a full year of Mimix's financial results and fiscal year 2008 including only Mimix's financial results. See "Quarterly Results of Operations Data" below for revenue, gross margin and income trend discussion of comparable quarterly periods. We believe the financial results prior to March 30, 2009 are not comparable to our financial results for subsequent periods because they reflect only the operations of Mimix.

	Fiscal Years Ended		
	September 30, 2008	October 2, 2009	October 1, 2010
	(in thousands, except percentages)		
Revenue	$ 25,423	$102,718	$260,297
Gross margin	32.2%	24.9%	36.0%
Research and development	6,728	13,553	25,795
Selling, general and administrative	6,047	25,601	45,860

Revenue. In addition to the factors noted above, other factors that increased revenue include improved economic conditions, increased sales and support efforts for products acquired in the Mimix Merger, revenue from new products and our strategy to align our sales and marketing focus with our primary markets, contributed to the revenue increases in fiscal year 2010 as compared to fiscal year 2009.

Gross margin. Fiscal year 2010 gross margin improved primarily as a result of staffing reductions and manufacturing consolidation. Mimix historically had higher margins than M/A-COM, which contributed to an overall decrease in our gross margin in fiscal year 2009 as compared to fiscal year 2008.

Research and development. In addition to the factors noted above, R&D expense increased since March 2009 and through fiscal year 2010 due to increases in staff engaged in research and development and expansion of design centers to support our new product development.

Selling, general and administrative. In addition to the factors noted above, SG&A expense increased since March 2009 and through fiscal year 2010 due to additional sales and marketing staff to support our revenue growth and due to additional sales and administrative staff to support our in-sourcing of back office functions. These increases were partially offset by reductions in fees paid under outsourced service arrangements.

Gain on bargain purchase. Our gain on bargain purchase of $27.1 million in fiscal year 2009 relates to the M/A-COM Acquisition in March 2009, which occurred in the midst of the global economic downturn and related credit crises.

Accretion of contingent consideration. Our accretion of contingent consideration expense was $2.0 million in fiscal year 2010 compared to $2.8 million in fiscal year 2009. There was no accretion of contingent consideration expense in fiscal year 2008. The decrease in our accretion of contingent consideration from fiscal year 2009 to fiscal year 2010 was attributable to the changes in estimated fair value of the contingent obligations. The estimates of fair value were primarily impacted by changes in interest rates underlying our estimate based on improvement in the prevailing credit environment and a shortening of the discount period related to when we expect to pay the contingent consideration.

Restructuring charges. Our restructuring charges were $2.2 million in fiscal year 2010 compared to $5.1 million in fiscal year 2009. The decrease in restructuring charges was attributable to lower severance costs in fiscal year 2010 compared to fiscal year 2009. We commenced the restructuring activities following the M/A-COM Acquisition in March 2009. There were no restructuring charges in fiscal year 2008.

Interest expense. Our interest expense was $2.3 million in fiscal year 2010 compared to $1.7 million in fiscal year 2009 and $1.0 million in fiscal year 2008. The increase in interest expense from fiscal year 2009 to

fiscal year 2010 was primarily due to incurring a full year of interest expense from borrowings under seller-financed debt related to the M/A-COM Acquisition in March 2009. Interest expense for fiscal year 2008 relates to interest incurred on short-term notes payable and a bank line of credit, all of which were either repaid or, in the case of a majority of the short-term notes, were converted into shares of convertible preferred stock, all in fiscal year 2008.

Provision for income taxes. Our provision for income taxes was $9.0 million in fiscal year 2010 compared to a $0.1 million income tax benefit in fiscal year 2009. There was no provision for income taxes in fiscal year 2008. The increase in the provision for income taxes from fiscal year 2009 to fiscal year 2010 is attributable to the discontinuance of our Subchapter S status, which allowed for prior income tax consequences to flow through to our stockholders through December 31, 2009. Effective January 1, 2010, we elected to discontinue our Subchapter S status.

Quarterly Results (Unaudited)

The following tables set forth our unaudited quarterly combined consolidated statements of operations data for each of the quarters in fiscal year 2010 and each of the quarters in the nine months ended July 1, 2011, in dollar amount and expressed as a percentage of our revenue. We prepared the quarterly data on a consistent basis with the combined consolidated financial statements included in this prospectus. In the opinion of management, the financial information reflects all necessary adjustments, consisting only of normal recurring adjustments, necessary for a fair presentation of this data. This information should be read in conjunction with our combined consolidated financial statements and related notes appearing elsewhere in this prospectus. We believe that our quarterly revenue, particularly the mix of revenue components, and our quarterly operating results are likely to vary in the future. The results of historical periods are not necessarily indicative of the results of operations for a full year or any future period.

	Three Months Ended						
	January 1, 2010	April, 2, 2010	July 2, 2010	October 1, 2010	December 31, 2010	April 1, 2011	July 1, 2011
	(in thousands)						
Revenue	$ 57,405	$61,014	$67,705	$ 74,173	$ 74,909	$77,884	$ 78,700
Cost of revenue (1)	37,986	39,699	42,579	46,290	44,295	45,639	44,582
Gross profit	19,419	21,315	25,126	27,883	30,614	32,245	34,118
Operating expenses:							
Research and development (1)	4,756	6,352	7,564	7,123	7,714	8,356	9,463
Selling, general and administrative (1)	10,795	10,580	11,906	12,579	12,237	12,556	11,824
Accretion of contingent consideration	600	500	400	500	97	198	365
Restructuring charges	523	527	319	865	382	357	127
Total operating expenses	16,674	17,959	20,189	21,067	20,430	21,467	21,779
Income from operations	2,745	3,356	4,937	6,816	10,184	10,778	12,339
Net income (loss) (2)	$ 2,563	$ 1,103	$ 1,627	$ 1,736	$ 8,606	$ (9,757)	$ (36,615)

	Three Months Ended						
(As a percentage of revenue)	January 1, 2010	April, 2, 2010	July 2, 2010	October 1, 2010	December 31, 2010	April 1, 2011	July 1, 2011
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of revenue	66.2	65.1	62.9	62.4	59.1	58.6	56.6
Gross profit	33.8	34.9	37.1	37.6	40.9	41.4	43.4
Operating expenses:							
Research and development	8.3	10.4	11.2	9.6	10.3	10.7	12.0
Selling, general and administrative	18.8	17.3	17.6	17.0	16.3	16.1	15.0
Accretion of contingent consideration	1.0	0.8	0.6	0.7	0.1	0.3	0.5
Restructuring charges	0.9	0.9	0.5	1.2	0.5	0.5	0.2
Total operating expenses	29.0	29.4	29.8	28.4	27.3	27.6	27.7
Income from operations	4.8	5.5	7.3	9.2	13.6	13.8	15.7
Net income (loss)	4.5%	1.8%	2.4%	2.3%	11.5%	(12.5)%	(46.5)%

(1) Amortization expense related to intangible assets arising from acquisitions and other non-cash compensation expense included in our combined consolidated statements of operations is set forth below:

	Three Months Ended						
	January 1, 2010	April, 2, 2010	July 2, 2010	October 1, 2010	December 31, 2010	April 1, 2011	July 1, 2011
	(in thousands)						
Amortization expense:							
Cost of revenue	$ 399	$ 397	$ 398	$ 400	$ 382	$ 382	$ 443
Selling, general and administrative	274	274	274	273	258	257	296
Non-cash compensation expense: (a)							
Cost of revenue	(16)	54	101	55	46	102	142
Research and development	6	39	138	25	34	40	81
Selling, general and administrative	266	208	475	194	85	386	219

(a) Includes (i) share-based compensation expense and (ii) incentive compensation amounts payable by the previous owner of the M/A-COM Tech Business to certain of our employees in connection with the sale of such business to us and recorded in our financial statements in a manner similar to share-based compensation.

(2) Net loss for the three months ended April 1, 2011 and July 1, 2011 includes an aggregate of $20.4 million and $46.9 million of expense, respectively, relating to changes in the fair value of common stock warrants and features of our Class B convertible preferred stock that are recorded as liabilities and adjusted each reporting period to fair value.

Revenue. Revenue improved consecutively over the seven quarters ended July 1, 2011 due to improved economic conditions, increased sales and support efforts for products acquired in the Mimix Merger, revenue from new products and our strategy to align our sales and marketing focus with our primary markets, which collectively led to increased sales to our existing and new customers.

Gross margin. Gross margin improved consecutively over the seven quarters ended July 1, 2011. The improvements were primarily driven by reduced costs from staff reductions, manufacturing consolidation and outsourcing initiatives, improved fab utilization primarily driven by higher sales and our strategy to focus on the development and sale of higher margin products.

Income from operations. Income from operations improved in each of the seven quarters ended July 1, 2011. We increased revenue and gross margin as noted above, and we also leveraged our infrastructure improvements and improved our management of expenses, which resulted in SG&A expense growing at a slower rate than revenue in each of the quarters, partially offset by an increase in R&D expense to support our new product activities.

Net income (loss). The net loss in the quarters ended April 1, 2011 and July 1, 2011 was primarily due to our accretion of the Class B convertible preferred stock conversion liability expenses of $17.4 million in the quarter ended April 1, 2011 and $39.6 million in the quarter ended July 1, 2011. In addition, the accretion of our common stock warrant liability also contributed $2.9 million and $7.3 million to our net loss in the quarters ended April 1, 2011 and July 1, 2011, respectively.

Liquidity and Capital Resources

As of July 1, 2011, we held $36.7 million of cash and cash equivalents. Cash and cash equivalents consisted of $25.7 million deposited with financial institutions and $11.0 million of short term investments. Cash provided by operations was $18.4 million for the nine months ended July 1, 2011, of which the principal components were net loss of $37.8 million and non-cash charges of $61.8 million, partially offset by unfavorable changes in operating assets and liabilities of $5.6 million. The change in net operating assets and liabilities includes an increase in accounts receivable of $3.5 million related to increased sales partially offset by improved collections during the period, an increase in inventory of $6.8 million related to our increased sales, a decrease of accrued and other liabilities of $6.7 million primarily related to lower accrued compensation resulting from time of disbursements and incentive program periods, and an increase in income taxes payable of $11.6 million due to the timing of tax payments.

Cash used in investing activities was $5.5 million for the nine months ended July 1, 2011. We invested $6.7 million in the purchase of property and capital equipment in the nine months ended July 1, 2011, including renovation of a leased facility as well as the purchase of production test equipment, production tooling and engineering equipment and software tools. In addition, we paid $1.8 million of closing consideration in connection with the acquisition of Optomai on April 25, 2011. These uses of cash were partially offset by cash proceeds related to the sale of non-core laser diode and ferrite product line operations totaling $3.0 million.

Cash used in financing activities was $0.2 million for the nine months ended July 1, 2011. During this period, we raised $118.7 million in net proceeds from the issuance of Class B convertible preferred stock and warrants and paid approximately $80 million in cash dividends to holders of record of Series A-1 and Series A-2 convertible preferred stock and common stock on January 4, 2011. We paid $30.0 million of seller-financed debt arising from the M/A-COM Acquisition as well as $1.4 million of capital lease debt. In addition, we paid the first earn-out payment to Cobham during the period totaling $8.8 million relating to the M/A-COM Acquisition. These amounts were partially offset by our receipt of $0.5 million from the exercise of stock options during the nine months ended July 1, 2011.

In December 2010, we entered into a loan agreement with a commercial lender, which provides for an asset-based revolving credit facility of up to $50.0 million that matures in December 2014. Total borrowings available under the revolving credit facility at any given time are subject to customary reserves and reductions to the extent our asset borrowing base changes. Our borrowing capacity under the revolving credit facility at July 1, 2011 was $36.6 million. Borrowings under the revolving credit facility bear either a variable interest rate equal to the lender's prime rate (which is a function of the federal funds effective rate) plus 0.5%, or the London InterBank Offered Rate (LIBOR) for a one-month period plus either 1.75% or 2.25%, subject to certain conditions. The revolving credit facility is secured by substantially all our assets and provides that we must comply with certain financial and non-financial covenants. We were in compliance with these financial and non-financial covenants as of July 1, 2011. As of July 1, 2011, we had no outstanding borrowings under the revolving credit facility.

In connection with the M/A-COM Acquisition, we agreed to pay Cobham up to $30.0 million in the aggregate in the form of an earn-out based on our achievement of revenue targets in the 12-month periods ended September 30, 2010, 2011 and 2012. Any such earned amounts are payable within 60 days following the applicable period end. In November 2010, we paid the first earn-out payment of $8.8 million to Cobham related to the initial period ended September 30, 2010. Cobham may earn up to $15.0 million in each of the remaining two annual earn-out periods, subject in each case to a $30.0 million limitation on all payments under the earn-out in the aggregate. Although neither period has been completed, our current expectation is that we will likely pay Cobham the maximum possible earn-out payment of $15.0 million for the earn-out period ending September 30, 2011 and that we will likely pay Cobham the remaining maximum possible earn-out payment of $6.2 million for the earn-out period ending September 30, 2012. The earn-out arrangement also provides the potential for accelerated earn-out payments and revision of the revenue targets in the event of a sale of our company, significant divestments by us of assets or businesses that would otherwise contribute revenue toward the earn-out or our current majority stockholders' beneficial ownership of our outstanding equity securities dropping below 50.1%.

We also entered into an earn-out arrangement in connection with our purchase of Optomai in April 2011. We agreed to pay the stockholders and option holders of Optomai up to $16.0 million in the aggregate in the form of an earn-out based on our achievement of certain revenue, product release and contribution margin targets based on sales of products utilizing Optomai intellectual property in the 12-month periods ending March 30, 2012 and March 29, 2013. The maximum aggregate earn-out payable by us to the former stockholders and option holders of Optomai is $1.0 million in the first annual earn-out period and $16.0 million (less any earn-out paid in the first period) in the second annual earn-out period.

Upon completion of this offering, we will be obligated to pay a preference payment relating to this offering to the former holders of our Class B convertible preferred stock in an amount between $20.0 million and $60.0

million. Assuming an initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, we will be obligated to pay a preference payment relating to this offering to the former holders of our Class B convertible preferred stock in the aggregate amount of $. Such preference payment will be paid out of the proceeds of this offering. See "Certain Relationships and Related Person Transactions—Sale of Class B Convertible Preferred Stock and Warrants" appearing elsewhere in this prospectus.

The undistributed earnings of our foreign subsidiaries, with the exception of our Taiwan subsidiary, are permanently reinvested since we do not intend to repatriate such earnings. We believe the decision to permanently reinvest these earnings will not have a significant impact on our liquidity.

We believe that our cash, cash equivalents, cash generated from operations, available borrowings and proceeds from this offering will be sufficient to meet our cash needs for at least the next 12 months.

Contractual Obligations

The following is a summary of our contractual payment obligations for consolidated debt, purchase agreements, operating leases, other commitments and long-term liabilities as of October 1, 2010 (in thousands):

	Payments Due By Period				
Obligation (1)	Total	Less Than 1 Year	1-3 Years	3-5 Years	Thereafter
Long-Term Debt Obligations (2)	$30,000	$ —	$ 30,000	$ —	$ —
Operating Lease Obligations (3)	7,897	2,831	4,435	484	147
Capital Lease Obligations (4)	1,426	768	658	—	—
Purchase Commitments (5)	1,595	1,595	—	—	—
	$40,918	$ 5,194	$ 35,093	$ 484	$ 147

(1) Excludes contingent obligations. Material contingent obligations include $30.0 million in contingent consideration related to acquisitions, $8.8 million of which we subsequently paid in November 2010. We currently expect to pay $15.0 million of this obligation in fiscal year 2012, with the balance expected to be paid in fiscal year 2013. Also excluded is a preference payment to the holders of our Class B convertible preferred stock of up to $60.0 million in connection with this offering. In fiscal year 2011, we entered into an arrangement to pay up to $16.0 million of additional contingent consideration, payable in fiscal years 2012 and 2013, in connection with our acquisition of Optomai.

(2) Reflects seller financing in connection with the M/A-COM Acquisition, which was subsequently paid off in December 2010 in connection with securing a new $50.0 million revolving credit facility with a commercial lender. Subsequent to the issuance of Class B convertible preferred stock in December 2010, we paid all outstanding amounts under the revolving credit facility and have not borrowed additional amounts under the revolving credit facility.

(3) We have non-cancelable operating lease agreements for office, research, development, and manufacturing space in the U.S. and foreign locations. We also have operating leases for certain equipment, automobiles and services. These lease agreements expire at various dates through 2017 and certain agreements contain provisions for extension at substantially the same terms as currently in effect.

(4) We entered into two non-cancelable capital lease agreements for equipment in fiscal year 2010 with terms of up to two years. The leases were terminated in May 2011 when we purchase the related assets.

(5) In the normal course of business, we enter into supply arrangements with certain of our suppliers to purchase minimum quantities of raw materials.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our combined consolidated financial statements. The preparation of financial statements, in conformity with generally accepted accounting principles in the U.S. (GAAP), requires management to make estimates and assumptions that affect

the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. By their nature, these estimates and judgments are subject to an inherent degree of uncertainty. On an ongoing basis, we re-evaluate our judgments and estimates. We base our estimates and judgments on our historical experience and on other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates, and material effects on our operating results and financial position may result. The accounting policies described below are those which our management believes involve the most significant application of judgment, or involve complex estimation.

Revenue recognition. We recognize revenue when: (i) there is persuasive evidence that an arrangement exists; (ii) delivery has occurred or services have been rendered; (iii) the fee is fixed or determinable; and (iv) collectability is reasonably assured. We defer the recognition of revenue, and the related costs, from sales to distributors under agreements providing for rights of return and price protection until such time as our products are sold by the distributors to their customers. We do not provide customers other than distributors the right to return product, with the exception of warranty related matters, which are discussed below. Accordingly, we do not generally maintain a reserve for sales returns.

Inventory. Inventory is stated at the lower of cost or market. We use a combination of standard cost and moving weighted-average cost methodologies to determine the cost basis for inventories, approximating a first-in, first-out basis. The standard cost of finished goods and work-in-process inventory is composed of material, labor and manufacturing overhead, which approximates actual cost. In addition to stating inventory at the lower of cost or market, we also evaluate inventory each quarter for excess quantities and obsolescence, establishing reserves when necessary based upon historical experience, assessment of economic conditions and expected demand. Estimating demand is inherently difficult, particularly given the cyclical nature of the semiconductor industry, and can result in excess or obsolete inventory. Once we write down inventory to its estimated net realizable value, we establish a new cost basis for that inventory and do not increase its carrying value due to subsequent changes in demand forecasts. Accordingly, if inventory previously written down is subsequently sold, we may realize higher than normal gross margin on these transactions. Neither inventory write-downs nor sales of previously written down inventory had a material impact on our operating results for any period presented in this prospectus.

Warranty obligations. We establish a product warranty liability at the time we recognize revenue. Our warranty terms are generally 12 months from the point of sale, and cover nonconformance with specifications and defects in material or workmanship. In certain circumstances longer or more stringent product warranties may apply. For sales to distributors, our warranty generally begins when the product is resold by the distributor. The liability we record is based on our estimated costs to fulfill customer product warranty obligations, and utilizes historical product failure rates. Should actual warranty obligations differ from estimates, revisions to the warranty liability may be required. If we experience an increase in warranty claims above historical experience or our costs to provide warranty services increase, we may increase our warranty accrual, which would adversely impact our gross margin.

Share-based compensation. We provide share-based compensation awards to our directors, officers and employees as incentives in the form of stock options for the purchase of our common stock, and shares of our common stock that are subject to vesting, which we refer to as restricted stock. We measure compensation cost for such awards based upon fair value on the date of grant, and recognize this cost as expense over the service period the awards are expected to vest, net of estimated forfeitures. The fair value of restricted stock is determined based on the excess of the estimated fair value of our common stock on the date of grant over the price paid for the shares. The fair value of stock options is determined using the Black-Scholes option-pricing model. We recognize the compensation expense associated with share-based awards on a straight-line basis over the requisite service period of the award, which is generally the vesting period. The determination of fair value of share-based awards utilizing the Black-Scholes model is affected by the fair value of our common stock as of the

time of grant and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends.

Prior to this offering, the fair value for our common stock, for the purpose of determining the exercise prices of our stock options and the fair value of restricted stock, was estimated by our board of directors, with input from management. Our board of directors exercised judgment in determining the estimated fair value of our common stock on the date of grant based on various factors, including:

- consultation with independent third-party valuation professionals;
- the prices paid in merger and acquisition transactions involving us, such as the M/A-COM Acquisition and the Mimix Merger;
- the prices for our convertible preferred stock sold to outside investors in arm's-length transactions;
- the rights, preferences and privileges of that convertible preferred stock relative to those of our common stock;
- our operating and financial performance;
- the introduction of new products;
- our stage of development and revenue growth;
- the lack of an active public market for our common and preferred stock;
- industry information such as market growth and volume;
- the performance of similarly-situated companies in our industry;
- the execution of strategic and development agreements;
- the risks inherent in the development and expansion of our products and services; and
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given prevailing market conditions and the nature and history of our business.

We do not have a history of active published market prices for our common stock, and as such, we estimate volatility in share price using historical volatilities of similar companies. For purposes of using the Black-Scholes model, we based our analysis of expected volatility on reported data for a peer group of companies that issued options with substantially similar terms using an average of the historical volatility measures of this peer group of companies. The expected life of options has been determined utilizing the "simplified" method, which uses the midpoint between the vesting date and the end of the contractual term. The risk-free interest rate is based on a U.S. treasury instrument whose term is consistent with the expected life of the stock options. We paid a dividend, aggregating $80.0 million to stockholders of record of our Series A-1 convertible preferred stock, Series A-2 convertible preferred stock and common stock on January 4, 2011 following the issuance of our Class B convertible preferred stock. This dividend was not expected at the time we granted stock options in periods prior to the dividend payment. We believe the circumstances leading up to the dividend payment were unique and we do not anticipate paying future cash dividends on our shares of common stock; therefore, the expected dividend yield was assumed to be zero in estimating the fair value of stock options in all periods presented. We utilize an estimated forfeiture rate at the grant date of an award when calculating the expense to be recorded in our statements of operations, utilizing a combination of our historical and expected forfeitures. If this estimated rate changes due to different actual forfeitures, our stock compensation expense may increase or decrease significantly. If there are any modifications or cancellations of the underlying unvested securities or the terms of the stock option, we may be required to accelerate, increase or cancel any remaining unamortized share-based compensation expense.

We believe that the exercise price for stock options granted was determined by our board of directors in a manner consistent with guidance set forth in the American Institute of Certified Public Accountants (AICPA), Technical Practice Aid, "Valuation of Privately-Held-Company Equity Securities Issued as Compensation," referred to herein as the AICPA Practice Aid. We believe that consideration by our board of directors of the factors described above reflects a reasonable approach to estimating the fair value of our common stock for those periods. Determining the fair value of our stock requires complex and subjective judgments, however, and there is inherent uncertainty in our estimate of fair value.

For awards granted through the date of the May 2010 Mimix Merger, we used a number of methods to estimate the fair value of our common stock. In each case we developed both an income approach and market approach to estimate our total enterprise value. We allocated the enterprise value to the outstanding classes of equity based on methods described in the AICPA Practice Aid. Specifically, we employed the "Option Pricing Methodology" for valuations performed through October 2010 and the "Probability Weighted Expected Return Methodology" for valuations performed since October 2010. The change to the Probability Weighted Expected Return Methodology was precipitated by changes in our business that allowed us to forecast the occurrence of possible near-term liquidity events. For each of these valuations, consideration was given to any outside investments in our equity.

The Probability Weighted Expected Return Methodology took into consideration the following scenarios:

- two different valuation scenarios for the completion of an initial public offering;
- three different valuation scenarios for sales to a strategic acquirer at a price above the preferred stock aggregate liquidation preferences; and
- a sale to an acquirer at a price at or below the liquidation preference.

The valuation information we considered to determine the fair value of our common stock was based on the Probability-Weighted Expected Return Methodology, liquidation preferences, progress towards a liquidity event and historical market data of recent liquidity transactions for similar companies. We allocated the enterprise value to preferred and common shares based on a scenario analysis described above that incorporated our capital structure and the specific rights and preferences associated with our securities under these various liquidity scenarios. The plans of our board of directors and management, together with achieved operating results, informed the timing and probability of the liquidity events used in the scenario analysis.

In connection with share-based awards in fiscal year 2010 and during the nine months ended July 1, 2011, based upon the above and other considerations, the board of directors estimated the fair value of our common stock to be:

- either $0.16 or $0.50 per share in fiscal year 2010; and
- either $2.02 or $2.77 per share in the nine months ended July 1, 2011.

Since the M/A-COM Acquisition in March 2009, our board of directors granted the following stock options and restricted shares, through July 1, 2011:

Date	Type of Award	Number of Common Stock Shares (in thousands)	Exercise/Purchase Price Per Share	Estimated Fair Value of Common Stock Per Share on Grant Date
September 29, 2009	Stock Options	7,500	$ 0.16	$ 0.16
October 23, 2009	Stock Options	3,245	0.16	0.16
November 10, 2009	Stock Options	860	0.16	0.16
January 4, 2010	Stock Options	750	0.16	0.16
February 5, 2010	Stock Options	250	0.16	0.16
July 22, 2010	Stock Options	2,530	0.50	0.50
August 14, 2010	Stock Options	1,680	0.50	0.50
August 30, 2010	Stock Options	100	0.50	0.50
August 30, 2010	Restricted Stock	30	0.00	0.50
February 8, 2011	Restricted Stock	440	0.00	2.02
March 25, 2011	Restricted Stock	40	0.00	2.02
April 20, 2011	Restricted Stock	163	0.00	2.77
June 2, 2011	Restricted Stock	215	0.00	2.77
June 2, 2011	Stock Options	65	2.77	2.77

Estimated grant date fair value per share for stock options and restricted stock awards ranged from $0.08 to $2.77. We generally issue shares of restricted common stock at no cost to our employees and record share-based compensation expense based upon the grant-date fair value of the common stock over the period of services, which is generally the vesting period.

Significant factors considered by our board of directors in determining the fair value of our common stock at these grant dates include:

September 2009 to February 2010

The M/A-COM Acquisition was completed in March 2009, in the midst of the global economic downturn and related credit crisis, and began a prolonged phase of transitioning the business from a legacy group of product lines within a larger multinational organization to a standalone enterprise. We initially defined a restructuring plan to reduce staffing, consolidate facilities and reduce our manufacturing footprint. As part of the acquisition, we had incurred an aggregate of $43.0 million in seller-financed indebtedness bearing interest at rates between 7.5% and 13.0% per annum, both to pay for the acquisition and to provide initial working capital due to losses from operations at the time of the transaction. Approximately $5.0 million of such indebtedness was to mature six months following the acquisition, and our initial focus was on cost cutting, re-engaging with customers after a long period of uncertainty during which it was well-known that the business had been up for sale, reducing losses from operations and improving cash flows sufficiently to repay this amount, while investing in research and development toward eventual new products. Through the above efforts, we were able to repay the first $5.0 million of indebtedness to the seller in September 2009.

Throughout September 2009 to February 2010, our operating results continued to improve although at a slower pace than we expected, as the benefits of our planned reductions in staffing and outsourcing efforts took longer to realize than we had anticipated.

Our board of directors granted our first stock options to our executives in September 2009 and followed with grants of stock options to a broader group of our personnel beginning in October 2009 through February 2010. In connection with these awards, our board of directors estimated the fair value of our common stock on a non-controlling basis to be $0.16 per share, which included, among other things, consideration of a valuation of

our common stock on a non-controlling basis we obtained as of March 30, 2009. That valuation was driven primarily by the price we paid in the M/A-COM Acquisition. The U.S. economy continued to be weak through much of this period. Although we saw signs that our business and the financial markets were improving by December 31, 2009 and were able to pay off an additional $8.0 million of our indebtedness by such date, given the overall economic environment, our continued debt burden of $30.0 million, and the risk that the long-term success or failure of the bulk of our restructuring and investment in the business to date remained uncertain, the board of directors concluded, on the basis of these and other factors, that the valuation of our common stock through February 2010 remained unchanged at $0.16 per share.

March 2010 to August 2010

Between March 2010 and August 2010, the U.S. economy and the financial and stock markets continued to recover. In March 2010, we issued 100,000,000 shares of Series A-1 convertible preferred stock in exchange for 98,000,000 outstanding shares of our common stock. This exchange did not change the ownership positions of our stockholders. The Series A-1 convertible preferred stock includes a liquidation preference of $0.795 per share and other rights, privileges and designations senior to the holders of our common stock.

In May 2010, in connection with the Mimix Merger, we issued 16,821,780 shares of Series A-2 convertible preferred stock. The Series A-2 convertible preferred stock includes a liquidation preference of $2.50 per share and other rights, privileges and designations senior to the holders of our common stock.

We obtained a valuation of our common stock as of May 28, 2010, the date of the Mimix Merger, and our board of directors determined the fair value of our common stock as a combined company and on a non-controlling basis to be $0.50 per share. This valuation included consideration of potential liquidity opportunities facing us on a probability weighted basis. Upon completion of the Mimix Merger, we began significant integration efforts to combine the two businesses, much of which was substantially completed by the end of the fourth quarter of fiscal year 2010. We generated revenue of $67.7 million in the third quarter of fiscal year 2010 as compared to revenue of $61.0 million in the second quarter of fiscal year 2010. Based on the valuation received and the factors discussed above, our board of directors granted stock options with an exercise price of $0.50 per share during July and August 2010 and recorded share-based compensation related to restricted stock grants using the same valuation.

September 2010 to March 2011

Between September 2010 and March 2011, the U.S. economy and the financial and stock markets continued to recover. We completed the sale of our Class B convertible preferred stock in December 2010 and a paid a related special dividend, aggregating $80.0 million to our stockholders, exclusive of the new Class B convertible preferred stockholders, on January 4, 2011. We experienced sequential revenue growth, generating revenue of $77.9 million for the three months ended March 2011 compared to $74.9 million for the quarter ended December 2010. We continued our cost savings initiatives while also heavily investing in product development. In light of our improved financial performance and the issuance of our Class B convertible preferred stock and payment of the special dividend, we obtained a valuation of our common stock as of January 4, 2011, on a post-dividend, non-controlling basis, which determined the fair value of our common stock to be $2.02 per share. This valuation included consideration of potential liquidity opportunities available to us on a probability weighted basis. Based on this valuation and the factors discussed above, our board of directors granted restricted stock in February 2011 and March 2011 using the $2.02 per share valuation.

April 2011 to June 2011

Between April 2011 and July 1, 2011, the U.S. economy and the financial and stock markets continued their recovery. We continued to experience revenue growth, generating $78.7 million for the quarter ended July 1, 2011 compared to $77.9 million for the quarter ended March 2011. We continued our cost savings initiatives while also heavily investing in product development. In light of our improved financial performance, as of April 1, 2011, we obtained a valuation of our common stock consistent with the January 4, 2011 method which determined the fair value of our common stock to be $2.77 per share, on a non-controlling basis. Based on this valuation and the factors discussed above, on June 2, 2011 our board of directors granted stock options with an exercise price of $2.77 per share and recorded share-based compensation related to restricted stock grants in April and June 2011 using the same valuation. We also began interviewing potential underwriters for an initial public offering of our common stock on June 2, 2011.

Determining the appropriate fair value model and calculating the fair value of share-based awards requires significant judgment and the use of assumptions which may differ materially from actual results. Actual results, and future changes in estimates, may differ substantially from our current estimates.

Fair value measurements. We measure financial assets and liabilities at fair value. Fair value is an exit price, representing the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, we group financial assets and liabilities in a three-tier fair value hierarchy. This hierarchy requires us to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. On a recurring basis, we measure certain financial assets and liabilities at fair value.

The fair values of the contingent consideration liabilities were estimated based upon a risk-adjusted present value of the probability-weighted expected payments by us. Specifically, we considered base, upside and downside scenarios for the operating metrics upon which the contingent payments are to be based. Probabilities were assigned to each scenario and the probability-weighted payments were discounted to present value using risk-adjusted discount rates.

The fair value of the common stock warrants was estimated based upon a present value of the probability-weighted expected investment returns to the holders. We weighted various scenarios of possible investment returns to the holders over the terms of the contracts, such as upon a sale of us and upon an initial public offering of our common stock, using a range of potential outcomes. Using the scenarios developed, management considered the likely timing and method of exercise of the warrants and investment returns to the holders. Where a settlement was considered likely in the near term, the probable settlement amounts were weighted. Where the time to exercise was expected to be longer, a Black-Scholes option pricing model was used to estimate the fair value of the warrants, giving consideration to remaining contractual life, expected volatility and risk free rates. The probability-weighted expected settlement of the warrant was discounted to the present using a risk adjusted discount rate.

The fair values of the Class B conversion liabilities were estimated based upon a consideration of the estimated fair value of the underlying common stock into which the Class B convertible preferred stock is convertible, and the expected preferential payments pursuant to the terms of the securities. We estimated the fair value of the common stock by using the same probability-weighted scenarios in estimating the fair value of the warrants. For each potential scenario, the value to the Class B convertible stock was estimated relative to the existing preferences. The amount in excess of the liquidation preferences, if any, was then probability-weighted and discounted to the present using a risk adjusted discount rate.

These estimates include significant judgments about potential future liquidity events and actual results could materially differ and have a material impact upon the values of the recorded liabilities. Any changes in the

estimated fair values of the liabilities in the future will be reflected in our earnings and such changes could be material. The fair values of common stock warrant liability and Class B conversion liabilities are heavily dependent on assumptions made by management relating to our valuation and the probability of completing an initial public offering of our common stock. An initial public offering completed during the next 12 months at a price per share reflective of our current estimated valuation, would result in an additional charge to our statement of operations of an estimated $20 million related to the common stock warrant liability and Class B conversion liabilities.

Income taxes. We periodically assess the likelihood that our deferred tax assets will be recovered from our future taxable income, and, to the extent we believe that it is more likely than not our deferred tax assets will not be recovered, we must establish a valuation allowance against our deferred tax assets. In making this assessment, we consider available positive and negative evidence. Conclusions reached are subject to significant judgments that are dependent upon changes in facts and circumstance. As of October 1, 2010, we evaluated available positive and negative evidence and determined that it was not more likely than not that our deferred tax assets would be realized, and we recorded a full valuation allowance. In arriving at this conclusion, we determined that the cumulative losses incurred by Mimix and us for the years prior to fiscal 2010 outweighed our short earnings history.

During the nine months ended July 1, 2011, we continued to evaluate available positive and negative evidence and concluded it was appropriate to recognize our deferred tax assets in full. The primary factor we considered was our continued profitability during the period. We concluded that it was probable that we would generate taxable income for our fiscal year ending September 30, 2011 and that two consecutive years of profitability and forecasted income in future years constituted sufficient positive evidence to support a more likely than not assessment of recoverability of the assets. Accordingly, we reversed $17.6 million of our income tax valuation allowance during the nine months ended July 1, 2011. The remaining valuation allowance of $2.7 million as of July 1, 2011 will be released during our last fiscal quarter of 2011 when the assets to which the valuation allowance relates are expected to be consumed.

For interim periods, we record a tax provision or benefit based upon the estimated effective tax rate expected for the full fiscal year.

Recent Accounting Pronouncements

In April 2010, the Financial Accounting Standards Board, (FASB) issued Account Standards Update (ASU) 2010-17, “Milestone Method of Revenue Recognition,” which amends Accounting Standards Codification (ASC) 605. ASU 2010-17 provides guidance for determining when the milestone method of revenue recognition is appropriate and how this method should be applied, and specifies related disclosure requirements. ASU 2010-17 will be effective for us on October 2, 2011. We believe that the adoption of ASU 2010-17 will not have a material effect on our financial position or results of operations.

In December 2010, the FASB issued ASU 2010-29, “Disclosure of Supplementary Pro Forma Information for Business Combinations (a consensus of the FASB’s Emerging Issues Task Force).” ASU 2010-29 clarifies that when presenting comparative financial statements, an entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only, and expands the related disclosure requirements. ASU 2010-29 will be effective for us on October 2, 2011, and will be applied to business combinations for which the acquisition date is subsequent to that date. We believe that the adoption of ASU 2010-29 will not have a material effect on our financial disclosures.

Off-Balance Sheet Arrangements

We had no off-balance sheet arrangements at July 1, 2011 or October 1, 2010.

Taxes

As of October 1, 2010, the total amount of our net unrecognized tax benefits for uncertain tax positions was $0.4 million. Although it is reasonably possible that our unrecognized tax benefits for tax positions taken on previously filed tax returns could materially change in the next 12 months, we are unable to make a reasonably reliable estimate as to when cash settlement of these unrecognized tax benefits, if any, will occur with a tax authority, as the timing of examinations and ultimate resolution of those examinations is uncertain.

Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of business, which consists primarily of interest rate risk associated with our cash and cash equivalents, as well as foreign exchange rate risk.

Interest rate risk. The primary objectives of our investment activity are to preserve principal, provide liquidity and earn a market rate of return. To minimize market risk, we maintain our portfolio in cash and diversified short-term investments, which may consist of bank deposits, money market funds and highly rated, short-term US government securities and short-term commercial paper through domestic banks who are insured by the Federal Deposit Insurance Corporation. The interest rates are variable and fluctuate with current market conditions. The risk associated with fluctuating interest rates is limited to this investment portfolio. We believe that a 10% change in interest rates would not have a material impact on our financial position or results of operations.

Our exposure to market risk also relates to the increase or decrease in the amount of interest expense we must pay on our revolving credit facility. The interest rate on our revolving credit facility is a variable interest rate based on our lender's prime rate (a function of the federal funds effective rate) plus the applicable lender's margin or the LIBOR plus the applicable lender's margin, which exposes us to market interest rate risk when we have outstanding borrowings under the revolving credit facility. At July 1, 2011, we had no outstanding borrowings under the revolving credit facility. We believe that a 10% change in interest rates would not have a material impact on our financial position or results of operations.

Foreign currency risk. To date, our international customer agreements have been denominated primarily in U.S. dollars. Accordingly, we have limited exposure to foreign currency exchange rates. The functional currency of a majority of our foreign operations is U.S. dollars with the remaining operations being local currency. The effects of exchange rate fluctuations on the net assets of the majority of our operations are accounted for as transaction gains or losses. We believe that a change of 10% in such foreign currency exchange rates would not have a material impact on our financial position or results of operations. In the future, we may enter into foreign currency exchange hedging contracts to reduce our exposure to changes in exchange rates.

BUSINESS

Company Overview

We are a leading provider of high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum. We leverage our system-level expertise to design and manufacture differentiated, high-value products for customers who demand high performance, quality, and reliability. The diversity and depth of our business across technologies, products, applications, end markets and geographies provide us with a stable foundation for growth and enable us to develop strong relationships with our customers. We offer over 3,000 standard and custom devices, ICs, multi-chip modules and complete subsystems across 38 product lines serving over 6,000 end customers in three large and growing primary markets. Our primary markets are Networks, which includes CATV, cellular backhaul, cellular infrastructure and fiber optic applications; A&D; and Multi-market, which includes automotive, industrial, medical, mobile and scientific applications.

We build upon a strong 60-year heritage of delivering innovative solutions dating back to the founding of Microwave Associates, Inc. We utilize our system-level knowledge and our extensive capabilities in high-frequency modeling, IC design, integration, packaging and manufacturing of semiconductors to address our customers' needs. Our specialized engineers and technologists located across six global design centers collaborate with our customers during the early stage of their system development process to incorporate our standard products and identify custom products we can develop to enhance their overall system performance. We believe the combination of our market-facing strategy and our engineering expertise enables us to identify profitable growth opportunities and rapidly develop and deliver new products and solutions. We have a comprehensive new product opportunity assessment process with 128 products in development as of July 1, 2011 that we believe will enhance our revenue growth and improve our gross margin through a richer product mix. Many of our products have long lifecycles ranging from 5 to 10 years, and some of our products have been shipping for over 20 years. We believe these factors create a competitive advantage that often leads to sole source design wins and strengthened customer relationships.

We believe our "fab-lite" manufacturing model provides us with a competitive advantage and an attractive financial model through a variable cost structure. We operate a single GaAs and silicon semiconductor fab at our Lowell, Massachusetts headquarters. We also utilize external semiconductor foundries to supply us with additional capacity in periods of high demand and to provide us access to additional process technologies. The ability to utilize a broad array of internal proprietary process technologies as well as commercially available foundry technologies allows us to select the most appropriate technology to solve our customers' needs. We believe our fab-lite strategy also provides us with dependable domestic supply, control over quality, reduced capital investment requirements, faster time to market, and additional outsourced capacity when needed. In the A&D market, an internal domestic fab is often a requirement to be a strategic supplier. In addition, the experience base cultivated through the continued operation of our internal fab provides us with the expertise to better manage our external foundry suppliers.

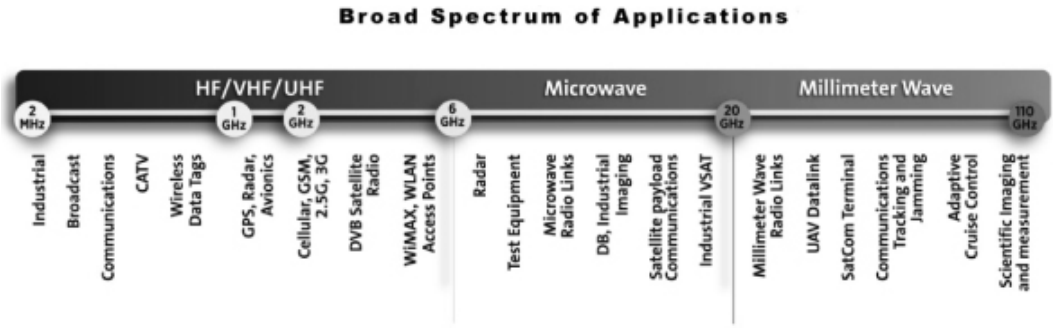
We serve our broad and diverse customer base through a multi-channel sales strategy utilizing direct sales and a global network of independent sales representatives and distributors. Our direct sales force and application engineers are focused on securing design wins by supporting industry-leading OEM customers. Our customers include Alcatel-Lucent, Cisco Systems, Inc., Ericsson AB, Ford, Harris Corporation, Huawei Technologies Co., Ltd., ITT Corporation, Rockwell Collins, Inc., Samsung Electronics Co., Ltd. and Thales S.A. Our top 25 direct customers, most of whom have been purchasing our products for at least a decade, accounted for 50.9% of our revenue in fiscal year 2010 and 57.2% of our revenue in the nine months ended July 1, 2011. Sales to our distributors accounted for 30.0% of our revenue in fiscal year 2010 and 25.1% of our revenue in the nine months ended July 1, 2011.

We generated revenue of $260.3 million for fiscal year 2010 and $231.5 million and $186.1 million for the nine months ended July 1, 2011 and July 2, 2010, respectively. Our revenue grew 24.4% for the nine months ended July 1, 2011 over the nine months ended July 2, 2010.

Industry

The growth of advanced electronic systems using RF, microwave and millimeterwave technologies has created strong demand for high-performance analog semiconductor components, modules and solutions. This market demand is driven by the growth of mobile internet devices, cloud computing and streaming video that strain existing network capacity, as well as the growth in advanced information-centric military applications. In addition, the increasing need for real-time information, sensing and imaging functions in automotive, industrial, medical, scientific and test and measurement applications is driving demand in these markets.

The terms RF, microwave and millimeterwave are used to refer to electromagnetic waves in a particular frequency range produced by applying an alternating current to an antenna or conductor. A wide variety of advanced electronic systems rely on electromagnetic waves for high-speed data transmission or reception.



The Networks market is experiencing growth with the proliferation of wireless and wired devices from smartphones and tablets to set top boxes, as well as the data rich applications and services they enable such as mobile internet, cloud computing, video-on-demand, social media, global positioning functionality and location based services. According to the 2010 Cisco Visual Networking index, Global Internet Protocol traffic will quadruple from 2009 to 2014, growing at a approximately 34% compound annual growth rate (CAGR). The growth in Global Internet Protocol traffic is driving demand for communications infrastructure equipment consisting of amplifiers, filters, receivers, switches, synthesizers, transformers, upconverters, and other components to expand and upgrade cellular backhaul, cellular infrastructure, CATV, broadband, and fiber optic networks. In addition, semiconductor products and solutions must continually deliver higher throughput performance and functionality to meet the increasing demands of end users.

In the A&D market, electronic content continues to grow as military applications, such as radar warning receivers, communications data links and tactical radios, unmanned aerial vehicles (UAV), RF jammers, electronic countermeasures, and smart munitions, require more advanced electronic systems. Military applications are becoming more sophisticated, favoring higher performance semiconductor ICs based on GaAs and GaN technology due to their high power density, improved power efficiency and broadband capability. Radar systems for mapping and targeting missions are undergoing a major transition from existing mechanically scanned radar products to a new generation of active electronically scanned array (AESA) based products. Consisting of hundreds or thousands of transmit/receive modules commonly based on GaAs and increasingly on GaN technology, AESAs deliver greater speed, range, resolution and reliability over mechanically scanned radar

products that utilize a single transmitter and receiver with mechanical steering. Military communications employing wireless infrastructure and tactical radios in the field remain critical for allowing geographically dispersed users to exchange information quickly and efficiently. The tactical radio market is transitioning from single-band, single-mode radios to multi-band, multi-mode radios and the annual multi-band military radio market is estimated to grow from $1.3 billion in 2009 to $4.4 billion in 2020, representing an approximately 12% CAGR, according to Strategy Analytics. UAVs and their underlying semiconductor content require innovative designs to meet the rigorous specifications for high performance, small size, and low power consumption. The Teal Group forecasts that the worldwide UAV market will double over the next decade due to heightened interest in information warfare and peace keeping missions.

The Multi-market category encompasses various applications including automotive, industrial, medical, mobile, test and measurement and scientific applications, where RF, microwave and millimeterwave semiconductor solutions are gaining prevalence. Semiconductor content in automobiles is projected to grow in order to offer connectivity, safety, performance and telematics features. For example, market research provider IC Insights forecasts that average semiconductor content per automobile will rise to $350 in 2011, a 15% increase from the $305 average in 2010, and to $425 in 2014. In addition, evolving medical technology has increased the need for high-performance semiconductor solutions in medical imaging and patient monitoring to provide enhanced analysis and functionality.

Industry Challenges

As the demand for advanced electronics systems relying on RF, microwave and millimeterwave technologies increases, OEMs are facing increasing challenges to provide high-performance, high quality and reliable products and systems including:

Higher performance requirements. End users of communication devices and advanced electronic systems are increasingly demanding higher performance, longer usage time, improved reception, faster data upload and download speeds, and longer service life. In order to meet these demands, OEMs seek innovative semiconductor solutions that offer greater performance attributes that result in increased throughput, reduced power consumption and increased signal integrity.

Increasing systems complexity. Growing competitive pressures to enhance system features and improve overall performance is creating greater system complexity. A common technology trend in many wireless markets is the proliferation of multi-band, multi-mode applications that operate at higher frequencies. This increasing complexity coupled with the pressure to reduce costs and simplify assembly operations, is forcing OEMs to seek highly integrated solutions that combine multiple functions, thereby reducing component count and system size without compromising performance.

Faster time to market. OEMs must reduce their development time in order to bring their systems to market faster and respond to growing competition. Due to long OEM program lifecycles and their customer planning processes, we believe the OEM’s ability to secure initial design wins is especially critical to drive future revenue. As a result, OEMs seek integrated solutions and technical support that shorten their time to design, develop, test, qualify and launch their systems.

Greater cost pressure. The global competitive landscape demands that OEMs deliver more advanced and complex systems in a cost-effective manner. Many OEMs have reduced or eliminated their internal semiconductor design and manufacturing capabilities and instead rely on specialized, best-in-class suppliers for these solutions. This trend has yielded additional opportunities for qualified semiconductor suppliers to provide cost-effective, high-performance products and solutions.

Higher quality and reliability requirements. Our primary markets are dominated by applications requiring high quality and reliable products. Components and systems in these markets may be subject to extreme environmental conditions for extended periods of time, in some cases over 10 years. For example, in automotive, battlefield and communications infrastructure applications, quality and reliability requirements are more stringent

as the consequences of a field failure can be particularly serious or expensive to service. As a result, OEMs may require their suppliers to implement specialized design, manufacturing, quality assurance and testing processes.

Our Competitive Strengths

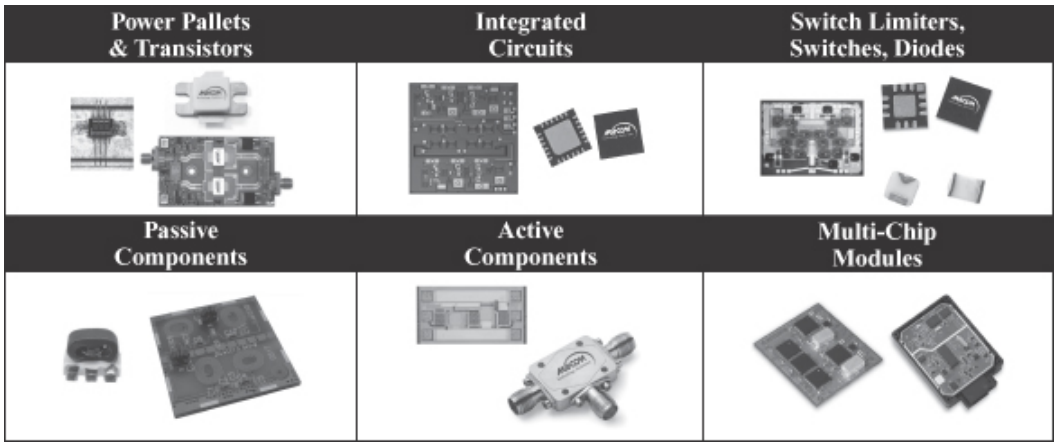
We believe our key competitive strengths include the following:

Extensive design and integration capabilities. Our 60-year heritage of innovation has allowed us to develop a comprehensive understanding of high-performance analog semiconductor solutions for wireless and wireline RF, microwave and millimeterwave applications. Our expertise includes advanced modeling, IC design wafer fabrication processes, packaging and associated assembly and testing of individual devices and complete subsystems. Our system-level approach to integration in conjunction with innovative IC and package design capabilities enable us to rapidly provide a comprehensive set of high-performance and high-value solutions to meet the increasingly complex needs of our customers. For example, our “SmartSet” chipset solution of six highly integrated, multi-function ICs simplifies complex point-to-point radio design for our customers. The six ICs consist of an upconverter, receiver, driver amplifier, power amplifier, frequency multiplier and voltage controlled oscillator, which when combined together in our “SmartSet” chipset deliver optimal system performance while enabling OEMs to achieve faster time to market. Our engineers use proprietary device and electro-magnetic modeling techniques to further enhance our design capabilities and accurately model performance of our new designs before fabrication, thus reducing cost and shortening time to market. Our team of engineers, many of whom have over 20 years of experience in high-frequency analog design, are located across six global design centers. The combination of our extensive knowledge base, patents and trade secrets, design and modeling expertise and experienced engineering talent provides a competitive advantage.

Fab-lite manufacturing with broad and differentiated process and packaging technologies. We believe our fab-lite model provides us with an operating advantage over fabless competitors and those that only use an internal fab, by giving us the flexibility to use our internal fab for proprietary process technologies or external fabs for other technologies. Our fab-lite model also provides us with dependable domestic supply, control over quality, reduced capital investment requirements, faster time to market and additional outsourced capacity when needed. In the A&D market, an internal domestic fab is often a requirement to be a strategic supplier. For example, our diode and switch manufacturing capabilities include our patented aluminum GaAs (AlGaAs) and heterolithic microwave integrated circuit (HMIC) process technologies. With our AlGaAs heterojunction P-I-N diode technology, we have been able to secure design wins in high end systems such as semiconductor test and measurement equipment and A&D missile seeker heads that require high power, low insertion loss switching components over broadband operation from DC to 70 GHz. We have also pioneered the design of low cost surface mount packaging for high-frequency, millimeterwave applications, which allows our customers to leverage lower cost and high-volume assembly lines to manufacture their products. The combination of these processes and packaging technology innovations with our fab-lite manufacturing model and broad engineering expertise enables us to optimize our products to best address our customers’ needs while providing a competitive advantage that we believe is difficult to replicate.

Breadth and depth of product portfolio and diverse end markets. We offer a broad range of standard and custom ICs, modules and complete subsystems across 38 product lines. Many of our products have long lifecycles ranging from 5 to 10 years. Our product portfolio currently includes more than 3,000 products actively sold across various product lines in the following key platforms:

Key Product Platforms



More than 6,000 customers in various applications and end markets worldwide have purchased our products, either from us directly or through our global network of sales representatives and distributors. Our products are offered in numerous form factors to facilitate their use in a variety of applications within our diverse primary markets of Networks, A&D and Multi-market, which represented 27%, 33%, and 40%, respectively, of our revenue in fiscal year 2010 and 31%, 30% and 39%, respectively, of our revenue in the nine months ended July 1, 2011. Our disciplined approach to new product development allows us to produce new product platforms with a fast cycle time from opportunity assessment to product launch. Our broad offering and reach into three large and growing markets provide us with competitive advantages to identify and address new opportunities for growth. For example, our commercial manufacturing experience and capabilities in the Networks and Multi-market allow us to provide cost-effective solutions to the A&D market. In addition, while our A&D customers may be the first to demand products fabricated in the newest high-performance process technologies, as manufacturing volumes increase and wafer prices drop, we believe our Networks and Multi-market customers will increasingly demand next-generation products leveraging these technologies.

Global sales and engineering footprint fostering strong customer relationships. We employ a global multi-channel sales strategy and support model intended to facilitate our customer's evaluation and selection of our products. We sell through our direct sales force, our application engineering staff and our global network of independent sales representatives and distributors. We have strategically positioned our direct sales and applications engineering staff in 25 locations worldwide, augmented by independent sales representatives and distributors in 135 locations worldwide to offer responsive local support resources to our customers and to build long-term relationships. With our global design centers, our application engineers visit customers at their engineering and manufacturing facilities, aid them in understanding our capabilities and collaborate with them to optimize their system performance. Our global distribution network allows us to reach new customers in new geographies more effectively than we can using our direct sales force alone.

Proven track record, extensive history and reputation for delivering high-quality and reliable solutions. Our management leadership team has an average of 23 years of experience in our industry. In addition, M/A-COM as

a global brand leverages a 60-year heritage of experience in designing and manufacturing innovative and reliable solutions to meet the needs of our industry-leading OEM customers. Over the years we have developed broad expertise in a number of disciplines that are critical to the design and manufacture of ICs, components and modules for technically demanding RF, microwave and millimeterwave applications. We have organized our business globally around key markets and are often selected by customers on the basis of our demonstrated industry expertise to provide them with insight, innovation and high quality, reliable solutions. Our U.S.-based fab provides us and our customers the confidence that our technology and their supply are both secure and dependable for their relatively long-lived programs. Running our own fab assures us and our customers that our production quality standards will be adhered to at the highest level. We place a relentless focus on operational quality and efficiency, which has resulted in deep and lasting relationships with our core customers.

Strategy

Our objective is to be the leader in providing high-performance analog semiconductor solutions for use in wireless and wireline applications across the RF, microwave and millimeterwave spectrum. Key elements of our strategy to achieve this objective include:

Aggressively deliver new products and solutions. Our system-level expertise, engineering talent and broad technology portfolio provide us with a strong foundation for delivering new products and solutions. We intend to use our new product opportunity assessment process to identify and develop more integrated, higher-margin and value-added solutions with long lifecycles that we believe can support our revenue growth and improve our gross margin through a richer product mix. Product opportunities are evaluated on various criteria, including market and customer opportunity, product and technology strategy, and financial targets. We continue to invest in our product portfolio and recently doubled the size of our engineering team, expanded from two to six global design centers and significantly increased our research and development spending. As of July 1, 2011, we had 128 new products in development with expected design cycle times ranging from 8 weeks to 18 months. For example, we recently introduced gallium nitride on silicon carbide (GaN-on-SiC) transistors as well as a “Smart Pallet” that integrates multiple GaN-on-SiC transistors and additional circuitry on a low-cost board. The uniquely designed “Smart Pallet” reduces the complexity and cost for our customers to integrate our solutions into their system by lowering their bill of materials and enabling programmability. We believe we will continue to provide more technology solutions and extend our position as a leading provider in the markets we serve.

Leverage technology expertise and innovation. We believe our core competency is the ability to model, design, integrate, package and manufacture differentiated solutions. We intend to leverage this core competency to continue to solve increasingly difficult and complex challenges that our customers face during their system design phases. We believe our integrated and customized solutions provide high performance, quality, reliability and faster time to market and we will continue to enhance and defend our technology leadership and sole supplier status with many of our customers. For example, we developed innovative, patented technologies such as HMIC, which provides high integration, high power and low loss switching capabilities for our primary markets. This technology replaces mechanical switches for very high power applications.

Increase sales to existing customers and pursue new markets and customers. We intend to continue to expand our revenue opportunities through our market-facing strategy of aligning our solutions with our customers’ needs and collaborating with them during the product definition stage of their system to design in our standard products and identify custom products we can develop to enhance their overall system. We believe this approach will allow us to sell more complete semiconductor solutions that integrate more functions and incorporate more highly-valued content into our products. Our multi-channel sales strategy allows us to reach new customers in new geographies more effectively than we can with only our direct sales force. We also intend to increase our direct sales force presence in attractive international markets with high-growth potential.

Utilize fab-lite manufacturing approach to optimize our solutions. We intend to continue capitalizing on our fab-lite strategy as an operating advantage. In any situation, we may choose to leverage our internal proprietary

process technologies or other technologies from external fabs. Our domestic fab provides us with a dependable source of supply and allows us to better control quality and develop products faster with shorter fabrication lead times over external foundries. We believe our ability to leverage our existing internal capabilities and external outsourcing helps us to provide optimized solutions for our customers and will help us gain market share over time.

Opportunistically pursue complementary acquisitions. We intend to pursue acquisitions of technologies, design teams, products and companies that complement our strengths and help us execute our strategies. Our acquisition strategy is designed to accelerate our revenue growth, expand our technology portfolio, grow our addressable market and create shareholder value. Our management team has a proven track record in identifying, acquiring and successfully integrating companies and technologies in the high-performance analog semiconductor industry. We acquired Mimix for its complementary products and technologies in our core markets, which enabled us to strengthen customer relationships, and Optomai for technologies that have accelerated our entrance into the fiber optics market.

Continue to improve operational efficiency. We intend to expand our gross margin primarily through a higher margin product mix driven by our new product opportunity assessment program. We also intend to continue to increase our operational efficiency by leveraging our existing fixed-cost structure, achieving greater capacity utilization and continuing to optimize our supply chain.

Markets

We offer high-performance analog semiconductor products for both wireless and wireline applications across the frequency spectrum from RF to millimeterwave. We regularly develop high-value products to serve our customers in three primary markets: Networks, A&D and Multi-market.

Networks. In the Networks market, our expertise in system-level architectures and advanced microwave monolithic integrated circuit (MMIC) design capability allow us to offer OEMs highly integrated solutions optimized for performance and cost. We are a leader in high-frequency semiconductors used in point-to-point radios for cellular backhaul and we provide a highly-integrated solution featuring innovative IC and package design capabilities. Similarly, we offer a broad portfolio of modulator drivers, transimpedance amplifiers and limiting amplifiers for transmitter and receiver applications in 40/100 Gbps fiber optic networks, enabling telecommunications carriers and data centers to cost-efficiently increase their network capacity by a factor of four to ten times. For optical communications applications, we utilize a proprietary combination of GaAs and InP technologies to obtain advantages in performance and size. For CATV infrastructure applications, we offer OEMs the opportunity to streamline their supply chain through our broad portfolio of active components such as active splitters, amplifiers, multi-function ICs and switches, as well as passive components such as transformers, diplexers, filters, power dividers and combiners. Our revenue from sales of Networks products accounted for 27% of our revenue for fiscal year 2010, and 31.0% and 26.4% for the nine months ended July 1, 2011 and July 2, 2010, respectively.

Aerospace & Defense. In the A&D market, we believe our in-depth knowledge of critical radar system requirements, integration expertise and track record of reliability make us a trusted resource for customers faced with demanding application parameters. For radar applications, we offer standard and custom power transistor pallets, discrete components, limiters, phase shifters and integrated modules for transmission functions in air traffic control, marine, weather and military and phased array radar applications. For military communications data link and tactical radio applications, we offer a family of active, passive and discrete products that can fill out both the transmit and receive chain in such systems, such as integrated IC modules, control components, low phase noise hybrid voltage-controlled oscillators (VCOs), transformers, power transistors and pallets, and metal electrode leadless face (MELF) PIN diodes. In some cases, we design parts specifically for these applications, while in others, our reputation for quality allows these demanding customers to reduce the cost of their high-performance systems by designing in standard dual-use or commercial off-the-shelf parts that we have developed for other applications. We believe manufacturing many of these products in our U.S. fab offers us a competitive

advantage in the A&D market because of our proprietary process technologies and certain A&D customers' requirements for a domestic supply chain. Our revenue from sales of A&D products accounted for 33% of our revenue for fiscal year 2010 and 29.9% and 32.8% for the nine months ended July 1, 2011 and July 2, 2010, respectively.

Multi-market. In Multi-market, our products are used in automotive, industrial, medical, mobile, test and measurement and scientific applications. For automotive applications, we leverage our patented technology, proprietary software, advanced integration expertise and system architecture to provide an integrated global positioning system (GPS) module with smaller form factor and lower cost. In the medical industry, our custom designed non-magnetic MELF PIN diode product line is critical for MRI applications. For test and measurement applications, our patented HMIC process is ideal for high-performance, integrated bias networks. Our portfolio of general purpose GaAs ICs includes low noise amplifiers and power amplifiers that address a wide range of applications from industrial radio frequency identification (RFID) systems to test and measurement equipment, tablets and other wireless local area network devices. Our revenue from sales of Multi-market products accounted for 40% of our revenue for fiscal year 2010 and 39.1% and 40.9% for the nine months ended July 1, 2011 and July 2, 2010, respectively.

The table below presents the major applications in our three primary markets:

Networks	Aerospace & Defense	Multi-market
Broadcast	Avionics	Automotive / GPS
CATV Headend Equipment	Electronic Warfare	Body / Object Scanning
CATV Infrastructure	Hi-rel / Space	Datacards
Cellular Backhaul	Military Comm. Data Links	Industrial
Cellular Infrastructure	Military Comm. Radios	Scientific
GPON / FTTx	Public Safety Radios	Medical
Optical Communications	Radar	RFID
Satellite Communications		Smart Energy
Set Top Box / DVR / Modems		Smartphones / Tablets
Video / Media Gateway		Test & Measurement
VSAT		WLAN

Products

We offer 38 product lines with an extensive portfolio of over 3,000 standard and custom devices, ICs, modules and complete subsystems that OEMs can utilize to build their complex systems. Our new product introductions since the beginning of 2010 have included GaN power transistors, low phase noise VCOs, active splitters, highly-linear packaged power amplifiers, HMIC broadband switches, highly-integrated and packaged 38 GHz chipsets, 4- and 6-bit phase shifters, modulator drivers and transimpedance amplifiers.

The table below presents the major product lines in each of our three primary markets:

Product Lines	Networks	Aerospace & Defense	Multi-market
Active Splitter	ü		
Amplifier	ü	ü	ü
Attenuator	ü	ü	ü
Automotive Module			ü
Balun	ü		
Bias Networks			ü
Capacitor		ü	ü
Component		ü	ü
Coupler	ü	ü	ü
Diode	ü	ü	ü
Down Converter IC		ü	
Filter	ü		
Frequency Multiplier	ü	ü	ü
Hybrid Voltage Controlled Oscillator	ü	ü	ü
Integrated Receiver IC	ü	ü	
Integrated Transmitter IC		ü	
Logic Driver Circuit	ü	ü	ü
Mixer	ü	ü	ü
Modulator / Demodulator		ü	ü
Multi-Function Integrated Circuit	ü	ü	
Multi-Function Module	ü	ü	ü
Optical Limiting Amplifier	ü		
Optical Modulator Driver	ü		
Phase Shifter	ü	ü	
Power Combiner	ü	ü	ü
Power Detector	ü	ü	ü
Power Divider	ü	ü	ü
Power Hybrid Pallet	ü	ü	ü
Power Hybrid Transistor	ü	ü	ü
Switch	ü	ü	ü
Switch Limiter	ü	ü	
Synthesizer	ü	ü	
Transceiver			ü
Transformer	ü	ü	
Transimpedance Amplifier	ü		
Upconverter IC	ü		
Variable Gain Amplifier	ü	ü	ü
Voltage Controlled Oscillator	ü	ü	

Technology

The interaction of semiconductor process technology, circuit design technology and in some cases, packaging technology defines the performance parameters of our products.

Circuit design and device modeling expertise. Our engineers are experts in the design of circuits capable of reliable, high-performance RF, microwave and millimeterwave signal conditioning. Our staff has decades of experience in solving complex design challenges in applications involving high frequency, high power, and environmentally-rugged operating conditions. We also developed proprietary device and electro-magnetic modeling techniques that our engineers use to generate predictive models prior to fabrication, which reduce the number of physical prototype builds necessary to bring a new product design to market.

Packaging expertise. Our extensive packaging expertise enables us to model the interaction between the semiconductor and its package, and our engineers make appropriate adjustments in the design of both to take account of that interaction. We offer products in a variety of different package types for specific applications, including plastic over-molded, ceramic and laminate-based.

Semiconductor process technology. We leverage our domestic semiconductor wafer fabrication capabilities and our foundry suppliers to offer customers the right process technology to meet their particular requirements. Depending on the requirements for the application, our semiconductor products may be designed using any of the following internally developed and externally sourced process technologies:

Internal Process Technologies	External Process Technologies
AlGaAs Diodes	GaAs HBT
GaAs MESFET	GaAs HFET
GaAs pHEMT	GaAs MESFET
HMIC Technology	GaAs pHEMT
Silicon Bipolar	GaN on SiC
Silicon Diodes	InP HBT
Silicon LDMOS	RF CMOS
Silicon MOSFET	SiGe

We regularly develop and continue to invest in proprietary processes to enable us to develop and manufacture unique high-value solutions. For example, our HMIC technology is a patented process offered only by us that uses a silicon/glass process to produce components with compact die outlines that have higher gains and lower losses compared to FET-based devices, and are optimized for wide operating frequency ranges. Our engineers' complex system-level design expertise allows us to offer differentiated solutions that leverage multiple process technologies and are integrated into a single, higher-level assembly thereby delivering our customers' solutions with enhanced functionality.

Research and Development

Our research and development efforts are directed toward the rapid development of new and innovative products and solutions, process technologies and packaging techniques. Our predictive modeling expertise allows us to achieve faster design cycle times resulting in shorter time to market for our products. Our new product introductions in 2010 and 2011 to date have included:

- GaN power transistors and pallets for radar and avionic applications;
- low phase noise VCOs for the cellular backhaul market and military communications applications;
- active splitters for CATV multi-tuner broadband voice, video and data customer premises equipment, and front-end ICs for MoCA applications;

- highly-linear, packaged power amplifiers well-suited to cellular backhaul and satellite communication applications;
- HMIC broadband diode switches with packaging optimized for broadband performance, well-suited to military and test equipment applications;
- highly-integrated, packaged 38 GHz chipsets for point-to-point radio applications, including an integrated upconverter and receiver, driver and power amplifiers, a VCO and a multiplier;
- 4- and 6-bit phase shifters across multiple frequency bands for commercial communications and radar applications; and
- optical modulator drivers and transimpedance amplifiers for 40/100G fiber optic networks.

Research and development expenses were $25.5 million and $18.7 million for the nine months ended July 1, 2011 and July 2, 2010, respectively, and $25.8 million, $13.6 million and $6.7 million for fiscal years 2010, 2009 and 2008, respectively. As of July 1, 2011, we had 128 new products in development. We anticipate that we will continue to make significant research and development expenditures in order to drive future new product introductions and maintain our competitive position. As of July 1, 2011, we had 146 employees dedicated to research and development at six global design locations.

Sales & Marketing

We sell our products and solutions through our multi-channel sales strategy consisting of our direct sales force and our applications engineering staff in 25 locations worldwide, augmented by independent sales representatives and our authorized distributors, including Richardson and Avnet Electronics Marketing located in 135 locations worldwide. Sales to our distributors accounted for 30.0% of our revenue in fiscal year 2010 and 25.1% of our revenue in the nine months ended July 1, 2011.

As of July 1, 2011, we had 111 employees dedicated to sales and marketing, strategically positioned in more than 25 locations worldwide to offer dedicated local support resources to our customers. The sales team is focused on customer needs in our three primary markets rather than on particular product lines, facilitating product cross-selling across end markets and within key accounts. Through our website, customers can request samples, as well as access our product selection guide, detailed product brochures and data sheets, application notes, suggested design block diagrams and test fixture information, technical articles and information regarding quality and reliability.

Customers

Our diversified customer base of over 6,000 customers includes systems manufacturers, OEMs, contract manufacturers and distributors. For fiscal year 2010 and the nine months ended July 1, 2011, our only direct customer individually accounting for more than 10% of our revenue was Ford at 10.9% and 11.2%, respectively. In addition, our principal distributor Richardson individually accounted for 23.4% and 20.7%, respectively, of our revenue in fiscal year 2010 and the nine months ended July 1, 2011. Our top 25 direct customers accounted for 50.9% of our revenue in fiscal year 2010 and 57.2% of our revenue in the nine months ended July 1, 2011.

Competition

The markets for our products are highly competitive and are characterized by rapid technological change and continuously evolving customer requirements. We believe that the principal competitive factors in our markets include:

- the ability to timely design and deliver products and solutions that meet customers’ performance, reliability and price requirements;

- the breadth and diversity of product offerings;
- the ability to provide a reliable supply of products in sufficient quantities and in a timely manner;
- the ability of engineering talent to drive innovation and new product development;
- the quality of customer service and technical support; and
- financial and operational stability and reputation.

We believe that we compete favorably with respect to these factors. However, many of our competitors have significantly greater financial, technical, manufacturing and marketing resources than we do and might be perceived by prospective customers to offer financial and operational stability superior to ours. The competition for similar products also affects the pricing of our products and pricing may not remain at a level where we can sell our products on a profitable basis.

We compete primarily with other suppliers of high-performance analog semiconductor solutions for use in wireless and wireline RF, microwave and millimeterwave applications. We expect competition in our markets to intensify, as new competitors enter the RF, microwave and millimeterwave markets, existing competitors merge or form alliances, and new technologies emerge. Some of our competitors are also our customers, and in certain product categories we compete with semiconductor manufacturers from which we also obtain foundry services, including TriQuint and RFMD.

We compete with Hittite across all three of our primary markets. In the Networks market, we also compete with Avago, RFMD and TriQuint. In the A&D market, we also compete with Aeroflex, Microsemi and TriQuint. In the Multi-market arena, we also compete with Aeroflex, Avago, Microsemi and Skyworks Solutions, Inc.

Geographic Information

For information regarding revenue and long-lived assets by geographic region, see Note 24 to our combined consolidated financial statements appearing elsewhere in this prospectus. Risks attendant to our foreign operations are discussed elsewhere in this prospectus under the heading “Risk Factors.”

Backlog and Inventory

Our sales are made primarily on a purchase order basis, rather than pursuant to long-term contracts where the customer commits to buy any minimum amount of product over an extended period. We also sometimes ship finished goods inventory to certain customer or third-party “hub” locations, but do not recognize revenue associated with such shipments until these customers consume the inventory from the hub. Due to these arrangements and industry practice, which allows customers to cancel orders with limited advance notice prior to shipment, and with little or no penalty, we believe that backlog as of any particular date may not be a reliable indicator of our future revenue levels. We also frequently ship products from inventory shortly after receipt of an order, which we refer to as “turns business.” The cancellation or deferral of product orders, the return of previously sold products, or overproduction due to a change in anticipated order volumes could result in us holding excess or obsolete inventory, which could result in inventory write-downs and, in turn, could have a material adverse effect on our financial condition.

Intellectual Property

Our success depends in part upon our ability to protect our intellectual property. To accomplish this, we rely on a combination of intellectual property rights, including patents, copyrights, trademarks and trade secrets, as well as customary contractual protections with our customers, suppliers, employees and consultants. We also license third-party technologies that are incorporated into some elements of our design activities and products. Historically, licenses of the third-party technologies used by us have been available to us on acceptable terms.

As of July 1, 2011, we had 89 U.S. and 15 foreign patents and two U.S. and seven foreign pending patent applications covering elements of circuit design, manufacturing and wafer fabrication. We do not know whether any of our pending patent applications will result in the issuance of patents or whether the examination process will require us to narrow our claims. The expiration dates of our patents range from 2011 to 2028. We do not regard any of the patents scheduled to expire in the next 12 months as material to our overall intellectual property portfolio. Notwithstanding our active pursuit of patent protection when available, we believe that our future success will be determined by the innovation, technical expertise and management abilities of our engineers and management more than by patent ownership.

The semiconductor industry is characterized by the existence of a large number of patents, copyrights, trademarks and trade secrets and by the vigorous pursuit, protection and enforcement of intellectual property rights. Many of our customer agreements require us to indemnify our customers for third-party intellectual property infringement claims, which may in the future require that we defend those claims and might require that we pay damages in the case of adverse rulings. Claims of this sort could harm our relationships with our customers and might deter future customers from doing business with us. With respect to any intellectual property rights claims against us or our customers or distributors, we may be required to cease manufacture of the infringing product, pay damages, expend resources to develop non-infringing technology, seek a license, which may not be available on commercially reasonable terms or at all, or relinquish patents or other intellectual property rights.

Facilities

Our principal executive offices are located in two adjacent leased facilities in Lowell, Massachusetts. We do not own any real property, and conduct our administration, manufacturing, research and development and sales and marketing in our leased facilities. We believe that our leased facilities are adequate for our present operations. The following is a list of our main facilities and their primary functions.

Site	Major Activity	Square Footage	Lease Expiration
Lowell, Massachusetts	Administration, Wafer Fabrication, Assembly and Test, Research and Development, Sales and Marketing	157,000	September 2013
Lowell, Massachusetts	Assembly and Test, Research and Development	60,000	June 2014
Cork, Ireland	Administration, Research and Development	21,000	September 2013

We also maintain leased facilities for our design centers located in Santa Clara, California, Belfast, Northern Ireland, and Sydney, Australia, our design, assembly and test operations located in Torrance, California, our administrative, assembly and test operations located in Hsinchu, Taiwan, and our local sales offices in China, India and South Korea.

Manufacturing, Sources of Supply and Raw Materials

All of our internal wafer fabrication, and a majority of our internal assembly and test operations, are conducted at our Lowell, Massachusetts headquarters. We believe having a U.S.-based four-inch wafer fab is a competitive advantage for us over fabless competitors, in that we have greater control over quality, a secure

source of supply and a domestic source for U.S. A&D customers for whom this may be an important sourcing advantage. We also perform internal assembly and test functions at our Torrance, California and Hsinchu, Taiwan locations.

The remainder of our manufacturing is outsourced, and our operations staff has extensive expertise in the management of outsourced manufacturing service providers and other supply chain participants. We believe our fab-lite model of outsourcing certain of our manufacturing activities rather than investing heavily in capital-intensive production facilities to support those functions internally provides us with the flexibility to respond to new market opportunities, simplifies our operations and significantly reduces our capital requirements.

We utilize external foundries to supply us with semiconductor wafers manufactured in process technologies which we have chosen not to develop internally, and to provide us additional manufacturing capacity on some internally fabricated process technologies. We also use third-party contract manufacturers for assembly, packaging and test functions, and in some cases for fully-outsourced turnkey manufacturing of our products. As of July 1, 2011, we had 364 employees devoted to internal fabrication and manufacturing operations, and the management of our outsourced manufacturing activities.

The principal materials used in the production of our IC products are semiconductor substrates and high purity source materials such as gallium, aluminum, arsenic and silicon. We purchase from hundreds of suppliers worldwide a wide variety of other semiconductors, packages, metals, printed circuit boards, electromechanical components and other materials for use in our operations. These supply relationships are generally conducted on a purchase order basis. The use of external suppliers involves a number of risks, including the possibility of material disruptions in the supply of key raw materials and components, the lack of control over delivery schedules, capacity constraints, quality and costs.

While we attempt to maintain alternative sources for our principal raw materials to reduce the risk of supply interruptions or price increases, some of the raw materials and components are not readily available from alternate suppliers due to their unique nature, design or the length of time necessary for re-design or qualification. We routinely utilize single sources of supply for various materials based on availability, performance, efficiency or cost considerations. For example, wafers procured from merchant foundries for a particular process technology are generally sourced through one foundry only, on which we rely for all of our wafers in that process. Our reliance on external suppliers puts us at risk of supply chain disruption if the supplier does not have sufficient raw material inventory to meet our manufacturing needs, goes out of business, changes or discontinues the process in which components or wafers are manufactured, or declines to continue supplying us for competitive or other reasons, as discussed in more detail in “Risk Factors” beginning on page 11. Where practical, we attempt to mitigate these risks by qualifying multiple sources of supply, redesign of products for alternative components and purchase of incremental inventory of raw materials and components in order to protect us against supply problems.

Quality Assurance

The goal of our quality assurance program is for our products to meet our customers’ requirements, be delivered on time, and function reliably throughout their useful lives. The International Organization for Standards (ISO) provides models for quality assurance in various operational disciplines, such as design, manufacturing and testing, which comprise one part of our overall quality management system. Our Lowell, Massachusetts; Torrance, California; Cork, Ireland; Sydney, Australia and Hsinchu, Taiwan locations have each received ISO 9001:2008 certifications in their principal functional areas. In addition, our Lowell facility has received an ISO 14001:2004 environmental management systems certification.

Environmental Regulation

Our operations involve the use of hazardous substances and are regulated under international, federal, state and local laws governing health and safety and the environment. These regulations include limitations on

discharge of pollutants to air, water, and soil; remediation requirements; product chemical content limitations; manufacturing chemical use and handling restrictions; pollution control requirements; waste minimization considerations; and treatment, transport, storage and disposal of solid and hazardous wastes. We are also subject to regulation by the U.S. Occupational Safety and Health Administration and similar health and safety laws in other jurisdictions.

We believe that our properties and operations at our facilities comply in all material respects with applicable environmental laws and worker health and safety laws; however, the risk of environmental liabilities cannot be completely eliminated, and there can be no assurance that the application of environmental and health and safety laws to our business will not require us to incur material future expenditures.

We are also regulated under a number of international, federal, state and local laws regarding recycling, product packaging and product content requirements, including legislation enacted in the European Union and other foreign jurisdictions that have placed greater restrictions on the use of lead, among other chemicals, in electronic products, which affects materials composition and semiconductor packaging. These laws are becoming more stringent and may in the future cause us to incur material expenditures.

Export Regulations

We market and sell our products both inside and outside the U.S. Certain of our products are subject to the Export Administration Regulations, administered by the Department of Commerce, Bureau of Industry Security, which require that we obtain an export license before we can export products or technology to specified countries. Additionally, some of our products are subject to the International Traffic in Arms Regulations, which restrict the export of information and material that may be used for military or intelligence applications by a foreign person. Other of our products are controlled by similar laws in other jurisdictions. Failure to comply with these laws could result in sanctions by the government, including substantial monetary penalties, denial of export privileges and debarment from government contracts. We maintain an export compliance program staffed by dedicated personnel under which we screen export transactions against current lists of restricted exports, destinations and end users with the objective of carefully managing export-related decisions and transactions and shipping logistics and ensuring compliance with these regimes.

Legal Proceedings

We are routinely subject to claims of a type we believe are common for companies engaged in our line of business, including commercial disputes, employment issues and claims by other companies in the industry that we have infringed or misappropriated their intellectual property rights. Any such claims may lead to future litigation and material damages and defense costs. As of the date of this filing, other than as set forth below, we are not involved in any material pending legal proceedings.

In April 2011, GigOptix, Inc. (GigOptix) filed a complaint in the Santa Clara County Superior Court against us, our subsidiary Optomai, and five employees who had previously worked for GigOptix. The complaint seeks unspecified damages, attorneys' fees and costs, and injunctive relief for alleged breach of employment-related agreements, trade secret misappropriation and other related alleged torts by the employee defendants, Optomai and, following our April 2011 acquisition of Optomai, us. GigOptix sought a temporary restraining order which was denied by the court on July 13, 2011. GigOptix later sought an injunction on the same grounds, which was denied by the court on July 29, 2011. We intend to defend this lawsuit vigorously.

Claims that our products or processes infringe or misappropriate any third-party intellectual property rights (including claims arising through our contractual indemnification of our customers) often involve highly complex, technical issues, the outcome of which is inherently uncertain. Moreover, from time to time we may pursue litigation to assert our intellectual property rights. Regardless of the merit or resolution of any such litigation, complex intellectual property litigation is generally costly and diverts the efforts and attention of our management and technical personnel.

Employees

As of July 1, 2011, we employed 712 persons worldwide and none of our domestic employees were represented by a collective bargaining agreement; however, a number of our employees working in our European operations were covered by collective bargaining agreements. We consider our relations with employees to be good, and we have not experienced a work stoppage due to labor issues.

MANAGEMENT

Executive Officers and Directors

The following table provides information regarding our executive officers and directors as of July 15, 2011:

Name	Age	Position
John Ocampo	52	Chairman
Charles Bland	62	Chief Executive Officer and Director
Conrad Gagnon	57	Chief Financial Officer
Robert Donahue	52	Chief Operating Officer
Michael Murphy	49	Vice President, Engineering
Susan Ocampo	53	Director
Peter Chung	43	Director
Gil Van Lunsen	69	Director

There are no family relationships among any of our directors or executive officers, other than John Ocampo, the Chairman of the Board, and Susan Ocampo, a director, who are married to each other.

Executive Officers

John Ocampo has served as our Chairman and as a director since our inception in March 2009. Mr. Ocampo has also served as President of GaAs Labs, LLC, a private investment fund targeting the communications semiconductor market, since co-founding it in February 2008. Previously, Mr. Ocampo co-founded Sirenza Microdevices, Inc. (Sirenza), a supplier of radio frequency semiconductors and related components for the commercial communications, consumer and aerospace, defense and homeland security equipment markets. Mr. Ocampo served as a director of Sirenza from its inception in 1984 through its sale to RFMD, a designer and manufacturer of semiconductor components, in November 2007, and served in a number of senior executive roles throughout that period, most recently as its Chairman from December 1998 through November 2007. Mr. Ocampo also served as a director of RFMD from November 2007 to November 2008. Mr. Ocampo holds a B.S.E.E. from Santa Clara University.

Mr. Ocampo's strategic vision, developed over more than 30 years successfully leading public and private companies in the RF semiconductor and component industry, is a unique asset to our board of directors. His engineering background and extensive knowledge of our operations, markets and technology provides our board of directors with important insights. We also believe that having our largest stockholder on the board of directors assists the board in making decisions aimed at increasing shareholder value over the long term.

Charles Bland has served as our Chief Executive Officer since February 2011 and as a director since December 2010. From June 2010 to February 2011, he served as our Chief Operating Officer. From April 2007 through December 2010, Mr. Bland also served as a director and as the chairman of the audit committee of NightHawk Radiology Holdings, Inc., a provider of teleradiology services. During 2009, Mr. Bland served as the Chief Financial Officer of American Gaming Systems, a privately-held designer, manufacturer and operator of gaming machines. Mr. Bland served as the Chief Financial Officer of Sirenza from July 2005 to November 2007 and also as its Chief Operating Officer from May 2003 until July 2005. Mr. Bland received his B.S., Accounting and Finance, degree from Ohio State University and his M.B.A. from the Sloan School, Massachusetts Institute of Technology.

Mr. Bland's qualifications to serve as a director include his unique perspective and insights into our operations as our current Chief Executive Officer, including his knowledge of our products, technologies, business relationships, competitive and financial positioning, senior leadership, and strategic opportunities and challenges. In addition, Mr. Bland's extensive experience in a variety of executive roles at public companies in our industry, his executive experience in other industries, and his prior experience as a public company director and audit committee chair allow him to bring broad and diverse perspective to our board of directors. His prior CFO and audit committee experience have provided him expertise with accounting principles and financial reporting rules and regulations, evaluating financial results and generally overseeing the financial reporting process.

Conrad Gagnon has served as our Chief Financial Officer since March 2009. From September 2008 to March 2009, he served as the Chief Financial Officer of M/A-COM Technology Solutions Inc. Prior to that, Mr. Gagnon served for more than 25 years in roles of increasing responsibility associated with related business lines at Cobham and Tyco Electronics, most recently as Vice President of Finance for the aerospace and defense and commercial business units for Cobham from September 2006 to September 2008. Mr. Gagnon holds a B.S. in Accounting and Computer Sciences from Boston College.

Robert Donahue has served as our Chief Operating Officer since February 2011, and previously served as our Chief Strategy Officer from August 2009 to February 2011. From May 2002 to August 2009, Mr. Donahue served as Executive Vice President of Sales and Marketing, Business Development and Chief Strategy Officer at WIN Semiconductor Corp., a GaAs merchant foundry. Mr. Donahue holds a B.S.E.E. and an M.S.E.E from the University of Massachusetts and an M.S. in the Management of Technology from the Sloan School, Massachusetts Institute of Technology.

Michael Murphy has served as our Vice President, Engineering, since November 2009. From July 2006 to November 2009, he served as Vice President of Engineering of the Networks Division of TriQuint Semiconductor, Inc., a supplier of RF components for wireless communications. Mr. Murphy holds a B.S.E.E. and an M.S.E.E from the University of Massachusetts and an M.B.A. from Boston University.

Non-Employee Directors

Peter Chung has served as a director since December 2010. Mr. Chung is a Managing Director of Summit Partners, L.P., which he joined in August 1994. Mr. Chung has served as a director of numerous public companies, including most recently as a director of NightHawk Radiology Holdings, Inc., a provider of teleradiology services, from March 2004 to December 2010, as a director of SeaBright Holdings, Inc., a provider of multi-jurisdictional workers' compensation insurance and general liability insurance, from October 2003 to May 2010, and as a director of Sirenza from October 1999 to April 2006. Mr. Chung also serves as a director of several privately-held companies. Mr. Chung received an A.B. from Harvard University and an M.B.A from Stanford University. Mr. Chung was designated for nomination and election as a director by those of our stockholders affiliated with Summit Partners, L.P. pursuant to the terms of our amended and restated investor rights agreement.

Mr. Chung is an experienced investor in market-leading growth companies. He contributes broad-based knowledge and experience in business strategy, capital markets and the communications semiconductor and technology industries. Mr. Chung provides valuable insight to our board of directors on all matters facing us, from operational to strategic.

Gil Van Lunsen has served as a director since August 2010. Prior to his retirement in June 2000, Mr. Van Lunsen was a Managing Partner of KPMG LLP and led the firm's Tulsa, Oklahoma office. During his 33-year career, Mr. Van Lunsen held various positions of increasing responsibility with KPMG. Mr. Van Lunsen is currently a member of the board of directors and the audit committee chairman at Array Biopharma Inc., a biopharmaceutical company, and a member of the board of directors and vice chairman of the audit committee of ONEOK Partners, L.P., a natural gas gathering, processing, storage and transportation company. Previously, Mr. Van Lunsen served as a director of Sirenza and was chairman of its audit committee from October 2003 through November 2007. Mr. Van Lunsen received a B.S./B.A. in accounting from the University of Denver. Our board of directors has determined that Mr. Van Lunsen is an audit committee financial expert.

Mr. Van Lunsen has extensive experience with complex financial and accounting issues and, as a former partner of KPMG LLP and audit committee chairman at other public companies in our industry and others, provides valuable leadership and insights to our board of directors on accounting, financial and governance matters. Having served as a director of Sirenza, Mr. Van Lunsen has also developed strong domain knowledge of the operational and financial issues facing our company and our industry.

Susan Ocampo has served as a director since December 2010. She has also served as Vice President, Secretary and Treasurer of GaAs Labs, LLC, a private investment fund targeting the communications semiconductor market, since co-founding it in February 2008. Previously, Mrs. Ocampo co-founded Sirenza. Mrs. Ocampo served as Sirenza's Treasurer from November 1999 through its sale to RFMD in November 2007. Mrs. Ocampo holds a B.A. from Maryknoll College. Mrs. Ocampo has notified us of her resignation from our board of directors, to be effective immediately prior to the effectiveness of the registration statement of which this prospectus is a part.

Board Composition

Our board of directors is currently composed of five members designated for election pursuant to our amended and restated investor rights agreement, which is described under "Certain Relationships and Related Person Transactions" in this prospectus. Susan Ocampo has notified us of her resignation from our board of directors, to be effective immediately prior to the effectiveness of the registration statement of which this prospectus is a part. Before the closing of this offering, our board of directors intends to appoint a new director who will qualify as "independent" according to the rules and regulations of the SEC and the listing requirements and rules of the Nasdaq Stock Market. Immediately prior to the completion of this offering, our board of directors will be divided into three classes of directors of the same or nearly the same number. At each annual meeting of stockholders, a class of directors will be elected for a three-year term to succeed the same class whose terms are then expiring. Directors will serve from their time of election and qualification until the third annual meeting following their election or until their successors are duly elected and qualified.

- The initial Class I directors will be Mr. Chung and Mr. Van Lunsen, and their terms will expire at our first annual meeting of stockholders held after this offering;
- The initial Class II directors will be Mr. Bland and the new director our board of directors intends to appoint before the closing of this offering, and their terms will expire at our second annual meeting of stockholders held after this offering; and
- The initial Class III director will be Mr. Ocampo, whose term will expire at our third annual meeting of stockholders held after this offering.

Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one third of the total number of directors. The authorized number of directors is currently set at five and may be changed by subsequent resolution of the board of directors. Vacancies on the board of directors can be filled by the board of directors.

Director Independence

Our board of directors has reviewed its composition, the composition of its committees and the independence of each member of our board of directors.

Based on information requested from and provided by each director concerning his or her background, employment and affiliates, our board of directors has determined that each of our directors who will continue in office following this offering, with the exception of Messrs. Ocampo and Bland, qualify as "independent" according to the rules and regulations of the SEC and the listing requirements and rules of the Nasdaq Stock Market. As described above, before the closing of this offering, our board of directors intends to appoint a new director who will be independent in accordance with the rules and regulations of the SEC and the Nasdaq Stock Market. Mr. Ocampo and Mr. Bland are not independent according to the rules and regulations of the SEC and the listing requirements and rules of the Nasdaq Stock Market because they are our employees.

Board Committees

Our board of directors has established an audit committee and a compensation committee and, prior to the completion of this offering, will establish a nominating and governance committee. The composition and responsibilities of each of the committees of our board of directors upon the completion of this offering is described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors.

Audit Committee

Upon the completion of this offering, we expect our audit committee will consist of Messrs. Van Lunsen, Chung and the new director our board of directors intends to appoint before the closing of this offering, with Mr. Van Lunsen serving as Chair. Our audit committee oversees our corporate accounting and financial reporting process, internal accounting and financial controls and audits of the financial statements. Our audit committee also evaluates the independent auditor's qualifications, independence and performance; engages and provides for the compensation of the independent auditor; establishes the policies and procedures for the retention of the independent auditor to perform any proposed permissible non-audit services; reviews our annual audited financial statements; reviews our critical accounting policies, our disclosure controls and procedures and internal controls over financial reporting; discusses with management and the independent auditor the results of the annual audit and the reviews of our quarterly unaudited financial statements; oversees our risk management program; and reviews related-person transactions that would be disclosed under Item 404 of Regulation S-K. Our board of directors has determined that each of our expected audit committee members meet the requirements for independence and financial literacy under the applicable rules and regulations of the SEC and the Nasdaq Stock Market. Our board of directors has determined that Mr. Van Lunsen is an audit committee financial expert as defined under the applicable rules of the SEC. Upon completion of the offering, the audit committee will operate under a written charter that satisfies the applicable rules of the SEC and the listing requirements and rules of the Nasdaq Stock Market.

Compensation Committee

Upon the completion of this offering, we expect our compensation committee will consist of and , with serving as Chair. Our compensation committee oversees our compensation plans, policies and programs for our executive officers, compensation of our other employees at the level of Vice President or above and non-employee directors of our board of directors. The compensation committee is also responsible for overseeing our employee benefit plans and reviewing and approving our Compensation Discussion and Analysis. Our board of directors has determined that each expected member of our compensation committee meets the requirements for independence under the applicable rules and regulations of the SEC, the Nasdaq Stock Market and Section 162(m) of Internal Revenue Code of 1986, as amended (the Code). Upon completion of the offering, the compensation committee will operate under a written charter that satisfies the applicable listing requirements and rules of the Nasdaq Stock Market.

Nominating and Governance Committee

Upon the completion of this offering, we expect our nominating and governance committee will consist of and , with serving as Chair. The nominating and governance committee is responsible for identifying individuals qualified to become members of our board of directors, making recommendations regarding candidates to serve on our board of directors and overseeing evaluations of the board of directors and its committees. In making recommendations regarding board candidates, the nominating and governance committee will consider desired board member qualifications, expertise and characteristics. In addition, the nominating and corporate governance committee will be responsible for making recommendations concerning governance matters. Our board of directors has determined that each expected member of our nominating and governance committee meets the requirements for independence under the applicable rules and regulations of the Nasdaq Stock Market. Upon completion of the offering, the nominating and corporate governance committee will operate under a written charter that satisfies the applicable listing requirements and rules of the Nasdaq Stock Market.

Director Compensation

2010 Director Compensation

The following table provides information regarding the compensation earned by our non-employee directors during fiscal year 2010. Mr. Van Lunsen was our only non-employee director during fiscal year 2010. Directors who are also our employees receive no additional compensation for their service as a director.

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Gil Van Lunsen	$ 1,667 (1)	$15,000 (2)	—	—	—	—	$16,667

(1) Mr. Van Lunsen was appointed to the board of directors in August 2010. Prior to this offering, Mr. Van Lunsen has been paid a cash stipend of $20,000 per annum for his service to us as a director, payable in quarterly increments in arrears. During fiscal year 2010, Mr. Van Lunsen received cash compensation for one month.

(2) On August 30, 2010, Mr. Van Lunsen was granted a restricted stock award for 30,000 shares of our common stock, vesting in three equal increments on each anniversary of the grant date. The amount listed represents the aggregate grant date fair value for the restricted stock award computed in accordance with FASB ASC Topic 718 "Compensation—Stock Compensation," excluding the effect of any estimated forfeitures.

Future Director Compensation

During our fiscal year 2011, we adopted a formal compensation program for our non-employee directors with respect to their service as directors, which will apply to such directors following the closing of this offering. The program has two elements, cash compensation and equity compensation.

Cash Compensation. The cash component of our non-employee director compensation program includes:

- a $35,000 annual cash retainer for each non-employee director;
- an annual cash stipend of $6,000 for each member of the audit committee and the compensation committee, and $4,000 for each member of the nominating and governance committee, in each case excluding the chairmen of such committees; and
- an annual cash stipend of $15,000 for the chairman of the audit committee, $10,000 for the chairman of the compensation committee and $8,000 for the chairman of the nominating and governance committee.

These cash payments are calculated and paid in quarterly installments in arrears. Directors are also reimbursed for expenses in connection with attendance at board of directors and committee meetings. Directors are also eligible for coverage under our health care insurance plans at their sole expense. None of our non-employee directors has elected coverage under our health care insurance plans. Independent, non-employee directors may not receive consulting, advisory or other compensatory fees from us in addition to their board compensation.

Equity Compensation. Directors are also eligible to participate in our 2011 Omnibus Incentive Plan. Each of our non-employee directors will be granted an annual restricted stock award for a number of shares of common stock having a grant date fair market value of $50,000 in the aggregate. Each such grant will vest in full on the first anniversary of its grant date. In addition to and not in lieu of the above annual grant, when a non-employee director first joins the board of directors, he or she will be granted a second restricted stock award for a number of shares of common stock having an aggregate grant date fair market value representing that portion of $50,000 which is equivalent to the portion of the current calendar year during which such non-employee director serves on the board of directors. Any such grant will vest in full on the next regular annual director award grant date.

Compensation Committee Interlocks and Insider Participation

Messrs. Bland and Ocampo served on our compensation committee during fiscal year 2011. None of the other members of our compensation committee is or has at any time during the past year been an officer or employee of ours. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. The code of business conduct and ethics will be available on our website at *www.macomtech.com*. The information on or accessible through our website is not part of this prospectus. We intend to disclose any amendments to the code or any waivers of its requirements in accordance with the applicable SEC and Nasdaq rules and regulations.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The following discussion and analysis of compensation arrangements of our named executive officers should be read together with the compensation tables and related disclosures set forth below. This discussion contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. The actual amount and form of compensation and the compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion.

Objectives of Our Executive Compensation Programs

The compensation committee of our board of directors oversees our named executive officer compensation plans, policies and programs pursuant to our compensation philosophy and objectives under its authority as delegated by our board of directors. Our compensation programs for our named executive officers are designed to:

- attract and retain the best executive talent;
- motivate our executives to achieve our financial and business goals; and
- align our executives' interests with those of our stockholders to drive increased shareholder value.

To achieve these goals, we structure our named executive officer compensation programs to provide a competitive level of total compensation and create a strong link with our business results by tying a significant portion of each executive's compensation to the achievement of specific performance elements that we expect will significantly increase shareholder value.

How We Set Executive Compensation

The compensation arrangements in effect for our named executive officers for fiscal years 2010 and 2011 reflect individually negotiated agreements that we executed with each of our named executive officers in connection with their entering into or agreeing to continue in our employ prior to fiscal year 2010. The compensation arrangement for our Chairman of the Board, which consists of an annual base salary and benefits, was put in place in connection with the M/A-COM Acquisition. The specific terms of the compensation arrangements for the other named executive officers were negotiated with our Chairman of the Board and, in the case of certain named executive officers other than our former Chief Executive Officer, with our former Chief Executive Officer.

During fiscal year 2011, we engaged Radford, a compensation consultant, to evaluate our current compensation programs and make recommendations for our programs going forward. As part of this analysis, Radford reviewed our current compensation programs and compared them to compensation at the following companies that we consider potential competition for executive talent: Anadigics, Analogic, Atheros Communications, Cabot Microelectronics, Hittite, Integrated Device Technology, Intersil, Micrel, Microsemi, Monolithic Power Systems, Power Integrations, RFMD, Semtech, Silicon Image, Silicon Laboratories, Skyworks, Standard Microsystems, Tessera Technologies, TriQuint and Verigy. Based on this evaluation by Radford, our board of directors concluded that our executive compensation (not including for our Chairman of the Board) was overall at market for annual base salary, equity compensation and benefits, and slightly lower than market for annual incentive compensation. We did not specifically benchmark total compensation or components of compensation for our named executive officers.

Going forward we anticipate that our compensation committee will determine the compensation of our named executive officers and will have the authority to engage consultants and advisors as it determines appropriate.

Elements of Executive Compensation

Our compensation program for our named executive officers, other than our Chairman of the Board, consists of the following elements:

- base salary and benefits;

- annual cash incentives; and
- long-term equity incentives.

Base Salary and Benefits

Fiscal Year 2010. The annual base salary in place for fiscal year 2010 for each of our named executive officers, other than our Chairman of the Board, was determined pursuant to the terms of each executive's employment agreement, and reflects each executive's relative level of experience and responsibility. The following table shows the annual base salaries for our named executive officers in place for fiscal year 2010.

Name	Fiscal Year 2010 Salary	Fiscal Year 2010 Cash Incentive Award Opportunity (% of Salary)
Joseph Thomas, Jr. *Former Chief Executive Officer*	$ 420,000	100%
Conrad Gagnon *Chief Financial Officer*	$ 270,000	100%
John Ocampo *Chairman*	$ 300,000	Not applicable
Michael Murphy *Vice President, Engineering*	$ 300,000	80%
Robert Donahue *Chief Operating Officer*	$ 312,500	100%

We generally provide our named executive officers the same health and welfare benefits on the same terms as our other salaried employees, including health benefits and life insurance coverage, as well as the opportunity to receive matching contributions under our 401(k) plan. We also paid a management fee to a company affiliated with the Chairman of our Board pursuant to a previously negotiated management services agreement with that company, and we have included these payments as additional compensation to the Chairman. See "Certain Relationships and Related Person Transactions—GaAs Labs Management Fee" for more information regarding these payments.

Fiscal Year 2011. The annual base salary in place for fiscal year 2011 for each of our named executive officers, other than our Chief Executive Officer, was determined pursuant to the terms of each executive's employment agreement, and reflects each executive's relative level of experience and responsibility. Our board of directors authorized an increase to our Chief Executive Officer's base salary in connection with his promotion to this position in February 2011, in recognition of the increased responsibilities associated with this position. Our board of directors also authorized an increase to our Chief Operating Officer's base salary in connection with his promotion to this position in February 2011, in recognition of the increased responsibilities associated with this position. The following table shows the annual base salaries for our named executive officers in place for fiscal year 2011, including the impact of these changes.

Name	Fiscal Year 2011 Salary	Fiscal Year 2011 Cash Incentive Award Opportunity (% of Salary)
Charles Bland *Chief Executive Officer*	$ 475,000	100%
Conrad Gagnon *Chief Financial Officer*	$ 270,000	100%
John Ocampo *Chairman*	$ 300,000	Not applicable
Michael Murphy *Vice President, Engineering*	$ 300,000	100%
Robert Donahue *Chief Operating Officer*	$ 350,000	100%

We generally provide our named executive officers the same health and welfare benefits on the same terms as our other salaried employees, including health benefits and life insurance coverage, as well as the opportunity to receive matching contributions under our 401(k) plan. At the time of his hiring, Mr. Bland, our current Chief Executive Officer, resided outside the Boston metropolitan area. In connection with Mr. Bland's promotion to Chief Executive Officer in February 2011, we agreed to pay relocation expenses to Mr. Bland, including costs associated with commuting to and from our facilities from his family's home outside of the Boston metropolitan area. During fiscal year 2010, we also reimbursed similar commuting expenses for Mr. Bland while he served as our Chief Operating Officer. We believe that, in order for us to attract top executive talent, we must not be limited to those residing in the Boston metropolitan area and in some cases must be willing to offer to pay an agreed upon amount of relocation costs. We also paid a management fee to a company affiliated with the Chairman of our Board pursuant to a previously negotiated management services agreement with that company, and we have included these payments in the 2010 Summary Compensation Table as additional compensation to the Chairman. See "Certain Relationships and Related Person Transactions—GaAs Labs Management Fee" for more information regarding these payments.

Annual Cash Incentives

Fiscal Year 2010. During fiscal year 2010, our named executive officers, other than our Chairman of the Board, participated in a special cash incentive program with respect to the last three quarters of fiscal year 2010. Each named executive officer's aggregate target cash incentive award opportunity under these programs was based on a percentage of base salary during the plan period as specified by the executive's previously negotiated employment agreement or as dictated by our custom and practice of assigning such opportunities based on employee salary grading and internal pay equity considerations. See the fiscal year 2010 base salary table above for the annual cash incentive award opportunity for each named executive officer.

Payments under the cash incentive program for the last three quarters of fiscal year 2010 were based on the achievement of specified adjusted revenue, gross margin and operating income goals for the nine months ended October 1, 2010 as follows:

Nine Months Ended October 1, 2010 Performance Goal	Threshold	Target	Maximum	Actual Performance
Adjusted Revenue	$160.0 million	$171.0 million	$181.9 million	$189.1 million
Adjusted Gross Margin	34.3%	35.6%	36.5%	37.5%
Adjusted Operating Income	$19.1 million	$22.2 million	$29.9 million	$22.9 million

We selected these performance metrics as primary drivers of shareholder value. The calculation of adjusted revenue excluded revenue recognized during the program period from sales of products of Mimix, as the Mimix Merger occurred after the start of the program period. The calculation of adjusted gross margin and adjusted operating income excluded the impact of accrued costs for the payment of incentives under the cash incentive program itself, as well as amortization expense, restructuring charges, non-recurring charges incurred in connection with acquisitions, divestments, capital-raising events, share-based compensation and other non-cash incentive compensation and asset retirement obligations.

If our performance for the nine months ended October 1, 2010 exceeded the threshold level, an incentive pool would be funded for our executive officers and other senior management at $0.9 million for target performance and $1.9 million for maximum performance, and each named executive officer would be eligible to receive a portion of this pool based on the percentage that each of their wages during the plan period represented the aggregate wages of all pool participants during the plan period. However, due to significant additional participants being added to this special cash incentive program during the performance period, we determined to make payments under this program that exceeded the incentive pool determined using the funding calculation described above.

In light of our performance for the nine months ended October 1, 2010 (see the "Actual Performance" column in the table above), and our determination regarding each named executive officer's job performance at 100% of expected levels, we paid each named executive officer approximately 88% of his cash incentive award opportunity. See the "Non-Equity Incentive Plan Compensation" column of the 2010 Summary Compensation Table below for the specific amounts paid to each of our named executive officers.

In addition, we agreed to pay a signing bonus to our Vice President, Engineering and our Chief Operating Officer pursuant to the terms of their respective negotiated employment agreements as an inducement for commencing employment with us. In approving the amount of the signing bonus for our Vice President, Engineering, we recognized the need to provide adequate incentive for him to be recruited by us from a competitor. We imposed a repayment requirement on each of these payments that will lapse over time, whereby a portion of these amounts will have to be repaid to us by these named executive officers if they voluntarily terminate employment with us within a specified period, to further motivate these executives to remain employed by us. We also paid discretionary bonuses to each of our named executive officers other than Mr. Ocampo in the first quarter of fiscal year 2010. These bonuses were in recognition of the respective contributions of the executives to our operational improvement efforts and the results yielded by those efforts. See the "Bonus" column in the 2010 Summary Compensation Table below for the specific amounts paid to each of our named executive officers.

Fiscal Year 2011. During fiscal year 2011, our named executive officers, other than our Chairman of the Board, have also participated in a special cash incentive program with respect to the first half of fiscal year 2011. Each named executive officer's target cash incentive award opportunity under this program was based on a percentage of annual base salary as specified by the executive's previously negotiated employment agreement or as dictated by our custom and practice of assigning such opportunities based on employee salary grading and internal pay equity considerations, but also subject to potential increase or reduction based on individual executive performance during the period.

Payments under the cash incentive program for the first half of fiscal year 2011 were based on the achievement of a minimum adjusted gross margin target for the period of 42.5%. If this target was not met, there would be no incentive pool funded. Assuming the target adjusted gross margin was achieved, then the level of funding of any incentive pool would depend on our performance against the following adjusted operating income goals for the six months ended March 31, 2011:

First Half Fiscal Year 2011 Performance Goal	Threshold	Target	Maximum	Actual Performance
Adjusted Operating Income	$ 24.2 million	$ 26.7 million	$ 30.7 million	$ 28.0 million

We selected these performance metrics as primary drivers of shareholder value. The calculation of adjusted gross margin and adjusted operating income exclude the impact of accrued costs for the payment of incentives under the cash incentive program itself, as well as amortization expense, restructuring charges, non-recurring charges incurred in connection with acquisitions, divestments, capital-raising events, share-based compensation and other non-cash compensation and asset retirement obligations. If performance exceeded the threshold level, a pool would be funded at $2.2 million for target performance and $4.4 million for maximum performance, and each named executive officer would be eligible for a payment based on an allocated portion of this pool based on both a specified percentage of annual base salary and the executive's individual job performance.

In light of our performance for the first half of fiscal year 2011 (see the "Actual Performance" column in the table above), and our determination regarding each named executive officer's job performance at 100% of expected levels, we paid each named executive officer approximately 57% of his cash incentive award opportunity.

Long-Term Equity Incentives

Fiscal Year 2010. In fiscal years 2009 and 2010, we provided our named executive officers, other than our Chairman of the Board, with long-term incentives through the grant of stock options under our equity incentive plans, which we believed provided an appropriate long-term incentive because an executive will receive value under a stock option only in connection with an increase in the price of our common stock, and this directly aligns the executives' compensation with increases in stockholder returns. Our Chief Financial Officer and Vice President, Engineering received stock option awards during fiscal year 2010. Our other named executive officers, other than our Chairman of the Board, received significant stock option awards in connection with the commencement of their employment with us in fiscal year 2009 under the terms of their respective employment agreements, and we did not grant additional stock options to these executives during fiscal year 2010 because we believed their existing stock options provided an adequate long-term incentive for them to remain employed with us and build shareholder value. In approving the fiscal year 2010 stock option award to the Chief Financial Officer, we recognized the need to provide an adequate additional long-term incentive for him to remain employed with us and build shareholder value. In approving the fiscal year 2010 stock option award to the Vice President, Engineering, we recognized the need to provide adequate incentive for him to be recruited by us from a competitor, to provide an adequate long-term incentive for him to remain employed with us and build shareholder value.

A significant portion of the stock options awarded to our Vice President, Engineering and all of the options awarded to our Chief Financial Officer in fiscal year 2010 will vest only upon the achievement of specific revenue or profitability performance goals for future periods that we expect will be challenging to achieve.

Fiscal Year 2011. We granted our current Chief Executive Officer 440,000 restricted shares of our common stock as part of his negotiated employment agreement and as an inducement to accept employment as our Chief Executive Officer. Mr. Bland had previously been granted an option to purchase 240,000 shares of our common stock in fiscal year 2010, as negotiated with him by us in connection with his initial hiring as our Chief Operating Officer. At the time of Mr. Bland's initial hiring in fiscal year 2010, we anticipated that his role would be an interim one, focused on helping us drive targeted operational improvements, and accordingly, his option award called for time-based vesting over a one-year period. The size of Mr. Bland's fiscal year 2011 restricted stock award reflects the fact that his prior stock option award was nearly fully vested when he assumed the role of Chief Executive Officer. Our choice of a restricted stock award for Mr. Bland rather than a stock option award in fiscal year 2011 reflects a general trend in our equity-based award grants toward full value restricted stock awards.

We believe that full value restricted stock awards are a useful tool for compensating our executives, in that they align executives' interests with those of our stockholders in a manner similar to an option award, and provide a valuable retention incentive in that they have no associated exercise price. Based on the value of this feature, we require fewer shares to deliver the same amount of retention incentive to a given executive using a restricted stock award than we would using a stock option award. For this reason, we believe that restricted stock awards also reduce the overall potential dilution to our stockholders from our equity-based compensation programs.

We have not granted equity compensation awards to any of our other named executive officers during fiscal year 2011.

Severance Arrangements

Because we believe it is in our best interests and the best interests of our stockholders to encourage and reinforce the continued dedication and attention of our senior executives without distraction in circumstances arising from the possibility of an involuntary termination of employment without cause, we have agreed to provide certain of our named executive officers with severance benefits in connection with this type of termination. Our former Chief Executive Officer received severance benefits in connection with his retirement in February 2011. We also agreed to provide our former Chief Executive Officer and our current Chief Operating Officer with certain severance benefits in connection with a change in control. See "Potential Payments Upon Termination or Change in Control" below for a more detailed discussion of these potential payments.

Tax Treatment of Compensation

Section 162(m) of the Code generally disallows a tax deduction to a public corporation for annual compensation in excess of $1 million paid to its principal executive officer and the three other most highly compensated named executive officers (excluding the principal financial officer). Compensation that qualifies as "performance-based" is excluded for purposes of calculating the amount of compensation subject to the $1 million limit. In addition, in the case of a privately held corporation that becomes a public corporation, the $1 million limit generally does not apply to compensation paid pursuant to a compensation plan or agreement that existed prior to the initial public offering. However, a newly public corporation only may rely on this particular exception until the earliest of the following events: (i) the expiration of the plan or agreement; (ii) a material modification of the plan or agreement (as determined under Section 162(m) of the Code); (iii) the issuance of all the employer stock and other compensation allocated under the plan; or (iv) the first meeting of stockholders at which directors are to be elected that occurs after the close of the third calendar year following the year in which the initial public offering occurs.

Because we have been a privately-held corporation, we have not previously taken the deductibility limit under Section 162(m) of the Code into consideration in setting compensation for our executive officers. Under the exception for newly public corporations described above, any equity-based awards granted under our 2011 Omnibus Incentive Plan that we intend to implement following the offering will not be subject to the $1 million limit, provided such awards are made prior to the earliest of the events specified above. While our compensation committee has not adopted a policy regarding tax deductibility of compensation paid to our named executive officers, we expect that our compensation committee will consider tax deductibility under Section 162(m) as a factor in compensation decisions, but may approve compensation that is not deductible if it believes that such payments are appropriate to attract, retain and motivate our executive officers.

2010 Summary Compensation Table

The following table provides information regarding the compensation of our named executive officers for the fiscal year ended October 1, 2010. Unless otherwise specified, positions listed below are those currently held by the named executive officers.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Option Awards ($) (1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($) (2)	Total ($)
Joseph Thomas, Jr.(3)	2010	420,000	45,000	—	276,204	6,301	747,505
Former Chief Executive Officer							
Conrad Gagnon	2010	270,000	30,000	32,100	177,560	6,148	515,808
Chief Financial Officer							
John Ocampo	2010	300,000	—	—	—	722,981	1,022,981
Chairman							
Michael Murphy	2010	277,269	160,000	73,780	157,831	6,167	675,047
Vice President, Engineering							
Robert Donahue	2010	312,500	55,000	—	205,509	6,249	579,258
Chief Operating Officer							

(1) The amounts included under the "Option Awards" column reflect aggregate grant date fair value of the option awards to purchase our common stock granted during 2010, computed in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures. Assumptions used to calculate these amounts are described in Note 16 to our combined consolidated financial statements appearing elsewhere in this prospectus.

(2) Consists of the following amounts for each named executive officer for fiscal year 2010:

Name	Basic Life Insurance Premiums ($)	Company Contributions to 401(k) Plans ($)	Management Service Fee ($)	Total ($)
Joseph Thomas, Jr.	788	5,513	—	6,301
Conrad Gagnon	635	5,513	—	6,148
John Ocampo	706	2,275	720,000*	722,981
Michael Murphy	654	5,513	—	6,167
Robert Donahue	736	5,513	—	6,249

* Management service fees of $60,000 per month are paid by us to GaAs Labs, which is an affiliate of Mr. Ocampo. See “Certain Relationships and Related Person Transactions—GaAs Labs Management Fee” for more information regarding this arrangement.

(3) Mr. Thomas retired as Chief Executive Officer effective February 7, 2011.

2010 Grants of Plan-Based Awards Table

The following table provides information regarding plan-based awards granted to our named executive officers for the fiscal year ended October 1, 2010. Mr. Ocampo did not receive any grants of plan-based awards during fiscal year 2010.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards					
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($ / Sh)	Grant Date Fair Value of Stock and Option Awards ($) (1)
Joseph Thomas, Jr.		—	210,000	420,000	—	—	—	—	—	—
Conrad Gagnon		—	135,000	270,000	—	—	—	—	—	—
	10/23/09	—	—	—	—	—	300,000	—	0.16	32,100
John Ocampo		—	—	—	—	—	—	—	—	—
Michael Murphy		—	138,635	277,269	—	—	—	—	—	—
	11/10/09	—	—	—	—	—	—	600,000	0.16	52,440
	11/10/09	—	—	—	—	—	200,000	—	0.16	21,340
Robert Donahue		—	156,250	312,500	—	—	—	—	—	—

(1) The amounts included under this column reflect grant date fair value of the option awards to purchase our common stock granted during 2010, computed in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures. Assumptions used to calculate these amounts are described in Note 16 to our combined consolidated financial statements appearing elsewhere in this prospectus.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Our Chairman of the Board receives an annual base salary and benefits, but does not participate in our cash incentive or long-term equity incentive compensation programs.

Amounts in the “Non-Equity Incentive Plan Compensation” column of the 2010 Summary Compensation Table represent the cash incentive award paid to each named executive officer under the cash incentive plan in place for the last three quarters of fiscal year 2010. The amount of each executive’s cash incentive award opportunity is

based on the executive's actual salary and cash incentive award opportunity percentage. Amounts in the "Estimated Future Payouts Under Non-Equity Incentive Plan Awards" columns of the 2010 Grants of Plan Based Awards Table represent the cash incentive award opportunity for each named executive officer under the cash incentive plan in place for the last three quarters of fiscal year 2010. See "Compensation Discussion and Analysis—Annual Cash Incentives—Fiscal Year 2010" for a more detailed description of this program.

Amounts in the "Bonus" column of the 2010 Summary Compensation Table for Mr. Murphy consist of a discretionary cash incentive payment of $10,000 paid with respect to our performance during the first quarter of fiscal year 2010 and one-time retention incentive payment in the amount of $150,000 paid pursuant to Mr. Murphy's employment agreement with us dated September 28, 2009, which is subject to a claw-back forfeiture restriction that lapses in four equal annual installments on each of the first four anniversary dates of the retention payment subject to Mr. Murphy's continued employment with us.

Amounts in the "Bonus" column of the 2010 Summary Compensation Table for Mr. Donahue consist of a discretionary cash incentive payment of $20,000 paid with respect to our performance during the first quarter of fiscal year 2010 and a one-time signing bonus in the amount of $35,000 paid pursuant to Mr. Donahue's employment agreement dated July 16, 2009, which was subject to repayment upon termination of Mr. Donahue's employment with us within 12 months of his start date. In addition, the bonuses for Messrs. Thomas and Gagnon represent discretionary cash incentive payments paid with respect to our performance during the first quarter of fiscal year 2010.

Amounts in the "Option Awards" column of the 2010 Summary Compensation Table and the "Estimated Future Payouts Under Equity Incentive Plan Awards" and "All Other Option Awards" columns represent stock option awards granted under our 2009 Omnibus Stock Plan.

2010 Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth the outstanding equity awards held by each of our named executive officers at October 1, 2010.

	Option Awards					
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date
Joseph Thomas, Jr.	9/29/09	200,000	1,000,000(1)	—	0.16	9/29/19
	9/29/09	—	—	1,000,000(2)	0.16	9/29/19
	9/29/09	—	—	1,000,000(2)	0.16	9/29/19
Conrad Gagnon	9/29/09	—	300,000(3)	—	0.16	9/29/19
	10/23/09	—	—	300,000(4)	0.16	10/23/19
John Ocampo	—	—	—	—	—	—
Michael Murphy	11/10/09	—	600,000(5)	—	0.16	11/10/19
	11/10/09	—	—	200,000(4)	0.16	11/10/19
Robert Donahue	9/29/09	—	—	450,000(4)	0.16	9/29/19
	9/29/09	—	—	450,000(4)	0.16	9/29/19
	9/29/09	10,000	420,000(6)	—	0.16	9/29/19

(1) Represents the unvested portion of options to purchase 2,000,000 shares of our common stock. One-third (1/3) of the options vested on April 1, 2010 with an additional one thirty-sixth (1/36) of the total options vesting each month thereafter until all options are vested, subject to continued employment with us on each vesting date. Upon Mr. Thomas's retirement effective February 7, 2011, our board of directors approved the accelerated vesting of 166,665 of his unvested options and 611,112 of the remaining unvested options were terminated.

(2) The options vest based upon achievement of specified financial targets before December 31, 2012. These options were terminated upon the retirement of Mr. Thomas effective February 7, 2011.

(3) Represents the unvested portion of options to purchase 600,000 shares of our common stock. One-third (1/3) of the options vested on April 1, 2010 with an additional one thirty-sixth (1/36) of the total options vesting each month thereafter until all options are vested, subject to continued employment with us on each vesting date.

(4) The options vest based upon achievement of specified financial targets before December 31, 2012.

(5) Represents unvested options to purchase 600,000 shares of our common stock. One-fifth (1/5) of the options vested on November 2, 2010 with an additional one sixtieth (1/60) of the total options vesting each month thereafter until all options are vested, subject to continued employment with us on each vesting date.

(6) Represents the unvested portion of options to purchase 600,000 shares of our common stock. One-fifth (1/5) of the options vested on April 1, 2010 with an additional one sixtieth (1/60) of the options vesting each month thereafter until all options are vested, subject to continued employment with us on each vesting date.

2010 Option Exercises Table

The following table provides information regarding options to purchase our common stock that were exercised by our named executive officers during the fiscal year ended October 1, 2010.

	Option Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)
Joseph Thomas, Jr.	800,000	272,000
Conrad Gagnon	300,000	102,000
John Ocampo	—	—
Michael Murphy	—	—
Robert Donahue	170,000	57,800

(1) Amounts based on the difference between the exercise price of the options and the fair market value of our common stock on the exercise dates of $0.50 per share, which was the most recent fair market value of our common stock as determined by our board of directors at the time of exercise. The valuation assumptions used in determining the fair market value of our common stock are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Share-based compensation."

Pension Benefits

We currently do not (and did not in fiscal year 2010) sponsor any defined benefit pension or other actuarial plan.

Nonqualified Deferred Compensation

We currently do not (and did not in fiscal year 2010) maintain any nonqualified defined contribution or other deferred compensation plan or arrangement for our named executive officers.

Potential Payments Upon Termination or Change in Control

Certain of our named executive officers have employment agreements with us that provide for guaranteed payments upon involuntary termination for other than "cause" (as described in each respective named executive officer's employment agreement) and upon involuntary termination within six months after a change in control. Mr. Ocampo does not have any arrangements with us that provide for payments to him upon his termination or a change of control. A summary of the potential payments that each of our named executive officers would have received upon the occurrence of these events, assuming that each triggering event occurred on October 1, 2010, is as follows:

	Involuntary Termination for Other than Cause (1)				Involuntary Termination within Six Months Following a Change in Control (1)				
Name	Severance	Bonus	Health Benefits	Total	Severance	Bonus	Health Benefits	Stock Options Unvested and Accelerated (2)	Total
Joseph Thomas, Jr. (3)	$420,000	$294,385	$10,845	$725,230	$420,000	$294,385	$10,845	$ 113,333	$838,563
Conrad Gagnon	202,500	190,319	8,528	401,347	—	—	—	—	—
John Ocampo	—	—	—	—	—	—	—	—	—
Michael Murphy	150,000	—	8,614	158,614	—	—	—	—	—
Robert Donahue	156,250	—	7,196	163,446	312,500	—	14,392	20,400	347,292

(1) Pursuant to each named executive officers' employment agreement, the payments due to such named executive officer upon an involuntary termination for other than cause would also be due upon such named executive officers' resignation for "good reason" (as defined in each respective named executive officer's employment agreement).

(2) Amounts based on the difference between the exercise price of the options and the fair market value of our common stock of $0.50 per share, which was the most recent fair market value of our common stock as determined by our board of directors at October 1, 2010. The valuation assumptions used in determining the fair market value of our common stock are described in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Share-based compensation."

(3) Mr. Thomas retired as our Chief Executive Officer effective February 7, 2011. In connection with Mr. Thomas's retirement, we entered into a separation agreement with Mr. Thomas pursuant to which Mr. Thomas received, among other things, the following: (i) $420,000 of cash severance payments, (ii) reimbursement for premiums for the continuation of health and medical benefits for 28 months from the date of his retirement, subject to certain conditions and not to exceed $513 per month, (iii) a potential bonus under our cash incentive program of up to 75% of the total bonus Mr. Thomas would have earned if he remained employed with us and (iv) accelerated vesting of 166,665 unvested options to purchase shares of our common stock.

Employee Benefit and Stock Plans

Amended and Restated 2009 Omnibus Stock Plan

Our board of directors originally adopted, and our stockholders approved, the 2009 Omnibus Stock Plan (2009 Plan) on May 26, 2009. The 2009 Plan was amended and restated on September 29, 2009. No additional awards will be granted under the 2009 Plan after completion of this offering. After completion of this offering, outstanding options under the 2009 Plan will continue to be governed by their existing terms and conditions and those of the 2009 Plan.

The principal features of the 2009 Plan are summarized below. This summary is qualified by reference to the text of the 2009 Plan, which is filed as an exhibit to the registration statement of which this prospectus is a part.

Purpose. The purpose of the 2009 Plan is to promote the interests of us and our stockholders by providing our employees, officers, directors, consultants, advisors and independent contractors with an opportunity to acquire an equity interest in us and reward them for achieving a high level of performance. In addition, the opportunity to acquire an equity interest in us will aid in attracting and retaining individuals of outstanding ability.

Administration. The compensation committee of our board of directors administers the 2009 Plan (the administrator). Subject to the terms of the 2009 Plan, the administrator has the authority to, among other things, interpret the plan and determine who is granted awards under the 2009 Plan, the types of awards granted and the terms and conditions of the awards, including the number of shares covered by awards, the exercise price of awards and the vesting schedule or other restrictions applicable to awards. In addition, subject to the terms of the 2009 Plan, the administrator is

authorized to establish, amend or waive regulations relating to administration of the 2009 Plan. Determinations of the administrator may be made by a majority of the members present at a meeting at which at least a majority of the committee members are present, or by unanimous written approval of all members of the committee. Solely for purposes of determining and administering awards to persons who are not officers as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934, as amended (Exchange Act), the administrator may delegate all or any portion of its authority under the 2009 Plan to one or more persons who are not non-employee directors. Our full board of directors administers the plan with respect to awards to non-employee directors.

Eligibility. Our employees, non-employee directors and certain consultants, advisors or other persons who provide services to us are eligible to receive awards under the 2009 Plan. Incentive stock options may be granted only to our employees.

Share Reserve. There are 30,000,000 shares of our common stock reserved for issuance under the 2009 Plan. As of July 15, 2011, 887,850 shares subject to restricted stock awards and 16,980,000 shares of our common stock issuable upon the exercise of options had been granted under the 2009 Plan. As of July 15, 2011, options to purchase 9,395,102 shares of our common stock were outstanding at a weighted-average exercise price of $0.315 per share and 12,132,150 shares remained available for future grant under the 2009 Plan. The number of shares of our common stock authorized for issuance under the 2009 Plan is subject to adjustment in the event of a stock split, stock dividend, recapitalization or other change to our capitalization.

Awards. The 2009 Plan allows us to grant stock options, stock appreciation rights (SARs), restricted stock, performance units and other share-based awards. Each award is evidenced by an agreement with the award recipient setting forth the terms and conditions of the award, including, but not limited to, vesting conditions, term of the award and any performance conditions. The administrator at any time may amend the terms of any award previously granted, except that, in general, no amendment may be made that materially impairs the rights of any participant with respect to an outstanding award without the participant's consent.

- *Stock Options.* Stock options permit the holder to purchase a specified number of shares of our common stock at a set price. Options granted under the 2009 Plan may be either incentive or nonqualified stock options. Except as set forth in the 2009 Plan, options may not be exercised more than 10 years after the date of grant. The exercise price of options granted under the plan generally may not be less than the fair market value of our common stock on the date of grant. Incentive stock options granted to employees who hold more than 10% of the total combined voting power of all classes of our stock must have an exercise price not less than 110% of the fair market value of our common stock on the date of grant and a maximum term of five years. The administrator will determine the terms and conditions of all options granted under the 2009 Plan, including the exercise price and vesting and exercisability terms.
- *SARs.* SARs provide for payment to the holder of all or a portion of the excess of the fair market value of a specified number of shares of our common stock on the date of exercise over a specified exercise price. Payment may be made in cash or shares of our common stock or a combination of both, as determined by the administrator. The administrator will establish the terms and conditions of exercise, including the exercise price, of SARs granted under the 2009 Plan.
- *Restricted Stock.* Restricted stock awards are awards of shares of our common stock that are subject to restrictions and conditions determined by the administrator, which may include vesting, forfeiture and other restrictions or conditions. The holder of a restricted stock award will have all rights of a stockholder of our company, including, but not limited to, the right to receive dividends and the right to vote the shares of restricted stock.
- *Performance Units.* Performance units provide the holder with the right to receive payment, in cash or shares of our common stock or a combination of both, as determined by the administrator, based upon the achievement of pre-established performance targets. The administrator will establish the terms and conditions of the performance units, including the performance targets to be met and the amount and timing of any payment.

- *Other.* The administrator, in its discretion, may grant other share-based awards under the 2009 Plan. The administrator will set the terms and conditions of such awards.

Termination of Employment or Service. Unless otherwise determined by the administrator or provided in an award agreement, upon termination of an award recipient's service with our company, the following terms apply to awards under the 2009 Plan:

- If an award recipient's service with us terminates due to such person's death or disability (as defined in Section 22(e)(3) of the Code), (i) unexpired options or SARs that were exercisable immediately prior to the award recipient's death or disability remain exercisable for six months following such person's death or disability, (ii) the award recipient is entitled to payment with respect to performance units based upon the extent to which achievement of performance targets was met at the end of the performance period, pro-rated for the time in which the person was employed by us prior to such person's death or disability and (iii) all unvested shares of restricted stock immediately terminate and are forfeited to us.
- If an award recipient's service with us terminates for any reason other than death or disability, (i) unexpired options or SARs that were exercisable immediately prior to the award recipient's termination of service remain exercisable for 90 days following such person's termination of service with us, (ii) the award recipient is not entitled to payment with respect to any performance units and (iii) all unvested shares of restricted stock immediately terminate and are forfeited to us.

Fundamental Change; Change in Control. Unless otherwise provided in an award agreement, in the event of a fundamental change (as defined in the 2009 Plan), the administrator may, but is not obligated to: (i) if the fundamental change is a merger, consolidation or share exchange, make appropriate provision for the protection of outstanding options and SARs by the assumption or substitution of options, SARs and appropriate voting common stock of the corporation, or parent corporation, surviving the fundamental change or (ii) at least 10 days before the occurrence of the fundamental change, provide written notice to each holder of outstanding options or SARs that each outstanding option or SAR, whether or not exercisable, may be canceled at the time of, or immediately before the occurrence of the fundamental change, in exchange for a cash payment for each option or SAR as set forth in the 2009 Plan.

In the event of a change in control (as defined in the 2009 Plan), the administrator, in its discretion, may provide that any outstanding award will become fully vested and exercisable upon the change in control and may remain exercisable during the remaining term thereof or for such other period as provided in the award agreement or by the administrator. In addition, the administrator may provide that any outstanding award will be assumed or an equivalent award will be substituted by the successor entity or it may cause any outstanding award to terminate effective as of the date of the change in control. The administrator may also provide that any outstanding award will be cancelled as of the effective date of the change in control in exchange for a cash payment. The plan administrator has sole discretion in setting the terms of an award with respect to a change in control and may amend an outstanding award at any time without stockholder approval or consent of the award recipient, even if such change is to the recipient's detriment.

Amendment and Termination. Our board of directors may terminate, suspend or amend the 2009 Plan at any time, but, in general, no termination, suspension or amendment may materially impair the rights of any participant with respect to outstanding awards without the participant's consent. Awards that are outstanding on the termination date of the 2009 Plan will remain in effect in accordance with the terms of the 2009 Plan and the applicable award agreements. Stockholder approval of any amendment of the 2009 Plan will be obtained if required by applicable law or stock exchange rule.

Expiration Date. The 2009 Plan will expire on, and no awards may be granted pursuant to the 2009 Plan after, September 29, 2019. In any event, no additional awards will be granted under the 2009 Plan after completion of this offering.

2011 Omnibus Incentive Plan

We expect our board of directors to adopt, and our stockholders to approve, our 2011 Omnibus Incentive Plan (2011 Plan) prior to the completion of this offering. We intend that the 2011 Plan will become effective upon execution of the underwriting agreement for this offering.

Purpose. The purpose of the 2011 Plan will be to attract, retain and motivate our employees, officers, directors, consultants, agents, advisors and independent contractors by providing them with the opportunity to acquire an equity interest in us and to align their interests and efforts to the long-term interests of our stockholders.

Administration. Our board of directors or the compensation committee of our board of directors will be authorized to administer the 2011 Plan. Our board of directors may delegate concurrent administration of the 2011 Plan to different committees consisting of one or more members of our board of directors or to one or more officers in accordance with the 2011 Plan's terms. The plan administrator will be authorized to select the individuals to be granted awards, the types of awards to be granted, the number of shares subject to awards, and the other terms, conditions and provisions of such awards. References to the "committee" below are, as applicable, to our board of directors or the compensation committee, or other committee or officers that may be authorized to administer the 2011 Plan.

Eligibility. Awards may be granted under the 2011 Plan to our employees, officers, directors, consultants, agents, advisors and independent contractors and those of our subsidiaries and other related companies.

Share Reserve. The 2011 Plan will initially authorize the issuance of up to shares of our common stock. In addition, as of the effective date of the 2011 Plan, any shares not issued or subject to existing awards under our 2009 Plan, plus any shares then subject to outstanding awards under our 2009 Plan that subsequently cease to be subject to such awards (other than by reason of exercise or settlement of the awards in vested or nonforfeitable shares), will automatically become available for issuance under the 2011 Plan, up to an aggregate maximum of shares. The number of shares authorized under the 2011 Plan also may be increased on the first day of each fiscal year beginning in by an amount equal to the least of (i) % of our outstanding common stock on a fully diluted basis as of the end of our immediately preceding fiscal year, (ii) shares and (iii) a lesser amount determined by our board of directors.

The following shares will be available again for issuance under the 2011 Plan:

- shares subject to awards that lapse, expire, terminate or are canceled prior to the issuance of the underlying shares;
- shares subject to awards that are subsequently forfeited to or otherwise reacquired by us;
- shares withheld by or tendered to us as payment for the purchase price of an award or to satisfy tax withholding obligations related to an award; and
- shares subject to an award that is settled in cash or in another manner where some or all of the shares covered by the award are not issued.

Awards granted on assumption of or in substitution for previously granted awards by an acquired company will not reduce the number of shares authorized for issuance under the 2011 Plan.

If any change in our stock occurs by reason of a stock dividend, stock split, spin-off, recapitalization, merger, consolidation, combination or exchange of shares, distribution to stockholders other than a normal cash dividend or other change in our corporate or capital structure, the committee will make proportional adjustments to the maximum number and kind of securities (i) available for issuance under the 2011 Plan, (ii) issuable as incentive stock options and (iii) subject to any outstanding award, including the per share price of such securities (without any change in the award's aggregate price).

Awards. The 2011 Plan will permit the grant of any or all of the following types of awards:

- *Stock Options.* The committee may grant either incentive stock options, which must comply with Code Section 422, or nonqualified stock options. The exercise price of stock options granted under the 2011 Plan must not be less than 100% of the fair market value of our common stock on the date of grant, except in the case of options granted in connection with assuming or substituting options in acquisition transactions. Unless the committee otherwise determines, fair market value means, as of a given date, the closing price of our common stock. Options have a maximum term of ten years from the date of grant, subject to earlier termination following a participant's termination of employment or service relationship with us.
- *Stock Appreciation Rights (SARs).* The committee may grant SARs as a right in tandem with the number of shares underlying stock options granted under the 2011 Plan or as a freestanding award. Upon exercise, SARs are the right to receive payment per share in stock or cash, or in a combination of stock and cash, equal to the excess of the share's fair market value on the date of exercise over the grant price of the SAR. The grant price of a tandem SAR is equal to the exercise price of the related stock option and the grant price of a freestanding SAR is determined by the committee in accordance with the procedures described above for stock options. Exercise of an SAR issued in tandem with a stock option will reduce the number of shares underlying the related stock option to the extent of the SAR exercised. The term of a stand-alone SAR cannot be more than ten years, and the term of a tandem SAR cannot exceed the term of the related option.
- *Stock Awards, Restricted Stock and Stock Units.* The committee may grant awards of shares of common stock, or awards denominated in units of common stock, under the 2011 Plan. These awards may be made subject to repurchase or forfeiture restrictions at the committee's discretion. The restrictions may be based on continuous service with us or the achievement of specified performance criteria, as determined by the committee.
- *Performance Awards.* The committee may grant performance awards in the form of performance shares or performance units. Performance shares are units valued by reference to a designated number of shares of common stock, and performance units are units valued by reference to a designated amount of property other than shares of common stock. Both types of awards may be payable in stock, cash or other property, or a combination thereof, upon the attainment of performance criteria and other terms and conditions as established by the committee.
- *Other Stock or Cash-Based Awards.* The committee may grant other incentives payable in cash or in shares of common stock, subject to the terms of the 2011 Plan and any other terms and conditions determined by the committee.

Repricing. The 2011 Plan will permit the committee, without stockholder approval, to (i) reduce the exercise or grant price of an option or SAR after it is granted, (ii) cancel an option or SAR at a time when its exercise or grant price exceeds the fair market value of the underlying stock, in exchange for cash, another option or SAR, restricted stock or other equity award or (iii) take any other action that is treated as a repricing under GAAP.

Change in Control or Liquidation. Under the 2011 Plan, unless otherwise provided in the instrument evidencing an award or in a written employment, services or other agreement between a participant and us, the following will apply in the event of a change in control (as will be defined in the 2011 Plan):

- Upon certain changes in control, such as specified reorganizations, mergers or consolidations, outstanding awards will become fully vested and exercisable or payable, and all applicable restrictions or forfeiture provisions will lapse, only if and to the extent the awards are not converted, assumed, substituted for or replaced by a successor company. Except for such specified types of changes of control in which awards are converted, assumed, substituted for or replaced by a successor company, all outstanding awards, other than performance shares, performance units and other performance-based awards, will become fully vested and exercisable and all applicable restrictions or forfeiture provisions will lapse immediately prior to the change in control and the awards (other than stock awards) will terminate at the effective time of the change in control.

- Upon a change in control, all performance shares, performance units and other performance-based awards will be payable based on targeted performance being attained as of the effective date of the change in control and will be paid in accordance with the payout schedule for the award.
- In the event of certain reorganizations, mergers or consolidations, the committee, in its discretion, may provide that a participant's outstanding awards will be cashed out.

If we dissolve or liquidate, unless the committee determines otherwise, outstanding awards will terminate immediately prior to such dissolution or liquidation.

Amendment and Termination. Subject to applicable law, regulation or stock exchange rule, our board of directors or the compensation committee will be permitted to amend the 2011 Plan or any outstanding award thereunder, except that, any amendment that requires stockholder approval may only be made by our board of directors and not the compensation committee. Amendment of an outstanding award generally may not materially adversely affect a participant's rights under the award without the participant's consent, subject to certain exceptions to be set forth in the 2011 Plan.

Our board of directors or compensation committee may suspend or terminate all or any portion of the 2011 Plan at any time, but in such event, outstanding awards will remain outstanding in accordance with their existing terms and conditions and the 2011 Plan's terms and conditions. Unless sooner terminated by our board of directors or the compensation committee, the 2011 Plan will terminate ten years from the date our board of directors adopts the 2011 Plan.

401(k) Plan

We maintain a tax-qualified 401(k) retirement plan for all employees who satisfy certain eligibility requirements. Under our 401(k) plan, employees may elect to defer up to 100% of their eligible compensation subject to applicable annual limits set pursuant to the Code. We may provide a discretionary employee matching contribution and discretionary profit sharing contribution under the 401(k) plan. We intend for the 401(k) plan to qualify, depending on the employee's election, under Section 401(a) of the Code so that contributions by employees, and income earned on those contributions, are not taxable to employees until withdrawn from the 401(k) plan.

2011 Employee Stock Purchase Plan

We expect our board of directors to adopt, and our stockholders to approve, our 2011 Employee Stock Purchase Plan (2011 ESPP) prior to completion of this offering. We intend that the 2011 ESPP will become effective upon the effective date of the registration statement of which this prospectus is a part.

Purpose. The purpose of the 2011 ESPP is to provide our employees and those of our subsidiaries designated to participate in the 2011 ESPP with an opportunity to purchase shares of our common stock at a discount using payroll deductions. The 2011 ESPP has two portions – one portion for employees in the U.S. and one portion for international employees.

The portion of the 2011 ESPP for employees in the U.S. is intended to qualify as an "employee stock purchase plan" under Section 423 of the Code, though we make no representation of such status or undertaking to maintain such status.

Administration. The 2011 ESPP will be administered by the compensation committee of our board of directors or any other committee appointed by our board of directors to administer the 2011 ESPP. The compensation committee or other authorized committee will have the full and exclusive discretionary authority to construe and interpret the 2011 ESPP and the rights granted under it, to establish rules for the administration of the 2011 ESPP, to designate from time to time which of our subsidiaries will be eligible to participate in the 2011

ESPP, and to amend the 2011 ESPP to satisfy applicable laws, to obtain any exemption under such laws or to reduce or eliminate any unfavorable legal, accounting or other consequences. The compensation committee or other authorized committee also may adopt special rules for employees of our international subsidiaries to conform to the particular laws and practices of the countries in which such employees reside. References to the "committee" below are, as applicable, to our compensation committee or other committee that may be authorized to administer the 2011 ESPP.

Eligibility. Generally, all our employees and those of our designated subsidiaries whose customary employment is for more than 20 hours per week will be eligible to participate in the 2011 ESPP. However, any employee who would own or have options to acquire 5% or more of the total combined voting power or value of all classes of our stock or any subsidiary will be excluded from participation in the 2011 ESPP.

Share Reserve. The 2011 ESPP will initially authorize the issuance of up to shares of our common stock. In addition, the number of shares authorized under the 2011 ESPP may be increased on the first day of each fiscal year starting in by an amount equal to the least of (a) % of our outstanding common stock on a fully diluted basis as of the end of our immediately preceding fiscal year, (b) shares and (c) a lesser amount determined by our board of directors. If any purchase right terminates under the 2011 ESPP for any reason without having been exercised, the shares of common stock not purchased under such right will again become available for issuance under the 2011 ESPP. To the extent shares are issued to employees under one portion of the 2011 ESPP, they will no longer be available for issuance under the other portion of the 2011 ESPP.

The 2011 ESPP provides for adjustment of the number of shares of common stock which may be granted under the 2011 ESPP as well as the purchase price per share of common stock and the number of shares of common stock covered by each purchase right as a result of any increase or decrease in the number of shares of common stock resulting from a stock split, reverse stock split, stock dividend, extraordinary cash dividend, combination or reclassification of our common stock, or recapitalization, reorganization, consolidation, split-up, spin-off or any other increase or decrease in the number of shares of our common stock effected without the receipt of consideration by us.

Purchase of Shares of Common Stock. Pursuant to procedures that will be established by the committee, eligible employees generally will be able to elect to have a portion of their compensation withheld each pay period to purchase shares of our common stock at the end of pre-established purchase periods. Purchases will be made on the last trading day of the purchase period with such compensation amounts. The first purchase period will begin on the first trading day on or after completion of this offering and all eligible employees will automatically participate in this first purchase period, provided they timely submit an enrollment election to continue participation in the purchase period after we file a Form S-8 registration statement with respect to the issuance of shares under the 2011 ESPP.

On each purchase date (the last trading day of each purchase period), amounts withheld from an employee's compensation during the applicable purchase period will be used to purchase whole shares of our common stock. Unless the committee determines higher percentages, the purchase price for a share of common stock will be the lesser of (a) 85% of the fair market value of a share of common stock on the first trading day of the purchase period and (b) 85% of the fair market value of a share of common stock on the purchase date. Fair market value generally will mean the closing price of our common stock for the applicable day, except that for purposes of the first trading day of the first purchase period under the 2011 ESPP, fair market value will be equal to 100% of the initial public offering price per share of our common stock, before underwriters' discounts or commissions.

The Code limits the aggregate fair market value of the shares of common stock (determined as of the beginning of the purchase period) that an employee in the U.S. may purchase under the 2011 ESPP during any calendar year to $25,000. In addition, unless the committee establishes otherwise for a purchase period, a participant may purchase a maximum of 2,500 shares of our common stock during a single purchase period.

An employee's participation in the 2011 ESPP will end automatically upon the employee's termination of employment with us for any reason. A participant may withdraw from the 2011 ESPP during a purchase period and any amounts withheld during the purchase period will be distributed to the employee. In such event, the employee will not be eligible to recommence withholding of compensation for the purchase of shares of common stock until the following purchase period.

Effect of Certain Corporate Events. In the event of certain corporate transactions, such as a dissolution, liquidation, merger, consolidation, sale of all or substantially all our outstanding voting securities or assets or a similar transaction, the committee may make such adjustment as it deems appropriate in the number, class of or price of shares of common stock available for purchase under the 2011 ESPP and in the number of shares of common stock which an employee is eligible to purchase and any other adjustments it deems appropriate. In the event of any such transaction, the committee may elect to have purchase rights under the 2011 ESPP assumed or substituted by a successor entity, set an earlier purchase date, terminate all outstanding purchase rights either prior to their expiration or upon completion of the purchase of shares of common stock on the next purchase date, or take such other action deemed appropriate by the committee.

Amendment and Termination. Our board of directors may amend the 2011 ESPP at any time, provided that such amendment does not cause rights issued under the portion of the 2011 ESPP for U.S. employees to fail to meet the requirements of Section 423 of the Code. Moreover, any amendment for which stockholder approval is required under Section 423 or by any securities exchange on which the shares are traded must be submitted to stockholders for approval. Our board of directors may suspend or terminate the 2011 ESPP at any time. Unless sooner terminated by our board of directors, the 2011 ESPP will terminate on the tenth anniversary of the earlier of the date the board of directors adopts the 2011 ESPP and the date our stockholders approve the 2011 ESPP.

Limitation on Liability and Indemnification Matters

The following description references our fourth amended and restated certificate of incorporation and second amended and restated bylaws that will be in effect immediately following the closing of this offering. Our fourth amended and restated certificate of incorporation limits the liability of directors to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except liability for:

- any breach of their duty of loyalty to the corporation or its stockholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derives an improper personal benefit.

Our fourth amended and restated certificate of incorporation and second amended and restated bylaws provide that we will indemnify our directors and officers to the fullest extent permitted by law. Our second amended and restated bylaws also permit us to secure insurance on behalf of any officer or director for any liability arising out of his or her actions in connection with their services to us, regardless of whether our bylaws permit such indemnification.

We have also entered into agreements to indemnify our directors and certain of our officers to the maximum extent allowed under Delaware law. These agreements, among other things, provide that we will indemnify our directors for certain expenses (including attorneys' fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on our behalf or that person's status as our director.

There is no pending litigation or proceeding involving any of our directors or officers as to which indemnification is required or requested, and we are not aware of any threatened litigation or proceeding that would reasonably be expected to result in a claim for indemnification.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following is a description of transactions since October 1, 2007, in which we have been a participant, in which the amount involved exceeded or will exceed $120,000, and in which any of our directors, executive officers, beneficial owners of more than 5% of our capital stock, or entities affiliated with them, had or will have a direct or indirect material interest.

Indemnification of Officers and Directors

Our fourth amended and restated certificate of incorporation and second amended and restated bylaws that will become effective immediately following the closing of this offering will limit the liability of each of our directors and will provide that we will indemnify each of our directors and officers to the fullest extent permitted by Delaware law. In addition, we have entered into separate indemnification agreements with each of our directors and certain of our officers. See “Executive Compensation—Limitation on Liability and Indemnification Matters” for a general description of these provisions.

GaAs Labs Management Fee

On October 15, 2008, Mimix entered into a management services agreement with GaAs Labs which was amended on December 21, 2010. GaAs Labs is an affiliate of John Ocampo, our Chairman of the Board, and Susan Ocampo, one of our current directors. The agreement provides that in exchange for the provision of financial and strategic advisory and other services to us, we will pay GaAs Labs a management fee of $60,000 per month. In the fiscal years ended October 2, 2009 and October 1, 2010 and the nine months ended July 1, 2011, we paid GaAs Labs $720,000, $720,000 and $540,000, respectively, under the agreement. This agreement will terminate upon the closing of this offering.

Compensation Arrangements Between Cobham and Certain Named Executive Officers

In connection with the M/A-COM Acquisition, Cobham agreed to pay a retention bonus to Conrad Gagnon, our Chief Financial Officer, to encourage him to continue employment with us. The initial payment pursuant to this compensation arrangement was made in 2009 in an amount of $74,093 to Mr. Gagnon, which was paid to us by Cobham and distributed to Mr. Gagnon through our payroll. Mr. Gagnon is eligible to receive additional payments of up to $110,140 pursuant to this compensation arrangement with amounts payable after November 2011 and/or November 2012, provided that he remains employed with us through the payment dates. The payment may be accelerated in certain circumstances.

Series A Preferred Stock

On March 17, 2010, we effected a share exchange transaction with the holders of our outstanding common stock, whereby a portion of the outstanding shares of our common stock held by each such stockholder was exchanged for shares of our Series A-1 convertible preferred stock. A trust controlled by Mr. and Mrs. Ocampo received 94,400,000 shares of Series A-1 convertible preferred stock in this exchange. The Series A-1 convertible preferred stock will convert to common stock upon the closing of this offering.

On May 28, 2010, in connection with the Mimix Merger, we issued 16,821,780 shares of our Series A-2 convertible preferred stock to the preferred stockholders of Mimix in partial consideration for the transaction. An affiliate of Mr. and Mrs. Ocampo, GaAs Labs, was the majority stockholder of Mimix and a holder of its preferred stock, and in that capacity, was issued 10,571,470 shares of our Series A-2 convertible preferred stock in connection with the Mimix Merger. The Series A-2 convertible preferred stock will convert to common stock upon the closing of this offering.

Sale of Class B Convertible Preferred Stock and Warrants

On December 21, 2010, we issued and sold an aggregate of 34,169,559.75 shares of our Class B convertible preferred stock and warrants to purchase 5,125,433.96 shares of our common stock to Mainsail Partners II, L.P. and certain investment funds affiliated with Summit Partners, L.P., for an aggregate purchase price of $120.0 million. Peter Chung, one of our directors, is a managing partner and member of certain investment funds affiliated with Summit Partners, L.P. The Class B convertible preferred stock will convert to common stock upon the closing of this offering.

Upon the closing of this offering, we will be required under the terms of our current amended and restated certificate of incorporation to pay to the holders of our Class B convertible preferred stock a preference payment of between $20.0 million and $60.0 million plus all declared but unpaid dividends based on the initial public offering price of our common stock. Assuming an initial public offering price of $ per share, which is the midpoint of the range set forth on the cover page of this prospectus, we will be obligated to pay a preference payment relating to this offering to the holders of our Class B convertible preferred stock in the aggregate amount of $.

We may pay up to 50% of such preference payment with shares of our common stock. However, we currently intend to pay such preference payment in full in cash out of the net proceeds of this offering. As of July 1, 2011, there were no declared and unpaid dividends that would affect the required payment.

Warrants

We issued warrants to purchase an aggregate of 5,125,433.96 shares of our common stock to Mainsail Partners II, L.P. and certain investment funds affiliated with Summit Partners, L.P. The exercise price of the warrants is $3.511898 per share and the warrants are exercisable until the earlier of December 21, 2020 or the consummation of the sale of us or substantially all of our assets. The holder of the warrants may exercise them by (i) paying us cash equal to the aggregate exercise price; (ii) surrendering our equity securities to us with a fair market value equal to the aggregate exercise price; or (iii) instructing us to withhold from issuance upon exercise of the warrant, shares of common stock with a fair market value equal to the aggregate exercise price. The exercise price and number of shares underlying the warrants are subject to adjustment upon certain issuances of common stock for consideration of less than the warrant exercise price, which feature will lapse upon the closing of this offering. The warrants are also subject to adjustment upon stock splits, recapitalization and other similar events. The warrants will remain outstanding following the closing of this offering.

Amended and Restated Investor Rights Agreement

In connection with the sale of our Class B convertible preferred stock, we entered into an amended and restated investor rights agreement that provides for, among other things, restrictions on share transfers, rights of first refusal in connection with proposed transfers of shares, drag along and co-sale rights in connection with certain sales of shares, preemptive rights for the purchase of new securities and board designation rights. The rights and restrictions relating to the share transfers, certain preemptive rights for the purchase of new securities and board designation rights will terminate upon the closing of this offering.

In addition, pursuant to a Class B preferred rights agreement between us and the holders of our Class B convertible preferred stock, we are subject to certain affirmative and negative covenants that can only be waived by a majority of the holders of our Class B convertible preferred stock, including certain investment funds affiliated with Summit Partners, L.P. The restrictive covenants under this agreement will cease to be effective upon the closing of the offering.

Registration Rights

The amended and restated investor rights agreement provides parties to the agreement rights relating to the registration of the shares of our common stock, including with respect to this offering, held by them and issuable

to them upon conversion of our preferred stock and warrants held by them. These securities are referred to as "registrable securities."

Specifically, the amended and restated investor rights agreement provides for (i) up to two demand registration rights, which require us to effect a registration of registrable securities with the SEC upon a written request from the majority of shares held by entities affiliated with the holders of our Class B convertible preferred stock; (ii) unlimited shelf demand registration rights after we are eligible to use a registration statement on Form S-3 upon request from the holders of at least 5% of the outstanding registrable securities; and (iii) piggyback registration rights, which require us to register any registrable securities if we propose to register any of our equity securities for sale to the public (whether for our account or the account of any stockholder).

A registration statement will not count against the two demand registration statements until it has become effective and the holders requesting such registration statement are able to register and sell at least 90% of the registrable securities requested to be included in such registration statement. We are not obligated to effect a demand registration within (i) 180 days after the effectiveness of a Form S-1 registration statement, including the registration statement of which this prospectus is a part; and (ii) 90 days of the effective date of a Form S-3 registration statement initiated by us. Our obligation to effect any shelf demand registration is subject to certain conditions, including that we need not effect more than two shelf registrations within the 12-month period immediately preceding the shelf demand request.

The holders of our Class B convertible preferred stock have not used any of their demand registrations. In connection with any registration effected pursuant to the terms of the amended and restated investor rights agreement, we will be required to pay for all of the fees and expenses incurred in connection with such registration, including registration fees, filing fees and printing fees. However, the underwriting discounts, commissions and fees payable in respect of registrable securities included in any registration will be paid by the persons including such registrable securities in any such registration. We have also agreed to indemnify the holders of registrable securities against claims, losses, damages and liabilities with respect to each registration effected pursuant to the amended and restated investor rights agreement subject to limited exceptions.

Policies and Procedures for Related Person Transactions

We do not currently have a formal, written policy or procedure for the review and approval of related person transactions. However, effective at the closing of this offering, our audit committee charter will provide that our audit committee will be required to approve any related person transactions. Our code of conduct and ethics also prohibits our directors and officers from engaging in a conflict of interest transaction without disclosure to and approval from the board of directors or one of its committees.

We intend that all future transactions between us and our directors, executive officers and principal stockholders and their affiliates will be approved in advance by our audit committee. All of the transactions described above were entered into prior to the adoption of our audit committee charter, but each was approved by a majority of our board of directors.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth certain information with respect to the beneficial ownership of our common stock at July 15, 2011 for:

- each person who we know beneficially owns more than five percent of our outstanding shares of common stock;
- each of our directors;
- each of our named executive officers;
- all of our directors and executive officers as a group; and
- each of the selling stockholders.

We have determined beneficial ownership in accordance with SEC rules. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the table below have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws.

In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of that person, we deemed to be outstanding shares of common stock subject to options or warrants held by that person that are currently exercisable or exercisable within 60 days of July 15, 2011. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

"Shares Beneficially Owned Prior to the Offering" is based on 158,664,636 shares of common stock outstanding on July 15, 2011, assuming the conversion of all outstanding shares of our preferred stock on a one-for-one basis into shares of our common stock. Beneficial ownership "After the Offering" is calculated based on 158,664,636 shares of common stock outstanding on July 15, 2011, assuming the conversion of all outstanding shares of our preferred stock on a one-for-one basis into shares of our common stock, plus shares of common stock to be sold by us in this offering. Beneficial ownership "After the Offering (Over-allotment Option Exercised in Full)" is calculated based on 158,664,636 shares of common stock outstanding on July 15, 2011, assuming the conversion of all outstanding shares of our preferred stock on a one-for-one basis in to shares of our common stock, plus (i) shares of common stock to be sold by us in this offering and (ii) shares that will be issued by us in connection with the full exercise of the over-allotment option.

Unless otherwise noted, the address of each beneficial owner listed in the table is 100 Chelmsford Street, Lowell, Massachusetts 01851.

	Shares Beneficially Owned				Percentage of Shares Beneficially Owned		
	Shares Beneficially Owned Prior to the Offering	Shares Being Offered	After the Offering	After the Offering (Over-allotment Option Exercised in Full)	Prior to the Offering	After the Offering	After the Offering (Over-allotment Option Exercised in Full)
Greater than 5% Stockholders:							
John Ocampo and affiliates (1)	105,153,470				66.3%		
Summit Partners, L.P. (2)	38,967,531				23.8%		
Directors and Named Executive Officers:							
John Ocampo (1)	105,153,470				66.3%		
Susan Ocampo (1)	105,153,470				66.3%		
Charles Bland (3)	680,000				*		
Conrad Gagnon (4)	483,333				*		
Robert Donahue (5)	290,000				*		
Michael Murphy (6)	220,000				*		
Joseph Thomas, Jr.	1,388,887				*		
Peter Chung	—				—		
Gil Van Lunsen	30,000				*		
All directors and executive officers as a group (7 persons) (7)	106,856,803				67.3%		
Other Selling Stockholders:							

* Represents beneficial ownership of less than 1%

(1) Represents 94,582,000 shares beneficially owned by various family trusts affiliated with John and Susan Ocampo. Mr. and Mrs. Ocampo are the co-trustees of each of the family trusts and hold voting and dispositive power over the shares held in the family trusts. Also includes 10,571,470 shares beneficially owned by GaAs Labs, LLC, an entity controlled by Mr. and Mrs. Ocampo.

(2) Represents 24,301,923 shares beneficially owned by Summit Partners Private Equity Fund VII-A, L.P., 14,596,125 shares beneficially owned by Summit Partners Private Equity Fund VII-B, L.P., 64,900 shares beneficially owned by Summit Investors I, LLC, and 4,583 shares beneficially owned by Summit Investors I (UK), L.P. Shares beneficially owned also include the following shares issuable upon the exercise of warrants that are currently exercisable: 3,169,816 shares beneficially owned by Summit Partners Private Equity Fund VII-A, L.P., 1,903,842 shares beneficially owned by Summit Partners Private Equity Fund VII-B, L.P., 8,465 shares beneficially owned by Summit Investors I, LLC, and 597 shares beneficially owned by Summit Investors I (UK), L.P. Summit Partners, L.P. is (i) the managing member of Summit Partners PE VII, LLC, which is the general partner of Summit Partners PE VII, L.P., which is the general partner of each of Summit Partners Private Equity Fund VII-A, L.P. and Summit Partners Private Equity Fund VII-B, L.P., and (ii) the manager of Summit Investors Management, LLC, which is the managing member of Summit Investors I, LLC, and the general partner of Summit Investors I (UK), L.P. Summit Partners, L.P., through a two-person investment committee currently composed of Bruce R. Evans and Martin J. Mannion, has voting and dispositive authority over the shares held by each of these entities and therefore, Summit Partners, L.P. beneficially owns such shares. The address of each of these entities is 222 Berkeley Street, 18th Floor, Boston, MA 02116. Certain private funds sponsored by Summit Partners, L.P. hold private equity investments in one or more broker-dealers, and as a result Summit Partners, L.P. is an affiliate of a broker-dealer. However, entities affiliated with Summit Partners, L.P. acquired the securities to be sold in this offering in the ordinary course of business for investment for their own account and not as a nominee or agent and, at the time of that purchase, had no contract, undertaking, agreement, understanding or arrangement, directly or indirectly, with any person to sell, transfer, distribute or grant participations to such person or to any third person with respect to those securities.

(3) Includes 80,000 shares issuable upon the exercise of options that may be exercised within 60 days of July 15, 2011.

(4) Includes 33,333 shares issuable upon the exercise of options that may be exercised within 60 days of July 15, 2011.

(5) Includes 30,000 shares issuable upon the exercise of options that may be exercised within 60 days of July 15, 2011.

(6) Includes 80,000 shares issuable upon the exercise of options that may be exercised within 60 days of July 15, 2011.

(7) Includes 223,333 shares issuable to Messrs. Bland, Gagnon, Donahue and Murphy upon the exercise of options that may be exercised within 60 days of July 15, 2011.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and provisions of our fourth amended and restated certificate of incorporation and second amended and restated bylaws are summaries and are qualified by reference to our fourth amended and restated certificate of incorporation and second amended and restated bylaws that we expect our board of directors to adopt and stockholders to approve effective immediately upon the completion of this offering. You should read carefully our fourth amended and restated certificate of incorporation and second amended and restated bylaws, which are included as exhibits to the registration statement of which this prospectus is a part.

Upon the closing of this offering, our authorized capital stock will consist of shares of common stock, $0.001 par value per share, and shares of preferred stock, $0.001 par value per share.

Common Stock

The holders of common stock are entitled to one vote per share on all matters to be voted on by the common stockholders. The holders of our common stock are not entitled to cumulative voting in the election of our directors. Therefore, holders of a majority of the shares voting for the election of directors can elect all directors. Subject to preferences of any outstanding shares of preferred stock, the holders of common stock are entitled to receive ratably any dividends our board of directors may declare out of funds legally available for the payment of dividends. If we are liquidated, dissolved or wound up, the holders of common stock are entitled to share pro rata in all assets remaining after payment of, or provision for, our liabilities and liquidation preferences of any outstanding shares of preferred stock. Holders of common stock have no pre-emptive rights or rights to convert their common stock into any other securities. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are fully paid and non-assessable, and the shares of common stock to be sold in this offering will be fully paid and non-assessable. As of July 15, 2011 and after giving effect to the conversion of our preferred stock into common stock as if it had occurred as of such date, we would have had 158,664,636 shares of common stock outstanding held by 219 record holders. Upon the closing of this offering, we will have shares of common stock outstanding, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding stock options or warrants.

Preferred Stock

Upon completion of this offering, our outstanding shares of convertible preferred stock will be converted into 150,991,337 shares of our common stock. Thereafter, pursuant to our fourth amended and restated certificate of incorporation, our board of directors will have the authority, without further action by the stockholders, to issue up to shares of preferred stock from time to time in one or more series. The board of directors also has the authority to fix the designations, voting powers, preferences, privileges, rights and limitations of any series of preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights of the common stock. The board of directors, without stockholder approval, can issue preferred stock with voting, conversion or other rights that could adversely affect the voting power and other rights of the holders of common stock. The issuance of preferred stock may decrease the market price of our common stock. We have no plans at this time to issue any preferred stock.

Warrants

On December 21, 2010, we issued warrants to purchase an aggregate of 5,125,433.96 shares of our common stock at a price of $3.511898 per share to Mainsail Partners II, L.P. and certain investment funds affiliated with Summit Partners, L.P. These warrants will remain outstanding following the closing of this offering.

Preemptive Rights

Under Delaware law, a stockholder is not entitled to pre-emptive rights to subscribe for additional issuances of common stock or any other class of series of common stock or any security convertible into such stock in proportion to the shares that are owned unless there is a provision to the contrary in the certificate of incorporation. Our fourth amended and restated certificate of incorporation does not provide that our stockholders are entitled to pre-emptive rights.

Registration Rights

We are party to an amended and restated investor rights agreement with certain holders of our common and preferred stock, which provides for registration rights. See “Certain Relationships and Related Person Transactions—Sale of Class B Convertible Preferred Stock and Warrants—Registration Rights” for a general description of these provisions.

Anti-Takeover Effects of Certain Provisions of Our Amended and Restated Articles of Incorporation, Amended and Restated Bylaws and Delaware Law

Provisions of our fourth amended and restated articles of incorporation, our second amended and restated bylaws and Delaware law could have the effect of delaying or preventing a third party from acquiring us, even if the acquisition would benefit our stockholders. These provisions may delay, defer or prevent a tender offer or takeover attempt of our company that a stockholder might consider in the stockholder’s best interest, including those attempts that might result in a premium over the market price for the shares held by our stockholders. These provisions are intended to enhance the likelihood of continuity and stability in the composition of our board of directors and in the policies formulated by our board of directors and to reduce our vulnerability to an unsolicited proposal for a takeover that does not contemplate the acquisition of all of our outstanding shares, or an unsolicited proposal for our restructuring or sale of all or part of our business.

Authorized but Unissued Shares of Common Stock and Preferred Stock

Our authorized but unissued shares of common stock and preferred stock are available for our board of directors to issue without stockholder approval. As noted above, our board of directors, without stockholder approval, has the authority under our fourth amended and restated certificate of incorporation to issue preferred stock with rights superior to the rights of the holders of common stock. As a result, preferred stock could be issued quickly, could adversely affect the rights of holders of common stock and could be issued with terms calculated to delay or prevent a change of control or make removal of management more difficult. We may use the additional authorized shares of common or preferred stock for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of our authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of our company by means of a proxy contest, tender offer, merger or other transaction.

Classified Board; Election and Removal of Directors

Our fourth amended and restated certificate of incorporation provides for the division of our board of directors into three classes, as nearly as equal in number as possible, with the directors in each class serving for three-year terms, and one class being elected each year by our stockholders. Our directors can be removed only for cause and, subject to specified exceptions, vacancies on our board of directors may be filled only by the affirmative vote of a majority of the directors then in office. Further, only our board of directors may change the size of our board of directors. Because this system of electing, appointing and removing directors generally makes it more difficult for stockholders to replace a majority of the board of directors, it may discourage a third party from initiating a tender offer or otherwise attempting to gain control of our company, and may maintain the incumbency of our board of directors.

Stockholder Action; Special Meetings of Stockholders

Our fourth amended and restated certificate of incorporation allows stockholders to act by unanimous written consent. Our fourth amended and restated certificate of incorporation also provides that special meetings of our stockholders may be called only by the majority of our board of directors or by the chairman of the board of directors.

Advance Notice Requirements for Stockholders Proposals and Director Nominations

Our second amended and restated bylaws provide that stockholders seeking to bring business before a meeting of stockholders, or to nominate candidates for election as directors at a meeting of stockholders, must provide us with timely written notice of their proposal. Our second amended and restated bylaws also specify requirements as to the form and content of a stockholder's notice. These provisions may preclude stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders.

Amendment to our Certificate of Incorporation and Bylaws

Our fourth amended and restated certificate of incorporation may generally be amended by a majority of our stockholders, except with respect to provisions regarding our board of directors and stockholder meetings, which may only be amended upon approval of holders of at least 66-2/3% of our outstanding voting stock. Our second amended and restated bylaws may generally be amended by our board of directors or by our stockholders upon approval of holders of at least 66-2/3% of our outstanding voting stock.

Delaware Anti-Takeover Statute

We are subject to the provisions of Section 203 of the Delaware General Corporation Law, an anti-takeover law. Subject to exceptions, the statute prohibits a publicly-held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- prior to such date, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced (excluding for purposes of determining the number of shares outstanding, those shares owned by (1) persons who are directors and also officers and (2) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer); or
- on or after such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders and not by written consent, by the affirmative vote of at least 66-2/3% of the outstanding voting stock which is not owned by the interested stockholder.

For purposes of Section 203, a "business combination" includes a merger, asset sale or other transaction resulting in a financial benefit to the interested stockholder, with an "interested stockholder" being defined as a person who, together with affiliates and associates, owns, or within three years prior to the date of determination whether the person is an "interested stockholder," did own, 15% or more of the corporation's voting stock.

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our common stock will be .

Listing

We intend to apply to have our common stock approved for listing on the Nasdaq Global Select Market under the symbol "MTSI."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, and although we expect that our common stock will be approved for listing on the Nasdaq Global Select Market, an active public market for our common stock may not develop following this offering. We cannot predict the effect, if any, that market sales by our existing stockholders of shares of common stock, or the availability of shares of common stock for sale, will have on the market price of our common stock prevailing from time to time. Sales by our existing stockholders of substantial amounts of common stock in the public market, or the perception that such sales could occur, could reduce the market price of our common stock and impair our future ability to raise capital through the sale of equity securities.

Upon completion of this offering, based on our shares outstanding as of July 15, 2011, and after giving effect to the conversion of all outstanding shares of our convertible preferred stock into 150,991,337 shares of common stock, we will have shares of common stock outstanding, assuming no exercise of the underwriters' over-allotment option to purchase additional shares and no exercise of outstanding warrants and options. Of the outstanding shares, subject to the lock-up agreements described below, all of the shares of common stock sold in this offering will be freely tradable, except that any shares held or acquired by our "affiliates," as that term is defined in Rule 144 under the Securities Act of 1933, as amended (Securities Act), will be subject to the volume limitations and other restrictions of Rule 144 described below. The remaining shares of common stock held by our existing stockholders are "restricted securities" as defined under Rule 144. Restricted securities may be sold in the public market only if registered under the Securities Act or if they qualify for an exemption from registration, including, among others, the exemptions provided by Rule 144 and Rule 701 under the Securities Act, which are summarized below.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell his or her shares provided that (1) such person is not deemed to have been one of our affiliates at the time of, or at any time during the three months before, the sale and (2) we have been subject to and satisfied the Exchange Act periodic reporting requirements for at least 90 days before the sale. If such person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell the shares regardless of whether we have been subject to and satisfied the Exchange Act reporting requirements.

A person who has beneficially owned restricted shares of our common stock for at least six months, but who is one of our affiliates at the time of, or any time during the 90 days before, the sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering; and
- the average weekly trading volume of our common stock during the four calendar weeks before the filing of a notice on Form 144 with respect to the sale;

provided that, in each case, we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales by affiliates must also comply with the manner of sale and notice provisions of Rule 144.

Rule 701

In general, under Rule 701 under the Securities Act, a person who purchased shares of our common stock pursuant to a written compensatory plan or contract and who is not deemed to have been one of our affiliates during the immediately preceding 90 days may sell these shares in reliance upon Rule 144, but without being

required to comply with the public information requirements or holding period requirements of Rule 144. Rule 701 also permits affiliates to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after we have become subject to the Exchange Act periodic reporting requirements before selling their shares.

As of July 15, 2011, 5,653,799 shares of our outstanding common stock had been issued in reliance on Rule 701 as a result of stock option exercises or restricted stock grants. All of these shares are subject to the contractual lock-up agreements described below or similar market standoff agreements with us.

Lock-Up Agreements

We, our directors and officers and holders of substantially all of our equity securities have agreed, subject to certain exceptions, not to offer, sell or transfer any common stock or securities convertible into or exchangeable or exercisable for common stock, other than the shares which the selling stockholders may sell in this offering, for 180 days after the date of this prospectus without first obtaining the written consent of Barclays Capital Inc. and J.P. Morgan Securities LLC, subject to a possible extension beyond the end of such 180-day period as described under “Underwriting.”

Registration Rights

Pursuant to an amended and restated investor rights agreement, the holders of 158,516,768 shares of our common stock (including shares of our common stock issuable upon the conversion of our outstanding convertible preferred stock immediately prior to the closing of this offering), or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of those shares under the Securities Act. For a description of these registration rights, see “Certain Relationships and Related Person Transactions—Sale of Class B convertible preferred stock and Warrants—Registration Rights.” If the offer and sale of these shares is registered, the shares will be freely tradable without restriction under the Securities Act and a large number of shares may be sold into the public market. If such sale occurs, the market price of our common stock could decline.

Stock Options

As of July 15, 2011, options to purchase a total of 9,395,102 shares of common stock pursuant to our 2009 Plan were outstanding, of which options to purchase 1,428,015 shares were exercisable, and no options were outstanding or exercisable under our 2011 Plan. We intend to file a registration statement on Form S-8 under the Securities Act promptly after the closing of this offering to register shares that may be issued pursuant to our 2011 Plan. The registration statement is expected to become effective immediately upon filing, and shares covered by the registration statement will then become eligible for sale in the public markets, subject to the Rule 144 limitations applicable to affiliates, vesting restrictions and any applicable lock-up agreements. For a more complete discussion of our equity incentive plans, see “Executive Compensation—Employee Benefit and Stock Plans.”

Warrants

We have issued warrants to purchase 5,125,433.96 shares of our common stock at a price of $3.511898 per share to Mainsail Partners II, L.P. and certain investment funds affiliated with Summit Partners, L.P. These warrants will survive the closing of this offering. The shares issuable upon exercise of the warrants will be restricted securities.

MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income and estate tax consequences to non-U.S. holders (as defined below) of the purchase, ownership and disposition of our common stock. This summary does not purport to be a complete analysis of all the potential tax considerations to non-U.S. holders relating to an investment in our common stock. This summary is based upon the provisions of the Code, U.S. Treasury Regulations promulgated thereunder, administrative rulings and judicial decisions, all as of the date hereof, all of which are subject to change, possibly with retroactive effect, which could result in U.S. federal income and estate tax consequences different than those summarized below. We have not sought, nor do we intend to seek a ruling from the Internal Revenue Service (IRS) with respect to the U.S. federal income tax and estate tax consequences described in the following summary, and there can be no assurance that the IRS will agree with any or all of such consequences described herein.

This summary does not address the tax considerations arising under the laws of any state, local non-U.S. or other taxing jurisdiction and is limited to investors who will hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code. This summary does not address all tax considerations that may be relevant to an investor in light of the investor's particular circumstances nor does it address tax considerations to non-U.S. investors that are subject to special rules, such as:

- banks, insurance companies, or other financial institutions (except to the extent specifically set forth below under "Additional Withholding and Information Requirements");
- persons subject to the alternative minimum tax;
- tax-exempt organizations or tax-qualified retirement plans;
- real estate investment trusts or regulated investment companies;
- controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid U.S. federal income tax;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than 5% of our capital stock (except to the extent specifically set forth below);
- certain former citizens or long-term residents of the United States;
- persons who hold our common stock as a position in a hedging transaction, "straddle," "conversion transaction," synthetic security, or other integrated or risk reduction transaction; or
- persons deemed to sell our common stock under the constructive sale provisions of the Internal Revenue Code; and
- persons that have a "functional currency" other than the U.S. dollar.

The following discussion of material U.S. federal income and estate tax consequences to non-U.S. holders is for general information only and it is not intended to be tax advice. You are urged to consult your tax advisor with respect to the application of the U.S. federal income tax laws to your particular situation, as well as any tax consequences of the purchase, ownership and disposition of our common stock arising under the U.S. federal estate or gift tax rules or under the laws of any state, local, non-U.S. or other taxing jurisdiction or under any applicable tax treaty.

Non-U.S. Holder Defined

For purposes of this discussion, you are a non-U.S. holder if you are a beneficial owner of our common stock that is not treated as a partnership for U.S. federal income tax purposes other than (i) a U.S. citizen or U.S. resident, (ii) a corporation or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source, or (iv) a trust that either is subject to the primary supervision of a court within the United States and has one or more U.S. persons (as defined in the Internal Revenue Code) with authority to control all of its substantial decisions, or has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a United States person.

In addition, if a partnership (including any entity or arrangement classified as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner (including a person classified as a partner for U.S. federal income tax purposes) generally will depend on the status of the partner and on the activities of the partnership. Accordingly, partnerships that hold our common stock and partners in such partnerships should consult their tax advisors.

A modified definition of Non-U.S. Holder applies for U.S. federal estate tax purposes (as discussed below).

Distributions on Common Stock

As discussed under “Dividend Policy” above, we do not currently anticipate making cash distributions on our common stock. In the event that we do make distributions on our common stock, these distributions generally will constitute dividends for U.S. tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, and may generally be subject to withholding as described below. To the extent these distributions exceed both our current and our accumulated earnings and profits, they will constitute a return of capital and will first reduce your adjusted tax basis in our common stock, but not below zero, and then will be treated as gain from the sale of stock subject to the tax treatment described below in “Gain on Sale, Disposition of Common Stock.” Any such distribution would also be subject to the discussion below under the section titled “Additional Withholding and Information Requirements.”

Any dividend paid to you generally will be subject to withholding at a rate of 30% of the gross amount of the dividend, unless you provide us or our agent, as the case may be, with an appropriate IRS Form W-8 prior to the payment of dividends properly certifying qualification for a reduced treaty rate. If you hold our common stock through a financial institution or other agent acting on your behalf, you will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries. The certification requirements also may require a you to provide your U.S. taxpayer identification number if you provide an IRS form or claim treaty benefits.

Dividends received by you that are effectively connected with your conduct of a U.S. trade or business (and, if an income tax treaty applies, such dividends are attributable to a permanent establishment maintained by you in the U.S.) are exempt from withholding. In order to claim this exemption, you must provide us with an IRS Form W-8ECI (or successor form) properly certifying this exemption. Effectively connected dividends, although not subject to withholding, are taxed at the same graduated U.S. federal income tax rates applicable to U.S. persons, net of certain deductions and credits, subject to an applicable income tax treaty providing otherwise. In addition, if you are a non-U.S. holder treated as a corporation for U.S. federal income tax purposes, dividends you receive that are effectively connected with your conduct of a U.S. trade or business may also be subject to an additional branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty.

Special certification and other requirements apply to certain non-U.S. holders that are entities rather than individuals.

You are urged to consult your own tax advisor about the specific methods for satisfying the requirements for an exemption from, or a reduced rate of, withholding. A claim for exemption from, or a reduced rate of, withholding will not be valid if the person receiving the applicable form has actual knowledge or reason to know that the statements on the form are false. If you are eligible for a reduced rate of withholding pursuant to an income tax treaty, you may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. You should consult your tax advisor about your ability to apply for a refund if necessary.

Gain on Disposition of Common Stock

Subject to the discussion below under "Additional Withholding and Reporting Requirements," you generally will not be subject to U.S. federal income tax on any gain realized upon the sale or other disposition of our common stock unless:

- the gain is effectively connected with your conduct of a U.S. trade or business (and, if an income tax treaty applies, the gain is attributable to a permanent establishment maintained by you in the U.S.);
- you are an individual who is present in the U.S. for a period or periods aggregating 183 days or more during the taxable year in which the sale or disposition occurs and certain other conditions are met; or
- our common stock constitutes a "U.S. real property interest" by reason of our status as a "United States real property holding corporation," or USRPHC, for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or your holding period for our common stock and certain other requirements are met.

If you are described in the first bullet above, you generally will be subject to U.S. federal income tax with respect to gain derived from the sale on a net income basis in the same manner and at the same graduated U.S. federal income tax rates applicable to U.S. persons, and if you are a non-U.S. holder treated as a corporation for U.S. federal income tax purposes, you may be subject to an additional branch profits tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty. If you are described in the second bullet above, you generally will be subject to U.S. federal income tax at a rate of 30% or such lower rate as may be specified by an applicable income tax treaty on the gain derived from the sale and other U.S. source capital gains in excess of U.S. source capital losses during the taxable year of the disposition.

We believe that we are not currently and do not anticipate becoming a USRPHC. However, because the determination of whether we are a USRPHC depends on the fair market value of our U.S. real property relative to the fair market value of our other business assets, there can be no assurance that we will not become a USRPHC in the future. Even if we become a USRPHC, however, as long as our common stock is regularly traded on an established securities market, our common stock will be treated as a U.S. real property interest only if you actually or constructively hold more than 5% of such regularly traded common stock at any time during the applicable period specified in the Internal Revenue Code. However, no assurance can be provided that our common stock will be regularly traded on an established securities market for purposes of the rules described above.

Backup Withholding and Information Reporting

Generally, we must report annually to the IRS the amount of dividends paid to you, your name and address, and the amount of tax withheld, if any, regardless of whether withholding is reduced or eliminated by an applicable tax treaty. A similar report is sent to you. Pursuant to applicable income tax treaties or other agreements, the IRS may make these reports available to tax authorities in your country of residence.

Information reporting and backup withholding will generally apply to the payment of the proceeds of a disposition of shares of our common stock by a non-U.S. holder effected by or through the U.S. office of any broker, U.S. or foreign, unless the holder certifies its status as a non-U.S. holder and satisfies certain other

requirements, or otherwise establishes an exemption. Generally, backup, withholding will not apply to a payment of disposition proceeds to a non-U.S. holder where the transaction is effected through a non-U.S. office of a U.S. broker or non-U.S. office of a foreign broker. For information reporting purposes, dispositions effected through a non-U.S. office of a broker with substantial U.S. ownership or operations generally will be treated in a manner similar to dispositions effected through a U.S. office of a broker. Prospective investors are urged to consult their own tax advisors regarding the application of the information reporting and backup withholding rules to them.

Payments of dividends on or the gross proceeds of disposition of our common stock may be subject to information reporting and backup withholding at a current rate of 28% (which, under current rules, is scheduled to increase to 31% commencing on or after January 1, 2013) unless you establish an exemption, for example by properly certifying your non-U.S. status on a Form W-8BEN or another appropriate version of IRS Form W-8. See also the discussion below under "Additional Withholding and Reporting Requirements." Notwithstanding the foregoing, backup withholding and information reporting may apply if either we or our paying agent has actual knowledge, or reason to know, that you are a U.S. person.

Backup withholding is not an additional tax. Any amounts withheld from a payment to you under the backup withholding rules will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that the required information or returns are furnished to the IRS in a timely manner.

Additional Withholding and Reporting Requirements

Legislation enacted in March 2010 generally imposes withholding at a rate of 30% on payments to certain foreign entities (including financial institutions, which include hedge funds, private equity funds, mutual funds, securitization vehicles and other investment vehicles regardless of size) of dividends on, and the gross proceeds from a sale or other dispositions of, common stock of U.S. issuers (and certain other types of payments), unless various U.S. information reporting, due diligence and procedural (including in certain cases the entering into an agreement with the IRS) requirements have been timely satisfied. These requirements are different from, and are in addition to, the beneficial owner certification requirements described above. Pursuant to recent guidance from the IRS, this 30% withholding tax would apply to certain payments, including dividends on our common stock, if any, paid on or after January 1, 2014, and to payments of gross proceeds from the sale or other disposition of our common stock paid on or after January 1, 2015. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits for such taxes. The Code requires the IRS to provide for the coordination of this 30% withholding tax with other U.S. federal income withholding provisions, including providing for the proper crediting of amounts deducted and withheld under these rules against amounts required to be deducted and withheld under such other withholding provisions. To date, no such coordinating rules have been implemented.

The IRS's guidance with respect to these rules is only preliminary, and the scope of these rules remains unclear and potentially subject to material changes. You should consult your tax advisor regarding the possible implications of these rules on your investment in our common stock, including, without limitation, the process and deadlines for meeting the applicable requirements to prevent the imposition of this 30% withholding tax.

Federal Estate Tax

Our common stock beneficially owned by an individual who is not a citizen or resident of the U.S. (as specially defined for U.S. federal estate tax purposes) at the time of death will be includable in the decedent's gross estate for U.S. federal estate tax purposes, unless an applicable estate tax treaty provides otherwise, and therefore may be subject to U.S. federal estate tax.

UNDERWRITING

Barclays Capital Inc. and J.P. Morgan Securities LLC are acting as joint book-running managers and as representatives of the underwriters of this offering. Jefferies & Company, Inc. is also acting as a joint book-running manager. Under the terms of an underwriting agreement, which will be filed as an exhibit to the registration statement of which this prospectus is a part, each of the underwriters named below has severally agreed to purchase from us and the selling stockholders the respective number of shares of common stock shown opposite its name below:

Underwriters	Number of Shares
Barclays Capital Inc.	
J.P. Morgan Securities LLC	
Jefferies & Company, Inc.	
Morgan Keegan & Company, Inc.	
Needham & Company, LLC	
Raymond James & Associates, Inc.	
Stifel, Nicolaus & Company, Incorporated	
Total	

The underwriting agreement provides that the underwriters' obligation to purchase shares of common stock depends on the satisfaction of the conditions contained in the underwriting agreement including:

- the obligation to purchase all of the shares of common stock offered hereby (other than those shares of common stock covered by their option to purchase additional shares as described below), if any of the shares are purchased;
- the representations and warranties made by us and the selling stockholders to the underwriters are true;
- there is no material change in our business or the financial markets; and
- we deliver customary closing documents to the underwriters.

Commissions and Expenses

The following table summarizes the underwriting discounts and commissions we and the selling stockholders will pay to the underwriters. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares. The underwriting fee is the difference between the initial price to the public and the amount the underwriters pay to us and the selling stockholders for the shares.

	No Exercise	Full Exercise
Per share		
Total paid by us		
Total paid by the selling stockholders		

The representatives of the underwriters have advised us that the underwriters propose to offer the shares of common stock directly to the public at the public offering price on the cover of this prospectus and to selected dealers, which may include the underwriters, at such offering price less a selling concession not in excess of $ per share. After the offering, the representatives may change the offering price and other selling terms. Sales of shares made outside of the U.S. may be made by affiliates of the underwriters.

The expenses of the offering that are payable by us and the selling stockholders are estimated to be $ (excluding underwriting discounts and commissions).

Option to Purchase Additional Shares

We and the selling stockholders have granted the underwriters an option exercisable for 30 days after the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of shares at the public offering price less underwriting discounts and commissions. This option may be exercised if the underwriters sell more than shares in connection with this offering. To the extent that this option is exercised, each underwriter will be obligated, subject to certain conditions, to purchase its pro rata portion of these additional shares based on the underwriter's underwriting commitment in the offering as indicated in the table at the beginning of this Underwriting section.

Lock-Up Agreements

We, all of our directors and executive officers and holders of substantially all of our outstanding stock, have agreed that, without the prior written consent of each of Barclays Capital Inc. and J.P. Morgan Securities LLC, we and they will not directly or indirectly, (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any shares of common stock (including, without limitation, shares of common stock that may be deemed to be beneficially owned by us or them in accordance with the rules and regulations of the SEC and shares of common stock that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for common stock, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of shares of common stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of common stock or other securities, in cash or otherwise, (3) subject to certain limited exceptions, make any demand for or exercise any right or cause to be filed a registration statement, including any amendments thereto, with respect to the registration of any shares of common stock or securities convertible into or exercisable or exchangeable for common stock or any other securities of the company or (4) publicly disclose the intention to do any of the foregoing for a period commencing on the date hereof and ending 180 days after the date of this prospectus in each case subject to certain exceptions set forth in the lock-up agreements.

The 180-day restricted period described in the preceding paragraph will be extended if:

- during the last 17 days of the 180-day restricted period we issue an earnings release or material news or a material event relating to us occurs; or
- prior to the expiration of the 180-day restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 180-day period, in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or occurrence of material event unless such extension is waived in writing by Barclays Capital and J.P. Morgan Securities LLC.

Barclays Capital Inc. and J.P. Morgan Securities LLC, in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time with or without notice. When determining whether or not to release common stock and other securities from lock-up agreements, Barclays Capital Inc. and J.P. Morgan Securities LLC will consider, among other factors, the holder's reasons for requesting the release, the number of shares of common stock and other securities for which the release is being requested and market conditions at the time.

As described below under "Directed Share Program," any participant who had agreed to the lock-up provisions described above or any participant who is our employee, will be subject to a 180-day lock up with respect to any shares sold to them pursuant to that program, with the same restrictions and an identical extension provision as the lock-up agreement described above. Any shares sold in the directed share program to our directors or officers shall be subject to the lock-up agreement described above.

Offering Price Determination

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be negotiated between the representatives and us. In determining the initial public offering price of our common stock, the representatives will consider:

- the history and prospects for the industry in which we compete;
- our financial information;
- the ability of our management and our business potential and earning prospects;
- the prevailing securities markets at the time of this offering; and
- the recent market prices of, and the demand for, publicly traded shares of generally comparable companies.

Indemnification

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act and liabilities incurred in connection with the directed share program referred to below, and to contribute to payments that the underwriters may be required to make for these liabilities.

Directed Share Program

At our request, the underwriters have reserved for sale at the initial public offering price up to shares offered hereby for officers, directors, employees and certain other persons associated with us. The number of shares available for sale to the general public will be reduced to the extent such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered hereby. Any participant who had agreed to the lock-up provisions described above, or any participant who is our employee, will be prohibited from selling, pledging or assigning any shares sold to them pursuant to this program for a period of 180 days after the date of this prospectus. This 180-day lock up period shall be extended with respect to our issuance of an earnings release or if a material news or a material event relating to us occurs, in the same manner as described above under “Lock-Up Agreements.”

Stabilization, Short Positions and Penalty Bids

The representatives may engage in stabilizing transactions, short sales and purchases to cover positions created by short sales, and penalty bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, in accordance with Regulation M under the Exchange Act:

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.
- A short position involves a sale by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase in the offering, which creates the syndicate short position. This short position may be either a covered short position or a naked short position. In a covered short position, the number of shares involved in the sales made by the underwriters in excess of the number of shares they are obligated to purchase is not greater than the number of shares that they may purchase by exercising their option to purchase additional shares. In a naked short position, the number of shares involved is greater than the number of shares in their option to purchase additional shares. The underwriters may close out any short position by either exercising their option to purchase additional shares and/or purchasing shares in the open market. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for

purchase in the open market as compared to the price at which they may purchase shares through their option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions.
- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of the common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the Nasdaq Global Select Market or otherwise and, if commenced, may be discontinued at any time.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

Electronic Distribution

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters and/or selling group members participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter or selling group member, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the representatives on the same basis as other allocations. Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus is a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

The Nasdaq Global Select Market

We intend to apply to list our shares of common stock on the Nasdaq Global Select Market under the symbol "MTSI."

Discretionary Sales

The underwriters have informed us that they do not intend to confirm sales to discretionary accounts that exceed 5% of the total number of shares offered by them.

Stamp Taxes

If you purchase shares of common stock offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

Relationships

Certain of the underwriters and/or their affiliates have engaged, and may in the future engage, in commercial and investment banking transactions with us in the ordinary course of their business. They have received, and expect to receive, customary compensation and expense reimbursement for these commercial and investment banking transactions.

Selling Restrictions

United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (Qualified Investors) that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of securities described in this prospectus may not be made to the public in that relevant member state other than:

- to any legal entity that is authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity that has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives; or
- in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive,

provided that no such offer of securities shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an "offer of securities to the public" in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

We and the selling stockholders have not authorized and do not authorize the making of any offer of securities through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the securities as contemplated in this prospectus. Accordingly, no purchaser of the securities, other than the underwriters, is authorized to make any further offer of the securities on behalf of us, the selling stockholders or the underwriters.

Switzerland

This document, as well as any other material relating to the shares which are the subject of the offering contemplated by this prospectus, do not constitute an issue prospectus pursuant to Article 652a and/or 1156 of the Swiss Code of Obligations. The shares will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the shares, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange. The shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the shares with the intention to distribute them to the public. The investors will be individually approached by the issuer from time to time. This document, as well as any other material relating to the shares, is personal and confidential and do not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without express consent of the issuer. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 (Cth) of Australia (Corporations Act)) in relation to the securities has been or will be lodged with the Australian Securities & Investments Commission (ASIC). This document has not been lodged with ASIC and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you confirm and warrant that you are either:

  (i) a “sophisticated investor” under section 708(8)(a) or (b) of the Corporations Act;

  (ii) a “sophisticated investor” under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant’s certificate to us which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;

  (iii) a person associated with the company under section 708(12) of the Corporations Act; or

  (iv) a “professional investor” within the meaning of section 708(11)(a) or (b) of the Corporations Act,

  (v) and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act any offer made to you under this document is void and incapable of acceptance; and

(b) you warrant and agree that you will not offer any of the securities for resale in Australia within 12 months of those securities being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Brunei

This prospectus has been provided at your request strictly for your information purposes only and does not constitute and shall not be construed as an offer to sell the securities described here or an invitation to make an offer to buy or to apply to subscribe for such securities. We and underwriters do not provide any investment advice or recommendations on the securities described here. This prospectus is not a prospectus for purposes of the Brunei Companies Act, Cap 39 and has not been registered as such. Neither our company, any of the underwriters, nor any of our or their affiliates is licensed as dealers or an investment adviser under the Brunei Securities Order, 2001, nor are they or any of their affiliates registered or incorporated under the Brunei Companies Act, Cap 39. This prospectus has been provided to you solely for your own purposes and must not be copied, redistributed or circulated to any other person without the prior consent of our company or the underwriters.

China

The common stock may not be offered or sold directly or indirectly in the People's Republic of China (the PRC) (which, for such purposes, does not include the Hong Kong or Macau Special Administrative Regions or Taiwan). Neither this prospectus nor any material or information contained or incorporated by reference herein relating to the common stock, which have not been and will not be submitted to or approved/verified by or registered with the China Securities Regulatory Commission (CSRC) or other relevant governmental authorities in the PRC pursuant to relevant laws and regulations, may be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the common stock in the PRC. The material or information contained or incorporated by reference herein relating to the common stock does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The common stock may only be offered or sold to the PRC investors that are authorized to engage in the purchase of securities of the type being offered or sold. PRC investors are responsible for obtaining all relevant government regulatory approvals/licenses, verification and/or registrations themselves, including, but not limited to, any which may be required from the CSRC, the State Administration of Foreign Exchange and/or the China Banking Regulatory Commission, and complying with all relevant PRC regulations, including, but not limited to, all relevant foreign exchange regulations and/or foreign investment regulations.

Hong Kong

The common stock may not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made under that Ordinance or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32, Laws of Hong Kong) or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the common stock may be issued or may be in the possession of any person for the purpose of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the common stock which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) or any rules made under that Ordinance.

India

This prospectus has not been and will not be registered as a prospectus with the Registrar of Companies in India or with the Securities and Exchange Board of India. This prospectus or any other material relating to these securities is for information purposes only and may not be circulated or distributed, directly or indirectly, to the public or any members of the public in India and in any event to not more than 50 persons in India. Further, persons into whose possession this prospectus comes are required to inform themselves about and to observe any such restrictions. Each prospective investor is advised to consult its advisors about the particular consequences to it of an investment in these securities. Each prospective investor is also advised that any investment in these securities by it is subject to the regulations prescribed by the Reserve Bank of India and the Foreign Exchange Management Act and any regulations framed thereunder.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the common stock may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Future Act, Chapter 289 of Singapore (the SFA), (ii) to a "relevant person" as defined in Section 275(2) of

the SFA, or any person pursuant to Section 275 (1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the common stock is subscribed and purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole whole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within six months after that corporation or that trust has acquired the common stock under Section 275 of the SFA except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA) and in accordance with the conditions, specified in Section 275 of the SFA;

(ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 275(1A) of the SFA, or (in the case of a trust) where the transfer arises from an offer that is made on terms that such rights or interests are acquired at a consideration of not less than S$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;

(iii) where no consideration is or will be given for the transfer; or

(iv) where the transfer is by operation of law.

By accepting this prospectus, the recipient hereof represents and warrants that he is entitled to receive it in accordance with the restrictions set forth above and agrees to be bound by limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

Taiwan

The common stock has not been and will not be registered with the Financial Supervisory Commission of Taiwan, the Republic of China pursuant to relevant securities laws and regulations and may not be offered or sold in Taiwan, the Republic of China through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan, the Republic of China that requires a registration or approval of the Financial Supervisory Commission of Taiwan, the Republic of China. No person or entity in Taiwan, the Republic of China has been authorized to offer or sell the common stock in Taiwan, the Republic of China.

LEGAL MATTERS

Perkins Coie LLP, Denver, Colorado, which has acted as our counsel in connection with this offering, will pass upon the validity of the shares of common stock being offered by this prospectus. The underwriters have been represented by Ropes & Gray LLP, Boston, Massachusetts.

EXPERTS

Our combined consolidated financial statements included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing elsewhere in this Registration Statement (which report expresses an unqualified opinion on the combined consolidated financial statements and includes an explanatory paragraph referring to the common control business combination of Mimix and us). Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

The combined consolidated financial statements of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited for the period from September 26, 2008 through March 30, 2009 included in this prospectus have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report appearing elsewhere in this Registration Statement (which report expresses an unqualified opinion on the combined consolidated financial statements and includes explanatory paragraphs referring to affiliations with Cobham and the impact of such affiliation on the results of operations and the sale of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited to us on March 30, 2009). Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits filed with the registration statement. For further information about us and the common stock offered by this prospectus, reference is made to the registration statement and the exhibits filed with this prospectus.

Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. When we complete this offering, we will be required to file annual, quarterly and special reports, proxy statements and other information with the SEC. For further information about us and our common stock, you can inspect a copy of the registration statement and the exhibits to the registration statement without charge at the offices of the SEC at 100 F Street, N.E., Washington, D.C. 20549. You can obtain copies of all or any part of the registration statement from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549 upon paying the prescribed fees. You can obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains a website at *www.sec.gov* that contains reports, proxy and information statements and other information regarding registrants like us that file electronically with the SEC. You can also inspect our registration statement on this website.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
M/A-COM Technology Solutions Holdings, Inc.
Lowell, Massachusetts

We have audited the accompanying combined consolidated balance sheets of M/A-COM Technology Solutions Holdings, Inc. and subsidiaries (the "Company") as of October 2, 2009, October 1, 2010, and July 1, 2011, and the related statements of operations, comprehensive income, stockholders' equity (deficit), and cash flows for each of the three fiscal years in the period ended October 1, 2010 and for the nine months ended July 1, 2011. These combined consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such combined consolidated financial statements present fairly, in all material respects, the financial position of the Company as of October 2, 2009, October 1, 2010 and July 1, 2011, and the results of their operations and their cash flows for each of the three fiscal years in the period ended October 1, 2010 and for the nine months ended July 1, 2011 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the financial statements, the Company and Mimix Holdings, Inc. ("Mimix") merged in a common control business combination on May 28, 2010. The accompanying combined consolidated financial statements have been presented in a manner similar to a pooling-of-interests and includes the results of operations of each entity since March 25, 2009, which was the date of common control and amounts have been retroactively combined using historical amounts. Mimix is deemed to be the predecessor entity and amounts prior to March 25, 2009 relate to Mimix only.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
August 1, 2011

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED BALANCE SHEETS

(In thousands)

	October 2, 2009	October 1, 2010	July 1, 2011	Pro Forma July 1, 2011 (Unaudited)
ASSETS				
Current assets:				
Cash and cash equivalents	$ 15,358	$ 23,946	$ 36,728	
Accounts receivable, net	43,245	45,522	49,011	
Inventories	41,748	45,289	52,158	
Prepaid expenses and other current assets	1,824	2,969	2,306	
Deferred income taxes	50	2,395	7,791	
Total current assets	102,225	120,121	147,994	
Property and equipment, net	23,283	21,106	23,540	
Goodwill	—	—	3,990	
Intangible assets, net	23,251	20,562	22,720	
Assets held for sale	4,303	2,840	—	
Deferred income taxes	—	—	4,704	
Other assets	253	207	1,644	
Total assets	$ 153,315	$ 164,836	$ 204,592	
LIABILITIES AND EQUITY (DEFICIT)				
Current liabilities:				
Accounts payable	$ 14,515	$ 17,720	$ 17,811	
Accrued liabilities	22,878	20,986	16,613	
Income taxes payable	137	2,408	14,034	
Deferred revenue	13,073	12,459	13,303	
Current portion of contingent consideration	—	8,825	15,753	
Revolving credit facility	5,118	—	—	
Current portion of notes payable	191	—	—	
Current portion of capital lease obligations	—	768	—	
Total current liabilities	55,912	63,166	77,514	
Capital lease obligations, less current portion	—	658	—	
Notes payable, less current portion	30,000	30,000	—	
Contingent consideration, less current portion	27,300	20,475	10,199	
Common stock warrant liability	—	—	15,897	
Class B conversion liability	—	—	98,692	
Other long-term liabilities	2,767	2,171	2,316	
Deferred income taxes	121	3,711	—	
Total liabilities	116,100	120,181	204,618	

(Continued)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED BALANCE SHEETS

(In thousands)

	October 2, 2009	October 1, 2010	July 1, 2011	Pro Forma July 1, 2011 (Unaudited)
Class B redeemable convertible preferred stock	—	—	74,228	
Convertible preferred stock	—	—	106,400	
Commitments and contingencies (Note 11)				
Stockholders' equity (deficit):				
Convertible preferred stock:				
Series A	18	—	—	
Series A -1	—	100	—	
Series A -2	—	17	—	
Common stock	1,005	4	7	
Accumulated other comprehensive loss	(41)	(173)	(154)	
Additional paid-in capital	69,155	70,818	—	
Accumulated deficit	(32,945)	(26,111)	(180,507)	
Total M/A-COM Technology Solutions Holdings, Inc. stockholders' equity (deficit)	37,192	44,655	(180,654)	
Noncontrolling interest in a subsidiary	23	—	—	
Total equity (deficit)	37,215	44,655	(180,654)	
Total liabilities and equity (deficit)	$153,315	$164,836	$204,592	$

See notes to combined consolidated financial statements. (Concluded)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands)

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Revenue	$25,423	$102,718	$260,297	$ 186,124	$ 231,493
Cost of revenue	17,228	77,171	166,554	120,264	134,516
Gross profit	8,195	25,547	93,743	65,860	96,977
Operating expenses:					
Research and development	6,728	13,553	25,795	18,672	25,533
Selling, general and administrative	6,047	25,601	45,860	33,281	36,617
Accretion of contingent consideration	—	2,800	2,000	1,500	660
Restructuring charges	—	5,100	2,234	1,369	866
Total operating expenses	12,775	47,054	75,889	54,822	63,676
Income (loss) from operations	(4,580)	(21,507)	17,854	11,038	33,301
Other (expense) income:					
Gain on bargain purchase	—	27,073	—	—	—
Accretion of common stock warrant liability	—	—	—	—	(10,241)
Accretion of Class B conversion liability	—	—	—	—	(57,051)
Interest expense	(1,009)	(1,699)	(2,323)	(1,738)	(750)
Total other (expense) income, net	(1,009)	25,374	(2,323)	(1,738)	(68,042)
Income (loss) before income taxes	(5,589)	3,867	15,531	9,300	(34,741)
Income tax (provision) benefit	—	124	(8,996)	(5,167)	(3,779)
Net income (loss) from continuing operations	(5,589)	3,991	6,535	4,133	(38,520)
Net income from discontinued operations	—	198	494	1,160	754
Net income (loss)	(5,589)	4,189	7,029	5,293	(37,766)
Less net income attributable to noncontrolling interest in a subsidiary	—	23	195	195	—
Net income (loss) attributable to controlling interest	(5,589)	4,166	6,834	5,098	(37,766)
Accretion to redemption value of redeemable preferred stock and preferred stock dividends	(1,780)	(3,559)	(6,298)	(4,585)	(79,062)
Net income (loss) attributable to common stockholders	$ (7,369)	$ 607	$ 536	$ 513	$ (116,828)

(Continued)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Net income (loss) per share:					
Basic and diluted income (loss) per common share:					
Income (loss) from continuing operations	$(9.67)	$ 0.01	$ 0.00	$ (0.01)	$ (20.53)
Income from discontinued operations	—	0.00	0.01	0.02	0.13
Net income (loss)	$(9.67)	$ 0.01	$ 0.01	$ 0.01	$ (20.40)
Shares used to compute net income (loss) per common share:					
Basic	762	52,806	47,521	62,200	5,727
Diluted	762	53,366	50,343	62,553	5,727
Pro forma net income (loss) per common share (unaudited):					
Basic			$		$
Diluted			$		$
Shares used to compute pro forma net income (loss) per common share (unaudited):					
Basic					
Diluted					

See notes to combined consolidated financial statements. (Concluded)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
FISCAL YEARS ENDED 2008, 2009 AND 2010 AND FOR THE
NINE MONTHS ENDED JULY 2, 2010 AND JULY 1, 2011
(In thousands)

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Net income (loss)	$(5,589)	$4,189	$7,029	$ 5,293	$ (37,766)
Foreign currency translation gain (loss)	(49)	36	(132)	(209)	19
Total comprehensive income (loss)	$(5,638)	$4,225	$6,897	$ 5,084	$ (37,747)

See notes to combined consolidated financial statements.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(In thousands, except per share data)

	Convertible Preferred Stock, $0.001 Par Value												
	Series A		Series A-1		Series A-2		Common Stock		Accumulated Other Comprehensive Loss	Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balance, October 1, 2007	—	$ —	—	$ —	—	$ —	763	$ 5	$ (28)	$ —	$ (29,993)	$ —	$ (30,016)
Accretion of redeemable convertible preferred stock	—	—	—	—	—	—	—	—	—	(251)	(1,529)	—	(1,780)
Warrants issued in connection with convertible notes payable	—	—	—	—	—	—	—	—	—	334	—	—	334
Exchange of redeemable convertible preferred stock for convertible preferred stock	12,810	13	—	—	—	—	—	—	—	29,984	—	—	29,997
Issuance of convertible preferred stock in connection with debt conversion	2,117	2	—	—	—	—	—	—	—	6,314	—	—	6,316
Issuance of convertible preferred stock	9,956	10	—	—	—	—	—	—	—	29,435	—	—	29,445
Repurchase and retirement of convertible perferred stock	(7,277)	(7)	—	—	—	—	—	—	—	(21,704)	—	—	(21,711)
Stock-based compensation	—	—	—	—	—	—	—	—	—	175	—	—	175
Foreign currency translation	—	—	—	—	—	—	—	—	(49)	—	—	—	(49)
Net loss	—	—	—	—	—	—	—	—	—	—	(5,589)	—	(5,589)
Balance, September 30, 2008	**17,606**	**18**	**—**	**—**	**—**	**—**	**763**	**5**	**(77)**	**44,287**	**(37,111)**	**—**	**7,122**
Issuance of common stock and contributions of capital in connection with the acquisition of M/A-COM Tech Business	—	—	—	—	—	—	100,000	1,000	—	24,000	—	—	25,000
Stock-based and other incentive compensation	—	—	—	—	—	—	—	—	—	868	—	—	868
Foreign currency translation	—	—	—	—	—	—	—	—	36	—	—	—	36
Net income	—	—	—	—	—	—	—	—	—	—	4,166	23	4,189
Balance, October 2, 2009	**17,606**	**18**	**—**	**—**	**—**	**—**	**100,763**	**1,005**	**(41)**	**69,155**	**(32,945)**	**23**	**37,215**

(Continued)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(In thousands, except per share data)

	Convertible Preferred Stock, $0.001 Par Value												
	Series A		Series A-1		Series A-2		Common Stock		Accumulated Other Comprehensive Loss	Additional Paid-In Capital	Accumulated Deficit	Noncontrolling Interest	Total Stockholders' Equity (deficit)
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
Balance, October 2, 2009	**17,606**	**18**	**—**	**—**	**—**	**—**	**100,763**	**1,005**	**(41)**	**69,155**	**(32,945)**	**23**	**37,215**
Recapitalization	—	—	100,000	100	—	—	(98,000)	(998)	—	898	—	—	—
Reorganization in connection with common control merger	(17,606)	(18)	—	—	17,501	18	(781)	(5)	—	(1,202)	—	—	(1,207)
Issuance of common stock upon exercise of common stock options and other awards	—	—	—	—	—	—	1,985	2	—	377	—	—	379
Acquisition of noncontrolling interest in a subsidiary	—	—	—	—	—	—	—	—	—	(2)	—	(218)	(220)
Reclaim of escrowed shares and cash in connection with common control merger	—	—	—	—	(679)	(1)	—	—	—	47	—	—	46
Stock-based and other incentive compensation	—	—	—	—	—	—	—	—	—	1,545	—	—	1,545
Foreign currency translation	—	—	—	—	—	—	—	—	(132)	—	—	—	(132)
Net income	—	—	—	—	—	—	—	—	—	—	6,834	195	7,029
Balance, October 1, 2010	**—**	**—**	**100,000**	**100**	**16,822**	**17**	**3,967**	**4**	**(173)**	**70,818**	**(26,111)**	**—**	**44,655**
Reclassification of Class A	—	—	(100,000)	(100)	(16,822)	(17)	—	—	—	(70,818)	(35,465)	—	(106,400)
Dividends declared	—	—	—	—	—	—	—	—	—	—	(80,000)	—	(80,000)
Issuance of common stock upon exercise of stock options	—	—	—	—	—	—	2,799	3	—	546	—	—	549
Stock-based and other incentive compensation	—	—	—	—	—	—	—	—	—	1,135	—	—	1,135
Accretion of redeemable convertible preferred stock	—	—	—	—	—	—	—	—	—	(1,681)	(1,165)	—	(2,846)
Foreign currency translation	—	—	—	—	—	—	—	—	19	—	—	—	19
Net loss	—	—	—	—	—	—	—	—	—	—	(37,766)	—	(37,766)
Balance, July 1, 2011	**—**	**$ —**	**—**	**$ —**	**—**	**$ —**	**6,766**	**$ 7**	**$ (154)**	**$ —**	**$ (180,507)**	**$ —**	**$ (180,654)**

See notes to combined consolidated financial statements. (Concluded)

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net (loss) income	$ (5,589)	$ 4,189	$ 7,029	$ 5,293	$ (37,766)
Adjustments to reconcile net income to net cash from operating activities—net of effects from acquisition:					
Accretion of common stock warrant liability	—	—	—	—	10,241
Accretion of Class B conversion liability	—	—	—	—	57,051
Gain on bargain purchase	—	(27,073)	—	—	—
Accretion (settlement) of asset retirement obligations	61	136	231	158	(215)
Depreciation and amortization	1,502	6,381	11,416	8,511	7,752
Gain on disposition of business, net	—	—	—	—	(329)
Asset impairment	—	—	582	—	—
Accretion of contingent consideration	—	2,800	2,000	1,500	660
Noncash interest expense	417	191	—	—	—
Amortization of acquired unfavorable lease	—	(183)	(282)	(218)	(182)
Deferred income taxes	—	(386)	1,245	(70)	(15,411)
Loss on disposal of property and equipment	—	717	1,331	1,000	1,086
Stock-based and other noncash incentive compensation	175	868	1,545	1,271	1,135
Change in operating assets and liabilities (net of assets acquired and liabilities assumed in acquisition):					
Accounts receivable	(62)	(2,725)	(2,277)	(2,727)	(3,489)
Inventories	2,037	4,582	(2,978)	(3,027)	(6,799)
Prepaid expenses and other assets	214	(806)	(1,099)	(299)	(638)
Accounts payable	(1,648)	2,096	3,205	2,086	(401)
Accrued and other liabilities	(382)	7,927	(2,742)	(1,838)	(6,738)
Income taxes payable	—	133	2,143	2,081	11,626
Deferred revenue	(725)	11,877	(614)	(1,982)	844
Net cash from operating activities	(4,000)	10,724	20,735	11,739	18,427
CASH FLOWS FROM INVESTING ACTIVITIES:					
Acquisition of a business—net of cash acquired	—	(21,587)	—	—	(1,807)
Proceeds from sale of assets	—	—	—	—	3,042
Purchases of property and equipment	(709)	(2,615)	(5,884)	(4,652)	(6,721)
Net cash from investing activities	(709)	(24,202)	(5,884)	(4,652)	(5,486)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from capital contributions	—	25,000	—	—	—
Borrowings on revolving credit facility	—	8,000	—	—	—
Payments on revolving credit facility	(3,723)	(2,882)	(5,118)	(5,118)	—
Payments on notes payable	—	(5,000)	(191)	(191)	(30,000)
Payments on capital lease	—	—	(132)	—	(1,426)
Proceeds from issuance of convertible notes payable and warrants, net	8,296	—	—	—	—
Payments of principal on convertible notes payable	(4,040)	—	—	—	—
Proceeds from issuance of convertible preferred stock with warrant and conversion features	29,445	—	—	—	118,680
Repurchase and retirement of convertible preferred stock	(21,711)	—	—	—	—
Acquisition of noncontrolling interest in a subsidiary	—	—	(220)	(220)	—
Proceeds from stock option exercises	—	—	367	191	549
Payment of contingent consideration	—	—	—	—	(8,825)
Payment of dividends	—	—	—	—	(79,137)
Payments to Mimix Holdings, Inc. preferred and common stockholders	—	—	(969)	(705)	—
Net cash from financing activities	8,267	25,118	(6,263)	(6,043)	(159)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,558	11,640	8,588	1,044	12,782
CASH AND CASH EQUIVALENTS—Beginning of period	160	3,718	15,358	15,358	23,946
CASH AND CASH EQUIVALENTS—End of period	$ 3,718	$ 15,358	$23,946	$ 16,402	$ 36,728
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:					
Cash paid for interest	$ 1,009	$ 1,451	$ 2,574	$ 2,007	$ 1,010
Cash paid for income taxes	$ —	$ —	$ 4,710	$ 3,496	$ 7,724

See notes to combined consolidated financial statements.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business—M/A-COM Technology Solutions Holdings, Inc. ("M/A-COM Holdings") was incorporated in Delaware on March 25, 2009. M/A-COM Holdings is a provider of high-performance analog semiconductor solutions for use in wireless and wireline applications across the radio frequency ("RF"), microwave and millimeterwave spectrum. Headquartered in Lowell, Massachusetts, M/A-COM Holdings has offices in North America, Europe, Asia and Australia.

Basis of Presentation—M/A-COM Holdings acquired Mimix Holdings, Inc. ("Mimix") in connection with a common-control business combination on May 28, 2010 (the "Mimix Merger"). Mimix, a supplier of high-performance gallium arsenide semiconductors for RF, microwave, and millimeterwave applications, was acquired by the majority owner of M/A-COM Holdings in June 2008 and is the predecessor and accounting acquirer for financial statement presentation purposes. M/A-COM Holdings and Mimix were controlled by a common majority owner since March 25, 2009, the date M/A-COM Holdings was incorporated to acquire the outstanding stock of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited (collectively, the "M/A-COM Tech Business"). The accompanying combined consolidated financial statements include the consolidated operations of Mimix for the fiscal years ended September 30, 2008, October 2, 2009 and October 1, 2010 and for the nine months ended July 2, 2010, and the consolidated operations of M/A-COM Holdings for the period from its incorporation on March 25, 2009 to October 2, 2009 and for the fiscal year ended October 1, 2010, on a combined basis until the Mimix Merger. Subsequent to the Mimix Merger, the financial statements are presented on a consolidated basis. The accompanying combined consolidated financial statements have been presented in a manner similar to a pooling-of-interests, and include the results of operations of each business since the date of common control, March 25, 2009. All periods from March 2009 have been retroactively combined using historical amounts. In addition, Mimix's issued and outstanding shares of preferred and common stock prior to May 28, 2010 have been retroactively adjusted for the purposes of financial presentation to reflect the effects of the Mimix Merger using the exchange ratio established in the Mimix Merger.

The combined consolidated operations are referred to herein as those of the "Company."

References in the combined consolidated financial statements to fiscal year 2008 are to the Company's fiscal year ended September 30, 2008. In fiscal year 2009, the Company changed its fiscal year to be a "52 – 53 week" year ending on the Friday closest to the last day of September. For fiscal years in which there are 53 weeks, the fourth quarter reporting period includes 14 weeks. Unless otherwise indicated, references in the combined consolidated financial statements to fiscal years 2009 and 2010 are to the Company's fiscal years ended October 2, 2009 and October 1, 2010, respectively. Fiscal year 2009 was 53 weeks in length. Fiscal year 2010 was 52 weeks in length.

Unaudited Interim Combined Consolidated Financial Statements—The accompanying interim combined consolidated financial statements for the nine months ended July 2, 2010 and the related information contained in the notes to the consolidated financial statements are unaudited. These unaudited interim combined consolidated financial statements and notes have been prepared on the same basis as the audited combined consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the Company's combined consolidated results of operations and cash flows for the nine months ended July 2, 2010.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation—The accompanying combined consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation/combination.

Use of Estimates—The preparation of combined consolidated financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities during the reporting periods, the reported amounts of revenue and expenses during the reporting periods, and the disclosure of contingent assets and liabilities at the date of the financial statements. On an ongoing basis, the Company bases estimates and assumptions on historical experience, currently available information and various other factors that management believes to be reasonable under the circumstances. Actual results may differ materially from these estimates and assumptions.

Discontinued Operations—In the second and third quarters of fiscal year 2011, the Company sold assets of non-core laser diode and ferrite business lines. The Company has reported the assets sold as held for sale in the Company's accompanying combined consolidated balance sheets for periods prior to the sale of the businesses and has segregated the operating results of the divested businesses from continuing operations for all periods presented.

Foreign Currency Translation and Remeasurement—The Company's combined consolidated financial statements are presented in U.S. dollars. While the majority of the Company's foreign operations use the U.S. dollar as the functional currency, the financial statements of the Company's foreign operations for which the functional currency is not the U.S. dollar are translated into U.S. dollars at the exchange rates in effect at the balance sheet dates (for assets and liabilities) and at average exchange rates (for revenue and expenses). The unrealized translation gains and losses on the net investment in these foreign operations are accumulated as a component of other comprehensive income (loss).

The financial statements of the Company's foreign operations where the functional currency is the U.S. dollar, but where the underlying transactions are transacted in a different currency, are remeasured at the exchange rate in effect at the balance sheet date with respect to monetary assets and liabilities. Nonmonetary assets and liabilities, such as inventories and property and equipment, and related statements of operations accounts, such as cost of revenue and depreciation, are remeasured at historical exchange rates. Revenues and expenses, other than cost of revenue, amortization and depreciation, are translated at the average exchange rate for the period in which the transaction occurred. The net gains (losses) on foreign currency remeasurement are reflected in selling, general and administrative expense in the accompanying combined consolidated statements of operations. The Company's recognized net gains and losses on foreign exchange are included in selling, general and administrative expense for all periods presented were immaterial.

Cash and Cash Equivalents—Cash and cash equivalents are primarily composed of short-term, highly liquid instruments, which consist primarily of overnight sweep accounts that settle each day and investments with an original maturity of three months or less.

Accounts Receivable—Accounts receivable are stated net of an allowance for estimated uncollectible accounts, which are determined by establishing reserves for specific accounts and considering historical and estimated probable losses.

Inventories—Inventories are stated at the lower of cost or market. The Company uses a combination of standard cost and moving weighted-average cost methodologies to determine the cost basis for its inventories, approximating a first-in, first-out basis. The standard cost of finished goods and work-in-process inventory is composed of material, labor and manufacturing overhead, which approximates actual cost. In addition to stating inventory at the lower of cost or market, the Company also evaluates inventory each reporting period for excess quantities and obsolescence, establishing reserves when necessary based upon historical experience, assessment of economic conditions and expected demand. Once recorded, these reserves are considered permanent adjustments to the carrying value of inventory.

Property and Equipment—Property and equipment are stated at cost, less accumulated depreciation. Assets held under capital leases are stated at the lesser of the present value of future minimum payments, using

the Company's incremental borrowing rate at the inception of the lease, or the fair value of the property at the inception of the lease. Expenditures for maintenance and repairs are charged to expense as incurred, whereas major improvements that significantly extend the useful life of the assets are capitalized as additions to property and equipment.

Property and equipment are depreciated or amortized using the straight-line method over the following estimated useful lives:

Asset Classification	Estimated Useful Life In Years
Machinery and equipment	2 – 7
Machinery and equipment under capital leases	5 – 7
Computer equipment and software	2 – 3
Furniture and fixtures	7 – 10
Leasehold improvements	Shorter of useful life or term of lease

Goodwill and Intangible Assets—The Company has intangible assets with indefinite and definite lives. Goodwill and the "M/A-COM" trade name are indefinite-lived assets and were acquired through business combinations. Neither the goodwill nor the "M/A-COM" trade name are subject to amortization; these are reviewed for impairment annually in August and more frequently if events or changes in circumstances indicate that the assets may be impaired. If impairment exists, a loss would be recorded to write down the value of the indefinite-lived assets to their implied fair values. There have been no impairments of intangible assets in any period presented through July 1, 2011. The Company's other intangible assets, including acquired technology and customer relationships, are definite-lived assets and are subject to amortization. The Company amortizes definite-lived assets over their estimated useful lives, which range from 5 to 10 years, based on the pattern over which the Company expects to receive the economic benefit from these assets.

Impairment of Long-Lived Assets—Long-lived assets include property and equipment and definite-lived intangible assets subject to amortization, which includes technology and customer relationships. The Company evaluates long-lived assets for recoverability when events or changes in circumstances indicate that their carrying amounts may not be recoverable. Circumstances which could trigger a review include, but are not limited to, significant decreases in the market price of the asset or asset group, significant adverse changes in the business climate or legal factors, the accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset, current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset and a current expectation that the asset will more likely than not be sold or disposed of significantly before the end of its previously estimated useful life.

In evaluating an asset for recoverability, the Company estimates the undiscounted cash flows expected to result from the Company's use and eventual disposition of the asset. If the sum of the expected undiscounted cash flows is less than the carrying amount of the asset, an impairment loss, equal to the excess of the carrying amount over the fair value of the asset, is recognized. During the fourth quarter of fiscal year 2010, the Company recognized an impairment loss of $582,000 related to property and equipment. This impairment loss is included in discontinued operations in the accompanying combined consolidated statement of operations for fiscal year 2010. There was no impairment of long-lived assets in any other period presented.

Revenue Recognition—Revenue from the sale of products is recognized when persuasive evidence of an arrangement exists, delivery has occurred, the price to the buyer is fixed or determinable, and collectibility is reasonably assured. Provided other revenue recognition criteria are met, product revenue is recognized upon transfer of title and risk of loss, which is generally upon shipment. The Company recognizes revenue from sales to distributors under agreements providing for rights of return and price protection at the time its products are sold by the distributors to third-party customers. The Company defers both the revenue and related cost of revenue on any product subject to rights of return and price protection that has not been sold to the distributor's

customer. Shipping and handling fees billed to customers are recorded as revenue while the related costs are classified as a component of costs of revenue. The Company provides warranties for its products and accrues the estimated costs of warranty claims in the period the related revenue is recorded.

Advertising Costs—Advertising costs, which are not material, are expensed as incurred.

Deferred Offering Costs—Deferred offering costs consisted primarily of direct incremental professional services fees related to the Company's proposed initial public offering of its common stock. Approximately $342,000 of deferred offering costs are included in other assets on the Company's consolidated balance sheet as of July 1, 2011. Upon completion of the initial public offering contemplated herein, these amounts will be offset against the proceeds of the offering. If the offering is terminated, the deferred offering costs will be expensed.

Research and Development Costs—Costs incurred in the research and development of products are expensed as incurred.

Income Taxes—Deferred tax assets and liabilities are recognized based on temporary differences between the financial reporting and income tax bases of assets and liabilities, using rates anticipated to be in effect when such temporary differences reverse. A valuation allowance against net deferred tax assets is required if, based upon the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

The Company provides reserves for potential payments of tax to various tax authorities related to uncertain tax positions and other issues. Reserves are based on a determination of whether and how much of a tax benefit taken by the Company in its tax filings or positions is more likely than not to be realized following an examination by taxing authorities. The Company recognizes the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a "more-likely-than-not" threshold, the amount recognized in the financial statements is the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. Potential interest and penalties associated with such uncertain tax positions are recorded as a component of income tax expense.

During the period from March 25, 2009 through December 31, 2009, M/A-COM Holdings elected, for U.S. federal income tax purposes, to be taxed under the provisions of Subchapter S of the Code ("Subchapter S"). Under such provisions, federal and certain state income taxes were the responsibility of the Company's stockholders, and no provisions for income taxes were recorded in the accompanying combined consolidated financial statements during this period, except for certain jurisdictions requiring income taxes to be paid by the corporation. Effective January 1, 2010, M/A-COM Holdings elected to terminate its Subchapter S status.

For interim periods, the Company records a tax provision or benefit based upon the estimated effective tax rate expected for the full fiscal year.

Earnings Per Share—Basic net income (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding during the period, excluding the dilutive effect of common stock equivalents. Diluted net income (loss) per share reflects the dilutive effect of common stock equivalents, such as convertible debt, convertible preferred stock, stock options, warrants and restricted stock, using the treasury stock method.

Unaudited Pro Forma Financial Information—The accompanying unaudited pro forma consolidated balance sheet reflects the conversion of all outstanding shares of preferred stock into 150,991,337 shares of common stock as a result of an automatic conversion upon the closing of the Company's proposed initial public offering.

The unaudited pro forma weighted-average number of shares of common stock outstanding included in the accompanying consolidated statements of operations gives effect to the automatic conversion of all of our outstanding convertible preferred stock into common stock upon the closing of this offering. The pro forma

effect of the expected preference payment (the "QPO Preference") in the aggregate amount of $ to the holders of our Class B convertible preferred stock in connection with the conversion of our Class B convertible preferred stock to common stock upon completion of our initial public offering, has been reflected in the accompanying pro forma information as of and for the nine months ended July 1, 2011. The expected QPO Preference has been reflected in a manner similar to a dividend to be paid out of the proceeds of the offering in excess of the current year's earnings. The weighted-average shares used in the calculation of our pro forma per share data includes the additional million shares as of July 1, 2011 which, when multiplied by the assumed initial public offering price of $ per share (the mid-point of the estimated offering price range), and after deducting the pro rata estimated underwriting discounts and commissions and the pro rata estimated offering expenses payable by us, would have been required to be issued to generate net proceeds sufficient to pay the QPO Preference as of July 1, 2011.

Asset Retirement Obligations—The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred when a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is amortized over the life of the asset.

Changes in the fair value of a liability for an asset retirement obligation due to the passage of time are measured by applying an interest method of allocation. Under this method, changes in fair value due to the passage of time are recognized as an increase in the liability and as accretion expense in the same expense category for which the asset relates. Changes in fair value resulting from revisions to the timing or the amount of the original estimate of undiscounted cash flows are recognized as an increase or a decrease in the carrying amounts of the liability and associated asset.

Fair Value Measurements—Financial assets and liabilities are measured at fair value. Fair value is an exit price, representing the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the Company groups financial assets and liabilities in a three-tier fair value hierarchy, according to the inputs used in measuring fair value as follows: Level 1—observable inputs such as quoted prices in active markets for identical assets and liabilities; Level 2—inputs other than quoted prices in active markets that are observable either directly or indirectly, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical assets and liabilities in markets that are not active, and model-based valuation techniques for which significant assumptions are observable in active markets; and Level 3—unobservable inputs for which there is little or no market data, requiring the Company to develop its own assumptions for model-based valuation techniques. This hierarchy requires the Company to use observable market data, when available, and to minimize the use of unobservable inputs when determining fair value. On a recurring basis, the Company measures certain financial assets and liabilities at fair value.

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value due to the short-term nature of these assets and liabilities. Management believes that the Company's debt obligations bear interest at rates which approximate prevailing market rates for instruments with similar characteristics, and accordingly, the carrying values for these debt obligations approximate fair value.

Contingent Consideration—The Company estimates and records at the acquisition date the fair value of contingent consideration making up part of the purchase price consideration for acquisitions. Additionally, at each reporting period, the Company estimates the changes in the fair value of contingent consideration, and any change in fair value is recognized in the combined consolidated statements of operations. The Company estimates the fair value of the contingent consideration by discounting the associated expected cash flows, using a probability-weighted, discounted cash flow model. The estimate of the fair value of contingent consideration requires subjective assumptions to be made regarding future operating results, discount rates, and probabilities

assigned to various potential operating result scenarios. Future revisions to these assumptions and actual results could materially change the estimated fair value of contingent consideration and, therefore, may materially affect the Company's future financial results.

Share-Based Compensation—The Company accounts for all share-based compensation arrangements using the fair value method. The Company recognizes compensation expense over the requisite service period of the award, which is generally the vesting period, using the straight-line method and providing that the minimum amount of compensation recorded is equal to the vested portion of the award. The Company records the expense in the combined consolidated statements of operations in the same manner in which the award recipients' costs are classified. The Company uses the Black-Scholes option-pricing model to estimate the fair value of stock options, inclusive of assumptions for risk-free interest rates, dividends, expected terms, and estimated volatility. The Company records expense related to awards issued to non-employees over the related service period and periodically revalues the awards as they vest. The Company derives the risk-free interest rate assumption from the U.S. Treasury's rates for U.S. Treasury zero-coupon bonds with maturities similar to the expected term of the award being valued. The Company based the assumed dividend yield on its expectation of not paying dividends in the foreseeable future. The Company calculated the weighted-average expected term of the options using the simplified method, which is a method of applying a formula that uses the vesting term and the contractual term to compute the expected term of a stock option. The decision to use the simplified method is based on a lack of relevant historical data, due to the Company's limited operating experience. In addition, due to the Company's limited historical data, the Company incorporates the historical volatility of comparable companies with publicly available share prices to determine estimated volatility. The accounting for stock options requires forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Escrow Arrangements and Outstanding Shares—In connection with the business acquisitions, escrows were established to hold portions of the stock and cash issuable to the former stockholders of the acquired businesses pending the outcome of certain contingencies and general representation matters. The escrows expire between November 2011 and August 2012. The escrow arrangement with the former stockholders of Mimix will terminate upon an initial public stock offering and any shares or amounts held in escrow, net of any pending indemnification claims, will be released. As of July 2, 2010, October 1, 2010 and July 1, 2011, accrued liabilities in the accompanying combined consolidated balance sheets include liabilities of $120,000, $73,000 and $936,000 respectively, which amounts are due to former stockholders of the acquired businesses pursuant to these escrow arrangements.

Outstanding shares of Series A-2 convertible preferred stock as of October 1, 2010 and July 1, 2011 include 1.1 million shares that are subject to forfeiture, pending resolution of an escrow arrangement. Outstanding shares of our common stock as of October 1, 2010 and July 1, 2011 exclude 30,000 and 887,850, respectively, shares of common stock issued as compensation to employees that vest over two to four years, subject to continued employment with the Company.

Guarantees and Indemnification Obligations—The Company enters into agreements in the ordinary course of business with, among others, customers, distributors, and original equipment manufacturers (OEM). Most of these agreements require the Company to indemnify the other party against third-party claims alleging that a Company product infringes a patent and/or copyright. Certain agreements in which the Company grants limited licenses to specific Company trademarks require the Company to indemnify the other party against third-party claims alleging that the use of the licensed trademark infringes a third-party trademark. Certain of these agreements require the Company to indemnify the other party against certain claims relating to property damage, personal injury, or the acts or omissions of the Company, its employees, agents, or representatives. In addition, from time to time, the Company has made certain guarantees in the form of warranties regarding the performance of Company products to customers.

The Company has agreements with certain vendors, creditors, lessors, and service providers pursuant to which the Company has agreed to indemnify the other party for specified matters, such as acts and omissions of the Company, its employees, agents, or representatives.

The Company has procurement or license agreements with respect to technology that is used in its products and agreements in which the Company obtains rights to a product from an OEM. Under some of these agreements, the Company has agreed to indemnify the supplier for certain claims that may be brought against such party with respect to the Company's acts or omissions relating to the supplied products or technologies.

The Company's certificate of incorporation and agreements with certain of its and its subsidiaries' directors and officers provide them indemnification rights, to the extent legally permissible, against liabilities incurred by them in connection with legal actions in which they may become involved by reason of their service as a director or officer. As a matter of practice, the Company has maintained director and officer liability insurance coverage, including coverage for directors and officers of acquired companies.

The Company has not experienced any losses related to these indemnification obligations in any period presented, and no claims with respect thereto were outstanding as of July 1, 2011. The Company does not expect significant claims related to these indemnification obligations and, consequently, has concluded that the fair value of these obligations is negligible. No liabilities related to indemnification liabilities have been established.

Recent Accounting Pronouncements—In April 2010, the Financial Accounting Standards Board, (FASB), issued Account Standards Update (ASU) 2010-17, "Milestone Method of Revenue Recognition," which amends Accounting Standards Codification (ASC) 605. ASU 2010-17 provides guidance for determining when the milestone method of revenue recognition is appropriate and how this method should be applied, and specifies related disclosure requirements. ASU 2010-17 will be effective for the Company on October 2, 2011. The adoption of ASU 2010-17 is not expected to have a material effect on the Company's financial position or results of operations.

In December 2010, the FASB issued ASU 2010-29, "Disclosure of Supplementary Pro Forma Information for Business Combinations (a consensus of the FASB's Emerging Issues Task Force)." ASU 2010-29 clarifies that when presenting comparative financial statements, an entity should disclose revenue and earnings of the combined entity as though the business combination(s) that occurred during the current year had occurred as of the beginning of the comparable prior annual reporting period only, and expands the related disclosure requirements. ASU 2010-29 will be effective for us on October 2, 2011, and will be applied to business combinations for which the acquisition date is subsequent to that date. The adoption of ASU 2010-29 is not expected to have a material effect on the Company's financial disclosures.

Evaluation of Subsequent Events—Management has evaluated subsequent events involving the Company for potential recognition or disclosure in the accompanying combined consolidated financial statements through August 1, 2011. Subsequent events are events or transactions that occurred after the balance sheet date but before the accompanying combined consolidated financial statements are issued.

3. MERGERS AND ACQUISITIONS

Merger Under Common Control—On May 28, 2010, by means of a merger transaction, M/A-COM Holdings acquired Mimix, an entity under common control. To effect the Mimix Merger, M/A-COM Holdings (i) purchased and retired all outstanding shares of Mimix common stock for cash, (ii) settled in-the-money vested Mimix stock options for cash, and (iii) at the election of each individual Mimix preferred stockholder, either issued Series A-2 convertible preferred stock of M/A-COM Holdings or paid cash in exchange for Mimix preferred stock.

On the date of the Mimix Merger, M/A-COM Holdings paid $1.2 million and issued 17.5 million shares of Series A-2 convertible preferred stock in exchange for all of Mimix's outstanding shares of preferred stock and common stock, and settlement of in-the-money vested options to purchase Mimix common stock. At the closing of the Mimix Merger, 10% of such Series A-2 convertible preferred stock and cash consideration was held back by M/A-COM Holdings pursuant to the terms of an escrow arrangement to secure certain indemnification obligations of Mimix. In September 2010, the Company and the former noncontrolling Mimix stockholders agreed to release 678,913 shares of the Series A-2 convertible preferred stock to the Company and $46,000 from the escrow to resolve an indemnification claim. This release has been recorded as of October 1, 2010 in the accompanying consolidated financial statements.

Acquisition of the M/A-COM Tech Business—On March 30, 2009, M/A-COM Holdings acquired the M/A-COM Tech Business in exchange for $22.1 million in cash, net of purchase price adjustments, the issuance of $35 million in short- and long-term debt payable to the seller, and contingent consideration of up to $30 million payable to the seller through December 31, 2012, with an initial fair value of $24.5 million. The transaction was accounted for as a purchase. The total fair value purchase consideration paid in the acquisition by the Company was $81.6 million. The operations of the M/A-COM Tech Business have been included in the Company's combined consolidated financial statements since the date of the acquisition. The Company elected to record the acquisition as a purchase of assets for U.S. income tax purposes. The purpose of the acquisition was to obtain a portfolio of high performance analog semiconductor solutions.

The Company recognized all assets acquired and liabilities assumed, inclusive of the contingent consideration, based upon the fair value of such assets and liabilities measured as of March 30, 2009, the date of acquisition. The aggregate purchase price for the M/A-COM Tech Business was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows (in thousands):

Assets acquired:	
Cash	$ 531
Accounts receivable	36,591
Inventories	45,462
Property and equipment	24,763
Identifiable intangible assets	24,400
Other assets	907
Total assets acquired	132,654
Liabilities assumed:	
Accounts payable	9,913
Accrued liabilities	5,765
Deferred tax liability	457
Other liabilities	7,828
Total liabilities assumed	23,963
Net assets acquired	$108,691
Consideration:	
Cash paid at closing	$ 22,118
Seller-financed notes payable	35,000
Contingent consideration	24,500
Total consideration	81,618
Net assets acquired	108,691
Gain on bargain purchase	$ 27,073

The components of the acquired intangible assets were as follows (in thousands):

Technology	$10,700
Customer relationships	10,300
Trade name	3,400
	$24,400

A majority of the intangible assets acquired in the transaction will not be deductible for tax purposes. The overall weighted-average life of the identified intangible assets acquired in the acquisition was 8.5 years and the assets are being amortized over their estimated useful lives based upon based the pattern over which the Company expects to receive the economic benefit from these assets.

The acquisition of the M/A-COM Tech Business has been accounted for as a bargain purchase resulting in a $27.1 million gain recorded in earnings as reflected in the accompanying combined consolidated statement of operations for fiscal year 2009.

In connection with the acquisition of the M/A-COM Tech Business, the Company became obligated to pay the seller up to $30.0 million in additional purchase consideration should the Company's revenue from the M/A-COM Tech Business exceed certain thresholds. The amount to be paid to the seller is to be measured based upon the Company's qualifying revenue, as defined in the purchase agreement, during a three-year period commencing October 1, 2009 and ending September 30, 2012. The amount of contingent consideration for any one year in the three-year period may range from as little as zero up to a maximum of $15.0 million. The total cumulative contingent consideration over the entire three-year period may not exceed $30.0 million. The actual amount to be paid will be based upon a formula applied to qualifying revenue. As of March 30, 2009, the fair value of the contingent consideration was determined to be $24.5 million, which assumed the maximum payout of $30.0 million would occur. Payment of the contingent consideration may be accelerated, in full or in part, upon a sale of the business or upon a major disposition of assets, both as defined in the purchase agreement, prior to October 1, 2012. The revenue thresholds for payment of contingent consideration are also subject to adjustment for certain other dispositions of assets prior to October 1, 2012. The Company is required to record the liability at fair value as of each reporting date, with changes in fair value being recorded in earnings.

The Company paid $8.8 million of the contingent consideration in November 2010 as the required payment for the first year of the three-year period.

The prior owner of the M/A-COM Tech Business entered into incentive compensation arrangements with certain employees of the Company to induce such employees to remain employed by the Company. Certain of these incentive compensation arrangements were entered into prior to the sale of the M/A-COM Tech Business in March 2009 and provided for the employees to perform employment-related services for the Company for a period that expired in September 2009. Other arrangements between the seller and Company employees were entered into in October 2009 and provide an incentive for the employees to continue to perform employment-related services to the Company for an additional period of three years, coinciding with the aforementioned contingent purchase price payment period. Because the Company has and will continue to receive benefits from the employment services of the related employees, the incentive compensation is recorded in the Company's financial statements as non-cash incentive compensation expense in the combined consolidated statements of operations, with the offsetting amount recorded as a capital contribution through an increase in additional paid-in capital. For fiscal years 2009 and 2010 and for the nine months ended July 2, 2010 and July 1, 2011, the Company has expensed $629,000, $360,000, $270,000 and $197,000, respectively, pursuant to the terms of the incentive compensation arrangements. As of October 1, 2010 and July 1, 2011, $360,000 and $557,000, respectively, of the amount expensed is subject to adjustment should either the employees not remain employed or the incentive goals not achieved on the measurement dates. As of July 1, 2011, there was $206,000 of unrecorded compensation that, if realized, would be expensed by the Company in fiscal years 2011 and 2012.

Acquisition of Optomai, Inc.—On April 25, 2011, the Company acquired Optomai, Inc. ("Optomai"), a developer of integrated circuits and modules for fiber optic networks located in Sunnyvale, California, in exchange for $1.8 million in cash and contingent consideration of up to $16 million payable to the sellers through May 2013, and the assumption of $260,000 of liabilities. The transaction was accounted for as a purchase. The total fair value of purchase consideration paid in the acquisition by the Company was $6.6 million. The operations of Optomai have been included in the Company's consolidated financial statements since the date of acquisition. The Company is evaluating the status of the acquisition under U.S. income tax requirements. The operations of Optomai were not material and had the business combination occurred as of the earliest period presented, the Company's revenue and earnings would not have been materially different. The Company acquired Optomai to accelerate its entrance into the fiber optics market.

The Company recognized all assets acquired and liabilities assumed, inclusive of the contingent consideration, based upon the fair value of such assets and liabilities measured as of the date of acquisition. The aggregate purchase price for Optomai was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows (in thousands):

Assets acquired:	
Property and equipment	$ 238
Other assets	79
Identifiable intangible assets	4,176
Total assets acquired	4,493
Liabilities assumed:	
Deferred tax liability	$1,599
Other liabilities	260
Total liabilities assumed	1,859
Net assets acquired	$2,634
Consideration:	
Cash paid at closing	$1,807
Contingent consideration	4,817
Total consideration	6,624
Net assets acquired	2,634
Goodwill	$3,990

The components of the acquired intangible assets were as follows (in thousands):

Technology	$2,565
Customer relationships	1,611
	$4,176

The overall weighted-average life of the identified intangible assets acquired in the acquisition was seven years and the assets are being amortized over their estimated useful lives based upon based the pattern over which the Company expects to receive the economic benefit from these assets.

In connection with the acquisition of Optomai, the Company became obligated to pay the seller up to $16.0 million in additional purchase consideration should the acquired business' revenue and product development exceed certain thresholds. The amount to be paid to the seller is to be measured based upon the acquired business' revenue, contribution margin and product development during a two-year period commencing upon acquisition and ending March 29, 2013, with amounts payable in May 2012 and May 2013. The amount of

contingent consideration for any one year in the two-year period may range from as little as zero to a maximum of $1.0 million in the first year and $16.0 million in the second year, less any payments in the first fiscal year. As of April 25, 2011, the fair value of the contingent consideration was determined to be $4.8 million. The Company is required to record the liability at fair value as of each reporting date, with changes in fair value being recorded in earnings.

The changes in fair value of contingent consideration resulting from acquisitions of the M/A-COM Tech Business and Optomai are set below (in thousands):

Balance—October 1, 2008	$ —
Acquisition of M/A-COM Tech Business	24,500
Change in fair value	2,800
Balance—October 2, 2009	27,300
Change in fair value	2,000
Balance—October 1, 2010	29,300
Acquisition of Optomai	4,817
Payment	(8,825)
Change in fair value	660
Balance—July 1, 2011	25,952
Current portion	15,753
Long-term portion	$10,199

4. FINANCIAL INSTRUMENTS

Financial liabilities measured at fair value on a recurring basis consist of the following (in thousands):

		October 2, 2009		
	Fair Value	Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Contingent consideration	$ 27,300	$ —	$ —	$ 27,300

		October 1, 2010		
	Fair Value	Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Contingent consideration	$ 29,300	$ —	$ —	$ 29,300

		July 1, 2011		
	Fair Value	Active Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Contingent consideration	$ 25,952	$ —	$ —	$ 25,952
Common stock warrant liability	$ 15,897	$ —	$ —	$ 15,897
Class B conversion liability	$ 98,692	$ —	$ —	$ 98,692

The changes in financial liabilities with inputs classified within Level 3 of the fair value hierarchy consist of the following (in thousands):

	September 30, 2008	Net Realized/Unrealized Losses (Gains) Included in Earnings	Purchases and Issuances	Sales and Settlements	Transfers in and/or (out) of Level 3	October 2, 2009
Contingent consideration	$ —	$ 2,800	$ 24,500	$ —	$ —	$ 27,300

	October 2, 2009	Net Realized/Unrealized Losses (Gains) Included in Earnings	Purchases and Issuances	Sales and Settlements	Transfers in and/or (out) of Level 3	October 1, 2010
Contingent consideration	$27,300	$ 2,000	$ —	$ —	$ —	$ 29,300

	October 1, 2010	Net Realized/Unrealized Losses (Gains) Included in Earnings	Purchases and Issuances	Sales and Settlements	Transfers in and/or (out) of Level 3	July 1, 2011
Contingent consideration	$29,300	$ 660	$ 4,817	($ 8,825)	$ —	$25,952
Common stock warrant	$ —	$ 10,241	$ 5,656	$ —	$ —	$15,897
Class B conversion liability	$ —	$ 57,051	$ 41,641	$ —	$ —	$98,692

The fair values of the contingent consideration liabilities were estimated based upon a risk-adjusted present value of the probability-weighted expected payments by the Company. Specifically, the Company considered base, upside and downside scenarios for the operating metrics upon which the contingent payments are to be based. Probabilities were assigned to each scenario and the probability-weighted payments were discounted to present value using risk-adjusted discount rates.

The fair value of the common stock warrants was estimated based upon a present value of the probability-weighted expected investment returns to the holders. The Company weighted various scenarios of possible investment returns to the holders over the terms of the contracts, such as upon a sale of the Company and upon an initial public offering of its common stock, using a range of potential outcomes. Using the scenarios developed, management considered the likely timing and method of exercise of the warrants and investment returns to the holders. Where a settlement was considered likely in the near term, the probable settlement amounts were weighted. Where the time to exercise was expected to be longer, a Black-Scholes option pricing model was used to estimate the fair value of the warrants, giving consideration to remaining contractual life, expected volatility and risk free rates. The probability-weighted expected settlement of the warrant was discounted to the present using a risk adjusted discount rate.

The fair values of the Class B conversion liabilities were estimated based upon a consideration of the estimated fair value of the underlying common stock into which the Class B convertible preferred stock is convertible, and the expected preferential payments pursuant to the terms of the securities. The Company estimated the fair value of the common stock by using the same probability-weighted scenarios in estimating the fair value of the warrants. For each potential scenario, the value to the Class B convertible stock was estimated relative to the existing preferences. The amount in excess of the liquidation preferences, if any, was then probability-weighted and discounted to the present using a risk adjusted discount rate.

These estimates include significant judgments about potential future liquidity events and actual results could materially differ and have a material impact upon the values of the recorded liabilities. Any changes in the estimated fair values of the liabilities in the future will be reflected in the Company’s earnings and such changes could be material.

5. ALLOWANCE FOR DOUBTFUL ACCOUNTS

The activity in the allowance for doubtful accounts related to accounts receivable is as follows (in thousands):

	Fiscal Years		Nine Months Ended
	2009	2010	July 1, 2011
Balance—beginning of period	$ —	$597	$ 891
Provision (recoveries), net	597	294	(47)
Charge-offs	—	—	(100)
Balance—end of period	$ 597	$891	$ 744

There was no related activity in fiscal year 2008.

6. INVENTORIES

Inventories consist of the following (in thousands):

	October 2, 2009	October 1, 2010	July 1, 2011
Raw materials	$ 25,119	$ 20,442	$26,090
Work-in-process	7,580	10,461	9,756
Finished goods	9,049	14,386	16,312
Total	$ 41,748	$ 45,289	$52,158

7. PROPERTY AND EQUIPMENT

Property and equipment consists of the following (in thousands):

	October 2, 2009	October 1, 2010	July 1, 2011
Machinery and equipment	$ 30,275	$ 28,104	$ 29,203
Leasehold improvements	2,595	2,621	3,507
Furniture and fixtures	74	113	302
Construction in process	423	1,482	2,452
Computer equipment and software	99	2,079	4,663
Total property and equipment	33,466	34,399	40,127
Less accumulated depreciation and amortization	(10,183)	(13,293)	(16,587)
Property and equipment—net	$ 23,283	$ 21,106	$ 23,540

Depreciation and amortization expense from continuing operations related to property and equipment for fiscal years 2008, 2009 and 2010, and for the nine months ended July 2, 2010 and July 1, 2011, was $1.3 million, $4.9 million, $8.7 million, $6.5 million and $5.7 million, respectively.

8. DEBT

Convertible Promissory Notes—During fiscal years 2007 and 2008, Mimix issued unsecured convertible notes payable to its stockholders and certain third parties aggregating $2.0 million and $8.3 million, respectively. During fiscal year 2008, individual notes aggregating $4.0 million of outstanding principal were repaid, with the remaining notes aggregating $6.3 million of outstanding principal and accrued interest converting into 2.1 million shares of Series A convertible preferred stock in connection with the Mimix Merger.

Acquisition-Related Debt—In connection with the acquisition of the M/A-COM Tech Business, the Company issued to the seller (i) a short-term note payable for $5.0 million (the "Short-Term Note") and (ii) a term note payable for $30.0 million (the "Term Note"). In addition, the seller provided the Company a revolving credit facility (the "Seller Revolver"), under which the Company borrowed $8.0 million.

The Short-Term Note was secured by substantially all assets of the Company, bore interest at 9.5% per annum (with a provision to increase over time) and was paid in full by September 2009.

The seller reduced the principal outstanding on the Seller Revolver in fiscal year 2009 by $2.9 million in lieu of making a cash payment of the same amount to the Company as was otherwise required by a purchase price adjustment provision included in the purchase agreement by which the Company acquired the M/A-COM Tech Business. As of October 2, 2009, $5.1 million was outstanding under the Seller Revolver, all of which was repaid in fiscal year 2010. The Seller Revolver was secured by substantially all assets of the Company and bore interest at 7.5% per annum through September 30, 2009, and 13% per annum thereafter. The Seller Revolver was terminated by mutual agreement with the seller after repayment in full in January 2010.

The Term Note was secured by substantially all assets of the Company and bore interest at 7.5% per annum through December 31, 2010, 8.5% per annum for the period from January 1, 2011 through December 31, 2011, and 9.5% per annum thereafter. Principal was due in two equal installments of $15.0 million on December 31, 2011 and 2012. In fiscal year 2009, the Company added $191,000 to the principal of the Term Note in lieu of paying the amount as interest, which was subsequently paid in February 2010. The Company repaid the Term Note in full in December 2010.

Senior Bank Debt—On January 11, 2010, the Company secured a revolving credit facility (the "Revolving Credit Facility") from a bank with borrowing availability of up to $10.0 million. Amounts outstanding under the Revolving Credit Facility were due either in October 2011 or December 2011, subject to the terms of the loan agreement. The amount available for borrowings was $10.0 million as of October 1, 2010. No amounts were borrowed under the Revolving Credit Facility and the Company terminated the facility in December 2010 in connection with securing new bank financing discussed below.

New Bank Financing—In December 2010, the Company secured a revolving credit facility ("Revolver") from a bank with borrowing capacity up to $50.0 million, which the Company used to repay the $30.0 million Term Note. The Revolver expires in December 2014, unless sooner terminated as provided in the agreement. Borrowings under the Revolver are limited to an amount based upon a formula applied to eligible assets, and bear a variable rate of interest, at the Company's election, equal to the higher of the bank's prime rate, the federal funds effective rate plus 0.50%, and the London InterBank Offered Rate for a one-month interest period plus either 1.75% or 2.25%, subject to certain conditions. Borrowings are secured by substantially all assets of the Company and the agreement provides for both financial and nonfinancial covenants, including restrictions on payments of dividends. The Company repaid all amounts outstanding under the Revolver with the proceeds from the issuance of Class B convertible preferred stock in December 2010. No amounts were outstanding under the Revolver as of July 1, 2011.

9. EMPLOYEE BENEFIT PLANS

M/A-COM Holdings established a defined contribution savings plan under Section 401(k) of the Code ("Section 401(k)") on October 1, 2009 (the "M/A-COM Tech 401(k) Plan"). The M/A-COM Tech 401(k) Plan follows a calendar year, covers substantially all U.S. employees who meet minimum age and service requirements, and allows participants to defer a portion of their annual compensation on a pretax basis, subject to legal limitations. Company contributions to the plan may be made at the discretion of the Company's board of directors. In February 2011, the Company made a discretionary matching contribution to this plan for calendar year 2010 whereby the amounts contributed to the plan relating to fiscal year 2010 and the first quarter of fiscal year 2011 aggregated $738,000 and $360,000, respectively. There were no Company contributions made to the M/A-COM Tech 401(k) Plan for fiscal year 2009 or for the nine months ended July 1, 2011.

Prior to the Mimix Merger, Mimix also maintained a defined contribution savings plan under Section 401(k) (the "Mimix 401(k) Plan"). The Mimix 401(k) Plan followed a calendar year, covered substantially all Mimix U.S. employees who met minimum age and service requirements, and allowed participants to defer a portion of their annual compensation on a pretax basis, subject to legal limitations. Mimix matched contributions up to 50% of a maximum of 4% of compensation per employee, vesting over a six-year period. All Mimix contributions immediately vested upon consummation of the Mimix Merger and the plan was terminated. Mimix expensed contributions of $70,000, $82,000, $50,000, $50,000 and $0 in fiscal years 2008, 2009 and 2010 and for the nine months ended July 2, 2010 and July 1, 2011, respectively.

The Company's employees located in foreign jurisdictions meeting minimum age and service requirements participate in defined contribution plans whereby participants may defer a portion of their annual compensation on a pretax basis, subject to legal limitations. Company contributions to the plan are discretionary and vary per region. The Company expensed contributions of $309,000, $435,000, $616,000, $466,000 and $527,000 for fiscal years 2008, 2009, 2010 and for the nine months ended July 2, 2010 and July 1, 2011, respectively.

10. ACCRUED LIABILITIES

Accrued liabilities consist of the following (in thousands):

	October 2, 2009	October 1, 2010	July 1, 2011
Compensation and benefits	$ 3,432	$ 10,423	$ 7,151
Product warranty	1,598	2,140	2,008
Professional fees	772	1,559	1,405
Software licenses	159	159	1,156
Asset retirement obligations—current portion	1,650	927	437
Distribution costs	661	850	615
Restructuring costs	2,056	765	343
Transition service costs	8,194	1,040	—
Other	4,356	3,123	3,498
Total	$ 22,878	$ 20,986	$16,613

11. COMMITMENTS AND CONTINGENCIES

Operating Leases—The Company has non-cancelable operating lease agreements for office, research and development and manufacturing space in the United States and foreign locations. The Company also has operating leases for certain equipment, automobiles and services in the United States and foreign jurisdictions. These lease agreements expire at various dates through 2017 and certain agreements contain provisions for extension at substantially the same terms as currently in effect. Any lease escalation clauses, rent abatements and/or concessions, such as rent holidays and landlord or tenant incentives or allowances, are included in the determination of straight-line rent expense over the lease term.

Future minimum lease payments for the next five fiscal years as of July 1, 2011 follow (in thousands):

2011—(balance of fiscal year)	$ 830
2012	2,730
2013	2,391
2014	563
2015	78
2016	78
Thereafter	78
Total minimum lease payments	$6,748

Rent expense incurred under non-cancelable operating leases was $0.5 million, $2.2 million, $3.7 million, $2.2 million, and $2.1 million in fiscal years 2008, 2009 and 2010 and for the nine months ended July 2, 2010 and July 1, 2011, respectively.

Capital Leases—The Company entered into two non-cancelable capital lease agreements for equipment in fiscal year 2010 with terms of up to two years. The future minimum payments under the leases aggregated $1.5 million as of October 1, 2010, of which $39,000 represented interest. The leases were terminated in May and June 2011 with the Company purchasing the related assets. The Company recorded an immaterial loss on the transaction. The cost and accumulated amortization of the assets under the capital leases were $1.6 million and $98,000, respectively, as of October 1, 2010.

Unfavorable Lease Liability—In connection with the acquisition of the M/A-COM Tech Business, the Company recorded an unfavorable lease liability of $1.1 million due to certain assumed leases having lease commitments in excess of fair value. The current portion of the liability is included in accrued liabilities and the remainder is included in other long-term liabilities in the accompanying combined consolidated balance sheets. The Company is amortizing the liability as a reduction in lease expense over the terms of the respective leases. As of July 1, 2011, the remaining unfavorable lease liability was $453,000, which the Company expects to amortize through fiscal year 2013.

Asset Retirement Obligations—The Company is obligated under certain facility leases to restore those facilities to the condition in which the Company or its predecessors first occupied the facilities. The Company is required to remove leasehold improvements and equipment installed in these facilities prior to termination of the leases. The estimated costs for the removal of these assets are recorded as asset retirement obligations. A summary of the changes in the estimated fair values of the asset retirement obligations is as follows (in thousands):

	Fiscal Years			Nine Months Ended
	2008	2009	2010	July 1, 2011
Balance—beginning of period	$1,193	$1,254	$ 3,328	$ 1,819
Assumed on acquisition	—	1,938	—	—
Payments	—	—	(1,740)	(661)
Accretion expense and settlements	61	136	231	(215)
Balance—end of period	$1,254	$3,328	$ 1,819	$ 943

Unused Letter of Credit—As of October 1, 2010 and July 1, 2011, the Company had outstanding unused letters of credit from a bank aggregating $150,000 and $200,000, respectively.

Purchase Commitments—As of October 1, 2010 and July 1, 2011, the Company had outstanding noncancelable purchase commitments aggregating $1.0 million and $1.6 million, respectively, pursuant to inventory supply arrangements.

Litigation—The Company is periodically subject to legal proceedings, claims and contingencies arising in the ordinary course of business.

In April 2011, GigOptix, Inc. (“GigOptix”) filed a complaint in the Santa Clara County Superior Court against the Company, its subsidiary Optomai, and five employees who had previously worked for GigOptix. The complaint seeks unspecified damages, attorneys’ fees and costs, and injunctive relief for alleged breach of employment-related agreements, trade secret misappropriation and other related alleged torts by the employee defendants, Optomai and following its April 2011 acquisition of Optomai, the Company. GigOptix sought a temporary restraining order which was denied by the court on July 13, 2011. GigOptix later sought

an injunction on the same grounds, which was denied by the court on July 29, 2011. The Company intends to defend this lawsuit vigorously. The Company does not expect that the ultimate cost to resolve these matters will have a material effect on the consolidated financial statements. The Company does not believe a risk of material loss resulting from litigation is probable, nor is the Company able to estimate any reasonably possible range of loss.

12. RESTRUCTURINGS

In November 2005, the Company exited a facility and recorded a loss related to idle space under a lease that terminated in September 2010. The following summarizes the activity of the liability recorded related to the 2005 restructuring during fiscal years 2008, 2009 and 2010 (in thousands):

Balance—October 1, 2007	$ 755
Payments	(259)
Balance—September 30, 2008	496
Payments	(235)
Balance—October 2, 2009	261
Payments	(261)
Balance—October 1, 2010	$ —

Commencing in fiscal year 2009 and continuing in fiscal years 2010 and 2011, the Company implemented restructuring actions in connection with a broader plan to reduce staffing and the Company's manufacturing footprint. The Company expects to complete these restructuring activities by the end of fiscal year 2011 or in the first quarter of fiscal year 2012. The restructuring expense relates to direct and incremental costs related to severance and outplacement fees for the terminated employees during fiscal years 2009 and 2010 and for the nine months ended July 1, 2011. The unpaid costs as of July 1, 2011 are expected to be paid through the end of fiscal year 2011; however, as the restructuring activities are completed, the Company expects to incur $700,000 of additional unaccrued costs through fiscal year 2011 or in the first quarter of fiscal year 2012. The following is a summary of the costs related to the restructuring actions (in thousands):

Balance—October 1, 2008	$ —
Current period charges	5,100
Payments	(3,305)
Balance—October 2, 2009	1,795
Current period charges	2,234
Payments	(3,264)
Balance as of October 1, 2010	765
Current period charges	866
Payments	(1,288)
Balance—July 1, 2011	$ 343

13. PRODUCT WARRANTIES

The Company establishes a product warranty liability at the time of revenue recognition. Product warranties generally have terms of 12 months and cover nonconformance with specifications and defects in material or workmanship. The liability is based on estimated costs to fulfill customer product warranty obligations and utilizes historical product failure rates. Should actual warranty obligations differ from estimates, revisions to the warranty liability may be required.

Product warranty liability activity is as follows (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Balance—beginning of period	$ 174	$ 159	$ 1,598	$ 1,598	$ 2,140
Impact of acquisitions (divestitures)	—	426	—	—	(17)
Provisions	288	1,972	1,836	1,508	386
Direct charges	(303)	(959)	(1,294)	(948)	(501)
Balance—end of period	$ 159	$1,598	$ 2,140	$ 2,158	$ 2,008

14. INTANGIBLE ASSETS

The “M/A-COM” trade name and goodwill are intangible assets with indefinite lives, which are not subject to amortization and are tested for impairment annually. The Company performed its annual impairment test for the trade name in the fourth quarter of fiscal years 2009 and 2010, concluding no impairment existed. There were no triggering events that required the Company to perform any additional assessments as of July 1, 2011. The carrying amount of the trade name is $3.4 million as of each of October 2, 2009, October 1, 2010 and July 1, 2011. Through October 1, 2010, the Company did not have goodwill. In connection with the acquisition of Optomai (Note 3), the Company recorded goodwill of $4.0 million, which was unchanged as of July 1, 2011.

Amortized intangible assets consist of the following (in thousands):

	Total	Acquired Technology	Customer Relationships	Weighted-Average Remaining Life (Years)
Intangible assets—at October 1, 2008	$ 978	$ 489	$ 489	2.0
Additions	21,000	10,700	10,300	
Less accumulated amortization	(2,127)	(1,188)	(939)	
Intangible assets—net at October 2, 2009	$19,851	$ 10,001	$ 9,850	7.9
Intangible assets—at October 2, 2009	$21,978	$ 11,189	$ 10,789	
Less accumulated amortization	(4,816)	(2,782)	(2,034)	
Intangible assets—net at October 1, 2010	$17,162	$ 8,407	$ 8,755	7.0
Intangible assets—at October 1, 2010	$21,978	$ 11,189	$ 10,789	
Additions	4,176	2,565	1,611	
Less accumulated amortization	(6,834)	(3,989)	(2,845)	
Intangible assets—net at July 1, 2011	$19,320	$ 9,765	$ 9,555	5.9

Amortization expense related to the Company’s amortized intangible assets is as follows (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Cost of revenue	$ 98	$ 862	$1,594	$ 1,194	$ 1,207
Selling, general and administrative	98	613	1,095	822	811
Total	$196	$1,475	$2,689	$ 2,016	$ 2,018

Estimated amortization of the Company's intangible assets in future fiscal years as of July 1, 2011 (in thousands):

2011 (balance of year)	$ 664
2012	2,775
2013	2,974
2014	3,176
2015	3,268
2016	2,575
Thereafter	3,888
Total	$19,320

15. INCOME TAXES

Deferred income taxes reflect the net effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for income tax purposes. The components of the Company's deferred tax assets and liabilities as of the end of fiscal years 2009, 2010, and through July 1, 2011 are as follows (in thousands):

	October 2, 2009	October 1, 2010	July 1, 2011
Current deferred tax assets:			
Accrued liabilities	$ 1,453	$ 4,082	$ 2,835
Inventory	2,893	2,495	1,395
Deferred revenue	342	2,364	2,792
Contingent consideration	58	1,857	1,948
Accounts receivable	28	342	254
Valuation allowance	(4,724)	(8,745)	(1,433)
Current net deferred tax assets	$ 50	$ 2,395	$ 7,791
Noncurrent deferred tax assets (liabilities):			
Federal and state net operating losses and credits	$ 8,861	$ 11,195	$ 8,854
Intangibles assets	(228)	(6,661)	(7,662)
Property and equipment	256	3,303	5,494
Foreign earnings	—	—	(717)
Valuation allowance	(9,010)	(11,548)	(1,265)
Noncurrent net deferred tax assets (liabilities)	$ (121)	$ (3,711)	$ 4,704

The Company's net deferred tax asset relates predominantly to its operations in the United States. The valuation allowance is determined in accordance with the provisions for income taxes, which requires an assessment of both positive and negative evidence when determining whether it is more likely than not that the assets are recoverable. Such assessment is required on a jurisdictional basis. As of October 1, 2010, the Company has determined that it was not more likely than not that all of its net deferred tax assets will be realized and, accordingly, has recorded a valuation allowance to reduce the deferred tax assets to the amount expected to be realized. In arriving at this conclusion, the Company evaluated all available evidence, including cumulative losses for Mimix and for the years prior to fiscal year 2010 for M/A-COM Holdings and the limitations on the use of Mimix tax loss carryforwards. The valuation allowance increased by $2.5 million, $796,000 and $6.6 million, respectively, in fiscal years 2008, 2009, and 2010. The increases in the valuation allowance in fiscal years 2008, 2009 and 2010 was primarily due to increases in the deferred tax assets and the Company's recording of a full valuation allowance to reduce the deferred tax benefits otherwise to have been recorded due to losses incurred.

During the nine months ended July 1, 2011, the Company reduced the valuation allowance by $17.6 million, after concluding it was more likely than not that the deferred tax assets would be realized. The Company concluded the realization of the assets was more likely than not after recording combined consolidated taxable income for 18 consecutive months coupled with expectations of future taxable income for the remainder of fiscal year 2011 and thereafter that will be sufficient to allow the realization of the deferred tax assets. The reduction of the valuation allowance reduced the Company's provision for income taxes for the nine months ended July 1, 2011, resulting in the Company recognizing a net income tax provision of $3.8 million for the period. The remaining valuation allowance of $2.7 million as of July 1, 2011 will be released during the Company's last fiscal quarter of 2011 as the assets to which the valuation allowances relate are realized. As of October 1, 2010, the Company had $28.9 million of federal net operating loss carryforwards expiring at various dates between fiscal years 2019 and 2030. The use of substantially all of the Company's federal and state operating loss carryforwards is subject to limitations and such limitations may result in the operating loss carryforward periods expiring prior to full use of such losses.

The Company also has foreign research tax credits of approximately $800,000 which have no expiration period.

The domestic and foreign income from continuing operations before taxes were as follows (in thousands):

	Fiscal Years			Nine Months Ended
	2008	2009	2010	July 1, 2011
United States	$(5,560)	$2,533	$12,378	$ (48,107)
Foreign	(29)	1,334	3,153	13,366
Income (loss) from continuing operations before income taxes	$(5,589)	$3,867	$15,531	$ (34,741)

The components of the provision (benefit) for income taxes for each of the periods presented are as follows (in thousands):

	Fiscal Years			Nine Months Ended
	2008	2009	2010	July 1, 2011
Current:				
Federal	$ —	$ —	$ 6,099	$ 13,287
State	—	142	1,506	4,724
Foreign	—	120	146	1,179
Current provision	—	262	7,751	19,190
Deferred:				
Federal	(1,830)	(1,057)	(4,035)	1,900
State	(1)	(693)	(488)	(75)
Foreign	(622)	568	(791)	359
Change in valuation allowance	2,453	796	6,559	(17,595)
Deferred provision (benefit)	—	(386)	1,245	(15,411)
Total provision (benefit)	$ —	$ (124)	$ 8,996	$ 3,779

The Company's effective tax rates differ from the federal and statutory rate as follows:

	Fiscal Years			Nine Months Ended
	2008	2009	2010	July 1, 2011
Federal statutory rate	(35.0)%	35.0%	35.0%	(35.0)%
S-Corporation statutory rate	—	(44.0)	(5.4)	—
Foreign rate differential	0.2	(22.2)	(9.2)	(9.0)
State taxes, net of federal benefit	—	2.6	4.0	7.8
Gain on bargain purchase	—	(14.7)	—	—
Change in tax status	—	—	(3.4)	—
Class B conversion and warrant liabilities	—	—	—	87.0
Change in valuation allowance	32.7	35.6	40.0	(50.7)
Other permanent differences	2.1	4.5	(3.1)	10.8
Effective income tax rate	— %	(3.2)%	57.9%	10.9%

For the nine months ended July 1, 2011, the provision for income taxes has been determined using the estimated effective tax rates for the full fiscal years, subject to certain discrete period adjustments.

The effective income tax rate for the nine months ended July 1, 2011 was significantly impacted by the charges related to the Company's Class B conversion liability and common stock warrant liability, which are not deductible for income tax purposes.

The effective tax rate for the year ended October 2, 2009 was significantly impacted by M/A-COM Holdings' status as an S-Corporation. M/A-COM Holdings changed its tax status to C-Corporation effective January 1, 2010. The effective tax rate for 2009 was also impacted by the gain on bargain purchase, which was not taxable.

As of October 1, 2010, no provision had been made for the undistributed earnings of foreign subsidiaries as it was the Company's intention that such earnings be indefinitely reinvested. The Company has concluded that during the nine months ended July 1, 2011 the earnings of the Taiwan subsidiary will no longer be considered permanently invested and has provided for the earnings in its tax provision, which increased the tax provision by approximately $1.4 million. Undistributed earnings of all other foreign subsidiaries remain permanently reinvested. It is not practicable to determine the U.S. federal and state deferred tax liabilities associated with such foreign earnings.

Activity related to unrecognized tax benefits is as follows (in thousands):

Balance—September 30, 2007 and 2008	$ —
Additions based on tax positions	102
Balance—October 2, 2009	102
Additions based on tax positions	335
Balance—October 1, 2010	437
Additions based on tax positions	0
Balance—July 1, 2011	$ 437

The balance of the unrecognized tax benefit is included in other long-term liabilities in the accompanying combined consolidated balance sheets. It is the Company's policy to recognize interest and penalties related to income tax obligations as a component of income tax expense. During fiscal years 2009 and 2010, interest and penalties included in the income tax provisions were immaterial. The entire balance of unrecognized tax benefits, if recognized, will reduce income tax expense by $437,000.

A summary of the fiscal tax years that remain subject to examination, as of October 1, 2010, for the Company's significant tax jurisdictions are:

Jurisdiction	Tax Years Subject to Examination
United States—federal	1999—forward
United States—various states	2007—forward
Ireland	2008—forward

16. SHARE-BASED COMPENSATION PLANS

Share-based compensation expense included in the Company's combined consolidated statements of operations follows (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Cost of revenue	$ 26	$ 52	$ 214	$ 168	$ 271
Research and development	36	51	143	143	127
Selling, general and administrative	113	136	828	690	540
Total	$ 175	$ 239	$ 1,185	$ 1,001	$ 938

The Company's board of directors adopted the M/A-COM Tech 2009 Omnibus Stock Plan (the "M/A-COM Tech Plan") in fiscal year 2009, which provides for the grant of qualified incentive and nonqualified options to purchase Company common stock and other equity awards to the Company's employees, officers, directors, and outside consultants to purchase up to an aggregate of 30.0 million shares of the Company's common stock. The stock options and other equity awards generally vest over a three to five-year period and expire 10 years from the date of grant. As of October 1, 2010 and July 1, 2011, the Company had 13.1 million and 14.9 million shares, respectively, available for future grants under the M/A-COM Tech Plan. In connection with the issuance of the Class B convertible preferred stock in December 2010, the Company agreed to limit the issuance of stock options in fiscal year 2011 to no more than 1 million shares, plus any shares forfeited under then outstanding stock options.

Option activity for the M/A-COM Tech Plan follows (in thousands, except per share data):

	Number of Shares	Weighted-Average Exercise Price per Share	Weighted-Average Remaining Contractual Term in Years	Aggregate Intrinsic Value
Options outstanding—October 2, 2009	7,500	$ 0.16		
Granted	9,415	0.31		
Exercised	(1,967)	0.18		
Forfeited	(58)	0.16		
Options outstanding—October 1, 2010	14,890	0.26	9.1	$ 3,656
Granted	65	2.77		
Exercised	(2,799)	0.20		
Forfeited	(2,741)	0.16		
Options outstanding—July 1, 2011	9,415	$ 0.32	8.5	$ 28,511
Options vested and expected to vest—				
October 1, 2010	12,065	$ 0.28	9.2	$ 2,677
July 1, 2011	8,994	$ 0.29	8.0	$ 24,158
Options exercisable—				
October 1, 2010	1,746	$ 0.17	9.1	$ 570
July 1, 2011	1,427	$ 0.28	8.6	$ 3,546

The aggregate intrinsic value of options exercised was $269,000 and $5.7 million in fiscal year 2010 and in the nine months ended July 1, 2011, respectively. The weighted-average grant date fair value per share of options granted in fiscal years 2009 and 2010 and in the nine months ended July 1, 2011 was $0.09, $0.16 and $1.39, respectively.

Included in the table above for fiscal year 2009 are options granted for the purchase of 3.4 million shares of common stock issued to certain employees with vesting contingent upon the achievement of specific performance targets. These performance-based stock options have an aggregate grant-date fair value of $306,000. During the nine months ended July 1, 2011, options representing 2.0 million shares of these performance-based awards were forfeited in connection with employment termination. As of July 1, 2011, stock options as to 1.4 million shares of common stock remain unvested and subject to performance vesting. As of October 1, 2010 and July 1, 2011, the Company expected the awards to vest, and accordingly, the grant date fair value is recorded as expense over the expected performance period of three years. During the nine months ended July 1, 2011 share-based compensation expense was reduced as a result of the forfeitures.

The fair value of options vested during fiscal year 2010 and for the nine months ended July 1, 2011 was $340,000 and $335,000 respectively. No options vested or were exercised during fiscal year 2009.

The weighted-average assumptions used for calculating the fair value of stock options granted during fiscal years 2009 and 2010 and for the nine months ended July 1, 2011, were as follows:

	Fiscal Years		Nine Months Ended
	2009	2010	July 1, 2011
Risk-free interest rate	2.8%	2.4%	1.9%
Expected term (years)	6.7	6.0	5.8
Expected volatility	57.1%	54.1%	52.7%
Expected dividends	— %	— %	— %

During fiscal year 2010 and the nine months ended July 1, 2011, the Company issued 30,000 and 857,850, respectively, of shares of common stock with grant date fair values of $15,000 and $2.0 million, respectively, to employees for no consideration with ownership subject to vesting over two to four years. For the nine months ended July 1, 2011, share-based compensation relating to the awards was $220,000 and as of July 1, 2011, the unamortized compensation was $1.8 million. The amounts recorded in prior periods were immaterial. If the employment is terminated prior to vesting, the shares of common stock will be forfeited back to Company. All of these restricted shares were outstanding and unvested as of July 1, 2011.

As of October 1, 2010 and July 1, 2011, there was $1.8 million and $2.7 million, respectively, of total unrecognized compensation cost related to all share-based compensation awards, which is expected to be recognized over a weighted-average remaining period of 2.75 years and 2.4 years, respectively.

Certain of the stock options granted and outstanding as of July 1, 2011 are subject to accelerated vesting upon a sale of the Company or similar changes in control.

17. PREFERRED STOCK

Preferred Stock—As of October 1, 2007, the Company had authorized 77.8 million shares of preferred stock and (i) 1.0 million shares of Series A convertible preferred stock (“Old Series A”), (ii) 2.7 million shares of Series B convertible preferred stock (“Series B”), (iii) 2.3 million shares of Series B-1 convertible preferred stock (“Series B-1), and (iv) 1.6 million shares of Series B-2 convertible preferred stock (“Series B-2) (collectively, “Old Preferred”) were issued and outstanding. These shares were convertible into common stock, provided voting rights to the holders, earned cumulative 8% dividends, held rights to receive preferential payments in the event of any sale, liquidation, dissolution, or winding-up of the Company, and were redeemable at the option of at least 60% of the holders of each class of preferred on or after September 8, 2008 at stated amounts, subject to adjustments. The Old Preferred was recorded outside of permanent stockholders’ equity as mezzanine equity.

On June 30, 2008, the Company recapitalized and (i) converted all then outstanding shares of preferred stock into 12.8 million shares of Series A convertible preferred stock (“Series A”), (ii) converted Notes payable with $6.3 million of outstanding principal and accrued interest into 2.1 million shares of Series A, (iii) issued 10.0 million shares of Series A to the common majority owner for $29.4 million and (iv) repurchased and retired 7.3 million shares of Series A from existing stockholders for $21.7 million.

The Series A is convertible into common stock, provides voting rights to the holders, earns dividends at an annual rate of 8%, when and if declared, and hold rights to receive preferential payments in the event of any sale, liquidation, dissolution, or winding-up of the Company.

On March 16, 2010, the Company’s board of directors and stockholders authorized 117,626,500 shares of $0.001 par value preferred stock; 100,000,000 shares of which are designated as Series A-1 convertible preferred stock (“Series A-1”) and 17,626,500 shares of which are designated as Series A-2 convertible preferred stock (“Series A-2”). Together, Series A-1 and Series A-2 are referred to as Class A.

In December 2010, the Company authorized and issued 34,169,559.75 shares of Class B redeemable convertible preferred stock (“Class B”) to new investors for $120.0 million in gross proceeds and net proceeds of $118.7 million. In connection with the Class B issuance, the Company also issued warrants to the new investors to purchase 5,125,434 shares of common stock for $3.51 per share. The warrants expire December 21, 2020, or earlier as per the terms of the agreement, including within 10 days following consummation of a sale of all or substantially all assets or capital stock or other equity securities of the Company, including by merger consolidation, recapitalization, or similar transactions, if not otherwise exercised.

The voting and dividend rights and preferences of Class A preferred stock were amended in connection with the issuance of Class B. The rights and preferences of Class A and Class B as of July 1, 2011 follow:

Voting Rights—The holders of the preferred stock are entitled to vote on all matters and are entitled to the number of votes equal to the number of shares of common stock into which each share of preferred stock is then convertible. The holders of preferred stock have the right, voting as a single class, to elect all of the members of the board of directors, providing that the Class A stockholders have the right to elect three directors and Class B stockholders have the right to elect one director. The Class A and Class B stockholders also have other exclusive rights relating to approval of certain Company transactions.

Dividends—The holders of the preferred stock are entitled to receive dividends at a rate of 8% per annum of the established "original price" of $0.265 per share for Series A-1, $2.50 per share for Series A-2 and $3.51 per share for Class B, when and if declared by the board of directors. Dividends are required to be declared and paid on Class B prior to Class A and on Class A prior to common stock and the holders of the preferred stock participate in further dividends on an as if converted to common stock basis after the preferential dividends are paid.

Liquidation Rights—In the event of any liquidation, dissolution, winding-up, or acquisition of the Company or substantially all of the Company's assets, the holders of the preferred stock are entitled to be paid preferential amounts out of the assets of the Company available for distribution to its stockholders before any distribution payments are made to the holders of common stock. The preferential amount payable to Class B is to be paid prior to any payments on Class A or common stock and is equal to the greater of i) the original issuance price of $3.51 per share, as may be adjusted for any stock dividends, combinations or splits with respect to such shares ("Class B Liquidation Value"), plus any declared and unpaid dividends and ii) 75% of the Class B Liquidation Value, plus any declared and unpaid dividends, plus an amount equal to the Class B's ratable portion, if any, of the aggregate amount of remaining proceeds distributable to the holders of common stock and preferred stock (on an as-converted to common stock basis) after payment of all preferred stock liquidation preferences in connection with such liquidation event. If the assets of the Company are not sufficient to satisfy the required Class B Liquidation Value, the total assets available for distribution are to be paid ratably to the Class B stockholders. The preferential amount payable to Class A preferred stock is to be paid prior to any payments on common stock and is equal to $0.795 per share in the case of the Series A-1 and $2.50 per share in the case of the Series A-2, plus any declared and unpaid dividends. If the remaining assets of the Company after satisfaction of the Class B Liquidation Value are not sufficient to satisfy the required Class A liquidation preferences, the total assets available for distribution are to be paid ratably to the Class A stockholders. After satisfaction of the liquidation preferences of the Class A, holders of Class A will participate in the distribution of any remaining assets of the Company ratably with the holders of common stock on an as-if-converted to common stock basis.

Conversion—Each share of Class A is convertible into common stock at any time and will automatically convert into common stock upon the affirmative vote to convert by a majority of the holders of Class A. Each share of Class B is convertible into common stock at any time and will automatically convert into common stock upon the affirmative vote to convert by a majority of the holders of Class B. Each share of Class A and Class B shall automatically convert to common stock on the completion of a public stock offering with aggregate gross proceeds of at least $100.0 million at a price per share of at least two times the Class B conversion price ("Qualified Public Offering" or "QPO"). The shares of common stock into which the Class A and Class B is convertible is determined by a formula that initially and currently results in a one-one conversion and is subject to antidilution adjustments should the Company issue additional shares of common stock or other instruments, with certain exceptions, that are convertible into common stock at issuance or conversion prices of less than $0.265 per share in the case of Series A-1, $2.50 per share in the case of Series A-2 and $3.51 per share in the case of Class B.

Redemption—The Class B is redeemable on or after December 21, 2017 at the election of a majority of the holders, if then outstanding, at the greater of (i) the Class B Liquidation Value, plus any accrued dividends, which accrue at a rate of 8% to 14% should the Company delay redemption ("Default

Dividends"), plus any declared and unpaid dividends and (ii) 75% of the Class B Liquidation Value, plus any accrued Default Dividends and declared and unpaid dividends, plus the fair market value, as defined, of the common stock issuable upon conversion of the Class B. In addition, in the event of bankruptcy, as defined, the Class A and Class B become redeemable with first priority given to Class B in the event available assets of the Company are insufficient to satisfy all preferred redemption rights. The rights to redemption in connection with a bankruptcy are subordinate to Company lending arrangements. Upon bankruptcy, the Class B's redemption value is computed in a consistent manner as described above and the Class A redemption amounts are consistent to their liquidation preferences described above. In the event that the assets of the Company are not sufficient to satisfy the required redemption amounts on the proposed redemption date, the Class B redemption amount is paid prior to Class A redemption amount and the Class A redemption amount is paid prior to any other class.

QPO Preference—The Class B stockholders are eligible to receive a payment between 16.7% and 50% of the Class B Liquidation Value upon a QPO, the exact amount of which is subject to a formula applied to the return on investment the Class B stockholders receive as measured based upon the selling price per share of the common stock in a QPO.

The Class B is recorded outside of permanent stockholders' equity as mezzanine equity. As a result of the amendments to the preference rights of Class A described above, the Company reclassified the Class A from stockholders' equity to mezzanine equity in December 2010. The reclassification was made at the issuance date fair value, which aggregated $106.4 million.

The Company records redeemable preferred stock initially at the original issuance price of the shares, less any direct costs incurred. The Company accretes the carrying value of the redeemable securities to their redemption values using the effective interest method over the period from issuance to earliest redemption date. The accretion is recorded as an increase in the carrying value of the redeemable securities and a reduction to additional paid in capital, or in the absence of such, as an increase in the accumulated deficit.

A summary of the changes in the carrying value of the Class B follows (in thousands):

	Shares	Amount
Balance October 1, 2010	—	$ —
Issuance of Class B redeemable convertible preferred stock, net of conversion features, warrant and issuance costs of $1,321	34,170	71,382
Accretion	—	2,846
Balance July 1, 2011	34,170	$74,228

Class B Conversion Liability—The Class B redemption right allows the holders to elect to receive a greater redemption amount related to the fair value of the Company's common stock. This feature as well as the QPO Preference requires separate accounting from the Class B. Upon issuance of the Class B, the estimated fair values of these features were bifurcated from the remainder of the Class B proceeds and recorded as long-term liabilities in the accompanying consolidated financial statements. The carrying value of the embedded derivative is adjusted to fair value at the end of each reporting period and the change in fair value is recognized in the statements of operations. The following is a summary of the changes in the carrying value of the Class B conversion liability (in thousands):

Balance—October 1, 2010	$ —
Estimated fair value upon issuance	41,641
Change in estimated fair value	57,051
Balance—July 1, 2011	$98,692

18. STOCKHOLDERS' EQUITY (DEFICIT)

The following summarizes the Company's authorized and outstanding shares of convertible preferred and common stock (in thousands, except per share amounts):

	Convertible Preferred Stock			
	Series A	Series A-1	Series A-2	Common Stock
As of October 2, 2009:				
Par value	$ 0.001	$ —	$ —	$ 0.010
Authorized shares	162,273	—	—	155,000
Issued and outstanding shares	17,606	—	—	100,763
As of October 1, 2010:				
Par value	$ —	$ 0.001	$ 0.001	$ 0.001
Authorized shares	—	100,000	17,627	155,000
Issued and outstanding shares	—	100,000	16,822	3,967
As of July 1, 2011:				
Par value	$ —	$ 0.001	$ 0.001	$ 0.001
Authorized shares	—	100,000	17,627	208,921
Issued and outstanding shares	—	100,000	16,822	6,766

The carrying value of Series A-1 and Series A-2 is reported outside of stockholders' equity (deficit) as of July 1, 2011.

On March 16, 2010, the Company's board of directors and stockholders approved changing the par value of the common stock from $0.01 per share to $0.001 per share. In addition, on March 16, 2010, the board of directors and stockholders approved the issuance of 100,000,000 shares of Series A-1 convertible preferred stock ("Series A-1") in exchange for 98,000,000 shares of outstanding common stock. The Company has reserved 144,824,577 shares of common stock as of October 1, 2010, for the issuance and exercise of stock options and conversions of convertible preferred stock.

Special Dividend—On January 4, 2011, in connection with the Class B issuance, the Company declared and paid a special dividend of $80 million to Class A and common stockholders of record on that date. Dividends of $0.63 per share, $0.81 per share and $0.61 per share were paid to the record holders as of January 4, 2011 of the Company's Series A-1 convertible preferred stock, Series A-2 convertible preferred stock and common stock, respectively, aggregating $80.0 million.

Common Stock Warrants—During fiscal years 2007 and 2008, the Company issued warrants to purchase an aggregate of 450,000 shares of common stock in connection with the issuance of convertible notes payable to stockholders. The fair value of the warrants were estimated using a Black-Scholes option pricing methodology and such amounts have been recorded as a reduction to the carrying value of the debt and an increase to additional paid in capital through June 2008. These warrants were cancelled unexercised between June 2008 and May 2010.

In connection with the Class B issuance, the Company issued warrants to purchase 5,125,434 shares of common stock for $3.51 per share. The warrants expire December 21, 2020, or earlier as per the terms of the agreement, including immediately following consummation of a sale of all or substantially all assets or capital stock or other equity securities of the Company, including by merger, consolidation, recapitalization, or similar transactions. The number of shares issuable upon exercise of the warrants may be increased pursuant to certain antidilution rights included in the agreements. Accordingly, the Company has concluded the warrants should be

recorded outside stockholders' equity (deficit). The Company is recording the estimated fair values of the warrants as a liability in the accompanying consolidated financial statements with changes in the estimated fair value being recorded in the accompanying statements of operations. The following is a summary of the activity of the warrant liability (in thousands):

Balance—October 1, 2010	$ —
Estimated fair value of warrants upon issuance	5,656
Change in estimated fair value	10,241
Balance—July 1, 2011	$15,897

Noncontrolling Interest—The Company recorded a noncontrolling interest for the equity interests in a subsidiary that was not 100% owned by the Company or one of its wholly owned subsidiaries. As of October 2, 2009, the noncontrolling interest reflected equity interests held by third parties in the Company's Taiwan subsidiary. On June 28, 2010, another wholly owned subsidiary of the Company purchased substantially all of the remaining noncontrolling interest in the Taiwan subsidiary for $220,000, increasing the Company's indirect ownership from 79.2% to 99.996%. The net income attributable to noncontrolling interest was $23,000 and $195,000 in fiscal years 2009 and 2010 and the Company incurred an immaterial loss on the acquisition of the noncontrolling interest in fiscal year 2010.

19. RELATED-PARTY TRANSACTIONS

The Company's majority stockholder controls another entity which has been engaged to provide management services pursuant to an agreement entered into in 2008 and amended in December 2010. Commencing in fiscal year 2009, the Company paid the entity $60,000 per month pursuant to this agreement. Selling, general and administrative expenses for fiscal years 2009 and 2010 and for the nine months ended July 2, 2010 and July 1, 2011 included $720,000, $720,000, $540,000 and $540,000 respectively, for such services. At October 2, 2009, October 1, 2010, and July 1, 2011, $60,000 was included in accounts payable pursuant to this arrangement.

20. DIVESTITURES

In the nine months ended July 1, 2011, the Company sold non-core assets representing two businesses to two separate acquirers, receiving cash proceeds aggregating $3.0 million. The Company has no continuing interests in either business. One arrangement provides for amounts held back pursuant to escrow arrangements whereby $188,000 is payable to the Company in July 2011. The Company expects to collect the full escrow amounts and has included the receivables in other assets in the accompanying consolidated balance sheet as of July 1, 2011 and in the computation of gain and loss on the sales. One sale resulted in a loss of $1.3 million and the other sale resulted in a gain of $1.6 million. The net gain arising from the divestitures is included in income from discontinued operations in the accompanying consolidated statement of operations for the nine months ended July 1, 2011. The following is a summary of operating results related to the divested businesses (in thousands):

	Fiscal Years			Nine Months Ended:	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Revenue	$ —	$9,813	$14,860	$ 12,358	$ 5,808
Income from discontinued operations before income taxes	$ —	$ 198	$ 63	$ 1,103	$ 67
Gain on disposition of businesses, net	—	—	—	—	329
Income tax benefit	—	—	431	57	358
Net income from discontinued operations	$ —	$ 198	$ 494	$ 1,160	$ 754

21. EARNINGS PER SHARE

The following table set forth the computation for basic and diluted net income (loss) per share of common stock (in thousands, except per share data):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Numerator:					
Net income (loss) attributable to controlling interest	$(5,589)	$ 4,166	$ 6,834	$ 5,098	$ (37,766)
Accretion to redemption value of redeemable convertible preferred stock	(1,780)	—	—	—	(2,846)
Participating preferred dividends	—	(3,559)	(6,298)	(4,585)	—
Dividends declared and paid to preferred stockholders	—	—	—	—	(76,216)
Net income (loss) attributable to common stockholders	$(7,369)	$ 607	$ 536	$ 513	$(116,828)
Dividends declared and paid to common stockholders	$ —	$ —	$ —	$ —	$ 3,784
Denominator:					
Weighted average common shares outstanding— basic	762	52,806	47,521	62,200	5,727
Dilutive effect of options and restricted stock	—	560	2,822	353	—
Dilutive effect of convertible shares and warrants	—	—	—	—	—
Weighted average common shares outstanding— diluted	762	53,366	50,343	62,553	5,727
Common stock earnings per share—basic and diluted:					
Distributed	$ —	$ —	$ —	$ —	$ 0.66
Undistributed	(9.67)	0.01	0.01	0.01	(20.40)
Net common stock earnings per share	$ (9.67)	$ 0.01	$ 0.01	$ 0.01	$ (19.74)

The following common equivalent shares were excluded from the calculation from net income per share as their inclusion would have been antidilutive (in thousands):

	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Stock options and restricted stock	1,869	9,494	15,053	13,838	13,071
Convertible debt and warrants	3,972	2,939	1,959	—	5,125
Convertible preferred shares	16,822	16,822	116,822	116,822	150,991
Total common stock equivalent shares excluded	22,663	29,255	133,834	130,660	169,187

22. UNAUDITED PRO FORMA NET INCOME (LOSS) PER SHARE

Pro Forma net income (loss) per common share is computed as follows (in thousands, except per share data):

	Fiscal Year 2010	Nine Months Ended July 1, 2011
Numerator		
Net income (loss) attributable to controlling interest	$	$
Accretion to redemption value of redeemable convertible preferred stock		
Participating preferred dividends		
Dividends declared and paid to preferred stockholders		
Net income (loss) attributable to common stockholders	$	$
Denominator		
Weighted average common shares outstanding—basic		
Adjustment for conversion of preferred stock		
Adjustment for assumed Class B preference payment		
Pro forma shares outstanding—Basic		
Dilutive effect of options and restricted stock		
Dilutive effect of convertible shares and warrants		
Pro forma shares outstanding—Diluted		
Common stock earnings per share		
Basic	$	$
Diluted	$	$

23. SUPPLEMENTAL CASH FLOW INFORMATION

The following is supplemental cash flow information regarding noncash investing and financing activities in fiscal years 2008, 2009, 2010 and the nine months ended July 2, 2010 and July 1, 2011:

- In fiscal year 2008, the Company converted $6.3 million of principal on convertible notes and accrued interest into 2.1 million shares of Series A.
- In fiscal year 2009, the Company added $191,000 to the principal of the Term Note in lieu of paying the amount as interest. The amount was subsequently paid in the same fiscal year.
- In fiscal year 2010, the Company acquired equipment under two capital leases with initial obligations aggregating $1.5 million.
- In the nine months ended July 1, 2011, pursuant to the terms of an escrow agreement with certain former Mimix stockholders, the Company withheld the payment of $863,000 in dividends, such amount included in accrued liabilities in the accompanying consolidated balance sheet as of July 1, 2011.
- As of July 1, 2011, the Company had $2.3 million in unpaid amounts related to purchases of property and equipment during the nine months then ended included in accounts payable, accrued liabilities and other long-term liabilities. This amount has been excluded from the payments for purchases of property and equipment for the nine months ended July 1, 2011. The Company did not have material similar transactions as of any other period presented.

24. GEOGRAPHIC AND SIGNIFICANT CUSTOMER INFORMATION

The Company has one reportable operating segment which designs, develops, manufactures and markets semiconductors and modules. The determination of the number of reportable operating segments is based on the management's chief operating decision maker's use of financial information for the purposes of assessing performance and making operating decisions. In evaluating financial performance and making operating decisions, management primarily uses consolidated net revenue, gross profit, and operating income (loss).

Information about the Company's operations in different geographic regions, based upon customer locations, is presented below (in thousands):

Revenue by Geographic Region	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
United States	$ 9,816	$ 47,989	$156,942	$ 114,100	$ 121,395
International (1)	15,607	54,729	103,355	72,024	110,098
Total	$25,423	$102,718	$260,297	$ 186,124	$ 231,493

Long-Lived Assets by Geographic Region	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
United States	$2,012	$21,034	$19,315	$ 18,766	$ 20,293
International (2)	950	2,249	1,791	1,675	3,247
Total	$2,962	$23,283	$21,106	$ 20,441	$ 23,540

(1) In fiscal year 2008, Malaysia represented 23% of total revenue. No other international countries represented greater than 10% of total revenue during the presented periods.

(2) In fiscal year 2008, 13% and 13% of the total net long-lived assets were located in Asia and Australia, respectively. No other international country or region represented greater than 10% of the total net long-lived assets as of the presented periods.

The following is a summary of customer concentrations as a percentage of total sales and accounts receivable as of and for the periods presented:

Revenue	Fiscal Years			Nine Months Ended	
	2008	2009	2010	July 2, 2010 (Unaudited)	July 1, 2011
Customer A	25%	—	—	—	—
Customer B	—	13%	23%	24%	21%
Customer C	—	—	11%	11%	11%

Accounts Receivable	October 2, 2009	October 1, 2010	July 1, 2011
Customer B	17%	15%	16%
Customer C	—	11%	—

No other customer represented more than 10% of revenue or accounts receivable in the periods presented in the accompanying combined consolidated financial statements. In fiscal year 2010 and for the nine months ended July 1, 2011, 10 customers represented 58% and 59% of total revenue.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Stockholders of
M/A-COM Technology Solutions Holdings, Inc.
Lowell, Massachusetts

We have audited the accompanying combined consolidated statement of operations and parent company equity and cash flows of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited (collectively, the "Company"), both of which are under common ownership and management, for the period from September 26, 2008 through March 30, 2009. These combined consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these combined consolidated financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such combined consolidated financial statements present fairly, in all material respects, the results of the Company's operations and its cash flows for the period from September 26, 2008 through March 30, 2009, in conformity with accounting principles generally accepted in the United States of America.

Certain expenses represent allocations made from Cobham Defense Electronic Systems Corporation. The accompanying combined consolidated financial statements have been prepared from the separate records maintained by the Company and may not necessarily be indicative of the conditions that would have existed or the results of operations if the Company had been operated as an unaffiliated company.

As discussed in Note 1 to the combined consolidated financial statements, the Company was acquired by Cobham Defense Electronic Systems Corporation on September 26, 2008 and subsequently sold to M/A-COM Technology Solutions Holdings, Inc. on March 30, 2009.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
August 1, 2011

M/A-COM TECHNOLOGY SOLUTIONS INC. AND
M/ACOM TECHNOLOGY SOLUTIONS (CORK) LIMITED

COMBINED CONSOLIDATED STATEMENTS OF OPERATIONS AND OWNER EQUITY
FOR THE PERIOD FROM SEPTEMBER 26, 2008 THROUGH MARCH 30, 2009
(In thousands)

Revenue	$ 91,254
Cost of revenue	65,418
Gross profit	25,836
Operating expenses:	
Research and development	12,456
Selling, general and administrative	20,465
Goodwill and other impairments	44,278
Allocated management fees—related party	2,116
Restructuring charges	2,423
Total operating expenses	81,738
Loss from operations	(55,902)
Interest expense—related party	(229)
Net loss from continuing operations	(56,131)
Income from discontinued operations	1,617
Net loss	$ (54,514)
Initial capitalization	$180,100
Net loss	(54,514)
Non-cash compensation	1,094
Change in owner equity	(15,545)
Ending owner equity	$111,135

See notes to combined consolidated financial statements.

M/A-COM TECHNOLOGY SOLUTIONS INC. AND
M/ACOM TECHNOLOGY SOLUTIONS (CORK) LIMITED

COMBINED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM SEPTEMBER 26, 2008 THROUGH MARCH 30, 2009
(In thousands)

CASH FLOWS FROM OPERATING ACTIVITIES:	
Net loss	$(54,514)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Goodwill and other impairments	44,278
Accretion of asset retirement obligations	49
Non-cash compensation	1,094
Depreciation and amortization	6,188
Loss on disposal of property and equipment	93
Change in current operating assets and liabilities:	
Accounts receivable	16,623
Inventories	820
Prepaid expenses and other assets	(292)
Accounts payable	(7,601)
Accrued and other liabilities	6,013
Net cash provided by operating activities	12,751
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchases of property and equipment	(292)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Borrowings on revolving credit facility	3,609
Change in owner equity	(15,545)
Net cash used in financing activities	(11,936)
NET INCREASE IN CASH	$ 523
CASH—Beginning of period	8
CASH—End of period	$ 531
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:	
Cash paid for interest—related party	$ 234

See notes to combined consolidated financial statements.

M/A-COM TECHNOLOGY SOLUTIONS INC.
AND M/ACOM TECHNOLOGY SOLUTIONS (CORK) LIMITED

NOTES TO COMBINED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM SEPTEMBER 26, 2008 THROUGH MARCH 30, 2009

1. NATURE OF BUSINESS AND BASIS OF PRESENTATION

Nature of Business—On September 26, 2008, Cobham Defense Electronics Systems Corporation, hereinafter referred to as the "former owner," completed an acquisition of assets from a third-party (the "Acquisition") including the radio frequency and microwave component and subsystem design and manufacturing business operations that would become the operations of M/A-COM Technology Solutions Inc., or M/A-COM U.S., and M/ACOM Technology Solutions (Cork) Limited, or M/A-COM Ireland. M/A-COM U.S. and M/A-COM Ireland are hereinafter collectively referred to as "M/A-COM." Former owner incorporated the two subsidiaries comprising M/A-COM in 2008 in connection with the Acquisition to facilitate its planned divestment of a portion of the assets acquired in the Acquisition. See Note 12 discussing the subsequent sale of these entities to M/A-COM Technology Solutions Holdings, Inc. in March 2009. M/A-COM has a fiscal year ending in September.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Combination and Basis of Presentation—The accompanying combined consolidated financial statements include the accounts of M/A-COM U.S. and its subsidiaries and M/A-COM Ireland on a combined standalone basis for the period from September 26, 2008 to March 30, 2009, and have been prepared by the management of M/A-COM's parent company, M/A-COM Technology Solutions Holdings, Inc. All intra- and inter-company balances and transactions between and among M/A-COM U.S. and its subsidiaries and M/A-COM Ireland have been eliminated in combination.

Use of Estimates—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, M/A-COM bases estimates and assumptions on historical experience, currently available information, and various other factors that management believes to be reasonable under the circumstances. Actual results may differ materially from these estimates and assumptions.

Foreign Currency Translation and Remeasurement—The combined consolidated financial statements of M/A-COM are presented in U.S. dollars. M/A-COM's foreign operations use the U.S. dollar as the functional currency. The financial statements of M/A-COM's foreign operations where certain underlying transactions are in a different currency are remeasured at the exchange rate in effect at the balance sheet date with respect to monetary assets and liabilities. Nonmonetary assets and liabilities, such as inventories and property and equipment, and related statements of operations accounts, such as cost of revenue and depreciation, are remeasured at historical exchange rates. Revenues and expenses, other than cost of revenue, amortization and depreciation, are translated at the average exchange rate for the period in which the transaction occurred. The net gains (losses) on foreign currency remeasurement are reflected in selling, general and administrative expense in the accompanying combined consolidated statement of operations. During the period from September 26, 2008 to March 30, 2009, M/A-COM's recognized net gains and losses on foreign exchange included in selling, general and administrative expense were immaterial.

Property and Equipment—Property and equipment is depreciated or amortized using the straight-line method over the following estimated useful lives:

Asset Classification	Estimated Useful Life
Machinery and equipment	4–7
Machinery and equipment under capital leases	5–7
Computer equipment and software	2–3
Furniture and fixtures	6–10
Leasehold improvements	Shorter of useful life or term of lease

Depreciation and amortization expense related to property and equipment for the period from September 26, 2008 to March 30, 2009, was $6.2 million.

Intangible Assets and Impairment of Long-Lived Assets—M/A-COM has intangible assets with indefinite and definite lives. Goodwill and M/A-COM's trade names are indefinite-lived assets and were acquired through a business combination (see Notes 1 and 3). Goodwill and M/A-COM's trade name assets are not subject to amortization; these are reviewed for impairment annually and more frequently if events or changes in circumstances indicate that the asset may be impaired. If impairment exists, a loss would be recorded to write down the value of the indefinite-lived assets to the implied fair value. The acquired technology and customer relationships are definite-lived assets and are subject to amortization. M/A-COM amortizes definite-lived assets over their estimated useful lives, which range from 7 to 10 years, based on the pattern over which M/A-COM expects to receive the economic benefit from these assets as of the date of acquisition. Where the losses are expected to be incurred in periods immediately following an acquisition, the straight-line method or amortization is used.

M/A-COM evaluates long-lived assets for recoverability when events or changes in circumstances indicate that their carrying amounts may not be recoverable. Circumstances which could trigger a review include, but are not limited to, significant decreases in the market price of the asset or asset group; significant adverse changes in the business climate or legal factors; the accumulation of costs significantly in excess of the amount originally expected for the acquisition or construction of the asset; current period cash flow or operating losses combined with a history of losses or a forecast of continuing losses associated with the use of the asset; and a current expectation that the asset will more likely than not be sold or disposed of significantly before the end of its previously estimated useful life.

Based on the indication of a possible impairment due to the impending sale of M/A-COM in March 2009, management estimated the fair value of its recorded assets and liabilities, which resulted in impairments of intangible assets of $8.9 million and property and equipment of $3.7 million. After recognizing those impairments, the difference between the estimated fair value of the business and the recorded net assets indicated that the goodwill was impaired, and an impairment charge of $31.7 million was recorded to reduce goodwill to its indicated value of $0. As a result of the evaluation in March 2009, an aggregate impairment charge of $44.3 million was recorded during the period from September 26, 2008 through March 30, 2009.

Revenue Recognition—Revenue from the sale of products is recognized when persuasive evidence of an arrangement exists, delivery has occurred or services have been provided, the price to the buyer is fixed or determinable, and collectibility is reasonably assured. Provided other revenue recognition criteria are met, product revenue is recognized upon transfer of title and risk of loss, which is generally upon shipment. M/A-COM recognizes revenue from service arrangements over the period the services are provided or upon customer acceptance of such services. Shipping and handling fees billed to customers are recorded as revenue while the related costs are classified as a component of costs of revenue. For the period from September 26, 2008 through March 30, 2009 one customer represented 24% of total revenue. No other customer represented more than 10% of revenue.

Product Warranties—M/A-COM provides warranties for its products and accrues the estimated costs of warranty claims in the period the related revenue is recorded. Product warranties generally have terms of 12 months and cover nonconformance with specifications and defects in material or workmanship. The liability is based on estimated costs to fulfill customer product warranty obligations and utilizes historical product failure rates. Should actual warranty obligations differ from estimates, revisions to the warranty expense may be required.

Research and Development Costs—Costs incurred in the research and development of products are expensed as incurred.

Income Taxes—M/A-COM recognizes deferred tax assets and liabilities for the expected future tax consequences or events that have been included in M/A-COM's financial statements and/or tax returns. Deferred tax assets and liabilities are based upon the differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities, and for loss and credit carryforwards using enacted tax rates expected to be in effect in the years in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

M/A-COM provides reserves for potential payments of tax to various tax authorities related to uncertain tax positions and other issues. Reserves are based on a determination of whether and how much of a tax benefit taken by M/A-COM in its tax filings or positions is more likely than not to be realized following an examination by taxing authorities. M/A-COM recognizes the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a "more-likely-than-not" threshold, the amount recognized in the financial statements is the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. Potential interest and penalties associated with such uncertain tax positions are recorded as a component of income tax expense. For the period from September 26, 2008 to March 30, 2009, there are no material identified uncertain tax positions.

Guarantees and Indemnification Obligations—M/A-COM enters into agreements in the ordinary course of business with, among others, customers, resellers, and original equipment manufacturers (OEM). Many of these agreements require M/A-COM to indemnify the other party against third-party claims alleging that a M/A-COM product infringes a patent and/or copyright. Certain of these agreements require M/A-COM to indemnify the other party against certain claims relating to property damage, personal injury, or the acts or omissions of M/A-COM, its employees, agents, or representatives. In addition, from time to time, M/A-COM has made certain guarantees in the form of warranties regarding the performance of M/A-COM products to customers.

M/A-COM also has agreements with certain vendors, creditors, lessors, licensees and service providers pursuant to which M/A-COM has agreed to indemnify the other party for specified matters like those described above.

M/A-COM has procurement or license agreements with respect to material and technology that is used in its products. Under some of these agreements, M/A-COM has agreed to indemnify the supplier for certain claims that may be brought against such party with respect to M/A-COM's acts or omissions relating to the supplied products or technologies.

M/A-COM has not experienced any losses related to these indemnification obligations, and no claims with respect thereto were outstanding as of March 30, 2009. M/A-COM does not expect significant claims related to these indemnification obligations and, consequently, has concluded that the fair value of these obligations is negligible.

Evaluation of Subsequent Events—Management has evaluated subsequent events involving M/A-COM for potential recognition or disclosure in the accompanying combined consolidated financial statements through August 1, 2011. Subsequent events are events or transactions that occurred after the balance sheet date but before the accompanying combined consolidated financial statements were available to be issued.

3. MERGERS AND ACQUISITIONS

On September 26, 2008, former owner acquired the assets comprising the operations of M/A-COM from a third party. The fair value of those assets was estimated by M/A-COM's management to be $180.1 million at that date. The operations of M/A-COM have been included in the accompanying combined consolidated financial statements from the date of acquisition on September 26, 2008. The acquisition qualifies as a purchase of assets for U.S. income tax purposes.

M/A-COM recognized all assets acquired and liabilities assumed, based upon the fair value of such assets and liabilities measured as of September 26, 2008, the acquisition date. The aggregate estimated fair value of the assets acquired was allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition as follows (in thousands):

Assets acquired:	
Cash	$ 8
Accounts receivable	53,213
Inventories	40,194
Property and equipment	39,249
Goodwill	31,672
Identifiable intangible assets	35,100
Other assets	6,528
Total assets acquired	205,964
Liabilities assumed:	
Accounts payable	17,526
Accrued expenses	6,454
Other liabilities	1,884
Total liabilities assumed	25,864
Net assets acquired	$180,100

The components of the acquired intangible assets were as follows (in thousands):

Asset Class	
Technology	$12,300
Customer relationships	19,200
Trade name	3,600
	$35,100

The intangible assets acquired in the transaction are deductible for tax purposes.

In connection with the acquisition of M/A-COM, former owner entered into incentive compensation arrangements with certain employees of M/A-COM. These incentive compensation arrangements provided for the employees to perform employment-related services for M/A-COM for the period from September 26, 2008 through up to six months from the date M/A-COM was to be resold, that period expiring in September 2009. The

incentive compensation is recorded in M/A-COM's financial statements as non-cash incentive compensation expense in the accompanying combined consolidated statements of operations, with the offsetting amount recorded as a former owner capital contribution. For the period from September 26, 2008 to March 30, 2009, M/A-COM has expensed $1.1 million pursuant to the terms of the incentive compensation arrangements. As of March 30, 2009, there was approximately $0.6 million of unrecorded compensation to be recognized through September 2009.

4. FAIR VALUE MEASUREMENTS

As discussed in Note 2, as of March 30, 2009, M/A-COM determined the goodwill, other intangible assets and property and equipment were impaired and recorded a realized loss for approximately $44.3 million to reduce the carrying value of the long-lived assets to their implied fair values. The impairment loss was determined, in part, using the discounted cash flows expected to result from M/A-COM's use and eventual disposition of the assets. This fair value measurement falls within Level 3 of the fair value hierarchy. The loss is included in the accompanying combined consolidated statement of operations for the period from September 26, 2008 to March 30, 2009. M/A-COM did not have any other material assets and liabilities measured at fair value on a non-recurring basis as of March 30, 2009.

5. EMPLOYEE BENEFIT PLANS

The employees of M/A-COM meeting minimum age and service requirements participated in former owner's defined contribution plans whereby participants were able to defer a portion of their annual compensation on a pretax basis, subject to legal limitations. Contributions to the plan by former owner were discretionary and variable per region. M/A-COM expensed contributions of approximately $1.7 million, for the period from September 26, 2008 through March 30, 2009 pursuant to these plans.

6. COMMITMENTS AND CONTINGENCIES

Operating Leases—M/A-COM has non-cancelable operating lease agreements for office, research, development, and manufacturing space in the United States and foreign locations. M/A-COM also has operating leases for certain equipment, automobiles, and services. These lease agreements expire at various dates through 2017 and certain agreements contain provisions for extension at substantially the same terms as currently in effect. Any lease escalation clauses, rent abatements, and/or concessions, such as rent holidays and landlord or tenant incentives or allowances, are included in the determination of straight-line rent expense over the lease term.

Future minimum payments for the next five fiscal years as of March 30, 2009, follow (in thousands):

2009—(balance of fiscal year)	$1,162
2010	1,745
2011	637
2012	556
2013	527
2014	527
Total minimum lease payments	$5,154

Rent expense incurred under non-cancelable operating leases was approximately $2.5 million, for the period from September 26, 2008 to March 30, 2009.

Unfavorable Lease Liability—In connection with the Acquisition, M/A-COM recorded an unfavorable lease liability of approximately $230,000 due to certain assumed leases having lease commitments in excess of their then fair value. M/A-COM is amortizing the liability as a reduction in lease expense over the terms of the respective leases. As of March 30, 2009, the remaining unfavorable lease liability was approximately $210,000.

Asset Retirement Obligations—M/A-COM is obligated under certain facility leases to restore those facilities to the condition in which M/A-COM or its predecessors first occupied the facilities. M/A-COM is required to remove leasehold improvements and equipment installed in these facilities prior to termination of the leases. The estimated costs for the removal of these assets as of March 30, 2009 totaled approximately $1.3 million.

Purchase Commitments—As of March 30, 2009, M/A-COM had noncancelable purchase commitments of approximately $1.2 million pursuant to inventory supply arrangements.

7. RESTRUCTURING

During the period from September 26, 2008 to March 30, 2009, M/A-COM implemented and completed restructuring actions to reduce staffing. Severance and outplacement fees for the terminated staff was approximately $2.4 million and was payable for up to one year. The following is a summary of the activities under the restructuring actions (in thousands):

Accrued balance as of September 26, 2008	$ —
Current period charges	2,423
Payments	(486)
Accrued balance as of March 30, 2009	$1,937

8. INTANGIBLE ASSETS

Intangible assets consist of the following (in thousands):

	Technology	Customer Relationships	Trade name (Indefinite Life)	Total
Balance, September 26, 2008	$ 12,300	$ 19,200	$ 3,600	$35,100
Amortization	(879)	(960)	—	(1,839)
Impairment recorded	(721)	(7,940)	(200)	(8,861)
Balance, March 30, 2009	$ 10,700	$ 10,300	$ 3,400	$24,400

M/A-COM amortizes the acquired technology assets on a straight-line basis over their estimated useful lives of 7 years and amortizes the customer relationship assets on a straight-line basis over their estimated useful lives of 10 years.

Amortization expense related to M/A-COM's amortized intangible assets included in the accompanying statement of operations for the period from September 26, 2008 to March 30, 2009 follows (in thousands):

Cost of revenue	$ 879
Selling, general and administrative	960
Total	$1,839

Estimated amortization of M/A-COM's intangible assets in future fiscal years as of March 30, 2009 (in thousands):

2009 (balance of fiscal year)	$ 2,048
2010	4,096
2011	4,096
2012	4,096
2013	4,096
Thereafter	2,568
Total	$21,000

9. INCOME TAXES

M/A-COM incurred taxable losses in all jurisdictions for the period from September 26, 2008 to March 30, 2009 and has established a full valuation allowance against the net deferred tax assets, the most significant component of which relates to net operating loss carryforwards, due to the uncertainty of earning sufficient taxable income and, accordingly, has not given recognition to these deferred tax assets in the accompanying financial statements. As a result, M/A-COM has not reflected an income tax provision or benefit in the accompanying combined consolidated statement of operations for the period from September 26, 2008 to March 30, 2009.

No provision has been made for the undistributed earnings of foreign subsidiaries as it is M/A-COM's intention that such earnings be indefinitely reinvested. It is not practicable to determine the U.S. federal and state deferred tax liabilities associated with its undistributed foreign earnings.

10. RELATED-PARTY TRANSACTIONS

Former owner charged general overhead expenses to M/A-COM related to certain management services it provided. The amount of these charges depended upon on a number of factors that were outside the control of M/A-COM, including total costs incurred by former owner, as well as changes in relative size of former owner's other businesses. During the period from September 26, 2008 through March 30, 2009, former owner billed M/A-COM for services for three months and an allocation was made for the remaining period, all aggregating $2.1 million for the above services, which are included in the accompanying combined consolidated statements of operations for the period from September 26, 2008 to March 30, 2009.

M/A-COM believes the assumptions and methodologies underlying the billing and allocation of general and corporate group division overhead expenses from former owner are reasonable. However, such allocations may not be indicative of the actual level of expenses that would have been or will be incurred by M/A-COM if it were to operate as an independent, stand-alone company. As such, the financial information herein may not necessarily reflect the combined results of operations and cash flows for M/A-COM in the future or if M/A-COM had been an independent, stand-alone company during the period presented.

11. DISCONTINUED OPERATIONS

Subsequent to March 30, 2009, assets relating to the laser diode and ferrite business lines of M/A-COM were sold to a third party. The operations of those disposed business lines are reflected as discontinued operations in the accompanying combined consolidated financial statements. These business lines had aggregate revenues of $13.7 million and pre-tax income of $1.6 million for the period from September 26, 2008 through March 30, 2009.

12. SUBSEQUENT EVENTS

On March 30, 2009, M/A-COM Technology Solutions Holdings, Inc. acquired 100% of the outstanding stock of M/A-COM U.S. and M/A-COM Ireland.

* * * * * *

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Shares

M/A-COM Technology Solutions Holdings, Inc.

Common Stock

Preliminary Prospectus
, 2011

Barclays Capital
J.P. Morgan
Jefferies

Morgan Keegan
Needham & Company, LLC
Raymond James
Stifel Nicolaus Weisel

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. Other Expenses of Issuance and Distribution

The following table shows expenses to be incurred in connection with the offering described in this registration statement, all of which will be paid by the registrant. All amounts are estimates, other than the SEC registration fee and the FINRA filing fee.

SEC registration fee	$26,703
FINRA filing fee	23,500
Nasdaq listing fee	*
Accounting fees and expenses	*
Legal fees and expenses	*
Printing and engraving expenses	*
Transfer agent and registrar fees and expenses	*
Blue-sky fees and expenses	*
Miscellaneous	*
Total	*

* To be filed by amendment.

ITEM 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law (DGCL) authorizes a corporation to indemnify its directors, officers, employees and agents against expenses (including attorney's fees), judgments, fines and amounts paid in settlement reasonably incurred, provided they act in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal proceeding, had no reasonable cause to believe their conduct was unlawful, although in the case of proceedings brought by or on behalf of the corporation, such indemnification is limited to expenses and is not permitted if the individual is adjudged liable to the corporation (unless the Delaware Court of Chancery or the court in which such proceeding was brought determines otherwise in accordance with the DGCL).

Section 102 of the DGCL authorizes a corporation to limit or eliminate its directors' liability to the corporation or its stockholders for monetary damages for breaches of fiduciary duties, other than for (1) breaches of the duty of loyalty, (2) acts or omissions not in good faith or that involve intentional misconduct or knowing violations of law, (3) unlawful payments of dividends, stock purchases or redemptions or (4) transactions from which a director derives an improper personal benefit.

Upon the closing of the offering, our fourth amended and restated certificate of incorporation will contain provisions protecting our directors and officers to the fullest extent permitted by Sections 102 and 145 of the DGCL. Our second amended and restated bylaws will provide similar protection under Section 145 of the DGCL for our directors and officers.

Section 145 of the DGCL also authorizes a corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation against certain liabilities asserted against and incurred by such person in any such capacity, or arising out of such person's status as such. We have obtained liability insurance covering our directors and officers for claims asserted against them or incurred by them in such capacity.

We have also entered into agreements to indemnify our directors and certain of our officers to the maximum extent allowed under Delaware law. These agreements will, among other things, indemnify our directors for certain expenses (including attorneys' fees), judgments, fines and settlement amounts reasonably incurred by

such person in any action or proceeding, including any action by or in our right, on account of any services undertaken by such person on behalf of the company or that person's status as a member of our board or directors.

The underwriting agreement provides that the underwriters are obligated, under certain circumstances, to indemnify our directors, officers and controlling persons against certain liabilities, including liabilities under the Securities Act. Reference is made to the form of underwriting agreement to be filed as Exhibit 1.1 hereto.

Reference is also made to Item 17 for our undertakings with respect to indemnification for liabilities under the Securities Act.

ITEM 15. Recent Sales of Unregistered Securities

Since July 1, 2008, we have made sales of the following unregistered securities:

On March 27, 2009, we issued 1,000 shares of our common stock to a trust beneficially owned by our founders, John and Susan Ocampo. This transaction was exempt from the registration requirements of the Securities Act in reliance upon Section 4(2) of the Securities Act. On June 28, 2009, we issued an additional 99,999,000 shares of our common stock to a trust beneficially owned by our founders, Mr. and Mrs. Ocampo as a share dividend in connection with a 100,000-to-one forward stock split.

Since September 2009, we have granted stock options to purchase an aggregate of 16,980,000 shares of our common stock at exercise prices ranging from $0.16 to $2.77 per share to a total of 179 directors, officers, employees and consultants under our 2009 Omnibus Stock Plan. Since February 2011, we have granted restricted stock awards for an aggregate of 887,850 shares of our common stock to a total of 20 directors, officers, employees and consultants under our 2009 Omnibus Stock Plan. These transactions were exempt from the registration requirements of the Securities Act in reliance upon Rule 701 promulgated under the Securities Act or Section 4(2) of the Securities Act. All grants made in reliance upon Section 4(2) of the Securities Act were made to accredited investors.

On March 17, 2010, we issued an aggregate of 100,000,000 shares of our Series A-1 convertible preferred stock to the holders of our common stock in exchange for an aggregate of 98,000,000 shares of our outstanding common stock then held by them. This transaction was exempt from the registration requirements of the Securities Act in reliance upon Section 3(a)(9) of the Securities Act.

On May 28, 2010, we issued 17,500,693 shares of our Series A-2 convertible preferred stock to 15 accredited investors in connection with the Mimix Merger. The accredited investors were holders of the preferred stock of Mimix. This transaction was exempt from the registration requirements of the Securities Act in reliance upon Section 4(2) of the Securities Act.

On December 21, 2010, we sold 34,169,559.75 shares of our Class B convertible preferred stock and warrants to purchase an aggregate of 5,125,433.96 shares of our common stock to seven accredited investors for an aggregate purchase price of $120 million. These transactions were exempt from the registration requirements of the Securities Act in reliance upon Section 4(2) of the Securities Act.

ITEM 16. Exhibits and Financial Statement Schedules

(a) Exhibits

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
2.1#	Purchase Agreement by and among Cobham Defense Electronic Systems Corporation, Lockman Electronic Holdings Limited and Kiwi Stone Acquisition Corp., dated as of March 30, 2009.
2.2#	Agreement and Plan of Merger by and among M/A-COM Technology Solutions Inc., Optomai, Inc., Optomai Merger Sub, Inc. and the others parties named therein, dated April 7, 2011.
3.1	Third Amended and Restated Certificate of Incorporation (currently in effect).
3.2	Amended and Restated Bylaws (currently in effect).
3.3*	Fourth Amended and Restated Certificate of Incorporation (to be in effect following the closing of the offering).
3.4*	Second Amended and Restated Bylaws (to be in effect following the closing of the offering).
4.1*	Specimen of Common Stock Certificate.
4.2*	Amended and Restated Investor Rights Agreement, dated December 21, 2010, as amended.
4.3	Form of Common Stock Purchase Warrant issued on December 21, 2010.
5.1*	Opinion of Perkins Coie LLP.
10.1+*	Form of Indemnification Agreement between M/A-COM Technology Solutions Holdings, Inc. and each of its directors and executive officers.
10.2+	M/A-COM Technology Solutions Holdings, Inc. Amended and Restated 2009 Omnibus Stock Plan.
10.3+	Form of Incentive Stock Option Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan.
10.4+	Form of Restricted Stock Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan.
10.5+*	M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan (to be in effect following the closing of the offering).
10.6+*	Form of Option Award Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan.
10.7+*	Form of Restricted Stock Award Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan.
10.8+*	M/A-COM Technology Solutions Holdings, Inc. 2011 Employee Stock Purchase Plan (to be in effect following the closing of the offering).
10.9+	Offer of Employment Letter to Joseph Thomas, Jr., dated July 9, 2009, as amended.
10.10+	Offer of Employment Letter to Charles Bland, dated February 8, 2011.
10.11+	Offer of Employment Letter to Conrad Gagnon, dated May 1, 2009.
10.12+	Offer of Employment Letter to Robert Donahue, dated July 16, 2009, as amended.
10.13+	Offer of Employment Letter to Michael Murphy, dated September 28, 2009, as amended.
10.14+	Management Services Agreement with GaAs Labs, LLC dated October 15, 2008, as amended.
10.15	Loan Agreement by and among M/A-COM Technology Solutions Inc., M/A-COM Auto Solutions Inc., Laser Diode Incorporated, Mimix Broadband, Inc., M/A-COM Technology Solutions Holdings, Inc., the persons named as Guarantors therein, the financial institutions party thereto, and RBS Business Capital, dated December 3, 2010, as amended.

Exhibit Number	Description
10.16	Lease Agreement between Cobham Properties, Inc. and M/A-COM Technology Solutions Inc., dated September 26, 2008, as amended.
21.1	Subsidiaries of the registrant.
23.1	Consent of Deloitte & Touche LLP, independent registered public accounting firm, relating to M/A-COM Technology Solutions Holdings, Inc.
23.2	Consent of Deloitte & Touche LLP, independent auditors, relating to M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited.
23.3*	Consent of Perkins Coie LLP (contained in the opinion filed as Exhibit 5.1).
24.1	Power of Attorney (contained on page II-5).

* To be filed by amendment.

\+ Management contract or compensatory plan.

\# Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K under the Exchange Act. We hereby undertake to supplementally furnish copies of any omitted schedules to the SEC upon request by the SEC.

(b) The following financial statement schedule is filed as part of this Registration Statement:

All financial statement schedules have been omitted because they are not required, not applicable or the information to be included in the financial statement schedules is included in the financial statements or the notes thereto.

ITEM 17. Undertakings

A. Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and persons controlling the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

B. The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) The registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Boston, Massachusetts, on August 1, 2011.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

By: /s/ Charles Bland
Name: Charles Bland
Title: Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Charles Bland and Conrad Gagnon, and each of them acting individually, as his true and lawful attorneys-in-fact and agents, each with full power of substitution, for him in any and all capacities, to sign any and all amendments to this Registration Statement (including any post-effective amendments, and any new registration statement with respect to the offering contemplated thereby filed pursuant to Rule 462(b) of the Securities Act), and to file the same, with exhibits thereto and other documents in connection therewith, with the SEC, granting unto such attorneys-in-fact and agents, with full power of each to act alone, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully for all intents and purposes as he might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Charles Bland Charles Bland	Chief Executive Officer (Principal Executive Officer) and Director	August 1, 2011
/s/ Conrad Gagnon Conrad Gagnon	Chief Financial Officer (Principal Financial and Accounting Officer)	August 1, 2011
/s/ John Ocampo John Ocampo	Chairman of the Board	August 1, 2011
/s/ Peter Chung Peter Chung	Director	August 1, 2011
/s/ Gil Van Lunsen Gil Van Lunsen	Director	August 1, 2011

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EXHIBIT INDEX

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
2.1#	Purchase Agreement by and among Cobham Defense Electronic Systems Corporation, Lockman Electronic Holdings Limited and Kiwi Stone Acquisition Corp., dated as of March 30, 2009.
2.2#	Agreement and Plan of Merger by and among M/A-COM Technology Solutions Inc., Optomai, Inc., Optomai Merger Sub, Inc. and the others parties named therein, dated April 7, 2011.
3.1	Third Amended and Restated Certificate of Incorporation (currently in effect).
3.2	Amended and Restated Bylaws (currently in effect).
3.3*	Fourth Amended and Restated Certificate of Incorporation (to be in effect following the closing of the offering).
3.4*	Second Amended and Restated Bylaws (to be in effect following the closing of the offering).
4.1*	Specimen of Common Stock Certificate.
4.2*	Amended and Restated Investor Rights Agreement, dated December 21, 2010, as amended.
4.3	Form of Common Stock Purchase Warrant issued on December 21, 2010.
5.1*	Opinion of Perkins Coie LLP.
10.1+*	Form of Indemnification Agreement between M/A-COM Technology Solutions Holdings, Inc. and each of its directors and executive officers.
10.2+	M/A-COM Technology Solutions Holdings, Inc. Amended and Restated 2009 Omnibus Stock Plan.
10.3+	Form of Incentive Stock Option Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan.
10.4+	Form of Restricted Stock Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan.
10.5+*	M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan (to be in effect following the closing of the offering).
10.6+*	Form of Option Award Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan.
10.7+*	Form of Restricted Stock Award Agreement under the M/A-COM Technology Solutions Holdings, Inc. 2011 Omnibus Incentive Plan.
10.8+*	M/A-COM Technology Solutions Holdings, Inc. 2011 Employee Stock Purchase Plan (to be in effect following the closing of the offering).
10.9+	Offer of Employment Letter to Joseph Thomas, Jr., dated July 9, 2009, as amended.
10.10+	Offer of Employment Letter to Charles Bland, dated February 8, 2011.
10.11+	Offer of Employment Letter to Conrad Gagnon, dated May 1, 2009.
10.12+	Offer of Employment Letter to Robert Donahue, dated July 16, 2009, as amended.
10.13+	Offer of Employment Letter to Michael Murphy, dated September 28, 2009, as amended.
10.14+	Management Services Agreement with GaAs Labs, LLC dated October 15, 2008, as amended.
10.15	Loan Agreement by and among M/A-COM Technology Solutions Inc., M/A-COM Auto Solutions Inc., Laser Diode Incorporated, Mimix Broadband, Inc., M/A-COM Technology Solutions Holdings, Inc., the persons named as Guarantors therein, the financial institutions party thereto, and RBS Business Capital, dated December 3, 2010, as amended.
10.16	Lease Agreement between Cobham Properties, Inc. and M/A-COM Technology Solutions Inc., dated September 26, 2008, as amended.

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Exhibit Number	Description
21.1	Subsidiaries of the registrant.
23.1	Consent of Deloitte & Touche LLP, independent registered public accounting firm, relating to M/A-COM Technology Solutions Holdings, Inc.
23.2	Consent of Deloitte & Touche LLP, independent auditors, relating to M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited.
23.3*	Consent of Perkins Coie LLP (contained in the opinion filed as Exhibit 5.1).
24.1	Power of Attorney (contained on page II-5).

* To be filed by amendment.

\+ Management contract or compensatory plan.

\# Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K under the Exchange Act. We hereby undertake to supplementally furnish copies of any omitted schedules to the SEC upon request by the SEC.

PURCHASE AGREEMENT

This Purchase Agreement (this "Agreement") is made and entered into as of this 30th day of March, 2009 by and among Cobham Defense Electronic Systems Corporation, Inc., a Massachusetts corporation ("CDES"), Lockman Electronic Holdings Limited, a corporation organized under the laws of England and Wales ("Lockman" and, together with CDES, "Sellers", and each a "Seller") and Kiwi Stone Acquisition Corp., a Delaware corporation ("Purchaser"). Each of the Sellers and Purchaser are herein referred to individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, Sellers, through certain of their Subsidiaries, are engaged in the Business;

WHEREAS, the Sellers are the record and beneficial owners of all of the issued and outstanding shares of capital stock of the Conveyed Entities (collectively, the "Shares"), as set forth in Schedule 3.3(b) of the Seller Disclosure Letter, and CDES or one of its Affiliates is the owner of the Non-Transferred Assets and the Conveyed Intellectual Property; and

WHEREAS, the Parties desire that, in exchange for the Purchase Price, (i) at the Closing, Sellers shall sell and transfer to Purchaser, and Purchaser shall purchase from Sellers, all of the Shares, and (ii) at or after the Closing, Sellers shall (as directed by Purchaser) sell and transfer to Purchaser or an Affiliate of Purchaser, the Non-Transferred Assets and the Conveyed Intellectual Property.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements contained herein, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I

DEFINITIONS AND TERMS

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the meanings set forth or as referenced below:

"Accountant" shall have the meaning set forth in Section 2.3(h).

"Actual Value" shall have the meaning set forth in Section 2.4(c)(iii).

"ADSP Allocation" shall have the meaning set forth in Section 7.14(c).

"Affiliate" shall mean, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person; provided, that, for the purposes of this definition, "control" (including with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreed Claims" shall have the meaning set forth in Section 8.6(c).

"Agreement" shall have the meaning set forth in the preamble of this Agreement.

"Allocation" shall have the meaning set forth in Section 2.8(a).

"Antitrust Authorities" shall mean the Federal Trade Commission, the Antitrust Division of the United States Department of Justice, the attorneys general of the several states of the United States of America, and any other Governmental Authority having jurisdiction pursuant to applicable Antitrust Laws with respect to the transactions contemplated hereby.

"Antitrust Laws" shall mean the Sherman Act of 1890, as amended, the Clayton Act of 1914, as amended, the Federal Trade Commission Act of 1914, as amended, the HSR Act, and all other federal or state Laws or Orders or Laws or Orders of any other country, in effect from time to time that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade.

"Applicable Employee" shall have the meaning set forth in Section 5.6A(a).

"Balance Sheet" shall have the meaning set forth in Section 3.6(a).

"Balance Sheet Date" shall have the meaning set forth in Section 3.6(a).

"Basic Earn-Out Payment" shall have the meaning set forth in Section 2.3(a)(i)(A).

"Benefit Plan" shall mean each "employee benefit plan" as defined in Section 3(3) of ERISA (whether or not subject to ERISA) and each other bonus, stock option, equity, severance, termination pay, management bonus, consulting, relocation, employment, change-in-control, fringe benefit, deferred compensation, perquisite, tuition reimbursement and incentive plan, agreement, program or policy or other employee benefits or remuneration of any kind, whether written or unwritten, funded or unfunded, contributed to or maintained by a Conveyed Entity or Tyco or any trade or business (whether or not incorporated) that is treated as a single employer with a Conveyed Entity or Tyco within the meaning of Section 414(b), (c), (m) or (o) of the Code (an "ERISA Affiliate") for the benefit of any Business Employee or with respect to which a Conveyed Entity may have any obligation or with respect to which Tyco or any ERISA Affiliate has or may have any liability or obligation with respect to a Business Employee and any International Employee Plan. For the avoidance of doubt, for purposes hereof a "collective bargaining" plan or arrangement shall not include any works council, national union or similar body or organization, or the statutory obligations pertaining thereto.

"Bidder Representative" shall mean any of Purchaser's directors, officers, employees, advisors and agents to whom Evaluation Material (as defined in the Confidentiality Agreement) was disclosed under the Confidentiality Agreement.

"Books and Records" shall have the meaning set forth in Section 3.10.

"Business" shall mean the design, manufacture, sale, maintenance, procurement and distribution of the products (including components thereof), and the services related thereto, in each of the following product lines: (A) the Power Hybrids Operation (PHO), GaAs / SiGe ICs, Broadband, Components and Diodes; (B) the Infrastructure products line; (C) the product lines manufactured, sold and distributed by Laser Diode Incorporated; and (D) the Auto Solutions product line, in each case, as such activities are or were carried out by the Conveyed Entities, Sellers and/or their respective Affiliates or Tyco and/or its Affiliates during the period beginning immediately prior to the Tyco Closing Date through and including immediately prior to the Closing Date, and any other activities, operations or business of, including, without limitation, with respect to any other products designed, manufactured, sold, maintained or distributed by, the Conveyed Entities, and any services related thereto as at immediately prior to the Closing Date; provided, however, that the term "Business" does not include the manufacture of products and supply of services supplied to the Conveyed Entities pursuant to the Supply and Foundry Agreement or the rights of the Conveyed Entities under the IP Cross License Agreement.

"Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banks in New York City, New York or San Francisco, California are authorized or obligated by Law or executive order to close.

"Business Employee" shall mean and include, without limitation, each individual listed on Schedule 1.1(a) of the Seller Disclosure Letter who, immediately prior to the Closing: (i) shall be (or, in the case of clause (C) in subsection (ii) below, is scheduled to become) an employee of a Conveyed Entity or an employee of a Seller, Tyco or one of their Affiliates that is primarily employed in the Business; and (ii) either (A) shall have been employed and at work on the Closing Date; (B) shall have been absent on the Closing Date because of illness or being on short-term disability (including maternity leave) workers' compensation, vacation, parental leave of absence, military leave of absence or other authorized leave of absence; or (C) shall have received an offer of employment with the Business in the ordinary course of the Business consistent with past practice from a Conveyed Entity or an Affiliate of Sellers or Tyco or an Affiliate of Tyco (in each case, as permitted by this Agreement) on or prior to the Closing Date, but shall have not yet commenced work as of the Closing Date. Any employee of Sellers or its Affiliates or of Tyco or its Affiliates who is not otherwise a Business Employee but who is offered and accepts employment with Purchaser or its Affiliates, pursuant to mutual agreement with each of the Sellers and Tyco and otherwise in compliance with Section 5.9 hereof, during the ninety (90) days following the Closing Date, shall be deemed to be a Business Employee as of the date of actual employment with Purchaser or its Affiliates. The individuals listed on Schedule 1.1(b) of the Seller Disclosure Letter shall not be deemed to be Business Employees.

"Business Products" shall mean the products and services of the Business.

"Business Revenues" shall mean, for any period, the aggregate revenues directly attributable to the Business during such period derived in the ordinary course of business from sales by the Conveyed Entities or their Affiliates of the Business Products as of the Closing Date determined in accordance with GAAP, as consistently applied by Purchaser.

"Claim Certificate" shall have the meaning set forth in Section 8.6(a).

"Closing" shall mean the closing of the transactions contemplated by this Agreement pursuant to the terms and conditions of this Agreement.

"Closing Cash Consideration" shall have the meaning set forth in Section 2.2(a).

"Closing Date" shall have the meaning set forth in Section 2.5(a).

"Closing Date Working Capital" shall have the meaning set forth in Section 2.4(c).

"Closing Statement" shall have the meaning set forth in Section 2.4(a).

"Closing Statement Disputed Item" shall have the meaning set forth in Section 2.4(c).

"Closing Statement Dispute Notice" shall have the meaning set forth in Section 2.4(b).

"COBRA" shall have the meaning set forth in Section 5.5(b).

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Collateral Source" shall have the meaning set forth in Section 8.5.

"Confidentiality Agreement" shall mean the Confidentiality Agreement dated as of October 22, 2008 between CDES and GaAs Labs, LLC.

"Contest" shall mean any audit, court proceeding or other dispute with respect to any Tax matter that affects any of the Conveyed Entities.

"Contract" shall mean any legally binding contract, note, loan, lease, purchase order, letter of credit, license, undertaking, instrument or other agreement, whether written or oral, including all amendments thereto.

"Conveyed Entities" shall mean those entities listed on Schedule 3.3(a) of the Seller Disclosure Letter and each Subsidiary of any such entity, and each of the Conveyed Entities shall be referred to individually as a "Conveyed Entity."

"Conveyed Intellectual Property" means any and all Intellectual Property that (i) is a Transferred Asset; or (ii) is owned by, or held in the name of, any of the Conveyed Entities or any of their Subsidiaries as of the date hereof; or (iii) is or should have been listed on Schedule 3.14(b)(i) of the Seller Disclosure Letter; or (iv) is otherwise a Conveyed Patent.

"Conveyed Patent" means any United States or foreign patent, patent application, or invention disclosure that is (A) either (i) listed on Schedule 3.14(b)(i) of the Seller Disclosure Letter, (ii) primarily related to, or invented in the course of the conduct of, the Business, or (iii) claims priority from or to any of the foregoing or is related to any of the foregoing by a terminal disclaimer; and (B) is not Licensed Intellectual Property.

"Covered Benefit Plan" shall have the meaning given in Section 3.16(b).

"Delayed Transfer Assets" shall mean those assets primarily relating to the Business in the Delayed Transfer Countries.

"Delayed Transfer Countries" shall mean China, India, and South Korea.

"Delayed Transfer Liabilities" shall mean those Liabilities, other than Liabilities for Taxes, to the extent relating to the Delayed Transfer Assets.

"Dollars" and "$" shall each mean lawful money of the United States.

"Earn-Out Cap" shall have the meaning set forth in Section 2.3(b).

"Earn-Out Disputed Item" shall have the meaning set forth in Section 2.3(h).

"Earn-Out Dispute Notice" shall have the meaning set forth in Section 2.3(g).

"Earn-Out Payment" shall have the meaning set forth in Section 2.3(f).

"Earn-Out Revenue" shall have the meaning set forth in Section 2.3(f).

"Earn-Out Statement" shall have the meaning set forth in Section 2.3(f).

"Effective Time" shall have the meaning set forth in Section 2.5(a).

"Environmental Indemnity Claim" shall have the meaning set forth in Section 8.2(c).

"Environmental Law" shall mean any Law, Order or other requirement of Law for the protection of the environment, for the use, transport, treatment, storage, disposal, discharge, emission, release or threatened release of petroleum products, asbestos, urea formaldehyde insulation, polychlorinated biphenyls or any substance, chemical, emission, waste or material listed, classified or regulated as "hazardous", "toxic", or constituting a "pollutant", "contaminant" or any similar term under such Environmental Law (collectively, "Hazardous Substances"), or otherwise relating to a Hazardous Substance Activity.

"Environmental Permits" shall have the meaning set forth in Section 3.11(b).

"Environmental Representations Claim" shall have the meaning set forth in Section 8.2(c).

"Environmental Standalone Claim" shall have the meaning set forth in Section 8.2(c).

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall have the meaning set forth in the definition of Benefit Plan.

"EU Business Employee" shall mean any Business Employee employed by a Conveyed Entity based in any member state of the European Union, ordinarily working in any member state of the European Union.

"Evaluation Material" shall have the meaning set forth in Section 5.1(b).

"Excluded Environmental Liabilities" shall mean any liability, obligation, judgment, penalty, fine, cost or expense, of any kind or nature, or the duty to indemnify, defend or reimburse any Person arising out of the stock and assets acquired by Sellers under the Tyco Agreement (other than, in each case, to the extent arising on any of the Leased Real Properties), including: (i) the presence on or before the Closing Date of any Hazardous Substances in the soil, groundwater, surface water, air or building materials of any real property ("Pre-Existing Contamination"); (ii) any Hazardous Substances Activity conducted on any real property prior to the Closing Date ("Pre-Closing Hazardous Substances Activities"); (iii) the exposure of any person to Pre-Existing Contamination or to Hazardous Substances in the course of or as a consequence of any Pre-Closing Hazardous Substances Activities, without regard to whether any health effect of the exposure has been manifested as of the Closing Date; (iv) the violation of any Environmental Laws prior to the Closing Date or in connection with any Pre-Closing Hazardous Substances Activities prior to the Closing Date; (v) any actions or proceedings brought or threatened by any third party with respect to any of the foregoing; and (vi) any of the foregoing to the extent they continue after the Closing Date.

"Expiration Date" shall have the meaning set forth in Section 8.1.

"Final Determination" shall mean, with respect to any Taxes, (i) the expiration of the statute of limitations on both assessments and refunds of such Taxes, or (ii) the final settlement of Taxes through agreement of the parties to an administrative or judicial proceeding or by an administrative or judicial decision from which no appeal can be taken or the time for taking any such appeal has expired.

"Final Earn-Out Payment" shall have the meaning set forth in Section 2.3(a)(iii).

"Final Earn-Out Period" shall have the meaning set forth in Section 2.3(a)(iii).

"Final Earn-Out Revenue" shall have the meaning set forth in Section 2.3(a)(iii).

"Final Earn-Out Tier I Target" shall have the meaning set forth in Section 2.3(a)(iii).

"Final Earn-Out Tier II Target" shall have the meaning set forth in Section 2.3(a)(iii)(B).

"Final Earn-Out Tier III Target" shall have the meaning set forth in Section 2.3(a)(iii)(C).

"Finance Services Agreement" shall mean the Finance Services Agreement by and between M/A-COM Technology Solutions Inc. and Cobham Defense Electronic Systems – M/A-COM Inc. to be entered into as of the Closing in substantially the form attached as Exhibit I.

"First Earn-Out Payment" shall have the meaning set forth in Section 2.3(a)(i).

"First Earn-Out Period" shall have the meaning set forth in Section 2.3(a)(i).

"First Earn-Out Revenue" shall have the meaning set forth in Section 2.3(a)(i).

"First Earn-Out Tier I Target" shall have the meaning set forth in Section 2.3(a)(i).

"First Earn-Out Tier II Target" shall have the meaning set forth in Section 2.3(a)(i)(B).

"First Earn-Out Tier III Target" shall have the meaning set forth in Section 2.3(a)(i)(C).

"GAAP" shall mean generally accepted accounting principles in the United States.

"Government Contract" shall mean any Contract entered into by any Conveyed Entity or by or on behalf of the Business with (i) the United States government or (ii) any subcontract which by its terms relates to a Contract to which the United States government is a party thereto.

"Governmental Authority" shall mean any transnational, domestic or foreign federal, state or local, governmental authority, department, court, agency or official, including any political subdivision thereof.

"Hazardous Substance" shall have the meaning set forth in the definition of Environmental Law.

"Hazardous Substances Activity" is the transportation, transfer, recycling, storage, use, treatment, manufacture, removal, remediation, release, exposure of others to, sale, or distribution of any Hazardous Substance or any product or waste containing a Hazardous Substance, or product manufactured with Ozone depleting substances, including, without limitation, any required labeling, payment of waste fees or charges (including so-called e-waste fees) and compliance with any product take-back or product content requirements.

"High Value" shall have the meaning set forth in Section 2.4(c)(ii).

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time.

"Income Taxes" shall mean any Taxes based on or measured by or with respect to gross or net income or gross receipts (including capital gains Taxes, minimum Taxes, income Taxes collected by withholding, and Taxes on Tax preference items, but excluding sales Taxes, value-added Taxes, or similar Taxes), together with any interest, penalties, or additions imposed with respect thereto.

"Indebtedness" of any Person shall mean indebtedness of such Person for borrowed money. For the avoidance of doubt, Indebtedness shall not include any capitalized lease obligations or any current Liabilities for trade payables or accrued expenses incurred and payable in the ordinary course of business.

"Indemnified Party" shall have the meaning set forth in Section 8.6(a).

"Indemnifying Party" shall have the meaning set forth in Section 8.6(a).

"In-Licenses" shall have the meaning set forth in Section 3.14(c).

"Intellectual Property" shall mean all rights in any United States or foreign jurisdiction in, arising under or associated with any of the following: (i) patents and applications therefore; (ii) registered and unregistered trademarks, service marks and other indicia of origin, pending trademark and service mark registration applications, and intent-to-use registrations or similar reservations of marks and all appurtenant goodwill thereto; (iii) registered and unregistered copyrights and applications for registration; (iv) Internet domain names, applications and reservations therefore and uniform resource locators; and (v) trade secrets and similar rights in proprietary information not otherwise listed in (i) through (iv) above, including rights in unpatented inventions, invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, computer software programs, databases, data collections and other proprietary information or material of any type.

"Intellectual Property License" shall have the meaning set forth in Section 3.14(c).

"International Benefit Plan" shall have the meaning set forth in Section 3.16(d).

"Inventory" shall mean any inventory, including goods, purchased and manufactured parts, goods-in-transit, supplies, containers, packaging materials, raw materials, work-in-progress, finished goods, samples and other consumables.

"IP Cross License Agreement" shall mean the Intellectual Property Cross License Agreement between CDES and M/A-COM Technology Solutions Inc. to be entered into at the Closing in substantially the form attached hereto as Exhibit B.

"Irish Shares" shall mean the outstanding shares of capital stock of M/ACOM Cork.

"IRS" shall mean the Internal Revenue Service of the United States of America.

"ISRA" shall have the meaning set forth in Section 5.18.

"Knowledge of Sellers" shall have the meaning set forth in Section 1.4.

"Law" shall mean any federal, state, territorial, foreign or local law, common law, statute, directive, or ordinance or any rule, regulation or code of any Governmental Authority.

"Leased Real Property" shall have the meaning set forth in Section 3.15(a).

"Liabilities" shall mean any and all debts, liabilities and obligations, whether accrued or fixed, known or unknown, absolute or contingent, matured or unmatured or determined or determinable.

"Licensed Intellectual Property" means the Intellectual Property licensed to the Conveyed Entities or Purchaser in the IP Cross License Agreement.

"Liens" shall mean any lien, security interest, mortgage, encumbrance or charge of any kind.

"Litigation" shall have the meaning set forth in Section 3.8.

"Loss" or "Losses" shall mean any claims, actions, causes of action, judgments, awards and losses, Liabilities, costs or damages (including reasonable out-of-pocket attorneys' and consultants' fees and expenses); and, only to the extent payable in respect of a Third-Party Claim, punitive or exemplary damages; provided that, "Losses" shall not include any internal costs and expenses (or any allocation thereof), including for the avoidance of doubt internal employee costs, of any Seller Indemnitees or any Purchaser Indemnitees, as the case may be.

"Lower Working Capital Limit" shall have the meaning set forth in Section 2.4(d)(i).

"Low Value" shall have the meaning set forth in Section 2.4(c)(i).

"M/ACOM Cork" means M/ACOM Technology Solutions (Cork) Limited.

"Major Disposition" shall have the meaning set forth in Section 2.3(n).

"Mark" shall have the meaning set forth in Section 5.12.

"Material Adverse Effect" shall mean any circumstances, change or effect, when taken individually or in the aggregate, that has had or would reasonably be expected to have a material adverse effect on the assets (tangible or intangible), operations, results of operations or condition (financial or otherwise) of the Business or the Conveyed Entities, taken as a whole; provided, however, that changes or effects to the extent relating to: (i) changes in economic or political conditions or the financing, banking, currency or capital markets in general; (ii) changes in Laws or interpretations thereof or changes in accounting requirements or principles (including

GAAP); (iii) changes affecting industries, markets or geographical areas in which the Business operates, including, but not limited to, the present downturn in the semiconductor market; (iv) the consummation of the transactions contemplated by this Agreement or any actions by Purchaser or Sellers required to be taken pursuant to this Agreement or in connection with the transactions contemplated hereby; (v) any natural disaster or any acts of terrorism, sabotage, military action or war (whether or not declared) or any escalation or worsening thereof, whether or not occurring or commenced before, on or after the date of this Agreement; or (vi) any failure by the Business to meet any internal projections or forecasts and seasonal changes in the results of operations of the Business, in each case, shall be deemed to not constitute a "Material Adverse Effect" and shall not be considered in determining whether a "Material Adverse Effect" has occurred, provided, however, that (A) with respect to clauses (i) and (iii) of this definition, such circumstance, changes or effects do not have a disproportionate or unique effect the Business, and (B) it is understood that the underlying cause or causes of any failure described in clause (vi) of this definition may constitute, or be considered in any determination of, a Material Adverse Effect.

"Material Contracts" shall have the meaning set forth in Section 3.12(a).

"Maximum Earn-Out Payment" shall have the meaning set forth in Section 2.3(a)(i)(D).

"Minor Disposition" shall have the meaning set forth in Section 2.3(o).

"Net Proceeds" shall have the meaning set forth in Section 2.3(m).

"NFA Letter" shall have the meaning set forth in Section 8.2(d)(iii).

"NJDEP" shall have the meaning set forth in Section 5.18.

"NJ Sites" shall have the meaning set forth in Section 5.18.

"Noncompete Term" shall have the meaning set forth in Section 5.19(a).

"Non-EU Business Employee" shall mean any Business Employee who is not an EU Business Employee.

"Non-Transferred Assets" shall mean all Transferred Assets (including any Conveyed Intellectual Property), in each case, to the extent such assets, as of the date of hereof, have not been validly transferred to any of the Conveyed Entities.

"Objection Certificate" shall have the meaning set forth in Section 8.6(b).

"Omission Notice" shall have the meaning set forth in Section 5.14.

"Omitted Asset" shall have the meaning set forth in Section 5.14.

"Order" shall mean any judgment, order, injunction, decree, writ, permit or license of any Governmental Authority or any arbiter.

"Out-Licenses" shall have the meaning set forth in Section 3.14(c).

"Overall Cap Amount" shall have the meaning set forth in Section 8.4(d).

"Parties" shall have the meaning set forth in the preamble of this Agreement.

"Party" shall have the meaning set forth in the preamble of this Agreement.

"Payee" shall have the meaning set forth in Section 7.11.

"Payor" shall have the meaning set forth in Section 7.11.

"Per-Claim Deductible" shall have the meaning set forth in Section 8.4(a)(i).

"Performance Bonus" shall mean any cash bonus payable under a Benefit Plan to a Business Employee on the basis of achievement of pre-determined performance of CDES or any of its Affiliates, a subdivision of CDES or any of its Affiliates, Tyco, or a subdivision of Tyco, or such Business Employee for the 2008 fiscal year or any prior fiscal year. For the avoidance of doubt, any awards, commissions, bonuses or targeted annual income incentive payments earned by the Business' sales force shall not be deemed a Performance Bonus.

"Permit" shall mean each permit, certificate, license, consent, approval or authorization of any Governmental Authority.

"Permitted Liens" shall mean: (i) Liens for Taxes, assessments and other governmental charges that are not yet due and payable or that may be paid after payment thereof is due and payable without penalty; (ii) Liens arising under original purchase price conditional sales contracts and equipment leases with third parties; (iii) easements, covenants, conditions and restrictions, whether of record or not, which would not materially interfere with the conduct of the Business; (iv) any zoning or other governmentally established restrictions or encumbrances; (v) pledges or deposits to secure obligations under workers or unemployment compensation Laws or similar legislation or to secure public or statutory obligations; (vi) mechanic's, materialman's, warehouse man's, supplier's, vendor's or similar Liens arising or incurred in the ordinary course of business securing amounts that are not overdue for a period of more than sixty (60) days or the amount or validity of which is being contested in good faith by appropriate proceedings; (vii) railroad trackage agreements, utility, slope and drainage easements, right of way easements and leases regarding signs; (viii) other Liens, if any, that do not have a material and adverse impact on the value, use or operation of the assets subject thereto; and (ix) Liens listed on Schedule 1.1(c) of the Seller Disclosure Letter.

"Person" shall mean an individual, a limited liability company, a joint venture, a corporation, a company, a partnership, an association, a trust, a division or operating group of any of the foregoing or any other entity or organization.

"Post-Closing Transferred Contract" shall have the meaning set forth in Section 5.13(a).

"Pre-Closing Hazardous Substances Activities" shall have the meaning set forth in the definition of Excluded Environmental Liabilities.

"Pre-Closing Period" shall mean any taxable period ending on or prior to the Closing Date.

"Pre-Closing Period Tax Returns" shall have the meaning set forth in Section 7.4(a).

"Predecessor Cafeteria Plan" shall mean the cafeteria plans in which Transferred Employees are eligible to participate as of the Closing Date.

"Predecessor Entity" means any entity, including Tyco, Sellers, any of their Affiliates or other entity that owned or purported to own any asset that was, is required to be, or was purported to have been, assigned, contributed or transferred to any Conveyed Entity or any entity that was a predecessor entity to any Conveyed Entity related to the Business.

"Predecessor Savings Plan" shall mean the Cobham Retirement Savings and Investment Plan and if, by the relevant date, Sellers or their Affiliates have replaced such plan with another plan "Predecessor Savings Plan" shall also mean such other plan.

"Pre-Existing Contamination" shall have the meaning set forth in the definition of Excluded Environmental Liabilities.

"Proceeding" shall have the meaning set forth in Section 10.9(b).

"Purchase Price" shall have the meaning set forth in Section 2.2.

"Purchaser" shall have the meaning set forth in the preamble of this Agreement.

"Purchaser Cafeteria Plan" shall have the meaning set forth in Section 5.5(f).

"Purchaser Group" shall have the meaning set forth in Section 5.19.

"Purchaser Group Restricted Activities" shall have the meaning set forth in Section 5.19.

"Purchaser Indemnitees" shall have the meaning set forth in Section 8.2(a).

"Purchaser Savings Plan" shall have the meaning set forth in Section 5.5(c).

"Purchaser's Refunds" shall have the meaning set forth in Section 7.7(b).

"Quarterly Report" shall have the meaning set forth in Section 2.3(e).

"Real Property" shall have the meaning set forth in Section 3.15(a).

"Real Property Lease" shall have the meaning set forth in Section 3.15(b).

"Registered Intellectual Property" shall mean applications, registrations and filings for Intellectual Property that have been registered, filed, certified or otherwise perfected or recorded with or by any state, government or other public or quasi public legal authority anywhere in the world, including the United State Patent Office ("PTO") or United States Copyright Office.

"Re-Opener" shall have the meaning set forth in Section 8.2(d)(iii).

"Representatives" of any Person shall mean such Person's directors, managers, members, officers, employees, agents, advisors and representatives (including attorneys, accountants, consultants, financial advisors, financing sources and any representatives of such advisors or financing sources).

"Revolving Credit Agreement" shall have the meaning set forth in Section 2.5(b)(iv).

"Sale of the Business" shall have the meaning set forth in Section 2.3(m).

"Second Earn-Out Payment" shall have the meaning set forth in Section 2.3(a)(ii).

"Second Earn-Out Period" shall have the meaning set forth in Section 2.3(a)(ii).

"Second Earn-Out Revenue" shall have the meaning set forth in Section 2.3(a)(ii).

"Second Earn-Out Tier I Target" shall have the meaning set forth in Section 2.3(a)(ii).

"Second Earn-Out Tier II Target" shall have the meaning set forth in Section 2.3(a)(ii)(B).

"Second Earn-Out Tier III Target" shall have the meaning set forth in Section 2.3(a)(ii)(C).

"Section 338(h)(10) Election" shall have the meaning set forth in Section 7.14(a).

"Secured Promissory Note" shall have the meaning set forth in Section 2.2(c).

"Securities Act" shall mean the Securities Act of 1933, as amended from time to time.

"Seller" or "Sellers" shall have the meaning set forth in the preamble of this Agreement.

"Seller Disclosure Letter" shall have the meaning set forth in the preamble to ARTICLE III.

"Seller Group" shall have the meaning set forth in Section 5.19.

"Seller Group Restricted Activities" shall have the meaning set forth in Section 5.19(a).

"Seller Indemnitees" shall have the meaning set forth in Section 8.3.

"Sellers' Refunds" shall have the meaning set forth in Section 7.7(a).

"Sellers' Taxes" shall have the meaning set forth in Section 7.1.

"Services in France" shall have the meaning set forth in Section 5.6A(e).

"Set-Off Right" shall have the meaning set forth in Section 10.15.

"Shares" shall have the meaning set forth in the recitals hereto.

"Short Term Note" shall have the meaning set forth in Section 2.2(c).

"Solvent" shall mean, with respect to any Person, that (i) the property of such Person, at a present fair saleable valuation, exceeds the sum of its Liabilities, (ii) the present fair saleable value of the property of such Person exceeds the amount that will be required to pay such Person's probable Liabilities as they become absolute and matured, (iii) such Person has adequate capital to carry on its business and (iv) such Person does not intend to incur, or believe it will incur Liabilities beyond its ability to pay as such Liabilities mature. In computing the amount of contingent or unliquidated Liabilities at any time, such Liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become actual or matured Liabilities.

"Straddle Period" shall have the meaning set forth in Section 7.3(a).

"Straddle Period Returns" shall have the meaning set forth in Section 7.4(b).

"Sublease Agreement" shall mean the Sub-Sublease Agreement between Purchaser and Cobham Defense Electronic Systems – M/A-COM Inc. relating to a portion of the Pawtucket Boulevard property to be entered into at the Closing in substantially the form attached hereto as Exhibit C.

"Subsequent Employee Transfer Date" shall mean the applicable date on which Applicable Employees become employees of Purchaser or one of its Affiliates; provided, however, that such date shall not be later than the eighteen (18) month anniversary of September 26, 2008.

"Subsequent Transfer" shall mean each transfer of Delayed Transfer Assets and Delayed Transfer Liabilities pursuant to Section 2.7.

"Subsequent Transfer Date" shall mean each date on which a transaction contemplated by Section 2.7 occurs.

"Subsidiary" shall mean, with respect to any Person, (i) any corporation more than fifty percent (50%) of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time stock of any class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is owned by such Person directly or indirectly through one or more Subsidiaries of such Person and (ii) any partnership, association, joint venture or other entity in which such Person directly or indirectly through one or more Subsidiaries of such Person has more than a fifty percent (50%) equity interest.

"Supply and Foundry Agreement" shall mean the Mutual Foundry, Supply, Purchasing and Services Agreement between Cobham Defense Electronic Systems – M/A-COM Inc. and M/A-COM Technology Solutions Inc. to be entered into as of the Closing in substantially the form attached hereto as Exhibit D.

"Tax Claim" shall have the meaning set forth in Section 7.6(d).

"Tax Indemnified Party" shall have the meaning set forth in Section 7.6(d).

"Tax Indemnifying Party" shall have the meaning set forth in Section 7.6(d).

"Tax Notice" shall have the meaning set forth in Section 7.6(d).

"Tax Objection Notice" shall have the meaning set forth in Section 7.6(e).

"Tax Return" shall mean any report of Taxes due, any information return with respect to Taxes, or other similar report, statement, declaration or document required to be filed under the Code or other Laws in respect of Taxes, including the Foreign Investment in Real Property Tax Act, any amendment to any of the foregoing, any claim for refund of Taxes paid, and any attachments, amendments or supplements to any of the foregoing.

"Taxes" shall mean any federal, state, county, local, or foreign tax (including Transfer Taxes), charge, fee, levy, impost, duty, or other assessment, including income, gross receipts, excise, employment, sales, use, transfer, recording, license, payroll, franchise, severance, documentary, stamp, occupation, windfall profits, environmental, highway use, commercial rent, customs duty, capital stock, paid-up capital, profits, withholding, Social Security, single business, unemployment, disability, real property, personal property, registration, ad valorem, value added, alternative or add-on minimum, estimated, or other tax or governmental fee of any kind whatsoever, imposed or required to be withheld by any Governmental Authority, including any estimated payments relating thereto, any interest, penalties, and additions imposed thereon or with respect thereto.

"Taxing Authority" or "Taxing Authorities" shall mean any Governmental Authority or Authorities having jurisdiction over the assessment, determination, collection, or other imposition of any Taxes.

"Taxing Authority Notice" shall have the meaning set forth in Section 7.6(d).

"Third-Party Claim" shall have the meaning set forth in Section 8.7(a).

"Top Customer" shall mean the top ten (10) customers of the Business, based on total revenue for the twelve (12) months ended as of the Balance Sheet Date.

"Transaction Documents" means this Agreement (including the letter attached as Exhibit J hereto), the Transition Services Agreement, the IP Cross License Agreement, the Supply and Foundry Agreement, the Sublease Agreement, the Secured Promissory Note, the Short Term Note, the Finance Services Agreement, the Revolving Credit Agreement and any other written agreements entered into in accordance with the terms of this Agreement.

"Transfer Regulations" means any Law implementing the provisions of Council Directive 2001/23/EEC dated 12 March 2001.

"Transfer Taxes" means all stamp, transfer, real property transfer, recordation, grantee/grantor, documentary, sales and use, value added, goods and services, registration, occupation, privilege, or other such similar taxes, fees and costs (including any penalties and interest) incurred in connection with the consummation of the transactions contemplated by this Agreement.

"Transferred Assets" shall mean any and all assets, whether tangible or intangible (but other than Real Property), purchased by or transferred to CDES or its Affiliates under the Tyco Agreement, or acquired, or made available to the Business, by either Sellers or their Affiliates (including the Conveyed Entities) on or after the Tyco Closing Date, in each case, (i) that are primarily related to, used as a material asset in, or necessary for the operation of, the Business, including as such business has been conducted from and after the Tyco Closing Date, (ii) that will be necessary to the operation of the Business by the Conveyed Entities and Purchaser following the Closing Date in the same manner as operated during the period beginning immediately prior to the Tyco Closing Date through and including immediately prior to the Closing Date, or (iii) that are otherwise owned by any of the Conveyed Entities; provided that, "Transferred Assets" shall not include (A) those Intellectual Property assets licensed to the Conveyed Entities pursuant to the IP Cross License Agreement and (B) those assets, the use and benefit of which, the Conveyed Entities will obtain under the Transition Services Agreement, the Sublease or the Supply and Foundry Agreement; but, for the avoidance of doubt, "Transferred Assets" shall include (x) the accounts receivable, notes receivable and other receivables of the Business and (y) ownership of the "M/A-COM" name, trademark and all associated rights and all domain names incorporating the "M/A-COM" or "MACOM" names.

"Transferred Employee" and "Transferred Employees" shall have the meaning set forth in Section 5.5(a).

"Transition Services Agreement" shall mean the Transition Services Agreement between CDES and Purchaser to be entered into and effective as of the date hereof in substantially the form attached hereto as Exhibit E.

"Tyco" shall mean Tyco Electronics Group S.A., a company organized under the laws of Luxembourg, and it subsidiaries, as applicable.

"Tyco Agreement" shall mean that certain Stock and Asset Purchase Agreement by and between Tyco, CDES and Cobham plc, dated as of May 12, 2008.

"Tyco Closing Date" shall mean the "Closing Date" as such term is defined in the Tyco Agreement.

"Unassumed Liabilities" shall have the meaning set forth in Section 8.2(a).

"Unpaid Transaction Expenses" shall mean all fees and expenses of third parties incurred by a Party in connection with the negotiation and effectuation of the terms and conditions of this Agreement and the transactions contemplated hereby (including all legal, accounting, financial advisory, and consulting fees) that have not been paid, but have become due, on or before the Closing Date, or are reasonably expected to become due after Closing.

"Upper Working Capital Limit" shall have the meaning set forth in Section 2.4(d)(i).

"U.S. Business Employee" shall mean any Business Employee ordinarily working in the United States or employed by a Conveyed Entity based in the United States.

"WARN Act" shall have the meaning set forth in Section 3.17(f).

"Working Capital" shall mean the current assets of the Conveyed Entities (excluding deferred income tax assets) *less* the current liabilities of the Conveyed Entities (excluding (a) interest obligations but including other contractual payment obligations related to the License Agreement, dated as of October 10, 2001, by and between M/A-COM, Inc. and Xemod Incorporated, and (b) deferred income tax liabilities) owned or owing by the Conveyed Entities, taken as a whole, and determined in accordance with the policies, principles, practices and methodologies set forth on Exhibit A primarily, and otherwise in accordance with GAAP. The calculations of the Lower Working Capital Limit and the Upper Working Capital Limit have been included in Exhibit F.

"2010/2011 Earn-Out Payments" shall have the meaning set forth in Section 2.3(a)(iii).

Section 1.2 Construction. In this Agreement, unless the context otherwise requires:

(a) any reference in this Agreement to "writing" or comparable expressions includes a reference to facsimile transmission or comparable means of communication (but excluding e-mail communications);

(b) the phrase "made available," when used in this Agreement, shall mean that the information referred to has been posted to the virtual data room located at https://services.intralinks.com/logon.html established by Sellers by 9:00 A.M. New York time on the Closing Date;

(c) words expressed in the singular number shall include the plural and vice versa, and words expressed in the masculine shall include the feminine and neuter genders and vice versa;

(d) references to Articles, Sections, Exhibits, Schedules and Recitals are references to articles, sections, exhibits, schedules and recitals of this Agreement;

(e) references to “day” or “days” are to calendar days;

(f) references to “the date hereof” shall mean as of the date of this Agreement;

(g) unless expressly indicated otherwise, the words “hereof”, “herein”, “hereto” and “hereunder”, and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any provision of this Agreement;

(h) references to this “Agreement” or any other agreement or document shall be construed as references to this Agreement or, as the case may be, such other agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented;

(i) “include”, “includes”, and “including” are deemed to be followed by “without limitation” whether or not they are in fact followed by such words or words of similar import; and

(j) reference to any U.S. statute, bylaw, regulation, rule, delegated legislation or order, in relation to any assets owned, Liabilities incurred, company incorporated in, or business carried on in any jurisdiction other than the U.S., shall be deemed to include what most nearly approximates such statute, bylaw, regulation, rule, delegated legislation or order in that jurisdiction to that reference.

Section 1.3 Exhibits and Seller Disclosure Letter. The Exhibits to this Agreement and the Seller Disclosure Letter are incorporated into and form an integral part of this Agreement. If an Exhibit is a form of agreement, such agreement, when executed and delivered by the parties thereto, shall constitute a document independent of this Agreement.

Section 1.4 Knowledge. Where any representation or warranty or other provision contained in this Agreement is expressly qualified by reference to the “Knowledge of Sellers,” such knowledge shall mean to the actual knowledge (as distinguished from constructive or imputed knowledge) of those individuals listed on Schedule 1.4 of the Seller Disclosure Letter.

ARTICLE II

PURCHASE AND SALE

Section 2.1 Purchase and Sale. Upon the terms and subject to the conditions set forth herein, at the Closing, Sellers shall sell to Purchaser, and Purchaser agrees to purchase from the respective Seller, the Shares free and clear of all Liens, and any Non-Transferred Assets which have not been transferred to Purchaser or any of the Conveyed Entities prior to the date

hereof free and clear of all Liens, other than Permitted Liens. The certificates, if any, representing the Shares shall be duly endorsed in blank, or accompanied either by stock powers duly executed in blank by the respective Seller or by such other instruments of transfer as are reasonably acceptable to Purchaser (including any power of attorney or other authority under which any transfer has been executed).

Section 2.2 Purchase Price. In consideration of the sale and transfer of the Shares and any Non-Transferred Assets (as described in Section 2.1 above), Purchaser agrees to pay to Sellers the following consideration (collectively, the "Purchase Price"), subject to adjustment pursuant to this Agreement:

(a) at Closing, an amount of cash equal to Twenty-Five Million Dollars ($25,000,000) (the "Closing Cash Consideration");

(b) at Closing, the issuance by Purchaser to Sellers of a Short Term Promissory Note in the form attached hereto as Exhibit G in the principal amount of Five Million Dollars ($5,000,000) (the "Short Term Note");

(c) at Closing, the issuance by Purchaser to Sellers of a Secured Promissory Note in the form attached hereto as Exhibit H in the principal amount of Thirty Million Dollars ($30,000,000) (the "Secured Promissory Note"); and

(d) the Earn-Out Payments, if any, payable at such times after Closing pursuant to and otherwise in accordance with Section 2.3.

Section 2.3 Earn-Out Payments. (a) Upon the terms and conditions set forth in this Agreement, following the Closing Date, upon final determination thereof in accordance with this Section 2.3, Purchaser shall make the following additional payments, if any, to Sellers:

(i) In the event that, during the fiscal year beginning on October 1, 2009 and ending on September 30, 2010 (the "First Earn-Out Period"), the Purchaser generates Business Revenues (such Business Revenues, the "First Earn-Out Revenue") in an amount equal to or greater than Two-Hundred Thirty Million Dollars ($230,000,000) (the "First Earn-Out Tier I Target"), then Purchaser shall, on a one-time basis, pay to Sellers an amount calculated as follows (such payment, the "First Earn-Out Payment"):

(A) if the First Earn-Out Revenue is equal to the First Earn-Out Tier I Target, the First Earn-Out Payment shall be Five Million Dollars ($5,000,000) (the "Basic Earn-Out Payment"); or

(B) if the First Earn-Out Revenue is greater than the First Earn-Out Tier I Target but equal to or less than Two-Hundred Fifty Million Dollars ($250,000,000) (the "First Earn-Out Tier II Target"), then the First Earn-Out Payment shall equal the sum of (i) the Basic Earn-Out Payment, *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the First Earn-Out Revenue, *minus*, (b) the First Earn-Out Tier I Target, *by* (2) Twenty Million (20,000,000); or

(C) if the First Earn-Out Revenue is greater than the First Earn-Out Tier II Target but less than Two-Hundred Sixty-Five Million Dollars ($265,000,000) (the "First Earn-Out Tier III Target"), then the First Earn-Out Payment shall equal the sum of (i) Ten Million Dollars ($10,000,000), *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the First Earn-Out Revenue, *minus*, (b) the First Earn-Out Tier II Target, *by* (2) Fifteen Million (15,000,000); or

(D) if the First Earn-Out Revenue is equal to or greater than the First Earn-Out Tier III Target, then the First Earn-Out Payment shall equal Fifteen Million Dollars ($15,000,000) (the "Maximum Earn-Out Payment").

For the avoidance of doubt, if the First Earn-Out Revenue is less than the First Earn-Out Tier I Target, no payment shall be made to Sellers in respect of the First Earn-Out Period.

(ii) In the event that, during the fiscal year beginning on October 1, 2010 and ending on September 30, 2011 (the "Second Earn-Out Period"), the Purchaser generates Business Revenues (such Business Revenues, the "Second Earn-Out Revenue") in an amount equal to or greater than Two-Hundred Forty-Five Million Dollars ($245,000,000) (the "Second Earn-Out Tier I Target"), then Purchaser shall, on a one-time basis, pay to Sellers an amount calculated as follows (such payment, the "Second Earn-Out Payment"):

(A) if the Second Earn-Out Revenue is equal to the Second Earn-Out Tier I Target, the Second Earn-Out Payment shall be the Basic Earn-Out Payment; or

(B) if the Second Earn-Out Revenue is greater than the Second Earn-Out Tier I Target but equal to or less than Two-Hundred Sixty-Five Million Dollars ($265,000,000) (the "Second Earn-Out Tier II Target"), then the Second Earn-Out Payment shall equal the sum of (i) the Basic Earn-Out Payment, *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the Second Earn-Out Revenue, *minus*, (b) the Second Earn-Out Tier I Target, *by* (2) Twenty Million (20,000,000); or

(C) if the Second Earn-Out Revenue is greater than the Second Earn-Out Tier II Target but less than Two-Hundred Eighty Million Dollars ($280,000,000) (the "Second Earn-Out Tier III Target"), then the Second Earn-Out Payment shall equal the sum of (i) Ten Million Dollars ($10,000,000), *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the Second Earn-Out Revenue, *minus*, (b) the Second Earn-Out Tier II Target, *by* (2) Fifteen Million (15,000,000); or

(D) if the Second Earn-Out Revenue is equal to or greater than the Second Earn-Out Tier III Target, then the Second Earn-Out Payment shall equal the Maximum Earn-Out Payment.

For the avoidance of doubt, if the Second Earn-Out Revenue is less than the Second Earn-Out Tier I Target, no payment shall be made to Sellers in respect of the Second Earn-Out Period.

(iii) In the event that, during the fiscal year beginning on October 1, 2011 and ending on September 30, 2012 (the "Final Earn-Out Period"), the Purchaser generates Business Revenues (such Business Revenues, the "Final Earn-Out Revenue") in an amount equal to or greater than Two-Hundred Sixty Million Dollars ($260,000,000) (the "Final Earn-Out Tier I Target"), then, if, and only if, the sum of (A) the First Earn-Out Payment, if any, *plus* (B) the Second Earn-Out Payment, if any (such sum, the "2010/2011 Earn-Out Payments"), is less than the Earn-Out Cap, Purchaser shall, on a one-time basis, pay to Sellers an amount calculated as follows (such payment, the "Final Earn-Out Payment"):

(A) if the Final Earn-Out Revenue is equal to the Final Earn-Out Tier I Target, the Final Earn-Out Payment shall be the Basic Earn-Out Payment, provided, however, that if the sum of (i) the 2010/2011 Earn-Out Payments, *plus*, (ii) the Final Earn-Out Payment as calculated pursuant to this Section 2.3(a)(iii)(A), is greater than the Earn-Out Cap, the Final Earn-Out Payment shall equal the difference of (X) the Earn-Out Cap, minus (Y) the 2010/2011 Earn-Out Payments; or

(B) if the Final Earn-Out Revenue is greater than the Final Earn-Out Tier I Target but equal to or less than Two-Hundred Eighty Million Dollars ($280,000,000) (the "Final Earn-Out Tier II Target"), then the Final Earn-Out Payment shall equal the sum of (i) the Basic Earn-Out Payment, *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the Final Earn-Out Revenue, *minus* (b) the Final Earn-Out Tier I Target, *by* (2) Twenty Million (20,000,000), provided, however, that if the sum of (i) the 2010/2011 Earn-Out Payments, *plus*, (ii) the Final Earn-Out Payment as calculated pursuant to this Section 2.3(a)(iii)(B), is greater than the Earn-Out Cap, the Final Earn-Out Payment shall equal the difference of (X) the Earn-Out Cap, *minus* (Y) the 2010/2011 Earn-Out Payments; or

(C) if the Final Earn-Out Revenue is greater than the Final Earn-Out Tier II Target but less than Two-Hundred Ninety-Five Million Dollars ($295,000,000) (the "Final Earn-Out Tier III Target"), then the Final Earn-Out Payment shall equal the sum of (i) Ten Million Dollars ($10,000,000), *plus* (ii) the product of (X) Five-Million Dollars ($5,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) the Final Earn-Out Revenue, *minus* (b) the Final Earn-Out Tier II Target, *by* (2) Fifteen Million (15,000,000), provided, however, that if the sum of (i) the 2010/2011 Earn-Out Payments, *plus*, (ii) the Final Earn-Out Payment as calculated pursuant to this Section 2.3(a)(iii)(C), is greater than the Earn-Out Cap, the Final Earn-Out Payment shall equal the difference of (X) the Earn-Out Cap, *minus* (Y) the 2010/2011 Earn-Out Payments; or

(D) if the Final Earn-Out Revenue is equal to or greater than the Final Earn-Out Tier III Target, then the Final Earn-Out Payment shall equal the Maximum Earn-Out Payment, provided, however, that if the sum of (i) the 2010/2011 Earn-Out Payments, *plus*, (ii) the Final Earn-Out Payment as calculated pursuant to this Section 2.3(a)(iii)(D), is greater than the Earn-Out Cap, the Final Earn-Out Payment shall equal the difference of (X) the Earn-Out Cap, *minus* (Y) the 2010/2011 Earn-Out Payments.

For the avoidance of doubt, if the Final Earn-Out Revenue is less than the Final Earn-Out Tier I Target, no payment shall be made to Sellers in respect of the Final Earn-Out Period.

(b) Notwithstanding anything to the contrary contained in this Agreement (and subject to the terms of the letter contained in Exhibit J hereto), the maximum possible amount of all Earn-Out Payments required to be made by Purchaser pursuant to this Section 2.3, in the aggregate, shall in no case exceed Thirty Million Dollars ($30,000,000) (the "Earn-Out Cap").

(c) For the avoidance of doubt, the Business Revenue included in calculating any Earn-Out Payment in any Earn-Out Period shall not be included in the Business Revenue included in calculating an Earn-Out Payment in any other Earn-Out Period.

(d) If, on or prior to September 30, 2012, Purchaser shall sell or transfer all of the shares of capital stock or all or substantially all of the assets of Laser Diode Incorporated to a third Person (other than an Affiliate of Purchaser), then solely for purposes of determining Earn-Out Payments arising after the effective date of such sale or transfer, then the amounts of the First Earn-Out Tier I Target, First Earn-Out Tier II Target, First Earn-Out Tier III Target, Second Earn-Out Tier I Target, Second Earn-Out Tier II Target, Second Earn-Out Tier III Target, Final Earn-Out Tier I Target, Final Earn-Out Tier II Target and/or Final Earn-Out Tier III Target, as applicable, shall be reduced by (i) for the Earn-Out Period in which such sale or transfer is completed, an amount equal to the product of (X) Eight Million Dollars ($8,000,000), *multiplied by* (Y) the quotient obtained by *dividing* (1) the difference of (a) three-hundred and sixty-five (365), *minus* (b) the number of days in the period beginning on October 1st of the fiscal year of the Business in which such sale or transfer is completed and ending on the date such sale or transfer is completed *by* (2) three-hundred and sixty-five (365), and (ii) for all subsequent Earn-Out Periods, if any, Eight Million Dollars ($8,000,000).

(e) As soon as practicable after the end of each quarter during each Earn-Out Period in which the aggregate of all Earn-Out Payments is less than the Earn-Out Cap, but no later than forty-five (45) days after the end of such quarter, Purchaser shall transmit to Sellers a report setting forth its calculation of the Business Revenue for such quarter (the "Quarterly Report"). Each Quarterly Report shall contain the following information by product line for the three (3) month and year-to-date periods covered thereby: Business Revenue, sales orders received and the methodology which has been used to calculate the Business Revenue. Each Quarterly Report shall also contain the following information by product line: (i) the most recent year to date Business Revenue and sales order budget; (ii) the most recent year-to-date sales forecast of Business Revenue; (iii) the revised forecast of Business Revenue for the current year of the Earn-Out Period, if any, and (iv) at the end of each year, the sales budget and sales target for the following year.

(f) Within sixty (60) days following the end of each of the First Earn-Out Period, the Second-Earn-Out Period and the Final Earn-Out Period, as applicable, Purchaser shall prepare and deliver to Sellers for its review a statement (each an "Earn-Out Statement") of the First Earn-Out Revenue, Second Earn-Out Revenue and Final Earn-Out Revenue (each, the "Earn-Out Revenue"), as applicable and the corresponding First Earn-Out Payment, Second Earn-Out Payment and Final Earn-Out Payment (each an "Earn-Out Payment"), as applicable. Each Earn-Out Statement shall be prepared in accordance with revenue recognition policies consistent with those applied by the Conveyed Entities and their predecessors for the year ended September 26, 2008 and the quarter ended December 26, 2008.

(g) Sellers shall have thirty (30) days from the date Purchaser delivers an Earn-Out Statement to complete its review of such Earn-Out Statement. In connection with the foregoing, Purchaser shall give Sellers and its Representatives reasonable access, during normal business hours and upon reasonable notice, to the books and records, and appropriate personnel of the Conveyed Entities and Purchaser solely for purposes of its review of such Earn-Out Statement. Purchaser shall instruct its employees (including the Transferred Employees) and Representatives to cooperate with, and promptly respond to all reasonable requests and inquiries of, Sellers and its Representatives, and, upon execution of a customary access letter if required by Purchaser's outside accountants, Sellers and its Representatives shall have reasonable access, upon reasonable notice, to all relevant work papers, schedules, memoranda and other documents prepared by Purchaser or its Representatives (including its outside accountants) to the extent such materials have been prepared by Purchaser or its Representatives and relate to the calculation of the Earn-Out Revenue to which such an Earn-Out Statement relates. Promptly following completion of its review of an Earn-Out Statement (but in no event later than ten (10) Business Days following the conclusion of the thirty (30) day period), Sellers shall submit to Purchaser a letter stating its concurrence or disagreement with the accuracy of the Earn-Out Statement; provided that, if Sellers submit a letter stating its disagreement with amounts set forth in an Earn-Out Statement (such letter, an "Earn-Out Dispute Notice"), such Earn-Out Dispute Notice will specify (i) the item or items in the Earn-Out Statement with which Sellers disagrees and its basis therefor, (ii) the adjustments that Sellers proposes to be made to the Earn-Out Revenue and/or Earn-Out Payment to which such Earn-Out Statement relates and (iii) the specific amount of such disagreement and all supporting documentation and calculations; and provided, further, that Sellers shall only submit an Earn-Out Dispute Notice to the extent (A) Sellers claims Purchaser did not prepare such Earn-Out Statement in accordance with GAAP as consistently applied by Purchaser, and/or (B) Sellers' proposed calculation will result in an adjustment to the Earn-Out Payment to which such Earn-Out Statement relates. If Sellers deliver a letter stating its concurrence with the Earn-Out Statement or if Sellers does not deliver an Earn-Out Dispute Notice within ten (10) Business Days following the conclusion of such thirty (30) day period, such Earn-Out Statement shall be final and binding upon the Parties.

(h) Following timely and proper delivery of an Earn-Out Dispute Notice, if any, Sellers and Purchaser shall attempt in good faith to resolve promptly any disagreement as to the computation of any item or items as to which there was disagreement as set forth in the Earn-Out Dispute Notice (such items, the "Earn-Out Disputed Items"), and any item or items set forth in such Earn-Out Dispute Notice as to which there is no disagreement shall be deemed agreed by the Parties. If the Parties cannot reach a resolution of any Earn-Out Disputed Items within fifteen (15) days (or longer, as mutually agreed by the Parties) after timely and proper delivery of a Earn-Out Dispute Notice by Sellers, then Sellers and Purchaser shall submit any such Earn-Out Disputed Items to a nationally recognized accounting firm that is mutually agreeable to Sellers and Purchaser (the "Accountant") for determination. Each of Sellers and Purchaser shall execute a reasonably acceptable engagement letter, if requested to do so by the Accountant, and shall provide the Accountant with all information and documentation within its possession or control that the Accountant requests for making its determination as to the Earn-Out Disputed Items. The determination of the Accountant with respect to any Earn-Out Disputed Items shall be completed within thirty (30) days after the appointment of the Accountant and shall be determined in accordance with this Agreement and be final and binding upon the Parties. Each of Sellers and Purchaser shall have an opportunity to submit to the Accountant written

memoranda setting forth their positions with respect to any Earn-Out Disputed Items. The Accountant shall adopt a position within the range of positions submitted by Sellers and Purchaser with respect to any Earn-Out Disputed Item. The Accountant's determination regarding any Earn-Out Disputed Item shall be based solely on whether Purchaser included such Earn-Out Disputed Item in or excluded such Earn-Out Disputed Item from the Earn-Out Statement or calculated such Earn-Out Disputed Item, as the case may be, in accordance with GAAP as consistently applied by Purchaser. The applicable Earn-Out Revenue and applicable Earn-Out Payment as finally determined in accordance herewith shall be used by the Parties as the applicable Earn-Out Revenue and applicable Earn-Out Payment for all purposes hereunder. The fees and expenses of the Accountant incurred with respect to this Section 2.3 shall be allocated between Sellers and Purchaser proportionately to reflect the amounts by which Sellers' and Purchaser's respective calculations of the Earn-Out Disputed Items differed from the Accountant's final calculation of the Earn-Out Disputed Items.

(i) Any payments required to be made pursuant to this Section 2.3, if any, shall be made by wire transfer of immediately available funds to the account designated in writing by Sellers within five (5) Business Days after the final determination of the applicable Earn-Out Payment in accordance with this Section 2.3. Any payment required to be made pursuant to this Section 2.3 shall be considered by the Parties as an adjustment to the Purchase Price. If the payments required to be made pursuant to this Section 2.3 are made after the date on which they are due, then interest shall accrue from said date which interest will be calculated on the amount due on the basis of a year of three-hundred sixty (360) days and the actual number of days elapsed at a rate equal to the then applicable Default Rate (as defined in the Secured Promissory Note).

(j) Purchaser hereby agrees that, for a period beginning on the Closing Date and ending on the date that is the six (6) month anniversary thereof, Purchaser shall not sell or otherwise divest any material business line of the Business (other than all of the shares of capital stock or all or substantially all of the assets of Laser Diode Incorporated as contemplated by Section 2.3(d) above), provided, however, that, for the avoidance of doubt, the foregoing shall in no event apply to an equity financing of Purchaser so long as the net proceeds of such equity offering are contributed to the Purchaser and not distributed to the Purchaser's equity holders.

(k) The parties understand and agree that the Earn-Out Payments payable pursuant to this Section 2.3, if any, constitute integral parts of the Purchase Price, the rights to receive such amounts will not be represented by any form of certificate, are not transferable, except by operation of law, and do not constitute an equity or ownership interest in Purchaser or any Conveyed Entity.

(l) During the period commencing on the Closing Date and ending on September 30, 2012, Purchaser shall operate the Business in the ordinary course and in good faith in a manner consistent with reasonable business practices and the then current annual budget of Purchaser for the Business and the Conveyed Entities as set forth in the then current Quarterly Report. Purchaser agrees to use commercially reasonable efforts to provide or obtain the financial and/or other support and resources to the Conveyed Entities and the Business necessary to enable them to operate as contemplated by their then current annual budget, and at a level consistent with good business practices.

(m) In the event of a Sale of the Business, Purchaser shall, concurrently therewith, pay to the Sellers the lesser of (i) the difference of (A) Thirty Million Dollars ($30,000,000), *minus* (B) the amount of all Earn-Out Payments paid to Sellers pursuant to this Section 2.3 prior to the date of such Sale of the Business, or (ii) the aggregate net proceeds realized by Purchaser upon such Sale of the Business (*less* (1) any fees, expenses and disbursements (including those of legal, financial and other advisors) to the extent related to or incurred in connection with any Sale of the Business, (2) all payments made against the principal and/or interest of the Secured Promissory Note, the Short Term Note and the Revolving Credit Agreement required to be made as a result of, or otherwise made concurrently with, a Sale of the Business, and (3) the amount of all Sellers' Profit on Sale (as defined in the letter attached as Exhibit J hereto) paid or payable (whether in the form of cash or a note) to the Sellers contemplated by the terms of the letter attached as Exhibit J hereto prior to the date of such Sale of the Business) (the "Net Proceeds"). For purposes of this Agreement, "Sale of the Business" shall mean: (i) any merger, consolidation, reorganization, recapitalization, transfer of securities or other similar transaction as a result of which: (A) the Purchaser or any controlled Affiliate of Purchaser sells or transfers the record or direct or indirect beneficial ownership of all or substantially all of the outstanding equity securities of the Conveyed Entities, taken as a whole, to an unaffiliated third party, or (B) the present equity holders of Purchaser cease to be the record or direct or indirect beneficial owner of more than 50% of the equity interests, however classified, of Purchaser; or (ii) any transaction or series of related transactions that result, individually or in the aggregate, in the sale, transfer or other disposition to an unaffiliated third party or parties of assets of the Purchaser and the Conveyed Entities that generated more than 80% of the consolidated Business Revenue of Purchaser and the Conveyed Entities measured at the time of each such sale, transfer or other disposition based on the consolidated Business Revenues of Purchaser and the Conveyed Entities during the twelve (12) month period ending as of the Purchaser's then most recently completed fiscal quarter prior to such sale, transfer or other disposition, taken as a whole.

(n) Purchaser shall not make a Major Disposition without the prior written consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed. In the event that Purchaser or the Conveyed Entities completes a Major Disposition, Purchaser and Sellers shall negotiate in good faith and mutually agree, in a timely manner, (i) the amount of the Earn-out Payment due and payable solely as a result of such Major Disposition (which negotiations and agreement shall be in accordance with the principles set forth in the letter attached as Exhibit J hereto); and (ii) revise any future Business Revenue targets set forth in this Section 2.3 in a manner that reflects such proportion of the Business Revenue targets attributable to the assets divested as a result of such Major Disposition. For purposes of this Agreement, a "Major Disposition" shall mean any transaction or series of transactions that, considered in the aggregate with all other such transactions cumulatively, result in the sale, transfer or other disposition to an unaffiliated third party or parties of assets of the Purchaser and the Conveyed Entities that generated more than 40% but less than or equal to 80% of the consolidated Business Revenue of Purchaser and the Conveyed Entities measured at the time of each such sale, transfer or other disposition based on the consolidated Business Revenues of Purchaser and the Conveyed Entities during the twelve (12) month period ending as of the Purchaser's then most recently completed fiscal quarter prior to such sale, transfer or other disposition, taken as a whole (it being understood, for the sake of clarity, that in the event that two or more transactions are cumulated hereunder for the purpose of determining whether they together constitute a Major

Disposition, the percentage of Business Revenue divested in any such individual transaction shall first be determined separately by reference to the Business Revenue of Purchaser and the Conveyed Entities as of the applicable twelve (12) month period noted above for such transaction, and then the percentages of Business Revenue so determined for all such transactions shall be summed).

(o) In the event that Purchaser shall complete a Minor Disposition, Purchaser and Sellers shall negotiate in good faith, and mutually agree in a timely manner on revised Business Revenue targets set forth in this Section 2.3 that reflect the proportion of the Business Revenue targets previously in effect attributable to the assets divested as a result of such Minor Dispositions. For purposes of this Agreement, "Minor Disposition" shall mean the sale, transfer or other disposition to an unaffiliated third party or parties of assets of the Purchaser and the Conveyed Entities that generated 40% or less of the consolidated Business Revenue of Purchaser and the Conveyed Entities measured at the time of each such sale, transfer or other disposition based on the consolidated Business Revenues of Purchaser and the Conveyed Entities during the twelve (12) month period ending as of the Purchaser's then most recently completed fiscal quarter prior to such sale, transfer or other disposition, taken as a whole.

(p) In the event that Purchaser shall (i) shut down or otherwise discontinue any material business line of the Business; or (ii) make a broad reduction in product offerings of the Business resulting in a 2% or more reduction in Business Revenue as measured against either (A) the preceding fiscal year or (B) the twelve months ended at the most recently completed fiscal quarter, Purchaser and Sellers shall negotiate in good faith, and mutually agree in a timely manner on revised Business Revenue targets set forth in this Section 2.3 that reflects the proportion of the Business Revenue targets attributable to the assets divested as a result of the shut down, discontinuation or reduction (but, for the avoidance of doubt, no acceleration of Earn-Out Payments shall occur). For the sake of clarity, no adjustment pursuant to this Section 2.3(p) shall be made in the event of a Sale of the Business, Major Disposition or Minor Disposition.

(q) In the event that the parties are unable to reach an agreement with thirty (30) days after negotiations begin or there is any dispute, controversy or claim arising from or related to Section 2.3(m), Section 2.3(n), Section 2.3(o) or Section 2.3(p), such disagreement or dispute shall be submitted to a court of competent jurisdiction as set forth in Section 10.9(b).

Section 2.4 Purchase Price Adjustment. (a) Promptly after the Closing Date, and in any event not later than sixty (60) days following the Closing Date, Sellers shall prepare and deliver to Purchaser for its review a statement (the "Closing Statement") of the Working Capital as of the Closing Date. The Closing Statement shall be prepared in a manner consistent with Exhibit A; Purchaser shall give Sellers and its Representatives reasonable access, during normal business hours and upon reasonable notice, to the books and records, and appropriate personnel of the Conveyed Entities and Purchaser for purposes of the preparation of the Closing Statement in accordance with this Section 2.4(a) (and during the periods contemplated by this Section 2.4(a)). Purchaser shall instruct its employees (including the Transferred Employees) and Representatives to cooperate with, and promptly respond to all reasonable requests and inquiries of, Sellers and their Representatives.

(b) Purchaser shall complete its review of the Closing Statement within thirty (30) days after the delivery thereof to Purchaser. In connection with the foregoing, Sellers shall give Purchaser and its Representatives reasonable access, during normal business hours and upon reasonable notice, to the books and records, and appropriate personnel of Sellers and their Affiliates solely for purposes of its review of such Closing Statement. Sellers shall instruct their employees and Representatives that were responsible for preparation of the Closing Statement to cooperate with, and promptly respond to all reasonable requests and inquiries of, Purchaser and its Representatives, and, upon execution of a customary access letter if required by Sellers' outside accountants, Purchaser and its Representatives shall have reasonable access, upon reasonable notice, to all relevant work papers, schedules, memoranda and other documents prepared by Sellers or their Representatives (including its outside accountants) to the extent such materials have been prepared by Sellers or their Representatives and relate to the preparation of the Closing Statement. Promptly following completion of its review (but in no event later than ten (10) Business Days following the conclusion of the thirty (30) day period), Purchaser shall submit to Sellers a letter regarding its concurrence or disagreement with the accuracy of the Closing Statement; provided that, if Purchaser submits a letter of disagreement disputing any items set forth in the Closing Statement (such letter, a "Closing Statement Dispute Notice"), such Closing Statement Dispute Notice will specify (i) the item or items of the Closing Statement with which Purchaser disagrees and the basis therefor, (ii) the adjustments that Purchaser proposes to be made to the Closing Statement and (iii) the specific amount of such disagreement and all supporting documentation and calculations; and provided, further, that Purchaser may only submit a Closing Statement Dispute Notice to the extent that (i) Purchaser claims Sellers did not prepare the Closing Statement in accordance with Section 2.4(a) and/or (ii) Purchaser's proposed calculation will result in an adjustment to the Purchase Price. If Purchaser delivers a letter stating its concurrence with the Closing Statement or if Purchaser does not deliver a Closing Statement Dispute Notice within ten (10) Business Days following the conclusion of such thirty (30) day period, the Closing Statement shall be final and binding upon the Parties.

(c) Following timely and proper delivery of a Closing Statement Dispute Notice, if any, Sellers and Purchaser shall attempt in good faith to resolve promptly any disagreement as to the computation of any item or items to which there was disagreement as set forth in the Closing Statement Dispute Notice (such items, the "Closing Statement Disputed Items"), and any item or items set forth in the Closing Statement as to which there is no disagreement shall be deemed agreed by the Parties. If the Parties cannot reach a resolution of any Closing Statement Disputed Items within fifteen (15) days (or longer, as mutually agreed by the Parties) after timely and proper delivery of a Closing Statement Dispute Notice by Sellers, then Sellers and Purchaser shall submit any such Closing Statement Disputed Items to the Accountant for determination. Each of Sellers and Purchaser shall execute a reasonably acceptable engagement letter, if requested to do so by the Accountant, and shall provide the Accountant with all information and documentation within its possession or control that the Accountant requests for making its determination as to the Closing Statement Disputed Items. The determination of the Accountant with respect to any Closing Statement Disputed Items shall be completed within thirty (30) days after the appointment of the Accountant and shall be determined in accordance with this Agreement and be final and binding upon the Parties. Each of Sellers and Purchaser shall have an opportunity to submit to the Accountant written memoranda setting forth their positions with respect to any Closing Statement Disputed Items. The Accountant shall adopt a position within the range of positions submitted by Sellers and

Purchaser with respect to any Closing Statement Disputed Item. The Accountant's determination regarding any Closing Statement Disputed Item shall be based solely on whether Sellers included such Closing Statement Disputed Item in or excluded such Closing Statement Disputed Item from the Closing Statement or calculated such Closing Statement Disputed Item, as the case may be, in accordance with Section 2.4(a). The Working Capital as finally determined in accordance with this Section 2.4 shall be referred to as the "Closing Date Working Capital" for all purposes hereunder. The fees, costs, and expenses of the Accountant incurred with respect to this Section 2.4 shall be shared as follows:

(i) if the Accountant resolves all of the Closing Statement Disputed Items in favor of Purchaser's position (the Closing Date Working Capital so determined is referred to herein as the "Low Value"), then Sellers shall be obligated to pay for all of the fees and expenses of the Accountant;

(ii) if the Accountant resolves all of the Closing Statement Disputed Items in favor of Sellers' position (the Closing Date Working Capital so determined is referred to herein as the "High Value"), then Purchaser shall be obligated to pay for all of the fees and expenses of the Accountant; and

(iii) if the Accountant neither resolves all of the Closing Statement Disputed Items in favor of Purchaser's position nor resolves all of the Disputed Items in favor of Sellers' position (the Closing Date Working Capital so determined is referred to herein as the "Actual Value"), Sellers shall be responsible for such fraction of the fees and expenses of the Accountant for the Closing Date Working Capital equal to (x) the difference between the High Value and the Actual Value over (y) the difference between the High Value and the Low Value, for the Closing Date Working Capital and Purchaser shall be responsible for the remainder of the fees and expenses of the Accountant.

(d) If Closing Date Working Capital:

(i) is equal to or greater than Sixty Three Million Eight Hundred Thousand Dollars ($63,800,000) (the "Lower Working Capital Limit") and is equal to or less than Sixty Four Million Two Hundred Thousand Dollars ($64,200,000) (the "Upper Working Capital Limit"), then no adjustments will be made to the Purchase Price in respect of Working Capital; or

(ii) exceeds the Upper Working Capital Limit, then Purchaser shall be obligated to pay to Sellers the amount by which Closing Date Working Capital exceeds the Upper Working Capital Limit; or

(iii) is less than the Lower Working Capital Limit, then Sellers shall be obligated to repay to Purchaser the amount by which the Lower Working Capital Limit exceeds Closing Date Working Capital.

(e) Any payments to be made pursuant to this Section 2.4 shall be made by wire transfer of immediately available funds to the account designated in writing by Purchaser or Sellers, as the case may be, within five (5) Business Days after the determination of the Closing Date Working Capital in accordance with this Section 2.4. Any payment required to be made pursuant to this Section 2.4 shall be considered by the Parties as an adjustment to the Purchase Price.

Section 2.5 Closing. (a) The Closing shall take place at the offices of Jaeckle Fleischmann & Mugel, LLP, 12 Fountain Plaza, Buffalo, New York 14202, at 10:00 A.M., New York time on March 30, 2009 (or at such other time and place as the Parties may mutually agree). The date on which the Closing occurs is called the "Closing Date." The parties agree that time is of the essence with respect to the Closing Date. The Closing shall be deemed to occur and be effective as of 11:59 P.M. New York time on the Closing Date (the "Effective Time").

(b) At the Closing, Purchaser shall deliver or cause to be delivered to Sellers:

(i) the Closing Cash Consideration by wire transfer of immediately available funds to an account or accounts specified by Sellers;

(ii) the Secured Promissory Note duly and validly executed by Purchaser;

(iii) the Short Term Note duly and validly executed by Purchaser;

(iv) the Revolving Credit Agreement attached hereto as Exhibit K duly and validly executed by Purchaser;

(v) such agreements, documents and instruments as may be reasonably required by Sellers to evidence (A) a security interest in favor of Sellers in substantially all the assets of Purchaser and the Conveyed Entities to secure the Secured Promissory Note, the Short Term Note, the Revolving Credit Agreement and the Earn-Out Payments (except that no security interest in more than 66% of the shares of M/ACOM Cork or in the assets of M/ACOM Cork shall be granted), and (B) guarantees by John Ocampo and the Ocampo Family Trust to secure the Short Term Note;

(vi) an opinion of counsel by Wilson Sonsini Goodrich & Rosati, Professional Corporation in substantially the form attached hereto as Exhibit L with respect to the deliveries described in the preceding clauses (ii), (iii), and (iv); and

(vii) a certificate of the Secretary of Purchaser, in form and substance reasonably acceptable to Sellers, certifying as to the authorization of Purchaser of the execution, delivery and performance of this Agreement, the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby.

(c) At the Closing, Sellers shall deliver or cause to be delivered to Purchaser:

(i) all certificates (if any) representing the Shares duly endorsed in blank, or accompanied either by stock powers duly executed in blank by the respective Seller or by such other instruments of transfer as are reasonably acceptable to Purchaser (including any power of attorney or other authority under which any transfer has been executed);

(ii) unless otherwise directed by Purchaser, resignations and releases, in a form acceptable to Purchaser, of all of the directors and officers of the Conveyed Entities effective as of the Effective Time;

(iii) the Revolving Credit Agreement duly and validly executed by Seller;

(iv) a certificate of the Secretary of each Seller, in form and substance reasonably acceptable to Purchaser, certifying as to the authorization of the board of directors of each Seller of the execution, delivery and performance of this Agreement, the other Transaction Documents, and the consummation of the transactions contemplated hereby and thereby, including minutes of the board of directors of M/ACOM Cork of a meeting at which valid resolutions are passed (A) to approve the transfers of the Shares of for entry in the statutory books of M/ACOM Cork subject to stamping; and (B) to appoint with effect from the end of the meeting as directors and secretary of M/ACOM Cork such persons as Purchaser may nominate; and

(v) any other documents requested by Purchaser and reasonably necessary or appropriate to transfer and convey fully to Purchaser all of the rights, titles and interests intended to be conveyed to Purchaser under this Agreement (including the Non-Transferred Assets, if any) and the other Transaction Documents, other than the transfer of the Irish Shares.

(d) At the Closing, each of the Sellers and Purchaser shall enter, or cause their respective Subsidiaries or Affiliates to enter, into the Transaction Documents (other than this Agreement) to which they are a party.

Section 2.6 Further Conveyances. From time to time following the Closing, Sellers and Purchaser shall execute, acknowledge and deliver, without any further consideration, all such further conveyances, notices, assumptions, releases and acquittances and such other instruments, and shall take such further actions, as may be reasonably necessary or appropriate to transfer, convey and record fully to Purchaser and its successors or assigns, all of the rights, titles and interests intended to be conveyed to Purchaser under this Agreement (including the Non-Transferred Assets, if any) and the other Transaction Documents, and to otherwise make effective the transactions contemplated hereby and in the other Transaction Documents.

Section 2.7 Subsequent Transfers. (a) Upon the terms and subject to the conditions set forth herein, promptly after the Closing Date, but in no event later than March 25, 2010, without any further consideration, (i) Sellers shall convey, assign and transfer to Purchaser or its designee(s), or cause to be conveyed, assigned and transferred to Purchaser or its designee, and Purchaser or its designee(s) shall acquire and accept, free and clear of all Liens other than Permitted Liens, all right, title and interest in and to the Delayed Transfer Assets, (ii) Sellers shall deliver or cause to be delivered to Purchaser such instruments of transfer, assignment and assumption as are reasonably necessary to convey to Purchaser or its designee(s) all right, title and interest in and to such Delayed

Transfer Assets, in form and substance reasonably satisfactory to Purchaser, and (iii) Purchaser shall, contemporaneously with the transfer of such Delayed Transfer Assets, assume and satisfy and discharge as and when due all of the Delayed Transfer Liabilities. From and after the Closing Date, Sellers shall hold and operate, or cause to be held and operated, the Delayed Transfer Assets and the portion of the Business relating thereto for the sole benefit and detriment of Purchaser, subject to and in accordance with the provisions of the Transition Services Agreement (to the extent the same is still in effect on and after any such transfer) and this Agreement.

(b) Notwithstanding anything to the contrary contained herein, (i) the Subsequent Transfer of all Delayed Transfer Assets and Delayed Transfer Liabilities are not required to occur on the same date, and (ii) such Subsequent Transfer shall occur on a date or dates prior to March 25, 2010, as determined by the Purchaser, in its sole discretion.

(c) Subject to the next sentence, the operation and maintenance of the Delayed Transfer Assets and the Delayed Transfer Liabilities shall be funded by Sellers. The Parties agree that, no later than fifteen (15) days following the end of each month (or later, if by such date Purchaser shall not have received a reasonably detailed itemization from Sellers setting forth such expenses), Purchaser will reimburse Sellers for direct expenses of the Business reasonably incurred in good faith by it or Tyco or its Affiliates in operating the Business in the ordinary course of business consistent with past practices in each Delayed Transfer Country as well as for allocations of costs to such portion of the Business by Sellers that are consistent with the historical allocation of costs to such portion of the Business by Sellers or Tyco or its Affiliates; provided that, there shall be no duplication of such expenses with any amounts paid or payable under the Transition Services Agreement.

Section 2.8 Purchase Price Allocation. (a) Within ninety (90) days after the Closing Date, Purchaser shall prepare and deliver to Sellers a statement (the "Allocation"), allocating the Purchase Price among the Shares of each Conveyed Entity and any Non-Transferred Assets in accordance with Section 1060 of the Code. Sellers shall notify Purchaser of any disagreement within fifteen (15) Business Days of Sellers' receipt of the proposed Allocation. Any dispute regarding the Allocation shall be resolved pursuant to the procedures set forth below in Section 2.8(b). Each of Sellers, on the one hand, and Purchaser, on the other hand, shall (x) be bound by the Allocation for purposes of determining any Taxes; (y) prepare and file, and cause its Affiliates to prepare and file, its Tax Returns on a basis consistent with the Allocation; and (z) take no position, and cause its Affiliates to take no position, inconsistent with the Allocation on any applicable Tax Return or in any proceeding before any Taxing Authority or otherwise. Each of Sellers, on the one hand, and Purchaser on the other hand, will each report, on the appropriate IRS form and any other corresponding state or local form, the federal, state and local income and other tax consequences of the purchase and sale contemplated by this Agreement. In the event that the Allocation is disputed by any Taxing Authority, the Party receiving notice of the dispute shall promptly notify the other Party hereto, and Sellers and Purchaser agree to use their commercially reasonable efforts to defend such Allocation in any audit or similar proceeding. Any adjustments to the Purchase Price pursuant to this Agreement shall be allocated to and among in the same proportion as the original Allocation of the Purchase Price among the Shares of each Conveyed Entity and any Non-Transferred Assets to the extent permitted by applicable Law. Notwithstanding the foregoing, prior to Closing, Sellers and Purchaser shall agree upon a valuation for the Irish Shares and any Real Property, to be used in connection with any Transfer Taxes and relevant Tax Returns. In addition, cooperation shall be given to Sellers to determine tentative allocations for purposes of any Transfer Taxes and relevant Tax Returns due prior to the ninety (90) days identified in the foregoing.

(b) If Sellers and Purchaser fail to agree on the Allocation, such matter shall be referred to the Accountant for binding arbitration. Sellers and Purchaser shall deliver to the Accountant copies of any schedules or documentation which may reasonably be required by the Accountant to make its determination. Purchaser and Sellers shall be entitled to submit to the Accountant a memorandum setting forth its position with respect to such arbitration. The Accountant shall render a determination within sixty (60) days. The determination of the Accountant shall be final and binding on all Parties. The costs incurred in retaining the Accountant pursuant to this Section 2.8 shall be shared equally, fifty percent (50%) by Sellers and fifty percent (50%) by Purchaser.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the letter (the "Seller Disclosure Letter") delivered by Sellers to Purchaser concurrently with the execution of this Agreement (it being understood that any matter disclosed on any Schedule of the Seller Disclosure Letter will be deemed to be disclosed on any other Schedule of the Seller Disclosure Letter to the extent that it is reasonably apparent from the face of such disclosure that such disclosure is applicable to such other Schedule or Schedules, but shall expressly not be deemed to constitute an admission by either Seller, or to otherwise imply, that any such matter is material for the purposes of this Agreement), each of the Sellers hereby represents and warrants to Purchaser, as of the date hereof, as follows:

Section 3.1 Organization and Qualification. CDES is a corporation duly organized and validly existing and in good standing under the Laws of Massachusetts, and Lockman is a company duly organized and validly existing and in good standing (to the extent such concept is applicable) under the laws of England and Wales. Each of the Sellers has all requisite corporate power and authority to own, lease and otherwise hold, operate or sell its properties and other assets.

Section 3.2 Corporate Authority; Binding Effect. (a) Each Seller has all requisite corporate power and authority to execute and deliver the Transaction Documents and to perform its obligations hereunder and thereunder. The execution and delivery by each Seller of the Transaction Documents and each other document, agreement or instrument to be executed and delivered by such Seller pursuant to the Transaction Documents, and the performance by such Seller of its respective obligations hereunder and thereunder, have been, or will have been at the Closing, duly authorized by all requisite corporate action on the part of such Seller. No approval or other proceeding of either Seller's stockholders is necessary to authorize the Transaction Documents and the transactions contemplated thereby.

(b) The Transaction Documents, when executed and delivered by each Seller, assuming due execution and delivery hereof and thereof by Purchaser, constitute the valid and binding obligations of such Seller, enforceable against such Seller in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization,

fraudulent conveyance, moratorium or similar Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

Section 3.3 Conveyed Entities; Capital Structure. (a) Schedule 3.3(a) of the Seller Disclosure Letter sets forth the name and jurisdiction of incorporation or formation of each Conveyed Entity. Each of the Conveyed Entities is duly organized, validly existing and, where applicable, in good standing under the Laws of its jurisdiction of organization, except in jurisdictions where the failure to be in good standing would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, with the corporate power and authority to own and operate its properties and assets and to carry on its business as currently conducted. Each of the Conveyed Entities is duly qualified to do business in each jurisdiction where the nature of its business or properties makes such qualification necessary, except in jurisdictions where the failure to be so qualified would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) Schedule 3.3(b) of the Seller Disclosure Letter sets forth the authorized capitalization of the Conveyed Entities and the number of shares of each class of capital stock or other equity interests in each such Conveyed Entity, which are (to the extent applicable) validly issued and outstanding, fully paid and non-assessable. There are no outstanding warrants, options, agreements, subscriptions, convertible or exchangeable securities or other Contracts pursuant to which any of the Conveyed Entities is or may become obligated to issue, sell, purchase, return or redeem any shares of capital stock or other securities or other equity interests of the Conveyed Entities, and no equity securities or other equity interests of any of the Conveyed Entities are reserved for issuance for any purpose. Except as set forth on Schedule 3.3(b) of the Seller Disclosure Letter, the Conveyed Entities have no Subsidiaries, and all of the issued and outstanding capital stock of any Subsidiaries of the Conveyed Entities is owned beneficially and of record by the applicable Conveyed Entity. The Sellers own beneficially and of record the outstanding Shares as indicated on Schedule 3.3(b) of the Seller Disclosure Letter, free and clear of all Liens. Prior to the consummation of the transactions contemplated by the Tyco Agreement, none of the Conveyed Entities other than Laser Diode Incorporated carried on any business or had any Liabilities other than those activities and Liabilities carried out or incurred in connection with the Tyco Agreement.

Section 3.4 Non-Contravention. The execution, delivery and performance of the Transaction Documents by each of the Sellers and the Conveyed Entities (to the extent they are a party thereto), and the consummation of the transactions contemplated hereby and thereby, do not and will not (i) violate any provision of the certificate of incorporation, bylaws or comparable organizational document of either Seller or any of the Conveyed Entities, as applicable; (ii) subject to obtaining the consents or delivery of notices referred to in Schedule 3.4 of the Seller Disclosure Letter, conflict with, result in a breach of, constitute a default under, or result in the termination, cancellation or acceleration (whether after the giving of notice or the lapse of time or both) of any right or obligation of the Sellers or the Conveyed Entities under, or to a loss of any benefit of the Business to which the Sellers or the Conveyed Entities are entitled under, any Material Contract, Real Property Lease or material license of Intellectual Property; (iii) result in the creation of any Lien on any of the assets of either of the Sellers or any of the Conveyed Entities; and (iv) assuming the accuracy of Section 4.3, violate or result in a material breach of or constitute a default under any Law or other restriction of any Governmental Authority to which any Seller or Conveyed Entity is subject.

Section 3.5 Permits. Except as set forth on Schedule 3.5 of the Seller Disclosure Letter, the execution and delivery by Sellers and the Conveyed Entities of the Transaction Documents to which they are a party and each other document, agreement or instrument to be executed and delivered by a Seller or a Conveyed Entity pursuant to the Transaction Documents do not require any Permits. Each of the Sellers and the Conveyed Entities have all Permits required by any Governmental Authority for the operation of the Business, except where the failure to obtain such Permits would not reasonably be expected to be, individually or in the aggregate, material to the Business; and, except as set forth on Schedule 3.5 of the Seller Disclosure Letter, each such Permit will be, as of the Closing Date, held by a Conveyed Entity. None of the Sellers or the Conveyed Entities is in default, or received any written notice of any claim of default, with respect to any such Permit.

Section 3.6 Financial Information; Undisclosed Liabilities. (a) The internally prepared balance sheets of the Business as at September 26, 2008 and December 31, 2008 and the related statements of income for the fiscal year then ended (subject to normal year-end adjustments, which are not expected to be material, and the omission of footnotes to the financial statements) (December 31, 2008 being referred to herein as the "Balance Sheet Date") (the internally prepared balance sheet of the Business at the Balance Sheet Date is hereinafter referred to as the "Balance Sheet"), are included as Schedule 3.6(a) of the Seller Disclosure Letter and were extracted from the accounting records of the Business provided to Seller by Tyco. The Balance Sheet and related statements of income are consistent with the Books and Records and present fairly, in all material respects, the current assets and current Liabilities of the Business as of the Balance Sheet Date and the results of operations of the Business as of and up to such date.

(b) Except as set forth on Schedule 3.6(b) of the Seller Disclosure Letter, the Business does not have any Liabilities (whether accrued, absolute, contingent or otherwise) required to be set forth on a consolidated balance sheet prepared in accordance with GAAP (or in the notes thereto), except for (i) those Liabilities reflected on the Balance Sheet, (ii) Liabilities incurred in the ordinary course of the Business and consistent with past practice since the Balance Sheet Date or which are included in the Closing Date Working Capital, or (iii) Liabilities specifically contemplated by this Agreement to be incurred in connection with the transactions contemplated hereby. For the avoidance of doubt, this Section 3.6(b) does not address any matters that are addressed by the specific language (as opposed to the topic matter) of the other representations contained elsewhere in this ARTICLE III.

Section 3.7 Absence of Certain Changes. Since the Balance Sheet Date to the date of this Agreement there has not occurred a Material Adverse Effect. Except as set forth on Schedule 3.7 of the Seller Disclosure Letter, since the Balance Sheet Date to the date of this Agreement, the Business has been conducted in all material respects in the ordinary course of business and consistent with past practice. Since the Balance Sheet Date, neither the Conveyed Entities nor either of the Sellers has suffered any material damage, destruction or other casualty loss (whether or not covered by insurance) with respect to the Business. From the Balance Sheet Date to the date of this Agreement, neither the Conveyed Entities nor either of the Sellers has (i) sold, assigned or transferred any of the assets primarily related to or necessary to conduct the

Business, singly or in the aggregate, other than sales, assignments or transfers from inventory in the ordinary course of the Business, (ii) amended, cancelled or terminated any Contract or Permit material to the operation of the Business (or committed to do so); or (iii) made any capital expenditure or incurred any obligation relating to the Business, in each case, in excess of $500,000 individually or in the aggregate.

Section 3.8 No Litigation. Except as set forth on Schedule 3.8 of the Seller Disclosure Letter, there is no action, suit, litigation, legal proceeding or arbitration (collectively "Litigation") pending, or, to the Knowledge of Sellers, threatened against any Seller or any Conveyed Entity, or any officer, director or employee of a Seller or Conveyed Entity, in such Person's capacity with respect to any Seller or any Conveyed Entity, by or before any Governmental Authority or arbitrator or in which any of the Conveyed Entities is a plaintiff or otherwise with respect to the Business, in each case, that would reasonably be expected to be material to the Conveyed Entities taken as a whole. No Conveyed Entity and no Seller is in Default with respect to or subject to any Court Order applicable to the Business, and there are no unsatisfied judgments against any of the Conveyed Entities.

Section 3.9 Compliance with Laws. (a) Except as set forth on Schedule 3.9(a) of the Seller Disclosure Letter, each Seller and each Conveyed Entity is and has been since September 26, 2008, and, to the Knowledge of Sellers, the Business was at all times prior to September 26, 2008, in compliance, in all material respects, with all Laws and Orders applicable to it or them, as applicable. No Seller or Conveyed Entity has received any notice to the effect that, or otherwise been advised in writing that, a Seller or Conveyed Entity is not in compliance with any Laws or Orders applicable to it in connection with the Business.

(b) Except as set forth on Schedule 3.9(b) of the Seller Disclosure Letter, each Seller and each Conveyed Entity is and has since September 26, 2008, and, to the Knowledge of Sellers, the Business has prior to September 26, 2008, at all times conducted their export transactions in material compliance with (i) all applicable export and re-export control laws and regulations, including the Export Administration Regulations maintained by the U.S. Department of Commerce, trade and economic sanctions maintained by the Treasury Department's Office of Foreign Assets Control and the International Traffic in Arms Regulations maintained by the Department of State and (ii) all other applicable export controls in other countries in which the Business is conducted.

Section 3.10 Books and Records. Sellers have made available to Buyer true, correct and complete records of all material meetings held of, and corporate action taken by, the shareholders, board of directors and committees of the board of directors of each Conveyed Entity. Since September 26, 2008, each of the Sellers and the Conveyed Entities have made and kept business records, financial books and records, personnel records, ledgers, sales accounting records, tax records and related work papers and other books and records of the Business (collectively, the "Books and Records") that accurately and fairly reflect, in all material respects, the business operations of the Business. Neither of the Sellers nor any Conveyed Entity has engaged in any transaction, maintained any bank account or used any corporate funds except as reflected in the normally maintained Books and Records relating to the Business. At the Closing, the minute books and other Books and Records of the Business will be in the possession of a Conveyed Entity.

Section 3.11 Environmental Matters. (a) Except as set forth on Schedule 3.11(a) of the Seller Disclosure Letter, to the Knowledge of Sellers, (i) the Business and the Conveyed Entities have since January 1, 2006 been and are currently in compliance, in all material respects, with all applicable Environmental Laws; and (ii) there are no claims, proceedings, investigations or actions by any Governmental Authority or other Person pending or, to the Knowledge of Sellers, threatened in writing in connection with the operation of the Business or the Conveyed Entities under any applicable Environmental Law.

(b) Schedule 3.11(b) of the Seller Disclosure Letter accurately describes all of the Permits currently held by the Conveyed Entities necessary for the continued conduct of any activities of the Conveyed Entities involving Hazardous Substances or otherwise required by Environmental Laws (collectively "Environmental Permits"). All such Environmental Permits are valid and in full force and effect. The Conveyed Entities have complied, in all material respects, with all covenants and conditions of any Environmental Permit which is or has been in force with respect to any Hazardous Substances Activities. All Environmental Permits and all other consent and clearances required by any Environmental Law or any agreement to which the Conveyed Entities or the Business is bound as a condition to the performance and enforcement of this Agreement, have been obtained prior to the Closing.

(c) Other than the Real Property Leases and Contracts for the sale of goods or provision of services entered into in the ordinary course of the Business, none of the Business nor any of the Conveyed Entities have entered into any Contract that may require any of them to guarantee, reimburse, pledge, defend, hold harmless or indemnify any other party with respect to Liabilities arising out of Environmental Laws or any Hazardous Substances Activities.

(d) Other than as set forth in this Section 3.11, Sellers do not make any representation or warranty with respect to environmental matters.

Section 3.12 Material Contracts. (a) Schedule 3.12(a) of the Seller Disclosure Letter sets forth, as of the date hereof, a list of all of the following Contracts that relate primarily to the Business or are necessary for the operation of the Business, in each case, to which a Seller or a Conveyed Entity is a party, or that has been entered into on behalf of the Business (collectively, together with each such Contract that is entered into after the date of this Agreement, the "Material Contracts"; and each a "Material Contract"), materially correct and complete copies of which (other than purchase orders for Business Products entered into in the ordinary course of the Business) have been made available to Purchaser:

(i) each equipment lease or other lease of personal property which entails annual rental payments in excess of $250,000 per annum or $500,000 in the aggregate;

(ii) each Contract for goods and/or services (including any intercompany Contracts) by and between any of the Sellers and/or the Conveyed Entities and/or any of their Affiliates (other than the Business) and/or any of the officers, directors or employees of either Seller or the Conveyed Entities and/or any of their Affiliates (other than the Business), on the one hand, and the Business, on the other hand;

(iii) each mortgage, indenture, security agreement, pledge, note, loan agreement or guarantee (excluding items set forth in Schedule 3.15(b) of the Seller Disclosure Letter) in respect of Indebtedness of the Conveyed Entities or the Business in excess of $250,000;

(iv) each customer, distribution, reseller or sales representative Contract expected to result in payment to the applicable Conveyed Entity or any other Person on behalf of the Business in excess of $1,000,000 per annum or that have resulted in such payments in excess of $2,000,000 in the aggregate over the last three years;

(v) each Contract with a Governmental Authority expected to result in payment to a Conveyed Entity in excess of $100,000;

(vi) each Contract with vendors (including OEMs) of the Business expected to result in payment by the applicable Conveyed Entity in excess of $1,000,000 per annum or that have resulted in such payments in excess of $2,000,000 in the aggregate over the last three years;

(vii) each Contract relating to capital expenditures and involving similar future payments in excess of $250,000 individually or $500,000 in the aggregate;

(viii) each Contract relating to the disposition of material assets of the Business or the acquisition or disposition of any assets or any interest in any Person or business enterprise;

(ix) each Contract limiting the ability of any Conveyed Entity or the Business to compete with any Person;

(x) each material joint venture Contract;

(xi) each Intellectual Property License;

(xii) each employment Contract, consulting Contract and severance agreement with any director, officer or employee of either Seller or its Affiliates, Tyco or its Affiliates or the Conveyed Entities, in each case, engaged primarily in the Business, which is likely to involve payments by or on behalf of the Seller or its Affiliates, Tyco or its Affiliates or the Conveyed Entities in excess of $150,000 per year, including Contracts (A) to employ or terminate executive officers or other key personnel (including key engineering staff), (B) with such present or former officers or directors pursuant to which the Conveyed Entities or the Business has current Liabilities or (C) that will result in the payment by, or the creation of any Liability to pay on behalf of the Conveyed Entities, the Business or the Purchaser any severance, termination, “golden parachute,” or other similar payments to any such present or former employees following termination of employment or otherwise as a result of the consummation of the transactions contemplated by Transaction Documents, provided that the information relating to the foregoing shall be as of the date specified in Schedule 3.12(a) of the Seller Disclosure Letter;

(xiii) each collective bargaining Contract or similar Contract, including any Contract with any union, works council or similar labor entity;

(xiv) each Contract of indemnification or hold harmless agreement (including with respect to any director, officer or employee of either Seller or its Affiliates, Tyco or its Affiliate or the Conveyed Entities, in each case, engaged primarily in the Business);

(xv) each power of attorney granted by any Conveyed Entity that is effective and outstanding as of the date hereof; and

(xvi) each other Contract, the loss of which would have a Material Adverse Effect.

(b) Except as set forth on Schedule 3.12(a) of the Seller Disclosure Letter, all notices, approvals and consents that were agreed by the parties to the Tyco Agreement to be given or obtained pursuant to that agreement have been properly given or obtained as required by each Material Contract in order to validly assign, transfer or convey each such Contract to Sellers or the Conveyed Entities. Except as set forth on Schedule 3.12(a) of the Seller Disclosure Letter, each Material Contract is in full force and effect and is a valid and binding agreement of each of the Conveyed Entities (or, as applicable, the Affiliate of the Conveyed Entities party thereto) and, to the Knowledge of Sellers, any other party to any such Contract; and there exists no breach, violation, default or event of default (with or without notice, lapse of time or both) by the applicable Seller or a Conveyed Entity or, to the Knowledge of Sellers, any other party to any such Contract, with respect to any term or provision of any such Contract, in each case, which would have a Material Adverse Effect.

(c) There are no warranty claims or other uninsured claims pending or, to the Knowledge of Sellers, threatened against any of the Sellers, the Conveyed Entities or the Business under any Contracts which might involve a material monetary Liability which is not reserved against in the Balance Sheet.

Section 3.13 Top Customers. Except as set forth on Schedule 3.13 of the Seller Disclosure Letter, no Seller, Conveyed Entity or any of their Affiliates has received any written notice or other written communication indicating that any Top Customer intends to cease dealing with the Business or otherwise materially reduce the volume of business transacted by any Top Customer with the Business and, to the Knowledge of Sellers, no such Top Customer intends to do so.

Section 3.14 Intellectual Property. (a) Except for the Licensed Intellectual Property and except as set forth on Schedule 3.14(a) of the Seller Disclosure Letter, the Conveyed Intellectual Property includes all of the Intellectual Property of any Predecessor Entity or Sellers, that is used in the Business or by the Conveyed Entities, necessary to the operation of the Business or the operations of the Conveyed Entities, or which, absent a license or ownership thereof, would be infringed by the Business or the operations of the Conveyed Entities. The Conveyed Intellectual Property includes all Intellectual Property that was owned by Sellers or any Predecessor Entity that, as between such entities and the Conveyed Entities, is primarily related to the Business, which arose or was created in the course of the activities of an employee of the Predecessor Entities, Sellers or the Conveyed Entities engaged in the Business, or was acquired by any of them primarily for the Business.

(b) Schedule 3.14(b)(i) of the Seller Disclosure Letter and Schedule 3.14(b)(ii) of the Seller Disclosure Letter are, respectively, correct and complete lists of all Registered Intellectual Property that is Conveyed Intellectual Property or is Licensed Intellectual Property, including: (i) patents and patent applications, (ii) registrations and applications for any trademarks, service marks, logos, domain names and trade names, and (iii) registrations and applications for registration of any copyrights. The patents listed on Schedule 3.14(b)(i) of the Seller Disclosure Letter are all of the patents that meet the criteria of (ii) and (iii) of the definition of Conveyed Patents. Except as set forth in Schedule 3.14(b)(iii) of the Seller Disclosure Letter, all Conveyed Patents are, to the Knowledge of Sellers, valid and subsisting, and all Conveyed Patents have been or will be before Closing validly and properly assigned to a Conveyed Entity along with all rights therein, including the right to past damages for the infringement thereof. Except as set forth on Schedule 3.14(b)(iv) of the Seller Disclosure Letter, no Person other than the Conveyed Entities has, or has any right to obtain, any exclusive right in or ownership (including joint ownership) of, the Conveyed Intellectual Property. The Conveyed Intellectual Property includes the trademark M/A-Com and all goodwill appurtenant thereto, and includes the right to past damages for the infringement thereof, and except as permitted pursuant to Section 5.12 or pursuant to the Tyco Agreement, following the Closing Date, no entity will have the right to use the trademark M/A-Com or any other trademark that is Conveyed Intellectual Property.

(c) Except as set forth on Schedule 3.14(c)(i), Purchaser, an Affiliate of Purchaser or a Conveyed Entity will exclusively own as of the Closing Date, free and clear of all Liens other than Permitted Liens, all of the Conveyed Intellectual Property, including the right to past damages for the infringement thereof. The transfer of all Registered Intellectual Property that is Conveyed Intellectual Property to a Conveyed Entity was (or will be after Closing in accordance with this Agreement) properly filed and recorded with the PTO or other appropriate authority. Except as set forth on Schedule 3.14(c)(i) of the Seller Disclosure Letter, there is no claim, demand or proceeding by any Person which is currently pending or, to the Knowledge of Sellers, threatened in writing, which challenges the rights of Sellers or the applicable Conveyed Entity in respect of the Conveyed Intellectual Property or the Licensed Intellectual Property and Sellers have no Knowledge of any third party that is currently infringing, misappropriating, misusing or violating any Conveyed Intellectual Property in any material respect. Sellers and the Conveyed Entities have taken all reasonable measures to protect and preserve the Conveyed Intellectual Property. To the Knowledge of Sellers, the conduct of the Business (including the making, using selling and importing of any product by the Sellers or the Conveyed Entities) as currently conducted does not, and as conducted prior to the date hereof did not, infringe, misappropriate, misuse or violate in any material respect any Intellectual Property of any Person. Except as set forth on Schedule 3.14(c)(ii) of the Seller Disclosure Letter, within the last three (3) years, neither Sellers nor the Business has received written notice from any Person, challenging Sellers', the Business' or any Conveyed Entities' claim to ownership or right to use or practice any Intellectual Property that is material to the Business.

(d) Schedule 3.14(d)(i) of the Seller Disclosure Letter lists all Contracts ("In-Licenses") pursuant to which any third party has licensed to any Conveyed Entity, any Predecessor Entity or any Seller any technology or software or any Intellectual Property that is used in, necessary for, or related to the operation of the Business, other than non-exclusive licenses to commercially available software for an aggregate fee, royalty, or other consideration

of less than $250,000; provided, however that the term In-License shall not include licenses for any technology or software or Intellectual Property to which the Business or the Conveyed Entities may have access to or the benefit of under the Transition Services Agreement. Schedule 3.14(d)(ii) of the Seller Disclosure Letter lists all Contracts ("Out-Licenses") pursuant to which any Seller Entity, any Predecessor Entity or any Conveyed Entity has granted or agreed to grant any third party a right (including ownership right) or license (including cross licenses) to any Conveyed Intellectual Property, other than non-exclusive licenses granted to customers in the ordinary course of business. As of the Closing, all such In-Licenses and Out-Licenses (together, the "Intellectual Property Licenses") will have been properly transferred to the Conveyed Entities and will continue in full force and effect following the Closing. The Conveyed Entities are not and, to the Knowledge of Sellers, the other parties to the Intellectual Property Licenses are not, in material breach of any Intellectual Property License. The Conveyed Entities will not assume, as of the Closing, any In-Licenses which by its term prohibits assignment or cannot be assigned or assumed without the consent of the other parties if such consent has not been obtained (non-assumed contracts) as of the Closing.

Section 3.15 Real Property. (a) Schedule 3.15(a) of the Seller Disclosure Letter sets forth a list as of the date hereof of all of the real property owned by any of the Conveyed Entities (collectively, the "Real Property"). A Conveyed Entity has title in fee simple (or its equivalent under applicable Law) to the Real Property, free and clear of all Liens, other than Permitted Liens and Liens that will be released after the Closing in accordance with this Agreement.

(b) Schedule 3.15(b) of the Seller Disclosure Letter sets forth a list as of the date hereof of all of the real property leased or subleased by the Conveyed Entities (the "Leased Real Property") (including any options to renew or purchase in connection therewith) (each a "Real Property Lease"). Materially correct and complete copies of all Real Property Leases have been made available to Purchaser. Each Real Property Lease is in full force and effect and there exists no default or event of default by the applicable Conveyed Entity or, to the Knowledge of Sellers, any other party to any such lease. Except as set forth in Schedule 3.15(b) of the Seller Disclosure Letter, no party has the right to occupy all or any portion of any Leased Real Property other than one of the Conveyed Entities. The Leased Real Properties are in good condition and repair in all respects, ordinary wear and tear excepted.

Section 3.16 Employee Benefit Plans. (a) Schedule 3.16(a)(i) of the Seller Disclosure Letter contains an accurate and complete list of each material Benefit Plan.

(b) With respect to each Benefit Plan contributed to or maintained by a Conveyed Entity after September 26, 2008, or a Seller for the benefit of a Business Employee (in either case, a "Covered Benefit Plan"), the Sellers have provided or made available to Purchaser a current, accurate and complete copy (or, to the extent no such copy exists, or, even if such copy does exist, but it does not reflect the current terms, an accurate description) thereof and any amendments thereto and, to the extent applicable: (i) any related trust agreement or other funding instrument; (ii) for the three most recent years (A) Forms 5500 and attached schedules, (B) audited financial statements, (C) nondiscrimination testing results, (D) Forms PBGC-1, and (E) actuarial valuation reports, if any; (iii) the most recent summary plan description together with any summary of material modifications thereto, if any, and other written communications

(or a description of any oral communications) to the Business Employees concerning the extent of the benefits provided under a Benefit Plan; (iv) all material correspondence to or from any governmental entity and the most recent IRS determination, opinion, notification or advisor letter issued with respect to each Benefit Plan.

(c) (i) Each Covered Benefit Plan has been established and administered in material compliance with the terms of any document that affects such activity in respect of such Covered Benefit Plan, and in material compliance with the applicable provisions of ERISA, the Code and other applicable laws, rules and regulations, to the extent applicable to a Covered Benefit Plan; (ii) each Covered Benefit Plan which is intended to be qualified within the meaning of Section 401(a) of the Code is so qualified and has received a favorable determination letter or the remedial amendment period for applying for such a determination has not yet expired, or its sponsor has received or applied for a favorable opinion letter as to its qualification (or, in the case of an opinion letter, its qualification in form), and nothing has occurred, whether by action or failure to act, that could reasonably be expected to cause the loss of such qualification; (iii) no event has occurred and no condition exists that would subject any Conveyed Entity, either directly or by reason of their affiliation with an ERISA Affiliate, to any tax, fine, lien, penalty or other liability imposed by ERISA, the Code or other applicable Laws; (iv) no Conveyed Entity has incurred any current or projected liability in respect of post-employment or post-retirement health, medical or life insurance benefits for the Business Employees, except as required to avoid an excise tax under Section 4980B of the Code or otherwise except as may be required pursuant to any other applicable Law; (v) each Covered Benefit Plan can be amended, terminated or otherwise discontinued after the Closing in accordance with its terms, without liability to Purchaser or the Conveyed Entities (other than ordinary administration expenses); (vi) there are no audits, inquiries or proceedings pending or, to the knowledge of the Sellers, threatened by the IRS, DOL, or any other governmental entity with respect to any Covered Benefit Plan; and (vi) the Conveyed Entities have timely made all contributions and other payments required by and due under the terms of each Covered Benefit Plan.

(d) Each Benefit Plan that has been adopted, contributed to, required to be contributed to, or maintained by a Conveyed Entity or any ERISA Affiliate, whether formally or informally, or with respect to which a Conveyed Entity or ERISA Affiliate will or may have any Liability, for the benefit of Business Employees who perform services outside the United States (each an "International Benefit Plan") has been established, maintained and administered in material compliance with its terms and conditions and with the requirements prescribed by any and all statutory or regulatory legal requirements that are applicable to such International Benefit Plan. No International Benefit Plan has unfunded Liabilities, that as of the Effective Time, will not be offset by insurance or fully accrued. Except as required by applicable Law, no condition exists that would prevent any Conveyed Entity or Purchaser from terminating or amending any International Benefit Plan at any time for any reason.

(e) Other than as set forth in this Section 3.16, Sellers do not make any representation or warranty with respect to employee benefits plan matters.

Section 3.17 Labor Matters. (a) Except as set forth on Schedule 3.17(a) of the Seller Disclosure Letter, each Conveyed Entity is in material compliance with all applicable Laws applicable to the ownership and operation of the Business respecting employment and

employment practices, vacation and paid time off accrual and payment, meal and rest periods, immigration status, employee safety and health, other terms and conditions of employment and wages and hours (including overtime wages), and is not engaged in any unfair labor practice, other than any such unfair labor practice that would not reasonably be expected to be, individually or in the aggregate, material to the Conveyed Entities taken as a whole.

(b) No unfair labor practice complaint against any Conveyed Entity or any of its representatives or employees in connection with the ownership and operation of the Business is pending or, to the Knowledge of Sellers, has been threatened before the National Labor Relations Board or other Governmental Authority, other than any such complaint that would not reasonably be expected to be, individually or in the aggregate, material to the Business.

(c) There is no labor strike, dispute, slowdown or stoppage actually pending, or to the Knowledge of Sellers, threatened or reasonably anticipated, against or involving the Conveyed Entities that would reasonably be expected to be, individually or in the aggregate, material to the Conveyed Entities taken as a whole.

(d) As of the date hereof, there are no collective bargaining and labor union agreements applicable to any Business Employee. No union is currently certified, and there is no union representation question and no union or other organizational activity that would be subject to the National Labor Relations Act (20 U.S.C. §151 et. seq.), or any similar law existing or, to the Knowledge of Sellers, threatened with respect to the Conveyed Entities.

(e) No grievance exists or, to the Knowledge of Sellers, has been threatened and no arbitration proceeding arising out of or under any collective bargaining agreement, works council or other similar agreement, of the Business is pending or, to the Knowledge of Sellers, has been threatened, other than any such grievance or arbitration proceeding that would not reasonably be expected to be, individually or in the aggregate, material to the Conveyed Entities taken as a whole. No Conveyed Entity is currently in material violation of any collective bargaining agreement, works council or similar agreement. There are no actions, suits, claims, charges or pending matters relating to any employment, safety or discrimination matters involving any Business Employees that would reasonably be expected to be, individually or in the aggregate, material to the Business.

(f) None of the Conveyed Entities have taken any action which would constitute a “plant closing” or “mass layoff” within the meaning of the Worker Adjustment and Retraining Notification Act (“WARN Act”) or any similar state, local or foreign Law, or incurred any liability or obligation under the WARN Act or any similar state, local or foreign Law that remains unsatisfied. Sellers and each of their Affiliates complied with all obligations under the European Communities (Protection of Employees on Transfer of Undertaking) Regulations 2003 when each Business Employee in the European Union was transferred to the Conveyed Entities.

(g) The representations and warranties in this Section 3.17 are the sole and exclusive representations and warranties of Seller concerning labor matters.

Section 3.18 Taxes. (a) Except as set forth on Schedule 3.18, with respect to all amounts in respect of Taxes imposed upon the Conveyed Entities or the Non-Transferred Assets, or for which any of the Conveyed Entities are or could be liable, with respect to all taxable periods or portions thereof ending on or before the Closing Date, all applicable Tax Laws have been or will be complied with by the Closing and all amounts required to be paid by the Conveyed Entities or with respect to the Non-Transferred Assets to Taxing Authorities on or before the close of business on the Closing Date have been or will be timely paid on or before the Closing Date except Taxes not then due and payable or being contested in good faith by appropriate proceedings and for which adequate reserves have been established on the Balance Sheet.

(b) Except as set forth on Schedule 3.18, Sellers or the Conveyed Entities have timely filed or caused to be filed, or will file or cause to be filed, all Tax Returns required to be filed on or before the Closing Date (taking into account applicable extensions) with respect to the Conveyed Entities or the Non-Transferred Assets, and all such Tax Returns were (or will be when filed) true, correct and complete in all material respects.

(c) There is no Contract, agreement, plan or arrangement to which a Conveyed Entities or any of ERISA Affiliates is a party, including the provisions of this Agreement, covering any Business Employee, which, individually or collectively, could give rise to the payment of any amount that would not be deductible pursuant to Sections 404 or 162(m) of the Code.

(d) Schedule 3.18(d) of the Seller Disclosure Letter lists each Contract, agreement or arrangement between a Conveyed Entity or any ERISA Affiliate and any Business Employee that is a "nonqualified deferred compensation plan" subject to Section 409A of the Code. Each such nonqualified deferred compensation plan, if any, has been amended to comply with Section 409A of the Code and neither the Conveyed Entities nor any ERISA Affiliate is reasonably expected to have any Tax withholding obligation in respect of Section 409A of the Code. No deferred compensation plan existing prior to January 1, 2005, which would otherwise be subject to Section 409A, has been "materially modified" at any time after October 3, 2004. No compensation shall be includable in the gross income of any Business Employee as a result of the operation of Section 409A of the Code with respect to any arrangements or agreements in effect as of the Effective Time. There is no Contract, agreement, plan or arrangement to which the Conveyed Entities or any of their ERISA Affiliates is a party, including the provisions of this Agreement, covering any Business Employee, which individually or collectively could require the Conveyed Entities or any of their ERISA Affiliates to pay a tax gross up payment to any Business Employee for Tax-related payments under Section 409A(a)(1)(B) of the Code.

(e) None of the Sellers, the Conveyed Entities or any of their ERISA Affiliates have made any payment to any Business Employee and is not party to a Contract, agreement or arrangement with any Business Employee to make payment, individually or considered collectively with any other events, agreements, plans, arrangements or other Contracts, that will, or could reasonably be expected to, be characterized as an excess "parachute payment" within the meaning of Section 280G(b)(1) of the Code or that could not be deductible under Section 280G of the Code. There is no agreement, plan, arrangement or other contract by which the Conveyed Entities or any of ERISA Affiliates is bound to compensate any Business Employee for excise taxes paid pursuant to Section 4999 of the Code.

(f) Other than as set forth in this Section 3.18, Sellers do not make any representation or warranty with respect to Tax matters.

Section 3.19 Brokers. Except for UBS Securities LLC, no broker, finder or investment banker is entitled to any brokerage, finders or other fee or commission in connection with the transactions contemplated by the Transaction Documents based upon arrangements made by or on behalf of either Seller or any Conveyed Entity. Sellers are solely responsible for such fees and expenses of UBS Securities LLC.

Section 3.20 Title to Assets; Sufficiency. (a) Sellers and the Conveyed Entities own and have good title to, and, following the Closing Date, the Conveyed Entities will own and have good title to, all of the Transferred Assets free and clear of all Liens, other than Permitted Liens.

(b) Except as set forth in Schedule 3.20 of the Seller Disclosure Letter, pursuant to the Tyco Agreement and the other agreements entered into in connection therewith, Sellers acquired from Tyco and its Affiliates all of the properties, rights, interest and other tangible and intangible assets necessary and sufficient to conduct the Business in the manner in which the Business was conducted as of immediately prior to the Tyco Closing Date. Except as set forth on Schedule 3.20 of the Seller Disclosure Letter, the assets owned (or, in the case of the Leased Real Property, leased) by the Conveyed Entities, together with the rights set forth in the Transaction Documents, the Non-Transferred Assets and the Conveyed Intellectual Property, will constitute, as of the Closing Date, all of the assets, properties, rights, interests and other tangible and intangible assets necessary and sufficient to enable the Purchaser to (i) own (or in the case of the Leased Real Property, lease) and use such assets, and exercise such rights, in all material respects, in a manner in which such assets and rights have historically been owned (or in the case of the Leased Real Property, leased), used and exercised in connection with the Business, and (ii) conduct the Business in the manner in which the Business was conducted during the period beginning immediately prior to the Tyco Closing Date through and including immediately prior to the Closing Date. Nothing in this Section 3.20(b) shall be deemed to constitute a representation or warranty as to the adequacy of the amounts of working capital or cash of the Business as of the Closing.

Section 3.21 Tangible Personal Property. Sellers and the Conveyed Entities have good and marketable title to, or a valid leasehold interest in, all of their tangible property and Inventory, in each case used primarily in connection with the Business, free and clear of any Liens, other than Permitted Liens, including the tangible personal property set forth on Schedule 3.21 of the Seller Disclosure Letter.

Section 3.22 Illegal Payments. (a) Except as set forth in Schedule 3.22(a) of the Seller Disclosure Letter, no Conveyed Entity, or any of their Subsidiaries or, to the Knowledge of Sellers, neither the Business, nor any of the officers, directors, employees, agents, or representatives of the Business or the Conveyed Entities, has, directly or indirectly, (i) made, offered to make, promised to make, or authorized the payment or giving of any bribes,

kickbacks, rebates, payoffs, influence payments, gifts of money, illegal political contributions, other unlawful payments, or anything of value, to governmental officials, for the purpose of affecting their action or the action of the government they represent, to obtain or retain business, licenses, or special concessions, or (ii) taken any other action which would cause it to be in violation of the Foreign Corrupt Practices Act of 1977, as amended, any rules or regulations thereunder (the "FCPA") or other similar applicable U.S. or non-U.S. regulations.

(b) Except as set forth in Schedule 3.22(b) of the Seller Disclosure Letter, (i) no Conveyed Entity, or any of their Subsidiaries has engaged in any transaction, maintained any bank account, or used any corporate funds, except as reflected in its normally maintained business records, (ii) the Conveyed Entity and its Subsidiaries have made and kept business records, which, in reasonable detail, accurately and fairly reflect the business activities of the Company, (iii) the business records of the Conveyed Entity and its Subsidiaries have been maintained in accordance with sound business practices, including the maintenance of an adequate system of internal controls.

(c) Sellers have established and maintained a compliance program and internal controls and procedures which covers the Conveyed Entities and the Sellers believe is appropriate to the requirements of the FCPA and similar applicable non-U.S. regulations.

Section 3.23 Government Contracts. (a) Except as set forth in Schedule 3.23(a) of the Seller Disclosure Letter, to the Knowledge of Sellers, (i) none of the Business Employees is or during the last three (3) years has been (except as to routine security investigations) under administrative, civil or criminal investigation, indictment or information by a U.S. Governmental Authority, (ii) there is no pending audit or investigation by any U.S. Governmental Authority of the Conveyed Entities, the Business or any Business Employee with respect to any alleged irregularity, misstatement or omission arising under or relating to a Government Contract and (iii) since September 26, 2008 none of the Conveyed Entities has, and during the last three (3) years, to the Knowledge of Sellers, no prior owner of the Business has, made a voluntary disclosure with respect to any alleged irregularity, misstatement or omission arising under or relating to a Government Contract with respect to the Business, other than inquiries, audits and reconciliations that would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect. Neither of the Sellers, nor to the Knowledge of Sellers any of the Business Employees, has made any intentional misstatement or omission in connection with any voluntary disclosure relating to the Conveyed Entities or the Business that has led to any of the consequences set forth in clause (i) or (ii) of the immediately preceding sentence or any other material damage, penalty assessment, recoupment of payment or disallowance of cost.

(b) Except as set forth in Schedule 3.23(b) of the Seller Disclosure Letter, to the Knowledge of Sellers, there are no disputes between any Conveyed Entity or its Subsidiaries and a U.S. Governmental Authority under the Contract Disputes Act or any other federal statute or between Sellers and any of their Affiliates and any prime contractor, subcontractor or vendor arising under or relating to any such Government Contract with respect to the Business, except any such claim or dispute that would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.

(c) Except as set forth in Schedule 3.23(c) of the Seller Disclosure Letter, none of the Conveyed Entities and, to the Knowledge of Sellers, any of the Business Employees

is (or during the last two years has been) suspended or debarred from doing business with a U.S. Governmental Authority or is (or during such period was) the subject of a finding of non-responsibility or ineligibility for U.S. Government contracting.

(d) Except as set forth in Schedule 3.23(d) of the Seller Disclosure Letter, none of the Conveyed Entities and, to the Knowledge of Sellers, any of the Business Employees, has received written notice of a termination for default or convenience, cure notice, or show cause notice from any U.S. Governmental Authority with respect to performance by the Company as a subcontractor of any portion of the obligation of a Government Contract.

(e) Except as set forth in Schedule 3.23(e) of the Seller Disclosure Letter, (i) the representations, certifications, and warranties made by the Conveyed Entities and, to the Knowledge of Sellers, any of the Business Employees, in any Government Contract, were accurate in all material respects as of their effective date, and Conveyed Entities and, to the Knowledge of Sellers, Business Employees have complied in all material respects with all such representations, certifications and warranties, (ii) no past performance evaluation received by Sellers, the Conveyed Entities and, to the Knowledge of Sellers, any of the Business Employees, with respect to any such Government Contract has set forth a default or other failure to perform thereunder or termination or default thereof, and (iii) Conveyed Entities and, to the Knowledge of Sellers, the Business Employees, have complied in all material respects with all terms and conditions of any Government Contract.

(f) Except as set forth in Schedule 3.23(f) of the Seller Disclosure Letter, neither Sellers, the Conveyed Entities, any of their Subsidiaries, nor to the Knowledge of Sellers, any of the Business Employees, are aware of any facts or circumstances that are reasonably likely to give rise to the revocation of any security clearance of the Seller, the Conveyed Entities, or any of the Business Employees, either prior to or as a result of the transactions contemplated herein.

Section 3.24 Exclusivity of Representations. The representations and warranties made by Sellers in this ARTICLE III are the exclusive representations and warranties made by Sellers with respect to the Sellers, the Conveyed Entities and the Non Transferred Assets. Sellers hereby disclaim any other express or implied representations or warranties with respect to the Sellers, the Conveyed Entities, any of their respective Affiliates and the Business.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser hereby represents and warrants to each of the Sellers, as of the date hereof, as follows:

Section 4.1 Organization and Qualification. Purchaser is a corporation organized, validly existing and in good standing under the laws of the State of Delaware.

Section 4.2 Corporate Authority. (a) Purchaser has all requisite corporate power and authority to execute and deliver the Transaction Documents to which it is a party and to perform its respective obligations hereunder and thereunder. The execution and delivery by

Purchaser of the Transaction Documents and each other document, agreement or instrument to be executed and delivered by Purchaser pursuant to the Transaction Documents, and the performance by Purchaser of its obligations hereunder and thereunder, have been, or will have been at the Closing, duly authorized by all requisite corporate action on the part of Purchaser.

(b) The Transaction Documents to which it is a party, assuming due execution and delivery hereof and thereof by Sellers, constitute the valid and binding obligations of Purchaser, enforceable against Purchaser in accordance with their terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or similar Laws affecting creditors' rights generally or by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

Section 4.3 Non-Contravention. The execution, delivery and performance by Purchaser of the Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not (i) violate any provision of the certificate of incorporation, bylaws or other comparable organizational document of Purchaser; (ii) conflict with, or result in a breach of, constitute a default under, result in the termination, cancellation or acceleration (whether after the giving of notice or the lapse of time or both) of any right or obligation of Purchaser under, or to a loss of any benefit of Purchaser to which Purchaser is entitled under, any Contract to which Purchaser is a party or by which any of its assets are bound, lease of real estate or license of Intellectual Property to which Purchaser and its Affiliates is a party or is subject; and (iii) assuming the accuracy of Section 3.2(b), violate or result in a material breach of or constitute a default under any Law or other restriction of any Governmental Authority to which Purchaser is subject.

Section 4.4 Permits. The execution and delivery by Purchaser of the Transaction Documents to which it is a party and each other document, agreement or instrument to be executed and delivered by Purchaser pursuant to the Transaction Documents do not require any Permits.

Section 4.5 Third-Party Approvals. The execution, delivery and performance by Purchaser of the Transaction Documents to which it is a party and each other document, agreement or instrument to be executed and delivered by Purchaser pursuant to the Transaction Documents, and the transactions contemplated hereby and thereby, do not require any consents, waivers, authorizations or approvals of, or filings with, any third Persons which have not been obtained or effected by Purchaser.

Section 4.6 Financial Capability. On the date hereof, Purchaser has sufficient funds to pay the Closing Cash Consideration.

Section 4.7 Investigation by Purchaser. Purchaser has conducted its own independent investigation, verification, review and analysis of the operations, assets, Liabilities, results of operations, financial condition, technology and the probable success or profitability of the ownership, use or operation of the Business and the Conveyed Entities by Purchaser after the Closing, which investigation, review and analysis was conducted by Purchaser and, to the extent Purchaser deemed appropriate, by its Affiliates and Bidder Representatives. Purchaser has selected and been represented by, and/or consulted with, such expert advisors as it has deemed

appropriate in connection with the negotiation of this Agreement and its determination to enter into and consummate the transactions contemplated hereby. Purchaser acknowledges that it, its Affiliates and the Bidder Representatives have been provided adequate access to the personnel, properties, premises and records of the Business and the Conveyed Entities for such purpose.

Section 4.8 No Litigation. There is no Litigation pending or, to the knowledge of Purchaser, threatened in writing, against Purchaser or any of its Affiliates by or before any Governmental Authority or arbitrator which would reasonably be expected to delay or prevent the consummation of the transactions contemplated by the Transaction Documents.

Section 4.9 Brokers. No broker, finder or investment banker is entitled to any brokerage, finders or other fee, commission or expenses in connection with the transactions contemplated by the Transaction Documents based upon arrangements made by or on behalf of Purchaser.

Section 4.10 [RESERVED]

Section 4.11 Confidentiality Agreement. Except as has been disclosed to the Sellers prior to the date hereof, Purchaser and its Affiliates that are subject to the terms of the Confidentiality Agreement and the Bidder Representatives have complied in all material respects with the terms of the Confidentiality Agreement including the restrictions on contacting other potential acquirers of the Business and the restriction on limiting Purchaser's financing sources from providing financing to, or arranging financing for, any other potential acquirer of the Business. Following the Closing all Confidential Information of Sellers or any of their Affiliates to the extent related to the Business shall be deemed the Confidential Information of the Conveyed Entities and of Purchaser.

Section 4.12 Absence of Arrangements with Management. As of the date hereof, there are no written Contracts, undertakings, commitments, or other written agreements between Purchaser or any of its controlled Affiliates, on the one hand, and any member of the management of the Business, on the other hand, relating to the transactions contemplated by the Transaction Documents or the operation of the Business after the Closing.

Section 4.13 Securities Act. Purchaser is acquiring the Shares solely for the purpose of investment and not with a view to, or for sale in connection with, any distribution thereof. Purchaser acknowledges that the Shares are not registered under the Securities Act, any applicable state securities Laws or any applicable foreign securities Laws, and that such Shares may not be transferred or sold except pursuant to the registration provisions of the Securities Act or applicable foreign securities Laws or pursuant to an applicable exemption therefrom and pursuant to applicable state securities Laws. Purchaser (either alone or together with its advisors) has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Shares and is capable of bearing the economic risks of such investment.

ARTICLE V

COVENANTS

Section 5.1 Information and Documents. (a) From and after the date hereof, subject to applicable Law and any applicable Order, upon reasonable advance notice to Sellers, Sellers shall permit Purchaser and its Representatives to have supervised, reasonable access, during regular normal business hours, to the Business Employees and to the assets, properties, books and records of Sellers and the Conveyed Entities to the extent relating primarily to the Business and shall, to the extent permitted by applicable Law any applicable Order, make available to Purchaser such financial and operating data and other available information with respect to the Business (to the extent such data or information is readily available under normal operating procedures), including such information relating to the employment of the Business Employees with respect to compensation, service and other similar information relating to Sellers' or any of the Conveyed Entities' employment of the Business Employees, as Purchaser shall from time to time reasonably request for the purposes of enabling Purchaser to (i) consummate the transactions contemplated by this Agreement, and (ii) operate the Business as operated prior to Closing, after Closing; provided, however, that no such access shall unreasonably interfere with Sellers' operation of their respective businesses; and provided, further, that Sellers shall not be required to take any action which would reasonably be expected to constitute a waiver of attorney-client privilege where alternative measure are not available to preserve such privilege while granting such access.

(b) All information received by Purchaser and given by Sellers and the Conveyed Entities in connection with this Agreement and the transactions contemplated hereby will be held by Purchaser and its Affiliates and Representatives as "Evaluation Material," as defined in, and pursuant to the terms of, the Confidentiality Agreement. From and after the Closing, Sellers shall not, and shall cause its Affiliates not to, make use of any such information or disclose any such information to any Person (except to the extent required by applicable Law or Order).

(c) It is expressly understood and agreed that, without the prior written consent of Sellers, which consent may be granted or withheld in Sellers' sole and absolute discretion, nothing in this Agreement shall be construed to grant Purchaser the right to perform any Phase I, Phase II or other environmental testing on any of the properties of the Conveyed Entities.

Section 5.2 [RESERVED].

Section 5.3 Efforts to Close; Filings and Consents. Except as otherwise set forth in this Section 5.3, subject to the terms and conditions set forth herein, and to applicable Law, each Party agrees to use its reasonable best efforts to take, or cause to be taken, all actions necessary, and assist and cooperate with the other Party in doing, all things necessary, proper or advisable, to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated hereby. Sellers shall, and shall cause their Representatives to, cooperate with the Purchaser and Purchaser's Representatives, and use commercially reasonable efforts to comply with the reasonable requests of the Purchaser with respect to, and make, give and obtain on a timely basis, all filings, notices and consents required to be made, given or obtained in order to consummate the transactions contemplated by this Agreement and the other Transaction Documents, including without limitation any such filings, notices or consents required or otherwise reasonably necessary to transfer or assign all Permits, Contracts and

Conveyed Intellectual Property currently held by Sellers or their Affiliates related to the Business. At all times after the execution of this Agreement, Sellers and their Representatives shall cooperate with the Purchaser and with Purchaser's Representatives, and prepare and make available such documents and take such other actions as the Purchaser may reasonably request, in connection with any filing, notice or consent that the Purchaser is required or elects to make, give or obtain or in connection with the transfer of any Non-Transferred Assets (which transfers shall be effected in accordance with the instructions of, and to the entities designated by, the Purchaser).

Section 5.4 Antitrust Laws. (a) Purchaser and Sellers shall as promptly as practicable take all actions necessary to file or cause to be filed the filings required of them or any of their Affiliates under any applicable Antitrust Laws in connection with this Agreement and the transactions contemplated hereby no later than fifteen (15) Business Days following the date hereof the notification and report forms required for the transactions contemplated by this Agreement and any supplemental information requested in connection therewith. Any such notification and report forms and supplemental information will be in substantial compliance with the requirements of the applicable Antitrust Laws. Sellers and Purchaser shall furnish to each other such necessary information and reasonable assistance as the other may request, in connection with its preparation of any filing or submission that is necessary under the applicable Antitrust Laws. Sellers and Purchaser shall keep each other apprised of the status of any communications with, and inquiries or requests for additional information from the applicable Antitrust Authority and shall comply promptly with any such inquiry or request. Sellers and Purchaser will use their respective reasonable best efforts to obtain any clearance required under applicable Antitrust Laws for the transactions contemplated by this Agreement.

(b) Purchaser shall be responsible for the payment of all filing fees under any Antitrust Laws. Each Party shall be responsible for the fees and costs that it incurs in connection with making such filings under the Antitrust Laws.

(c) Purchaser shall not, and shall cause its Affiliates not to, acquire or agree to acquire, by merging with or into or consolidating with, or by purchasing a substantial portion of the assets of or equity in, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, or otherwise acquire or agree to acquire any assets, if the entering into of a definitive agreement relating to, or the consummation of such acquisition, merger or consolidation would reasonably be expected to: (i) impose any material delay in the obtaining of, or materially increase the risk of not obtaining, any consents of any Governmental Authority necessary to consummate the transactions contemplated hereby or the expiration or termination of any applicable waiting period; (ii) materially increase the risk of any Governmental Authority entering an Order prohibiting the consummation of the transactions contemplated hereby; (iii) materially increase the risk of not being able to remove any such Order on appeal or otherwise; or (iv) materially delay or prevent the consummation of the transactions contemplated hereby.

(d) Notwithstanding anything in this Agreement to the contrary, neither Purchaser nor any of its Affiliates shall be required to: (i) agree to sell, divest, hold separate, license, cause a third-party to acquire, or otherwise dispose of, the Business, any Subsidiary, operations, divisions, businesses, product lines, customers or assets of Purchaser, its Affiliates, or

any Conveyed Entity, (ii) take or commit to take such other actions that may limit Purchaser, its Affiliates, or any Conveyed Entity's freedom of action with respect to, or its ability to retain, one or more of its operations, divisions, businesses, product lines, customers or assets, or (iii) enter into any Order, consent decree or other agreement to effectuate any of the foregoing.

Section 5.5 Non-EU Business Employees and Employee Benefits. The provisions of this Section 5.5 shall apply only to Non-EU Business Employees.

(a) Transfer and Terms and Conditions of Employment. Purchaser shall cause the Conveyed Entities to continue the employment of each of their Non-EU Business Employees, commencing as of the Closing Date, in the same job or position and location as in effect immediately prior to the Closing Date (regardless of whether such job or position was with the Conveyed Entity, Sellers, Tyco, or an Affiliate of any of them) and (x) at a rate of pay at least equal to, (y) with severance entitlements not less favorable than, and (z) with other employee benefits, perquisites and terms and conditions of employment (including benefits pursuant to qualified and non-qualified retirement and savings plans, medical, life insurance, disability, dental and pharmaceutical plans and programs, deferred compensation arrangements and incentive compensation plans) not substantially less favorable in the aggregate than, the rate of pay, severance entitlements and other employee benefits, perquisites and terms and conditions of employment provided to the Non-EU Business Employee (regardless of whether provided by the Conveyed Entity, Sellers, Tyco, or an Affiliate of any of them), or to which the Non-EU Business Employee would be entitled, upon commencing employment with the applicable Conveyed Entity or applicable Affiliate of Sellers, immediately prior to the Closing Date. For purposes of this Section 5.5, (i) "pay" shall include base salary or wages plus any commission, variable pay target bonus, incentive compensation, premium pay, overtime and shift differentials, but not stock options or other equity-based compensation and (ii) there shall be no breach of this Section 5.5 if Purchaser does not grant stock options and other equity-based compensation and does not provide post-retirement health and post-retirement life insurance benefits to Non-EU Business Employees; provided, however, that, if and to the extent stock options or other equity-based compensation are provided by Purchaser to similarly situated employees of Purchaser, Purchaser shall grant (or shall cause to be granted) stock options and other equity-based compensation to Non-EU Business Employees (or other long-term incentive compensation, to the extent Purchaser cannot grant such stock options or other equity-based compensation to a Non-EU Business Employee pursuant to Law). Purchaser acknowledges that by purchasing the Conveyed Entities, Purchaser shall cause the Conveyed Entities or its Affiliates to continue to employ all Non-EU Business Employees of the Conveyed Entities commencing as of the Closing Date, and such Non-EU Business Employees shall be referred to as "Transferred Employees" for purposes of this Agreement. For a period of at least twelve (12) months following the Tyco Closing Date, Purchaser covenants and agrees to (or to cause the Conveyed Entities or their Affiliates to) continue to provide each Transferred Employee with the pay, severance, benefits, perquisites and terms and conditions of employment described in this Section 5.5 unless the Transferred Employee's employment is sooner terminated (other than in the case of severance or similar termination pay and benefits). No provision in this Agreement shall give any Business Employee any right to continued employment with Purchaser or impair in any way the right of Purchaser to terminate the employment of any employee. With respect to matters described in this Section 5.5, the Sellers and the Conveyed Entities will consult with Purchaser (and will consider in good faith the advice of Purchaser) prior to sending any notices or other communication materials to the Non-EU Business Employees.

(b) Provision of Health Benefits. With respect to U.S. Business Employees, Purchaser shall provide or cause to be provided, effective commencing on the Closing Date, coverage to all Transferred Employees and their respective spouses and dependents, under a group health plan sponsored by Purchaser or its Affiliates, which plan shall have no pre-existing condition limitations or exclusions with respect to any such employee, spouse or dependant. Purchaser shall be solely responsible for compliance with the requirements of Section 4980B of the Code and part 6 of subtitle B of Title I of ERISA ("COBRA"), including the provision of continuation coverage, with respect to all such Transferred Employees, and their spouses and dependents, for whom a qualifying event occurs on or after the Closing Date. For purposes of this Section 5.5(b), the terms "group health plan," "continuation coverage" and "qualifying event" shall have the meanings ascribed to them in COBRA.

(c) Severance; Retention; Bonuses. Without limiting the generality of the foregoing, (i) Purchaser shall, or shall cause its Affiliates to, have in effect until at least twelve (12) months following the Tyco Closing Date, severance and retention plans, practices and policies applicable to each Transferred Employee on the Closing Date that are not less favorable than such policies in effect immediately prior to the Closing Date with respect to such employee (whether provided by the Conveyed Entity, Seller, Tyco, or an Affiliate of any of them), and Purchaser shall indemnify, in accordance with ARTICLE VIII hereof, and hold harmless Seller and its Affiliates from any severance Liabilities with respect to Transferred Employees, and (ii) Purchaser shall, or shall cause the Conveyed Entities or their Affiliates to, ensure that each Transferred Employee who was notified of his or her target bonus for the current fiscal year prior to the Closing Date, and who meets the performance targets, if any, established at the time of such notification, receives an annual bonus at least equal to such target bonus if the Transferred Employee meets the performance targets. Seller agrees to reimburse Purchaser within thirty (30) days of demand for any payment made by Purchaser to a Non-EU Business Employee in respect of any retention, change in control or similar agreement or obligation entered into or otherwise agreed upon prior to the Closing or any Performance Bonus.

(d) Tax-Qualified Plans. In the event Transferred Employees are not permitted to continue to participate in the Predecessor Savings Plan following the Closing Date, each Transferred Employee who is a participant in the Predecessor Savings Plan shall cease to be an active participant under such plan effective as of the Closing Date, and each Conveyed Entity shall cease to be a participating employer in the Predecessor Savings Plan effective as of the Closing Date (Sellers shall have provided Purchaser with satisfactory evidence to this effect as of the date hereof). In such case, effective as of as soon as reasonably practicable after the Closing Date, Purchaser shall have, or shall cause its Affiliates to have, in effect a defined contribution plan that is qualified under Section 401(a) of the Code and that includes a qualified cash or deferred arrangement within the meaning of Section 401(k) of the Code with terms and conditions not substantially less favorable than those provided under the Predecessor Savings Plan as determined on an annualized basis (the "Purchaser Savings Plan") in which Transferred Employees shall be eligible to participate. Effective as of the Closing Date, each Transferred Employee shall become fully vested in his or her account balance in the Predecessor Savings Plan. Notwithstanding anything to the contrary contained herein, Purchaser may modify the terms of, or terminate, the Purchaser Savings Plan subject to the limitations set forth in Section 5.5(a).

(e) Certain Welfare Plan Matters. Following the Closing Date, to the extent permitted by Law and the terms of the applicable Benefit Plan, Purchaser shall use its best efforts (i) to ensure that no waiting periods, exclusions or limitations with respect to any pre-existing conditions, evidence of insurability or good health or actively-at-work exclusions are applicable to any Transferred Employees or their dependents or beneficiaries under any welfare benefit plans in which such Transferred Employees may be eligible to participate and (ii) to provide or cause to be provided that any costs or expenses incurred by the Transferred Employees (and their respective dependents and beneficiaries) up to (and including) the Closing Date shall be specifically applied for purposes of satisfying applicable deductible, co-payment, coinsurance, maximum out-of-pocket provisions and like adjustments or limitations on coverage under any such welfare benefit plans.

(f) Cafeteria Plan. Purchaser shall have in effect, or cause to be in effect, as of the Closing Date, flexible spending reimbursement accounts under a cafeteria plan qualifying under Section 125 of the Code (the "Purchaser Cafeteria Plan") that provides benefits to Transferred Employees not substantially less favorable than those provided by the Predecessor Cafeteria Plan. As soon as practicable following the Closing Date, Sellers shall cause to be transferred to Purchaser an amount in cash equal to the excess of the aggregate accumulated contributions to the flexible spending reimbursement accounts under the Predecessor Cafeteria Plan made during the year in which the Closing Date occurs by the Transferred Employees over the aggregate reimbursement payouts made for such year from such accounts to such Transferred Employees; provided, however, that, if the aggregate payouts from the flexible spending reimbursement accounts made during the year in which the Closing Date occurs to such Transferred Employees exceed the aggregate accumulated contributions to such accounts for such year by such employees, Purchaser shall cause such excess to be transferred to Sellers as soon as practicable following the Closing Date. Purchaser shall cause such amounts to be credited to each such Transferred Employees' corresponding accounts under the Purchaser Cafeteria Plan in which such employees participate following the Closing Date. On and after the Closing Date, Purchaser shall assume and be solely responsible for all claims for reimbursement by Transferred Employees, whether incurred prior to, on or after the Closing Date, that have not been paid in full as of the Closing Date, which claims shall be paid pursuant to and under the terms of the Purchaser Cafeteria Plan, and Purchaser shall indemnify and hold harmless Sellers and their Affiliates from any and all claims by or with respect to Transferred Employees for reimbursement under the Predecessor Cafeteria Plan that have not been paid in full as of the Closing Date, subject to Sellers satisfying their obligations under this Section 5.5(f). Purchaser agrees to cause the Purchaser Cafeteria Plan to honor and continue through the end of the calendar year in which the Closing Date occurs the elections made by each Transferred Employees under the Predecessor Cafeteria Plan in respect of the flexible spending reimbursement accounts that are in effect immediately prior to the Closing Date.

(g) Supplemental Life and Long Term Disability. Effective on and for at least twelve (12) months after the Tyco Closing Date, Purchaser shall, or shall cause its Affiliates to, offer Transferred Employees coverage for supplemental life insurance and provide Transferred Employees with long-term disability policies that are not substantially less favorable

than those offered immediately prior to the Closing Date by the Conveyed Entity, Sellers, Tyco, or an Affiliate of any of them, as applicable, and that cover Transferred Employees as of the date hereof, and Purchaser shall indemnify and hold harmless Sellers and their Affiliates from any Liabilities, costs or expenses with respect to such policies.

(h) Credited Service. With respect to each employee benefit plan, policy or practice, including severance, vacation and paid time-off plans, policies or practices, sponsored or maintained by Purchaser or its Affiliates, Purchaser shall recognize, for all Transferred Employees from and after the Closing Date, credit for all service with the Conveyed Entities and their respective predecessors (including, without limitation, Sellers, Tyco, and their Affiliates), prior to the Closing Date for all purposes (including eligibility to participate, vesting credit, eligibility to commence benefits, benefit accrual, early retirement subsidies and severance).

(i) No Third Party Beneficiaries. This Agreement shall inure exclusively to the benefit of and be binding upon the parties hereto and their respective successors, assigns, executors and legal representatives. Without limiting the generality of Section 10.5, nothing in this Section 5.5(i), express or implied, is intended to constitute an amendment to any Benefit Plan or confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or Liabilities under or by reason of this Agreement.

Section 5.6 EU Business Employees. (a) Transfer via Transfer Regulations. The Purchaser shall cause the Conveyed Entities to continue the employment of each of the EU Business Employees with effect from the Closing Date, as provided in the Transfer Regulations as they would have applied to Sellers had the transactions contemplated by this Agreement not occurred or any applicable Laws. Notwithstanding the foregoing, with respect to such EU Business Employees, such employment shall be on terms and conditions that are not less favorable than the terms and conditions of employment provided to the EU Business Employees immediately prior to the Closing Date, regardless of whether by the Conveyed Entity, Sellers, Tyco, or an Affiliate of any of them. Notwithstanding the foregoing, and except to the extent required by Law, Purchaser shall not be obligated to establish a defined benefit retirement plan or arrangement for any EU Business Employees or any other Transferred Employees. If any EU Business Employees or any other Transferred Employees were covered by a defined benefit arrangement of Sellers or Tyco immediately prior to the Closing, Purchaser shall establish as of the Closing Date, a defined contribution arrangement for the benefit of such employees that provides reasonably comparable benefits, taking into account the difference in plan design, or such greater benefits as may be required by Law. For a period of at least twelve (12) months following the Tyco Closing Date, Purchaser covenants and agrees to, or to cause its Affiliates to, continue to provide each EU Business Employee with the terms and conditions of employment described in this Section 5.6(a). With respect to matters described in this Section 5.6, the Sellers and the Conveyed Entities will consult with Purchaser (and will consider in good faith the advice of Purchaser) prior to sending any notices or other communication materials to the EU Business Employees and will use commercially reasonable efforts to have Tyco consult with Purchaser in the same manner. Sellers agree to reimburse Purchaser within thirty (30) days of demand for any payment made by Purchaser to an EU Business Employee in respect of any retention, change in control or similar agreement or obligation entered into or otherwise agreed upon prior to the Closing or any Performance Bonus.

(b) Indemnity. Purchaser shall indemnify and hold harmless Sellers and their Affiliates from any and all Losses incurred prior to, on or after the Closing Date, as a result of, arising out of, or in connection with (i) the EU Business Employees before the Closing Date, in respect of any breach of the information and consultation provisions of the Transfer Regulations by Purchaser or any Affiliate of Purchaser; or (ii) any claim by an EU Business Employee (whether or not such EU Business Employee resigns or objects to being employed by a Conveyed Entity under the Transfer Regulations) that a Conveyed Entity is in breach of contract and/or in breach of any statutory employment rights because of any change in, or any plans of Purchaser (or any relevant Affiliate of Purchaser) to change, any terms and conditions of employment or working conditions of any EU Business Employee after the Closing Date. The indemnity provided in this Section 5.6(b) shall not duplicate any obligation of Purchaser pursuant to ARTICLE VIII of this Agreement, and shall be governed by the provisions of such Article to the extent applicable.

(c) Non-Transfer of EU Business Employees. If a contract of employment has been offered by a Seller or a Conveyed Entity to an individual who would, upon the Closing Date be an EU Business Employee had the contract taken effect on its intended effective date, and if the contract is found (or alleged) not to have effect after the Closing Date, as originally made with Sellers or the Conveyed Entity, Purchaser agrees that (i) in consultation with Sellers, it will within seven (7) days of being informed of such finding or allegation make to the relevant individual an offer in writing to employ him or her under a new contract of employment to take effect on the termination referred to below and (ii) any such offer made by Purchaser will be on terms and conditions which taken as a whole do not differ in any material way from the terms and conditions of employment of that individual immediately before the Closing Date, (save as to the identity of the employer). Upon that offer being made, Purchaser shall indemnify and hold harmless Sellers and their Affiliates from any Losses arising directly or indirectly out of the employment of that individual from the Closing Date, until such termination and the termination of such employment.

(d) No Third Party Beneficiaries. This Agreement shall inure exclusively to the benefit of and be binding upon the parties hereto and their respective successors, assigns, executors and legal representatives. Without limiting the generality of Section 10.5, nothing in this Section 5.6, express or implied, is intended to constitute an amendment to any Benefit Plan or confer on any person other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement.

Section 5.6A Subsequent Transfer of Employees in Certain Countries. (a) Except for this Section 5.6A, for purposes of applying Section 5.5 or Section 5.6 with respect to the Business Employees, if any, located in each of the Delayed Transfer Countries and Finland, Germany, Hong Kong, Italy, Malaysia, Russia, South Africa, Sweden, Taiwan, the United Kingdom and, but only if designated in Schedule 5.6A of the Seller Disclosure Letter, the United States (each an "Applicable Employee"), the term "Subsequent Employee Transfer Date" shall be substituted for all references to the terms "Closing" and "Closing Date." With respect to each Applicable Employee, on the Subsequent Employee Transfer Date, Sellers shall take the actions necessary to make such Applicable Employee an employee of a Seller immediately prior to the transfer of the employee to Purchaser or one of the Conveyed Entities, unless Tyco has agreed to a transfer directly from Tyco to Purchaser or one of the Conveyed Entities. With respect to

matters described in this Section 5.6A, the Sellers and the Conveyed Entities will consult with Purchaser (and will consider in good faith the advice of Purchaser) prior to sending any notices or other communication materials to the Applicable Employees.

(b) Purchaser hereby covenants and agrees for the benefit of Sellers and their Affiliates to take any and all actions necessary or desirable in order to ensure that persons conducting business or otherwise interacting or having contact with the Applicable Employees prior to the Subsequent Employee Transfer Date are informed and understand that the Applicable Employees have no power or authority to bind, commit or otherwise obligate Sellers or Purchaser or any of their respective Affiliates in respect of any transaction or Liability.

(c) In respect of the Applicable Employees, Purchaser and Sellers hereby covenant and agree for the benefit of each other and each other's Affiliates to use commercially reasonable efforts to authorize and enable each Applicable Employee, effective from and after the Closing, to perform his or her duties and obligations substantially as performed on behalf of Sellers and their Affiliates prior to the Closing.

(d) In connection with the payments contemplated by Section 2.7(c), Purchaser shall reimburse Sellers for any and all reasonable and documented out-of-pocket costs and expenses incurred by Sellers, whether directly or indirectly, in respect of the Applicable Employees after the Closing and prior to the Subsequent Employee Transfer Date, including, without limitation, all payroll, pension, and other benefits and related costs and expenses in respect of the Applicable Employees as well as for allocations of any other cost related to such Applicable Employees that are consistent with the historical allocation of costs to the Business by Sellers or Tyco or its Affiliates.

(e) CDES shall, directly or indirectly, provide in France to Purchaser, the Conveyed Entities, or their Affiliates, such services with respect to the Business as to which CDES and Purchaser agree from time to time (the "Services in France"). CDES makes no warranties with respect to the Services in France, and CDES's obligation to provide Services in France shall be contingent upon its continued ability to obtain services from Tyco. Purchaser shall reimburse CDES for any and all reasonable and documented out-of-pocket costs and expenses incurred by CDES for the provision of the Services in France, whether directly or indirectly, including, without limitation, the fee charged by Tyco for provision of underlying services to CDES.

(f) Purchaser shall indemnify and hold harmless Sellers and their Affiliates from and against any and all Losses arising out of or in connection with, directly or indirectly: (t) any act or omission (or alleged act or omission) of any Applicable Employee that occurs (or is alleged to have occurred) after the Closing, regardless of legal theory, and whether based in tort, contract, strict liability or otherwise, to the extent that Purchaser would have liability if it were the employer of such Applicable Employee, (u) any claim, action, cause of action or other proceeding brought or asserted by or on behalf of any Applicable Employee in respect of his or her employment and based upon facts or circumstances during the period from the Closing until the Subsequent Employee Transfer Date (including, without limitation, any claim of discrimination on any basis, harassment or unlawful termination) except that such indemnification shall not apply with respect to acts or omissions of Sellers or their Affiliates, (v)

any and all Losses (including any severance costs) associated with the termination of employment of any Applicable Employee for any reason after the Closing and prior to the Subsequent Transfer Date, (w) any claim, action, cause of action or other proceeding brought or asserted by or on behalf of any Applicable Employee or Purchaser against Sellers in respect of any failure to inform and consult under the Transfer Regulations, or (x) any act or omission (or alleged act or omission) of CDES or Tyco or an Affiliate of either in connection with or related to the provision of the Services in France, regardless of legal theory, and whether based in tort, contract, strict liability or otherwise, (y) any claim, action, cause of action or other proceeding brought or asserted by or on behalf of any person based upon facts or circumstances related to the provision of the Services in France, or (z) any claim, action, cause of action or other proceeding brought or asserted by or on behalf of any employee of CDES or Tyco or Affiliate of either or the representative of such employee through whom CDES directly or indirectly provides the Services in France, or by Purchaser, against Sellers or Tyco or an Affiliate of either in respect of any failure to inform and consult under applicable law.

Section 5.7 Post-Closing Information. For a period of seven (7) years following the Closing, upon written request delivered to Purchaser, Purchaser shall, and Purchaser shall cause the Conveyed Entities and the Affiliates of Purchaser to afford to Sellers and their Representatives reasonable access during regular normal business hours, upon reasonable advance notice subject restrictions under applicable Law, to the properties, books and records and employees of Purchaser, the Conveyed Entities and the Affiliates of Purchaser with respect to the Business to the extent necessary to prepare or defend any judicial or administrative proceeding related to the Business or to enable Sellers and their Representatives to satisfy Sellers' and their Affiliates' financial reporting and Tax planning, preparation and reporting obligations.

Section 5.8 Exclusive Dealing. (a) Immediately following the execution of this Agreement, Sellers shall, and shall cause their Affiliates, and each of their respective Representatives to terminate any existing discussions or negotiations with any Persons, other than Purchaser (and its Affiliates and the Bidder Representatives), concerning the purchase of the Business, and material assets of the Business or the Shares.

Section 5.9 No Hire and Non-Solicitation of Employees. (a) No Seller nor any of their controlled Affiliates will at any time prior to two (2) years from the Closing Date, directly or indirectly, (i) solicit the employment or services (whether as an employee, consultant, independent contractor or otherwise) of any of the Business Employees without Purchaser's prior written consent or (ii) hire in any capacity (whether as an employee, consultant, independent contractor or otherwise) any of the Business Employees, who is not first terminated by Purchaser or any of its Affiliates subsequent to the Closing, to the extent such no-hire covenants are permitted by applicable Law, without Purchaser's prior written consent.

(b) Except as contemplated by the Transition Services Agreement, neither Purchaser nor any of its controlled Affiliates will at any time prior to two (2) years from the Closing Date, directly or indirectly, (i) solicit the employment or services (whether as an employee, consultant, independent contractor or otherwise) of any of the employees of Sellers and its Affiliates (other than the Business Employees) without Sellers' prior written consent or (ii) hire in any capacity (whether as an employee, consultant, independent contractor or

otherwise) any of the employees of Sellers and their Affiliates (other than the Business Employees), who is not first terminated by Sellers or any of their Affiliates subsequent to the Closing, to the extent such no-hire covenants are permitted by applicable Law, without Sellers' prior written consent.

(c) For purposes of this Section 5.9, the term "solicit the employment or services" shall not be deemed to include generalized searches for employees through media advertisements of general circulation, employment search firms, open job fairs or otherwise; provided, that, such searches are not focused or targeted on the Business Employees or the employees of Sellers and their Affiliates (other than the Business Employees), as applicable.

Section 5.10 Post-Closing Obligations for Leases. Purchaser shall not, without the prior written consent of Sellers (not to be unreasonably withheld or delayed), exercise any right with regard to, or enter into, any amendment, renewal, modification or waiver of any Real Property Lease that could extend the term thereof beyond its then current term (which current term shall be deemed to include the term of any future renewal options existing as of the date hereof in any Real Property Lease) with respect to any Real Property Lease as to which Sellers or one of their Affiliates remains the leasing party, or a guarantor, or is otherwise secondarily liable for the obligations of the lessee, under such lease. Notwithstanding the foregoing, with respect to any Real Property Lease that involves a month to month tenancy and with respect to which Sellers or one of their Affiliates remains the leasing party, or a guarantor or is otherwise secondarily liable, in no event shall Purchaser extend such Real Property Lease (or otherwise continue or renew such month to month tenancy) later than the date that is twelve (12) months after the Closing Date. Nothing in this Agreement shall be deemed to prevent Purchaser from seeking a novation of, or entering into a new lease for the Leased Real Property relating to any Real property Lease as to which Sellers remain the leasing party, or a guarantor, or is otherwise secondarily liable for the obligations of the lessee under such lease so long as such novation or new lease contains a full release of all obligations of Sellers and/or their Affiliates, as the case may be, under such Real Property Lease.

Section 5.11 Pre-Closing Transfers. (a) To the extent not transferred at or prior to the Closing, as soon as possible after the Closing, Sellers shall, and shall cause their Affiliates to, as the case may be, transfer (and record where applicable such transfers) all of Sellers' or its Affiliates' right, title and interest in and to such Non-Transferred Assets, including, without limitation, the assets set forth on Schedule 5.11(a) hereof, to a Conveyed Entity or other Person (as directed by Purchaser), for no additional consideration and free and clear of all Liens (other than Permitted Liens and Liens arising under the Secured Promissory Note, the Short Term Note and the Revolving Credit Agreement), and provide Purchaser with evidence of such transfers and recording.

(b) To the extent not conveyed and transferred on or prior to the Closing Date, except as otherwise provided in this Agreement, as soon as possible after the Closing, Sellers shall, and shall cause their Affiliates to, as the case may be, convey and transfer (and record where applicable such transfers), in a form reasonably acceptable to Purchaser, to the relevant Conveyed Entity or other Person (as directed by Purchaser), each and every item of Intellectual Property that is Conveyed Intellectual Property, for no additional consideration and free and clear of all Liens (other than Permitted Liens and Liens arising under the Secured Promissory Note, the Short Term Note and the Revolving Credit Agreement), such that the

representation and warranty in Section 3.14(a) is true and correct. All such transfers with respect to Registered Intellectual Property shall be pursuant to an assignment recorded in the PTO and with any other relevant authority anywhere in the world in a form reasonably acceptable to Purchaser.

Section 5.12 Purchaser Trademarks and Trade Names. Effective upon the Closing, Purchaser hereby grants to Sellers and their Affiliates (A) for a period of one (1) year, a non-exclusive, worldwide, fully-paid and royalty-free license (i) to use the trademark "M/A-COM" (the "Mark") in connection with their business solely in the same manner such term is currently used (other than in connection with the Business), provided that, in connection with their RFID business, Sellers and its Affiliates shall only use the Mark adjacent to the term "RFID" as part of a compound mark (*e.g.*, M/A-COM RFID), and (ii) to reproduce the Mark solely as currently included in the mask works for Sellers' and its Affiliates' semiconductor products (including RFID products) that are to be imbedded in other products which are not visible to the general public, and (B) for a period of three (3) years from the Tyco Closing Date, a non-exclusive, worldwide, fully-paid and royalty-free license solely to sublicense the Mark to Tyco as provided under Section 5.17 of the Tyco Agreement. All goodwill arising from such use of the Mark shall inure to the sole benefit of the Purchaser and the Conveyed Entities, as the case may be. Sellers acknowledge that the products manufactured and services provided by or on behalf of Sellers and their Affiliates and licensees in respect of which the Mark is used shall be of a quality and nature comparable to such products manufactured and services provided prior to the Closing. Except in connection with transfers or sales to Affiliates, (1) Purchaser agrees not to sell or transfer the Mark except in connection with a Sale of the Business; and (2) Sellers and their Affiliates agree not to sub-license the use of the Mark, except that Sellers may grant a sub-license of the use of the Mark in connection with a sale of the RFID business, the scope of use of which shall be as set forth above. The Mark is licensed to Sellers and their Affiliates on an "as is" basis and without any representations, warranties or indemnities of any kind.

Section 5.13 Novation and Assignment of Contracts. (a) Purchaser and Sellers shall cooperate in seeking the transfer (by novation or assignment) from Sellers or any of its Affiliates (other than the Conveyed Entities) of all Contracts which are Transferred Assets (each a "Post-Closing Transferred Contract"), effective as of or as soon as practicable after the Closing Date. For each Government Contract directly between any Seller or its Affiliates and any one or more U.S. Governmental Authorities which is a Post-Closing Transferred Contract, Sellers and Purchaser shall use commercially reasonable efforts to obtain the consents and approvals of the other party or parties to that Government Contract to novate the obligations and rights to Purchaser, consistent with 48 C.F.R. § 42.1204 *et seq.* For each other Post-Closing Transferred Contract, Sellers and Purchaser shall use commercially reasonable efforts to obtain all required consents and approvals of the other party or parties to novate such Contracts, and if such novation cannot be obtained, Sellers and Purchaser shall use commercially reasonable efforts to obtain all required consents and approvals of the other party or parties to such other Contracts for the assignment of such other Contracts, it being understood that neither Sellers nor any of its Affiliates shall be required to expend money, commence any litigation or offer or grant any material accommodation (financial or otherwise) to any third party to obtain such consents and approvals. Nothing in this Agreement shall be deemed to constitute a novation or assignment of any Post-Closing Transferred Contract if the attempted novation or assignment thereof without the consent of the other party or parties thereto would constitute a breach thereof, would be ineffective with respect to any party or parties to such Contract or affect the rights of the Sellers or their Affiliate thereunder.

(b) In the event that the transfer of one or more Post-Closing Transferred Contracts as described in this Section 5.13 cannot be made, or if such attempted novation or assignment would give rise to any right of termination, or would otherwise adversely affect the rights of Sellers, their Affiliates or Purchaser under such Contract, or would not novate or assign all of Sellers or their Affiliate's rights thereunder at the Closing, from and after the Closing, Sellers and Purchaser shall continue to cooperate and use commercially reasonable efforts to obtain all consents and approvals required to provide Purchaser with all such rights. To the extent that any such consents and waivers are not obtained, or until the impediments to such novation or assignment are resolved, to the extent permitted by applicable Law and the terms of such Post-Closing Transferred Contract, Sellers shall and shall cause their Affiliates to use commercially reasonable efforts (but without any obligation to expend money, commence any litigation or offer or grant any accommodation (financial or otherwise)) to (i) provide to Purchaser, at the request of Purchaser, the benefits of any such Contract to the extent related to the Business, including entering into a subcontract with Purchaser for the performance of such Post-Closing Transferred Contract until such Contract is transferred in accordance with Section 5.13(a); (ii) cooperate in any lawful arrangement designed to provide such benefits to Purchaser and take all necessary steps and actions to provide Purchaser with the benefits of such Post-Closing Transferred Contract and to relieve Sellers or their Affiliate of the performance and other obligations thereunder; and (iii) enforce, at the request of and for the account of Purchaser, any rights of Sellers or their Affiliate arising from any such Post-Closing Transferred Contract against any third party (including any Governmental Authority) including the right to elect to terminate in accordance with the terms thereof upon the advice of Purchaser. To the extent that Purchaser is provided the benefits of any Post-Closing Transferred Contract referred to in this Section 5.13 (whether from Sellers or otherwise), Purchaser shall perform on behalf of Sellers or their Affiliate and for the benefit of any third party (including any Governmental Authority) the obligations of Sellers or their Affiliate thereunder. Purchaser agrees to pay, perform and discharge, and defend and indemnify Sellers and their Affiliates against and hold Sellers and their Affiliates harmless from, all Liabilities of Sellers and their Affiliates relating to such performance or failure to perform, and in the event of a failure of such indemnity, Sellers and their Affiliates shall cease to be obligated under this Agreement with respect to the Post-Closing Transferred Contract that is the subject of such failure. This Section 5.13 shall also apply to any Real Property Lease, equipment leases of the Conveyed Entities, Intellectual Property License or Permit as if such lease, license or permit was a Post-Closing Transferred Contract.

Section 5.14 Manifest Error with Respect to Purchased Assets. To the extent that, during the six- (6)-month period following the Closing Date, Sellers or Purchaser, in good faith, identifies an asset that is owned by Sellers or their Affiliates (other than a Conveyed Entity) and was owned by Sellers or their Affiliates (other than a Conveyed Entity) as of the Closing Date that is or should be a Transferred Asset (any such asset, an "Omitted Asset"), then such Seller or the Purchaser, as the case may be, shall promptly deliver to the other party written notice describing the Omitted Asset and the facts supporting that party's determination that such asset is an Omitted Asset (the "Omission Notice"). Promptly following its delivery or receipt of an Omission Notice, such Seller shall transfer such Omitted Asset to Purchaser, at no cost to the Purchaser and in a manner mutually agreeable to Sellers and Purchaser, as promptly as

practicable after such Seller delivers or receives the Omission Notice. If Purchaser delivers an Omission Notice to a Seller and such Seller disagrees with Purchaser's assertion that the asset referred to in the Omission Notice is an Omitted Asset, Purchaser and such Seller shall escalate the disagreement to their respective Chief Financial Officers or similar level executives who shall consider the dispute in a mutually agreeable location and shall attempt in good faith to resolve the dispute. If such officers are unable to resolve such dispute within ten (10) calendar days, Purchaser and such Seller shall submit for arbitration any and all matters that remain in dispute and were properly included in the Omission Notice to submit such dispute to a court of competent jurisdiction as set forth in Section 10.9(b).

Section 5.15 Intercompany Accounts. The Parties agree that Purchaser will be deemed to have contributed to the Conveyed Entities, immediately upon Closing, an amount of the Closing Cash Consideration necessary to repay all intercompany balances owing to or owed by the Conveyed Entities to any Seller or any of their Affiliates or Subsidiaries (and any intercompany Contracts relating thereto), in each case, other than such intercompany balances that are due or incurred on a current basis (i.e. as a current asset or current liability of the Business), in the ordinary course of business consistent with past practice and necessary for the day-to-day operations of the Business, and that are included in the Closing Date Working Capital, and from and after the Closing, all intercompany balances owing to or owed by the Conveyed Entities to any Seller or any of their Affiliates or Subsidiaries shall be forgiven, eliminated and otherwise terminated (including, any intercompany Contracts relating thereto). Such amounts to be repaid, as well as the relevant Conveyed Entity that is the obligor and the entity that is the creditor, are set forth on Schedule 5.15 hereto, it being understood and agreed that such Schedule 5.15 may be updated within ten (10) Business Days after Closing, in order to adjust for the final amounts through Closing.

Section 5.16 Liabilities Covered by Sellers Insurance. With respect to events relating to the Business that occurred or existed prior to the Closing Date that are covered by Sellers or their Affiliates' occurrence-based third-party liability insurance policies (other than policies of the Conveyed Entities that remain in full force and effect after the Closing), Purchaser may make claims on behalf of the Business to the extent such coverage and limits are available under such policies; Purchaser and Sellers shall cooperate in connection with making such claim and each party shall provide the other with all reasonably requested information necessary for Sellers to make such claim. Sellers agree to take actions that it believes in good faith are commercially reasonable to permit Purchaser acting on behalf of the Business to make claims under such insurance policies of Sellers and their Affiliates solely in respect of Liabilities of the Business that existed or occurred prior to the Closing Date.

Section 5.17 Release of Liens. Each Seller shall use its commercially reasonable efforts to cause to be released all Liens on the Shares, the Transferred Assets or any of the other assets of the Conveyed Entities (other than: (i) the Leased Real Property and (ii) the Liens arising under the Secured Promissory Note, the Short Term Note and the Revolving Credit Agreement), and shall provide to Purchaser duly and validly executed copy of all agreements, instruments, certificates and other documents, in form and substance reasonably satisfactory to Purchaser, that are necessary to evidence the release of all such Liens.

Section 5.18 ISRA Compliance. Seller shall comply with the N.J.S.A. 13:1K-6 et seq. and applicable rules at N.J.A.C. 7:26B (collectively, "ISRA") with respect to its leased real property located at 2 and 4 Olsen Ave., Edison, New Jersey ("NJ Sites"). Seller shall submit

a General Information Notice as described at N.J.A.C. 7:26B-3.3(a) and an Application for Remediation Agreement by the Closing Date with respect to the NJ Sites. Seller shall comply with the confidentiality provisions of N.J.A.C. 7:26B-7.1 when filing the General Information Notice and the Application for Remediation. Seller shall further obtain a Remediation Agreement executed by the New Jersey Department of Environmental Protection ("NJDEP") prior to the Closing Date or as soon as possible after the Closing Date, promptly sign said Remediation Agreement, and thereafter submit the executed Remediation Agreement to the NJDEP in accordance with ISRA. Thereafter, Seller shall take, at its own cost and expense, all such steps as are required to obtain a No Further Action approval letter from the NJDEP with respect to the NJ Sites.

Section 5.19 Non-Competition. (a) Except as otherwise set forth in this Section 5.19(a), for a period of three (3) years after the Closing (the "Noncompete Term"), Purchaser agrees not to, and agrees that it shall cause the Conveyed Entities and their Subsidiaries (including those Subsidiaries of Purchaser or the Conveyed Entities formed after the date hereof to which the assets of the Business are transferred after the date hereof) (collectively the "Purchaser Group") not to engage directly in any of the activities set forth in Paragraph 2 of Schedule 5.19(a) hereof (the "Purchaser Group Restricted Activities"). During the Noncompete Term, each Seller agrees not to and agrees that it shall cause its Subsidiaries and controlled Affiliates and their Subsidiaries and controlled Affiliates (collectively the "Seller Group") not to engage directly in any of the activities set forth in Paragraph 3 of Schedule 5.19(a) of the Seller Disclosure Letter (the "Seller Group Restricted Activities"). Notwithstanding anything to the contrary contained in this Section 5.19 or in Schedule 5.19(a), except to the extent specifically provided in the proviso contained at the end of this sentence, the restrictions on Purchaser Group Restricted Activities and Seller Group Restricted Activities contained in this Section 5.19 and in Schedule 5.19(a) shall only apply so as to limit the applicable party's sale of the products of CDES or MTS, as applicable, which were in existence at the time of the Closing, provided, however, that the Purchaser Group Restrictions set forth in Paragraph 2(c) of Schedule 5.19(a) shall not only apply so as to limit the applicable party's sale of the products of CDES or MTS, as applicable, which were in existence at the time of the Closing, but shall be limited by the terms of Section 5.19(e) and Section 5.19(f) hereof.

(b) The Parties recognize that their failure to comply with the provisions of this Section 5.19 and Schedule 5.19(a) and the attachments thereto shall cause irreparable harm to the other Parties hereto and that money damages alone would be insufficient to compensate such other Parties. The Parties therefore agree that any court having jurisdiction may enter a preliminary or permanent restraining order or injunction against either or both of the Parties in the event of any actual or threatened breach of any of the provisions of this Section 5.19 or Schedule 5.19(a). Any such relief shall not preclude a Party hereto from seeking any other relief at law or equity, subject to applicable standards of pleading and proof, with respect to any such claim.

(c) If any provision of this Section 5.19 or Schedule 5.19(a) is deemed to be in violation of any law or unenforceable for any reason, then such provision shall not be construed to be null, void and of no effect, and shall remain in full force and effect and shall continue to be binding upon the Parties, and the court shall substitute a reasonable, judicially enforceable limitation in place of the unenforceable provision in order to serve the intent of the Parties as expressed herein.

(d) The covenants of the Parties in this Section 5.19 and Schedule 5.19(a) are not intended to supersede any covenant in any other agreement that they may enter into. The covenants in this Section 5.19 and Schedule 5.19(a) shall be cumulative with any covenants given pursuant to any other agreement that the Parties may enter into.

(e) Notwithstanding anything to the contrary contained in this Section 5.19 or in Schedule 5.19(a), the restrictions contained in this Section 5.19 and its associated schedules shall not apply to any Person or any business lines, product lines or similar groups of assets acquired by Purchaser or any of its Subsidiaries after the date hereof (except so as to limit for the remaining Noncompete Term, if any, their sale of the products of MTS in existence as of the Closing), even if such Person or business lines, product lines or similar groups of assets have engaged in activities that would otherwise constitute Purchaser Group Restricted Activities prior to their acquisition by Purchaser, provided that such products are not misrepresented as products of MTS in existence as of the Closing. Notwithstanding anything to the contrary contained in this Section 5.19 or in Schedule 5.19(a), the restrictions contained in this Section 5.19 and its associated schedules shall not apply to any Person or any business lines, product lines or similar groups of assets acquired by Seller or any of its Subsidiaries after the date hereof (except so as to limit for the remaining Noncompete Term, if any, their sale of the products of CDES in existence as of the Closing), even if such Person or business lines, product lines or similar groups of assets have engaged in activities that would otherwise constitute Seller Group Restricted Activities prior to their acquisition by Seller, provided that such products are not misrepresented as products of CDES in existence as of the Closing.

(f) Notwithstanding anything to the contrary contained in this Section 5.19 or in Schedule 5.19(a), the restrictions contained in this Section 5.19 and its associated schedules shall not apply to any Person that acquires after the date hereof, by merger, asset purchase, stock purchase or otherwise, the Purchaser Group or any business lines, product lines or similar groups of assets or other portion thereof (except so as to limit for the remaining Noncompete Term, if any, their sale of the products of the Purchaser Group in existence as of the Closing), even if such Person has engaged in activities that would otherwise constitute Purchaser Group Restricted Activities prior to such acquisition, provided that such products are not misrepresented as products of MTS in existence as of the Closing. Notwithstanding anything to the contrary contained in this Section 5.19 or in Schedule 5.19(a), the restrictions contained in this Section 5.19 and its associated schedules shall not apply to any Person that acquires after the date hereof, by merger, asset purchase, stock purchase or otherwise, the Seller Group or any business lines, product lines or similar groups of assets or other portion thereof (except so as to limit for the remaining Noncompete Term, if any, their sale of the products of the Seller Group in existence as of the Closing), even if such Person has engaged in activities that would otherwise constitute Seller Group Restricted Activities prior to such acquisition, provided that such products are not misrepresented as products of CDES in existence as of the Closing.

ARTICLE VI

[RESERVED]

ARTICLE VII

TAX MATTERS

Section 7.1 Allocation of Taxes to Sellers. Except to the extent reflected in the calculation of Closing Date Working Capital, Sellers shall be responsible for and will pay or cause to be paid, and will indemnify Purchaser and its Affiliates from and against, any and all of the following (collectively, "Sellers' Taxes"):

(a) any and all Taxes imposed on the Sellers with respect to any taxable period, and any and all Taxes of, or relating to, the Conveyed Entities or the Non-Transferred Assets with respect to all Pre-Closing Periods, including (i) any Liability arising under Treasury Regulation Section 1.1502-6 or similar provision of state, local or foreign Law, or as a transferee or successor, by Contract or otherwise, and (ii) for the avoidance of doubt, (A) any Taxes of Sellers or the Conveyed Entities or imposed on the Non-Transferred Assets relating to the payment of any Performance Bonus and (B) any Taxes of Sellers or the Conveyed Entities or imposed on the Non-Transferred Assets relating to the matters set forth in Section 5.15 (*Intercompany Accounts*);

(b) the portion of the Taxes for any Straddle Period allocated to Sellers as determined under Section 7.3; and

(c) one-half (50%) of all Transfer Taxes;

provided, however, that Sellers' Taxes shall not include any Taxes arising as a result of actions taken by any Conveyed Entity, Purchaser, or any of their Affiliates with respect to any Conveyed Entity, the Business or the Non-Transferred Assets after the Closing Date and not expressly contemplated by this Agreement.

Section 7.2 Allocation of Taxes to Purchaser. (a) Purchaser shall be responsible for, will pay or cause to be paid, and will indemnify Sellers and their Affiliates from and against (i) any and all Taxes of, or relating to, the Conveyed Entities or the Non-Transferred Assets with respect to all periods that begin after the Closing Date, (ii) one-half (50%) of all Transfer Taxes, and (iii) any and all Taxes of, or relating to, the Conveyed Entities or the Non-Transferred Assets arising as a result of actions taken by any Conveyed Entity, Purchaser or any of their Affiliates on the Closing Date, after the Effective Time of such Closing, excluding, for the avoidance of doubt, any Taxes relating to the Section 338(h)(10) Election.

Section 7.3 Allocation of Straddle Period Taxes. (a) With respect to any taxable period of a Conveyed Entity or applicable to the Non-Transferred Assets relating to Taxes that would (absent an election) include, but not end until after, the Closing Date (a "Straddle Period"), Sellers may or may cause one or more of the Conveyed Entities, at their sole option, to elect with any relevant Taxing Authority to close such Straddle Period as of the end of the Closing Date; provided, however, that any such election shall not materially alter the allocation of Taxes from that set forth in Section 7.3(b) and Section 7.3(c) below.

(b) Sellers will be allocated any Income Taxes imposed on the Conveyed Entity for the portion of the Straddle Period up to and including the Closing Date. For purposes

of this Section 7.3(b), Income Taxes for the portion of a Straddle Period up to and including the Closing Date will be determined based upon an interim closing of the books of a Conveyed Entity as of 11:59 p.m. on the Closing Date based upon Tax accounting methods, practices, and procedures last used by such Conveyed Entity in preparing its Tax Returns.

(c) As to any Tax other than an Income Tax for any Straddle Period, Sellers will be allocated:

(i) for any such Tax that is determined based upon specific transactions (including, but not limited to, value added, goods and services, sales, and use Taxes), all such Taxes applicable to transactions that have been consummated during the period through the end of the Closing Date; and

(ii) for any such Tax that is not based upon specific transactions (including, but not limited to, license, real property, personal property, franchise and doing business Taxes), any such Tax equal to the full amount of such Tax for the entire Straddle Period multiplied by a fraction, the numerator of which is the number of days in the Straddle Period ending on the Closing Date and the denominator of which is the number of days in the entire Straddle Period.

Section 7.4 Tax Returns; Payment of Taxes. (a) Except as set forth on Schedule 7.4(a) of the Seller Disclosure Letter, Sellers shall, and shall cause the Conveyed Entities to, prepare and file, or cause to be prepared and filed, within applicable statutory limits and consistent with prior practice, (i) all Tax Returns of or which include the Conveyed Entities or the Non-Transferred Assets (including any amendments thereto) that are required to be filed on or prior to the Closing Date; (ii) all Income Tax Returns of or which include the Conveyed Entities (including any amendments thereto) for all taxable periods ending on or prior to the Closing Date, whether required to be filed before, on or after the Closing Date ((i) and (ii), the "Pre-Closing Period Tax Returns"); and (iii) all Transfer Tax Returns required to be filed by Sellers. Sellers shall, and shall cause the Conveyed Entities to, pay all Taxes shown on such Pre-Closing Period Tax Returns when due. Sellers shall file all such Pre-Closing Period Tax Returns that are Income Tax Returns; provided, however, that if any such Income Tax Returns are filed after the Closing and the Sellers are not authorized to file and execute such Income Tax Return by Law, Purchaser shall file (or cause to be filed) such Income Tax Return with the appropriate Taxing Authority.

(b) (i) Purchaser shall, and shall cause its Affiliates to, prepare and file, or cause to be prepared and filed, all Tax Returns (other than Pre-Closing Period Tax Returns which shall be the responsibility of Sellers) relating to the Conveyed Entities or the Non-Transferred Assets that are required to be filed (giving effect to any extensions of time to file) after the Closing Date and Transfer Tax Returns required to be filed by Purchaser. Purchaser shall, and shall cause its Affiliates to, permit Sellers to review and comment on any Tax Return that includes any taxable period ending on or before or beginning before and ending after the Closing Date (collectively, the "Straddle Period Returns") no fewer than thirty (30) Business Days prior to the due date of the applicable Straddle Period Return for which Sellers or any of their Affiliates has any obligation under this Agreement, and Purchaser shall, and shall cause its Affiliates to, make such revisions to such Tax Returns as are reasonably requested by Sellers. Purchaser shall pay or

cause to be paid all Taxes with respect to such Straddle Period Returns when due and Sellers shall pay over to Purchaser no fewer than three (3) Business Days prior to the due date of the applicable Straddle Period Return, an amount of cash sufficient for the payment of any Taxes shown as due on such Tax Return and for which Sellers bear responsibility pursuant to Section 7.1.

(ii) Purchaser and Sellers shall, and shall cause their Affiliates to, permit each other to review and comment on the portion of any Tax Returns related to the determination of any Transfer Tax, and Purchaser and Sellers shall, and shall cause their Affiliates to, make such revisions to such Tax Returns as are reasonably requested by the other party, and shall reimburse the other party for one-half (1/2) of such Transfer Taxes.

(c) Purchaser agrees that, with respect to each of the Conveyed Entities and any successor thereto:

(i) except as provided in Section 7.7(d), neither Purchaser nor any of its Affiliates or any successor thereto will file any claim for refund of Taxes with respect to (a) any period ending on or before the Closing Date, or (b) in the case of a Straddle Period, the portion of such Straddle Period ending on the Closing Date;

(ii) Purchaser, its Affiliates, and any successor thereto must make any election available to them to waive the right to claim in respect of any period ending on or before the Closing Date any carryback with respect to Taxes arising in (a) any period beginning after the Closing Date, or (b) in the case of a Straddle Period, the portion of such Straddle Period beginning after the Closing Date; and

(iii) neither Purchaser nor any of its Affiliates or any successor thereto will file any amended Tax Return in respect of (a) any period ending on or before the Closing Date, or (b) in the case of a Straddle Period, the portion of such Straddle Period ending on the Closing Date.

Section 7.5 Tax Contests. (a) Sellers and Purchaser shall provide notice within fifteen (15) Business Days to the other of any pending or threatened Contest of which it becomes aware related to Taxes for any period for which it is indemnified by the other Party hereunder. Such notice shall contain factual information (to the extent known) describing any asserted Tax liability in reasonable detail and shall be accompanied by copies of any notice and other documents it has received from any Taxing Authority in respect of any such matters. If a Party hereto has knowledge of an asserted Tax liability with respect to a matter for which it is to be indemnified under Section 7.6 hereof and such Party fails to give the indemnifying Party prompt notice of such asserted Tax liability, then (i) if the indemnifying Party is precluded from contesting the asserted Tax liability in any forum as a result of the failure to give prompt notice, the indemnifying Party shall have no obligation to indemnify the indemnified Party for any Taxes arising out of such asserted Tax liability, and (ii) if the indemnifying Party is not precluded from contesting such asserted Tax liability in any forum, but such failure to give prompt notice results in a monetary detriment to the indemnifying Party, then any amount that the indemnifying Party is otherwise required to pay the indemnified Party pursuant to Section 7.6 hereof shall be reduced by the amount of such detriment.

(b) Sellers or their designee shall have the right, upon written notice to Purchaser within thirty (30) days after delivery by Purchaser to Sellers of notice, to represent a Conveyed Entity's interests in any Contest relating to a Tax matter arising with respect to a Pre-Closing Period Tax Return to the extent such Contest is in connection with any Taxes for which Sellers may be liable pursuant to Section 7.1 hereof, to employ counsel of its choice at its expense and to control the conduct of such Contest, including settlement or other disposition thereof.

(c) Purchaser shall have the right to control the conduct of any Contest relating to a Tax matter of a Conveyed Entity or the Non-Transferred Assets arising with respect to a period ending after the Closing Date and of any Contest in respect of which Sellers have not elected to represent the interests of a Conveyed Entity pursuant to Section 7.5(b) and of any Tax Contest relating to Transfer Taxes; provided, however, that Sellers shall have the right, at Sellers' own expense, to consult with Purchaser regarding any such Contest that may affect a Conveyed Entity for any Pre-Closing Period or for any portion of a Straddle Period ending on the Closing Date or for Transfer Taxes; and provided, further, that any settlement or other disposition of any such Contest that may affect a Conveyed Entity for any Pre-Closing Period or any portion of a Straddle Period ending on the Closing Date may only be made with the consent of Sellers, which consent will not be unreasonably withheld or delayed. As with all other disputes under this Agreement, it is understood by the Parties that any disputes arising under this Section 7.5(c), including, but not limited to, disputes regarding consent being unreasonably withheld, delayed or conditioned, shall constitute disputes regarding matters in this ARTICLE VII that require the agreement of the Parties within the meaning of Section 7.10 of this Agreement and, therefore, shall be resolved in accordance with Section 7.10 of this Agreement.

(d) Sellers and Purchaser agree, in each case at no cost to the other Party, to cooperate with the other and the other's Representatives in a prompt and timely manner in connection with any Contest. Such cooperation shall include, but not be limited to, making available to the other Party, during normal business hours, all books, records, returns, documents, files, other information (including working papers and schedules), officers or employees (without substantial interruption of employment) or other relevant information necessary or useful in connection with any Contest requiring any such books, records and files.

(e) Where there is a dispute with a Taxing Authority regarding liability for Tax for a Pre-Closing Period and for which Sellers have an indemnification obligation, Purchaser shall, or shall cause the appropriate Conveyed Entity to, as the case may be, at the request of Sellers, pay the amount of the disputed Tax to the Taxing Authority, and Purchaser or the Conveyed Entity shall be reimbursed by Sellers in a manner to be agreed upon by the Parties at such time as Sellers make such request.

Section 7.6 Indemnification. (a) The indemnification provisions set forth in this ARTICLE VII are the exclusive remedy for obligations of the Parties arising under this Agreement that relate to Taxes and ARTICLE VIII of this Agreement shall not apply to such obligations, except that ARTICLE VIII of this Agreement shall apply to breaches of Section 3.18. The covenants contained in this ARTICLE VII shall survive the Closing until the expiration of the applicable statute of limitations.

(b) Sellers shall be liable for, and covenants and agrees to indemnify and hold harmless Purchaser and its Affiliates from and against, any and all Losses incurred by Purchaser or any of its Affiliates:

(i) to the extent arising out of, in connection with or related to any breach by Sellers of any covenant contained in ARTICLE VII hereof; or

(ii) for Taxes for which Sellers bear responsibility pursuant to Section 7.1 hereof.

(c) Purchaser shall be liable for, and covenants and agrees to indemnify and hold harmless Sellers and their Affiliates from and against, any and all Losses incurred by any of Sellers or any of their Affiliates:

(i) to the extent arising out of, in connection with or related to any breach by Purchaser of any covenant contained in ARTICLE VII hereof; or

(ii) for Taxes for which Purchaser bears responsibility pursuant to Section 7.2 hereof.

(d) If a Party (the "Tax Indemnified Party") determines that it or any of its Affiliates is or may be entitled to indemnification by another Party (the "Tax Indemnifying Party") under Section 7.6(b) or Section 7.6(c) hereof, the Tax Indemnified Party will promptly deliver to the Tax Indemnifying Party a written notice and demand therefore (the "Tax Notice") specifying the basis for indemnification and, if known, the amount for which the Tax Indemnified Party reasonably believes it or any of its Affiliates is entitled to be indemnified (a "Tax Claim"), together with any supporting documentation (including, if applicable, any relevant notice from any Taxing Authority). The Tax Notice must be received by the Tax Indemnifying Party no later than thirty (30) days before the expiration of the applicable Tax statute of limitations; provided, however, that if the Tax Indemnified Party does not receive notice from the applicable Taxing Authority ("Taxing Authority Notice") that an item exists that could give rise to a Tax Claim more than thirty (30) days before the expiration of the applicable Tax statute of limitations, then the Tax Notice must be received by the Tax Indemnifying Party as promptly as practicable after the Tax Indemnified Party receives the Taxing Authority Notice (but in no event more than five (5) Business Days after the Tax Indemnified Party receives the Taxing Authority Notice). If the Tax Indemnifying Party objects to the Tax Claim in the manner set forth in Section 7.6(e) hereof or if either the Tax Indemnifying Party or the Tax Indemnified Party exercises Contest rights as contemplated by Section 7.5(b), then the Tax Indemnifying Party shall not be liable to make an indemnification payment to the Tax Indemnified Party until there is a determination by the Accountant or a Final Determination regarding the Tax Claim, as the case may be. In all other cases, the Tax Indemnifying Party will pay the Tax Indemnified Party the amount set forth in the Tax Notice, in cash or other immediately available funds, within thirty (30) days after receipt of the Tax Notice; provided, however, that if the amount for which the Tax Indemnified Party reasonably believes it is entitled to be indemnified is not known at the time of the Tax Notice, the Tax Indemnifying Party shall pay the amount known to be due and the Tax Indemnified Party will deliver to the Tax Indemnifying Party a further Tax Notice specifying the unknown amount as soon as reasonably practicable after such amount is known and payment will then be made as set forth above.

(e) The Tax Indemnifying Party may object to the Tax Claim (or the amount thereof) set forth in any Tax Notice by giving the Tax Indemnified Party, within thirty (30) days following receipt of such Tax Notice, written notice setting forth the Tax Indemnifying Party's grounds for so objecting (the "Tax Objection Notice"). If the Tax Indemnifying Party does not give the Tax Indemnified Party the Tax Objection Notice within such thirty (30) day period, the Tax Indemnified Party may exercise any and all of its rights under applicable Law and this Agreement to collect such amount.

(f) The amount of a Tax Claim shall be the amount of Taxes payable by the Tax Indemnified Party net of any net Tax benefit, if any, actually recognized and attributable to such Loss in the year in which the Tax Claim is made after taking into account any reduction in future Tax deductions.

(g) If the Tax Indemnified Party and the Tax Indemnifying Party are unable to settle any dispute regarding a Tax Claim within thirty (30) days after receipt of the Tax Objection Notice, the Tax Indemnified Party and the Tax Indemnifying Party will, in accordance with Section 7.10, jointly request the Accountant to resolve the dispute as promptly as possible.

(h) Failure by the Tax Indemnified Party to promptly deliver to the Tax Indemnifying Party a Tax Notice in accordance with Section 7.6(d) hereof will not relieve the Tax Indemnifying Party of any of its obligations under this Agreement except to the extent the Tax Indemnifying Party is prejudiced by such failure.

(i) Each of the Parties, on behalf of itself and its Affiliates, agrees not to bring any actions or proceedings, at law, in equity or otherwise, against any other Party or its Affiliates, in respect of any breaches or alleged breaches of any representation, warranty or other provision of this ARTICLE VII, except pursuant to and subject to the express provisions of this Section 7.6.

Section 7.7 Refunds. (a) Purchaser shall, and shall cause its Affiliates to, hold in trust for the benefit of Sellers all refunds (including interest paid thereon by a Governmental Authority and any amounts applied against a Tax liability for other taxable periods) of any Taxes not reflected as an asset in the calculation of Closing Date Working Capital for which Purchaser is entitled to indemnification pursuant to this Agreement ("Sellers' Refunds"), and, within five (5) Business Days after receipt by Purchaser or any of its Affiliates of any such Sellers' Refund, Purchaser or its Affiliate, as applicable, shall pay over to Seller the amount of such Seller's Refund without right of set off or counterclaim.

(b) Sellers shall, and shall cause their Affiliates to, hold in trust for the benefit of Purchaser and its Affiliates all refunds (including interest paid thereon by a Governmental Authority and any amounts applied against a Tax Liability for other taxable periods) of any Taxes for which Sellers are entitled to indemnification pursuant to this Agreement ("Purchaser's Refunds") and, within five (5) Business Days of receipt by Sellers or any of their Affiliates of any such Purchaser's Refund, Sellers or and their Affiliate, as applicable, shall pay over to Purchaser the amount of Purchaser's Refund without right of set off or counterclaim.

(c) Upon the request of Sellers, Purchaser will file, or cause a Conveyed Entity or its Affiliate to file, claims for Sellers' Refunds, in such form as Sellers may reasonably request; provided, however, that the filing of any such claim will not result in any prejudice to Purchaser or its Affiliates. Sellers will have the sole right to prosecute any claims for Sellers' Refunds (by suit or otherwise) at Sellers' expense and with counsel of Sellers' choice. Purchaser will cooperate, and cause the appropriate Conveyed Entity or Affiliate to cooperate, fully, at Sellers' expense, with Sellers and their counsel in connection therewith.

(d) Upon the request of Purchaser, Sellers shall and shall cause their Affiliates to file, claims for Purchaser's Refunds, in such form as Purchaser may reasonably request; provided, however, that the filing of any such claim will not result in any prejudice to Sellers or their Affiliates. Purchaser will have the sole right to prosecute any claims for Purchaser's Refunds (by suit or otherwise) at Purchaser's expense and with counsel of Purchaser's choice. Sellers will cooperate, and cause their Affiliates to cooperate, fully, at Purchaser's expense, with Purchaser and its counsel in connection therewith.

(e) Except as provided in Section 7.7(a) and Section 7.7(b) hereof, any refunds of Taxes other than Sellers' Refunds and Purchaser's Refunds will be the property of the payee of such refunds and no other Party or its Affiliates will have any right to such refunds.

(f) To the extent reasonably requested by Sellers, and within (30) days of such request, Purchaser and its Affiliates shall grant to Sellers appropriate powers of attorney as may reasonably be necessary to prosecute or defend its rights hereunder.

Section 7.8 Assistance and Cooperation. After the Closing Date, Sellers and Purchaser shall cooperate (and shall cause their respective Affiliates to cooperate) with each other and with each other's agents, including accounting firms and legal counsel, in connection with Tax matters relating to the Conveyed Entities or the Non-Transferred Assets including (i) the preparation and filing of Tax Returns, (ii) determining the liability for and amount of any Taxes due or the right to and amount of any refund of Taxes, (iii) examinations of Tax Returns, and (iv) any administrative or judicial proceedings in respect of Taxes assessed or proposed to be assessed. Such cooperation shall include making all information and documents in their possession related to the Conveyed Entities and the Non-Transferred Assets available to the other, as provided in Section 7.9 hereof. Sellers and Purchaser also shall (and shall cause their respective Affiliates to) make available to the other, as reasonably requested and available, personnel responsible for preparing, maintaining, and interpreting information and documents relevant to Taxes. Any information or documents provided under this Section 7.8 shall be kept confidential by the Party receiving the information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with any administrative or judicial proceedings relating to Taxes.

Section 7.9 Tax Records. Tax records in possession of Sellers relating to the Conveyed Entities or the Non-Transferred Assets shall be transferred to Purchaser, however such records may be redacted to eliminate items regarding CDES. Sellers may make and retain copies

of such Tax records. Sellers, Purchaser, and their respective Affiliates shall make available to each other (at no cost to the requesting Party) for inspection and copying during normal business hours upon reasonable notice all Tax records in their possession relating to the Conveyed Entities or the Non-Transferred Assets to the extent reasonably required by the other Party in connection with the preparation of Tax Returns, audits, litigations, or the resolution of items under this ARTICLE VII. Sellers, Purchaser, and their respective Affiliates shall preserve and keep such Tax records in their possession until the expiration of any applicable statutes of limitation and as otherwise required by Law, but in any event for a period of not less than ten (10) years after the Closing Date.

Section 7.10 Dispute Resolution. If Sellers and Purchaser fail to agree on the resolution of any of the matters in this ARTICLE VII that require the agreement of the Parties or otherwise disagree about the proper interpretation or operation of any provision of this ARTICLE VII, then such matter shall be referred to the Accountant for binding arbitration. Sellers and Purchaser shall deliver to the Accountant copies of any schedules or documentation that may reasonably be required by the Accountant to make its determination. Each of Purchaser and Sellers shall be entitled to submit to the Accountant a memorandum setting forth its position with respect to such arbitration. The Accountant shall render a determination within sixty (60) days of the referral of such matter for binding arbitration. Sellers or Purchaser, as the case may be, shall pay to the other Party the amount determined by the Accountant within ten (10) days of the date on which the Accountant makes its determination. The determination of the Accountant shall be final and binding on all Parties. The costs incurred in retaining the Accountant shall be shared equally, fifty percent (50%) by Sellers and fifty percent (50%) by Purchaser.

Section 7.11 Payment. All amounts required to be paid to a Party under this ARTICLE VII shall be paid in Dollars and translated from local currency at the spot rate. If a Party (the "Payor") fails to make a payment due and owing under this ARTICLE VII to the other Party or any of its Affiliates (the "Payee") within thirty (30) days of the date prescribed by this ARTICLE VII, the Payor will pay to the Payee interest (such interest to be calculated on the basis of a year of 360 days and the actual number of days elapsed) on such payment from and including the date on which such payment was due, but excluding the day the Payor makes such payment, at a rate equal to eight percent (8%) per annum.

Section 7.12 Termination of Tax Allocation Agreements. Immediately prior to the close of business on the Closing Date, (i) all Tax allocation or sharing agreements or arrangements existing between any of Sellers or any of their Affiliates, on the one hand, and any of the Conveyed Entities, on the other hand, shall be terminated; and (ii) amounts due under such agreements or arrangements shall be settled as of the Closing Date in such manner as Sellers shall determine (including capitalization or distribution of amounts due or receivable under such agreements or arrangements). Upon such termination and settlement, no further payments by or to the Conveyed Entities with respect to such agreements or arrangements shall be made, and all other rights and obligations resulting from such agreements or arrangements between the Conveyed Entities and others shall cease at such time.

Section 7.13 Adjustment. All amounts paid, or caused to be paid, by one Party or its Affiliates to another Party or its Affiliates pursuant to this Agreement (other than interest in accordance with Section 7.11 hereof, but including amounts payable under ARTICLE VIII hereof) shall be treated by the Parties as an adjustment to the Purchase Price to the extent permitted by Law.

Section 7.14 Section 338(h)(10) Election. (a) Purchaser shall join with Sellers in making an election under Section 338(h)(10) of the Code and any corresponding or similar elections under state, local or foreign Tax Law (collectively the "Section 338(h)(10) Election") with respect to the purchase and sale of the Shares of the Conveyed Entities that are domestic corporations.

(b) Sellers shall prepare all forms and documents required in connection with the Section 338(h)(10) Election. For the purpose of making the Section 338(h)(10) Election, Purchaser and Sellers each shall execute two (2) copies of Internal Revenue Service Form 8023 (or successor form) and timely file such Form 8023 in accordance with IRS guidelines. Purchaser shall execute (or cause to be executed) and deliver to Sellers such additional documents or forms as are reasonably requested to complete the Section 338(h)(10) Election at least ten (10) days prior to the date such documents or forms are required to be filed.

(c) The Parties agree that, for purposes of the Section 338(h)(10) Election, the 'aggregate deemed sales price' with respect to the assets of the Conveyed Entities that are domestic corporations based upon the amount of the Purchase Price allocated to the Shares of the Conveyed Entities pursuant to Section 2.8, shall be allocated for purposes of Section 338 of the Code and the applicable Treasury Regulations promulgated thereunder (and any similar provision of state, local or foreign Tax Law, as appropriate) (the "ADSP Allocation") in accordance with the procedures provided in Section 2.8, substituting "ADSP Allocation" for "Allocation" therein, which allocation shall be binding upon Sellers the Conveyed Entities and Purchaser.

ARTICLE VIII

SURVIVAL; INDEMNIFICATION

Section 8.1 Survival of Representations and Warranties. (a) The respective representations and warranties of Sellers and Purchaser contained in ARTICLE III and ARTICLE IV shall survive the Closing until the date that is fifteen (15) months from the Closing Date; provided that the representations and warranties set forth in (i) (A) Section 3.1 (*Organization and Qualification*), Section 3.2 (*Corporate Authority; Binding Effect*), Section 3.3 (*Conveyed Entities; Capital Structure*), Section 3.20(a) (*Title to Assets*), Section 3.22 (*Illegal Payments*) and Section 3.23 (*Government Contracts*) shall survive for the statute of limitations applicable thereto; and (B) Section 3.6(b) (*Undisclosed Liabilities*), Section 3.14 (*Intellectual Property*) and Section 3.20(b) (*Sufficiency*) shall survive the Closing until the date that is twenty-four (24) months from the Closing; (ii) Section 4.1 (*Organization and Qualification*) and Section 4.2 (*Corporate Authority; Binding Effect*) (such representations and warranties, the "Purchaser Specified Representations") shall survive for the statute of limitations applicable thereto; and (iii) Section 3.11 (*Environmental Matters*) shall survive as set forth in Section 8.2(c) hereof. The applicable date on which the periods referenced in this Section 8.1 expire shall be referred to collectively, and in each case as the context may require, as the "Expiration Date." The representations and warranties contained in Section 3.1 (*Organization and Qualification*),

Section 3.2 (*Corporate Authority; Binding Effect*), Section 3.3 (*Conveyed Entities; Capital Structure*), Section 3.6(b) (*Undisclosed Liabilities*), Section 3.14 (*Intellectual Property*) and Section 3.20 (*Title to Assets; Sufficiency*) shall be referred to as the "Seller Specified Representations."

(b) Neither Sellers nor Purchaser shall have any liability whatsoever with respect to any representation and warranty unless a claim is made hereunder prior to the applicable Expiration Date for such representation and warranty, in which case such representation and warranty shall survive as to such claim until such claim has been finally resolved.

Section 8.2 Indemnification by Sellers. (a) Subject to the limitations set forth in this ARTICLE VIII, from and after the Closing, each Seller shall, jointly and severally, defend and indemnify Purchaser, its Affiliates and each of their respective officers, directors, employees, stockholders, partners and agents, as the case may be (the "Purchaser Indemnitees"), and save and hold each of them harmless against, any Losses incurred by them to the extent arising out of, in connection with or related to: (i) any failure of any representation or warranty made by Sellers contained in ARTICLE III to be true and correct when made (or, with respect to those representations and warranties as of a specified date, as of such date) (it being agreed that any materiality or Material Adverse Effect qualification in a representation and warranty (other than the representation and warranty at Section 3.12(a)(xvi) hereof) shall be disregarded in determining whether any such representation and warranty has been breached); (ii) any breach of any covenant or agreement by Sellers contained in this Agreement (other than covenants contained in ARTICLE VII, which are addressed by ARTICLE VII exclusively); (iii) any Liability, whether arising out of facts or circumstances existing before or after the Closing, of the Conveyed Entities, Sellers or any of their Affiliates to the extent not related to the Business, including any Liability of Sellers or their Affiliates or Tyco or its Affiliates, and any Liabilities relating to the matters set forth in Schedule 8.2(a)(iii) hereof (any such Liabilities, the "Unassumed Liabilities"); (iv) any Excluded Environmental Liabilities; and (v) any Unpaid Transaction Expense of the Conveyed Entities to the extent not included in the calculation of Closing Date Working Capital.

(b) Subject to the rights and limitations set forth in Section 8.2(c) and Section 8.4(b), Section 8.4(d), Section 8.6, Section 8.7 and Section 8.8, after the Closing, each Seller agrees, jointly and severally, to defend and indemnify the Purchaser Indemnitees and save and hold each of them harmless against any Losses incurred by to the extent arising out of, in connection with or related to: (i) the presence or release of, or human exposure to, Hazardous Substances in, on, or beneath any Leased Real Property or any Real Property, in each case, to the extent existing or occurring on or prior to the Closing Date; and (ii) any violation of any Environmental Law by the Business or any Conveyed Entity, to the extent relating to or arising from acts or omissions occurring on or prior to the Closing Date; provided it is understood that no Losses relating to or arising from any violation if occurring for the first time after the Closing Date are recoverable under clause (ii) of this Section 8.2(b).

(c) Certain Limitations. (i) Notwithstanding anything to the contrary contained in this Agreement, (x) for any claim for indemnity made pursuant to Section 8.2(b) (an "Environmental Standalone Claim"), or a claim based on a failure of any representation or

warranty made by Sellers in Section 3.11 (collectively an "Environmental Representations Claim" an Environmental Standalone Claim and an Environmental Representations Claim shall hereinafter be collectively referred to as "Environmental Indemnity Claims"), Sellers shall not be liable for such claims unless and until the aggregate amount of all indemnifiable Losses relating to such claims equals or exceeds Four-Hundred Fifty Thousand Dollars ($450,000), in which case Sellers shall be liable only for the amount of the Losses in excess of such amount; (y) from and after the Closing, the maximum aggregated amount of indemnifiable Losses which may be recovered under Section 8.2(b) shall be Thirteen Million Five Hundred Thousand Dollars ($13,500,000); and (z) Sellers shall not be liable for any Environmental Standalone Claim or Environmental Representation Claim unless such claim is made hereunder prior to September 25, 2028.

(ii) With respect to any and all Environmental Indemnity Claims, Purchaser and Sellers, as the case may be, shall act only in a "Commercially Reasonable Manner" which shall mean the most cost-effective and commercially reasonable method for investigation, remediation, removal, corrective action, containment, monitoring and/or other response action permitted by applicable Environmental Laws, determined from the perspective of a reasonable business person acting (without regard to the availability of indemnification hereunder) to achieve compliance with Environmental Laws in effect as of the Closing (it being understood that Commercially Reasonable Manner shall include the use of risk-based remedies, institutional or engineering controls, or deed restrictions, based on the use of the property at Closing).

(iii) Sellers shall have no obligations for any Environmental Indemnity Claim to the extent Losses thereunder result from or are the consequence of any action (including disclosure, report or other communication from the Purchaser and its Affiliates (or their agents) to any Governmental Authority or other third party or any Phase II or other intrusive investigations or sampling, testing or monitoring of the soil, surface water or groundwater performed by Purchaser or its Affiliates (or their agents)) that is not (A) required by an Environmental Law; or (B) necessary to address a condition first discovered as a result of construction activities at, on or beneath a Leased Real property or Real Property.

(iv) Sellers shall have no obligation for any Environmental Indemnity Claim to the extent Losses result, in whole or in part, from any change in use of any Leased Real Property, any Real Property or the property subject to the Sublease Agreement from its current use to any non-industrial use after the Closing Date.

(v) From and after the Closing Date, with respect to the Business, any Leased Real Property or any Real Property, Purchaser shall, and will cause each of its Affiliates and Subsidiaries to, comply with all applicable Environmental Laws in all material respects.

(vi) The Purchaser Indemnitees shall be permitted to assign all of their rights to bring an Environmental Indemnity Claim; provided that no more than one such assignment may be made by all the Purchaser Indemnitees, taken as a whole, and; provided, further, that any such assignment, if made, shall be effective if, and only if, the assignee agrees in writing to be bound to all of the limitations applicable to Environmental Indemnity Claims set forth in this ARTICLE VIII.

(d) Environmental Procedures. (i) Sellers shall have the right, but not the obligation, to conduct and control the defense or negotiation (including any investigatory, monitoring, response or remedial actions) of any Environmental Indemnity Claim for which Purchaser Indemnitees are entitled to indemnification pursuant to Section 8.2(a) or Section 8.2(b), including its resolution, compromise or settlement, with counsel and environmental consultant selected, if any, by Sellers. No resolution, compromise or settlement in respect of such Environmental Indemnity Claim may be reached by Sellers without Purchaser's prior consent (which consent shall not be unreasonably withheld or delayed). In the event Sellers elect to control the defense or negotiation of any Environmental Indemnity Claim, Purchaser shall provide Sellers with reasonable access to its properties and employees. In the event Sellers elect not to control the defense of any Environmental Indemnity Claim, Purchaser shall control the defense of such Environmental Indemnity Claim, including its resolution, compromise or settlement, and no resolution, compromise or settlement in respect of such Environmental Indemnity Claim may be reached by Purchaser without a Seller's prior consent (which consent shall not be unreasonably withheld or delayed).

(ii) Purchaser and Sellers, at their sole cost, as the case may be, with respect to any matter managed and controlled by the other, shall have the right to (x) participate in any meetings or material negotiations with any third party (excluding counsel, consultants or other experts retained by the controlling party) with respect to any Environmental Indemnity Claim and shall be provided with reasonable advance notice of the same and (y) review in advance and provide comments on any documents proposed to be submitted to Governmental Authorities or other third parties.

(iii) Sellers and Purchaser agree that the issuance in respect of an Environmental Indemnity Claim of a "no further action" letter or the equivalent indicia of completion issued by any Governmental Authority having jurisdiction over remediation ("NFA Letter") shall constitute completion of a Seller's obligation for such Environmental Indemnity Claim; provided, however, that in the event the NFA Letter contains re-openers or other provisions that reserve the right of the issuing Governmental Authority to require additional investigation and/or remediation of Hazardous Substances or seek additional damages ("Re-Opener") and that Re-Opener is triggered before the twentieth anniversary of the Closing Date, Seller shall not invoke the receipt of the NFA Letter to avoid fulfilling its obligations with respect to such Environmental Indemnity Claim.

(iv) In the event of any inconsistency between the terms of this Section 8.2 and the other provisions in ARTICLE VIII, the provisions of this Section 8.2 shall control.

Section 8.3 Indemnification by Purchaser. Subject to the limitations set forth in this ARTICLE VIII, after the Closing, Purchaser agrees to defend and indemnify Sellers, their Affiliates and each of their respective officers, directors, employees, stockholders, partners and agents, as the case may be ("Seller Indemnitees") and save and hold each of them harmless against any Losses incurred by them to the extent arising out of, in connection with or related to: (i) any failure of any representation or warranty made by Purchaser contained in ARTICLE IV to be true and correct when made (or, with respect to those representations and warranties as of a specified date, as of such date); (ii) any breach of any covenant or agreement by Purchaser contained in this Agreement other than covenants contained in ARTICLE VII, which are

addressed in ARTICLE VII exclusively; and (iii) events occurring on or after the Closing Date to the extent such events are in connection with the operation of the Business by the Purchaser and its Affiliates or the Shares (provided that, any services provided by the Sellers or any of their Affiliates under any of the Transaction Documents other than this Agreement shall not be deemed to be "the operation of the Business by the Purchaser and its Affiliates").

Section 8.4 Limitation on Indemnification, Mitigation. (a) Notwithstanding anything to the contrary contained in this Agreement, neither Sellers nor Purchaser shall be liable for any claim for indemnification pursuant to Section 8.2(a)(i) (other than with respect to the Seller Specified Representations) or Section 8.3(i) (other than with respect to the Purchaser Specified Representations), as the case may be, (i) for any individual item where the Loss relating thereto is less than Ten Thousand Dollars ($10,000) (the "Per-Claim Deductible") and (ii) unless and until the aggregate amount of all such indemnifiable Losses which may be recovered from Sellers or Purchaser, as the case may be, equals or exceeds Four-Hundred Fifty Thousand Dollars ($450,000), in which case Sellers or Purchaser, as the case may be, shall be liable only for the amount of the Losses in excess of such amount. It is further agreed that the maximum aggregate amount of indemnifiable Losses which may be recovered for indemnification (A) pursuant to Section 8.2(a)(i) (other than with respect to the Seller Specified Representations), shall be an amount equal to Thirteen Million Five Hundred Thousand Dollars ($13,500,000) and (B) pursuant to Section 8.3(i) shall be an amount equal to Thirteen Million Five Hundred Thousand Dollars ($13,500,000). It is understood and agreed that the limitations contained in this Section 8.4 are separate and distinct from those contained in Section 8.2(c)(i).

(b) Purchaser acknowledges and agrees that Sellers shall not have any liability under any provision of this Agreement for any Loss to the extent that such Loss relates to any action taken by Purchaser (other than actions taken by Purchaser to exercise or enforce its rights under this Agreements and any actions related thereto) after the Closing Date. Purchaser shall take and shall cause its Affiliates to take all commercially reasonable steps to mitigate any Loss required to be taken in accordance with applicable Law upon becoming aware of any event which would reasonably be expected to, or does, give rise thereto, including, if so required, incurring costs only to the minimum extent necessary pursuant to applicable Law to remedy the breach which gives rise to the Loss.

(c) Sellers acknowledge and agree that Purchaser shall not have any liability under any provision of this Agreement for any Loss to the extent that such Loss relates to any action taken by a Seller (other than actions taken by any such Seller to exercise or enforce its rights under this Agreements and any actions related thereto) after the Closing Date. Each Seller shall take and shall cause its Affiliates to take all commercially reasonable steps to mitigate any Loss required to be taken in accordance with applicable Law upon becoming aware of any event which would reasonably be expected to, or does, give rise thereto, including, if so required, incurring costs only to the minimum extent necessary pursuant to applicable Law to remedy the breach which gives rise to the Loss.

(d) Notwithstanding anything in this Agreement to the contrary, except for any liability of Sellers under ARTICLE VII, Section 8.2(a)(iii) and Section 8.2(a)(iv), the aggregate liability of Sellers under this Agreement with respect to Losses to Purchaser Indemnitees for indemnification with respect to this Agreement shall not be in excess of the

Overall Cap Amount, provided, however, that the aggregate liability of Sellers pursuant to Section 8.1(a)(i) in respect of any representation and warranty contained in Section 3.6(b) (*Undisclosed Liabilities*) and Section 3.14 (*Intellectual Property*), but only clauses (a) and (c) thereof, shall be fifty percent (50%) of the Overall Cap Amount, provided, further, that the aggregate liability of Sellers pursuant to Section 8.1(a)(i) in respect of any representation and warranty contained in Section 3.14 (*Intellectual Property*), but only clauses (b) and (d) thereof, shall be Thirteen Million Five Hundred Thousand ($13,500,000). Notwithstanding anything in this Agreement to the contrary, the aggregate liability of Purchaser under this Agreement with respect to Losses to Seller Indemnitees for indemnification with respect to this Agreement shall not be in excess of the Overall Cap Amount. For purposes of this Agreement, "Overall Cap Amount" shall mean, at any time, the sum of (i) the Closing Cash Consideration; *plus* (ii) the principal amount of the Short Term Note and all interest accrued or paid thereon at or prior to such time, *plus*, (iii) the principal amount of the Secured Promissory Note and all interest accrued or paid thereon at or prior to such time, *plus* (iv) the aggregate amount of any Earn-Out Payments paid at or prior to such time (to a maximum of the Earn-Out Cap), *plus* (v) the aggregate amount of any Sellers' Profit on Sale paid or converted into a note prior to such time (as determined in accordance with the terms of the letter attached as Exhibit J hereto), provided, however, that to the extent the Losses recoverable pursuant to this Agreement by the Purchaser Indemnitees or Seller Indemnitees, as the case may be, exceeds the Overall Cap Amount at any given time, such Purchaser Indemnitees or Seller Indemnitees, as the case may be, shall have the right to recover such excess (through the Set-Off Right or otherwise) from Sellers or Purchaser, as the case may be, if the Overall Cap Amount increases at a later time (*e.g.* through the payment of additional Earn-Out Payments).

(e) Notwithstanding anything to the contrary contained in this ARTICLE VIII, nothing in this Agreement will limit any remedy or claim for Losses that an Indemnified Party may have against any other Person to the extent arising out of fraud or willful breach of this Agreement.

(f) All indemnification payments made hereunder shall be treated by all Parties as an adjustment to the Purchase Price.

Section 8.5 Losses Net of Insurance, Etc. The amount of any Loss for which indemnification is provided under Section 7.6, Section 8.2(a), Section 8.2(b) or Section 8.3 shall be net of (i) any accruals or reserves on the Balance Sheet or included in the determination of the Closing Date Working Capital with respect to the specific Loss in question, (ii) any amounts recovered by the Indemnified Party pursuant to any indemnification by, or indemnification agreement with, any third party, (iii) any insurance proceeds or other sources of reimbursement actually received or realized by an Indemnified Party as an offset against such Loss (other than pursuant to this Agreement), but after reduction for costs of collection and net of any increase in insurance premiums, in each case, to the extent related to the payment of such insurance proceeds or source of reimbursement (each Person named in clauses (ii) and (iii), a "Collateral Source"; it being understood and agreed that no party will be obligated to seek any payment, indemnification or reimbursement from any Collateral Source), and (iv) an amount equal to the net Tax benefit, if any, actually recognized and attributable to such Loss in the year in which the claim is made after taking into account any reduction in future Tax deductions. The Indemnifying Party may request an Indemnified Party to assign the rights to seek recovery from

any available Collateral Source, which may be granted or denied in the Indemnified Party's sole discretion; provided, however, that the Indemnifying Party will then be responsible for pursuing such claim at its own expense. If the amount to be netted hereunder in connection with a Collateral Source from any payment required under Section 7.6, Section 8.2(a), Section 8.2(b) or Section 8.3 is determined after payment by the Indemnifying Party of any amount otherwise required to be paid to an Indemnified Party pursuant to this ARTICLE VIII, the Indemnified Party shall repay to the Indemnifying Party, promptly after such determination, any amount that the Indemnifying Party would not have had to pay pursuant to this ARTICLE VIII had such determination been made at the time of such payment, and any excess recovery from a Collateral Source shall be applied to reduce any future payments to be made by the Indemnifying Party pursuant to Section 7.6, Section 8.2(a), Section 8.2(b) or Section 8.3. Notwithstanding anything herein to the contrary, in no event shall "Losses" be calculated based upon any multiple of lost earnings or similar methodology used to value the Business or the Conveyed Entities.

Section 8.6 Indemnification Procedure. (a) Promptly after the incurrence of any Losses by any Person entitled to indemnification pursuant to Section 5.5(c), Section 5.6(b), Section 8.2 or Section 8.3 hereof (an "Indemnified Party"), including any claim by a third party described in Section 8.7, which might give rise to indemnification hereunder, then such Indemnified Party shall deliver to the Party from which indemnification is sought (the "Indemnifying Party") a certificate (the "Claim Certificate"), which Claim Certificate shall:

(i) state that the Indemnified Party has paid or anticipates it will incur liability for Losses for which such Indemnified Party is entitled to indemnification pursuant to this Agreement; and

(ii) specify in reasonable detail (and have annexed thereto all supporting documentation, including any correspondence in connection with any Third-Party Claim and paid invoices for claimed Losses) each individual item of Loss included in the amount so stated, the date such item was paid or accrued, the basis for any anticipated liability and the nature of the misrepresentation, breach of warranty, breach of covenant or other claim to which each such item is related and the computation of the amount to which such Indemnified Party claims to be entitled hereunder. The failure of an Indemnified Party to give reasonably prompt notice of any claim or claims shall not release, waive or otherwise affect the Indemnifying Party's obligations with respect thereto except to the extent that the Indemnifying Party is materially prejudiced as a result of such failure.

(b) In the event that the Indemnifying Party shall object to the indemnification of an Indemnified Party in respect of any claim or claims specified in any Claim Certificate, the Indemnifying Party shall, within forty-five (45) days after receipt by the Indemnifying Party of such Claim Certificate, deliver to the Indemnified Party a notice of objection (an "Objection Certificate") to such effect, which Objection Certificate shall specify in reasonable detail the basis for such objection. Upon timely delivery by an Indemnifying Party of an Objection Certificate, such Indemnifying Party and the Indemnified Party shall, within the sixty (60) day period beginning on the date of receipt by the Indemnified Party of such Objection Certificate, attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims to which the Indemnifying Party shall have so objected in an Objection Certificate. If the Indemnified Party and the Indemnifying Party shall succeed in reaching

agreement on their respective rights with respect to any of such claims, the Indemnified Party and the Indemnifying Party shall promptly prepare and sign a memorandum setting forth such agreement. Should the Indemnified Party and the Indemnifying Party be unable to agree as to any particular item or items or amount or amounts specified in an Objection Certificate within such time period, then the Indemnified Party shall be permitted to submit such dispute to a court of competent jurisdiction as set forth in Section 10.9(b).

(c) Claims for Losses covered by a memorandum of agreement of the nature described in Section 8.6(b), claims for Losses the validity and amount of which have been resolved by a court of competent jurisdiction as described in Section 8.6(b), claims for Losses set forth in a Claim Certificate which were not timely objected to in an Objection Certificate pursuant to Section 8.6(b) or claims for Losses which have been settled with the consent of the Indemnifying Party (not to be unreasonably withheld or delayed) as described in Section 8.7, are hereinafter referred to, collectively, as "Agreed Claims." Within ten (10) Business Days of the determination of the amount of any Agreed Claims, the Indemnifying Party shall pay to the Indemnified Party an amount equal to the Agreed Claim by wire transfer in immediately available funds to the bank account or accounts designated by the Indemnified Party in a notice to the Indemnifying Party not less than two (2) Business Days prior to such payment, provided, however, during such time as any principal amount of the Secured Promissory Note or the Short Term Note remains outstanding, Purchaser shall first seek recourse for any Agreed Claims pursuant to the Set-Off Right by way of a reduction in the principal amount of the Secured Promissory Note or the Short Term Note.

Section 8.7 Third-Party Claims. (a) If a claim by a third-party is made against any Indemnified Party with respect to which the Indemnified Party intends to seek indemnification hereunder for any Loss under this ARTICLE VIII, the Indemnified Party shall promptly notify the Indemnifying Party of such claim. The Indemnifying Party shall have the right, but not the obligation, to conduct and control, through counsel of its choosing, any such third party claim, action, suit or proceeding (a "Third-Party Claim"). If the Indemnifying Party elects to conduct and control any Third-Party Claim, it shall, within thirty (30) days of receipt of notice of such Third-Party Claim, notify the Indemnified Party of its intent to do so. If the Indemnifying Party elects not to conduct and control any Third Party Claim, the Indemnified Party may conduct and control any Third-Party Claim. Notwithstanding the foregoing, if any Purchaser Indemnitee is an Indemnified Party in connection with a Third-Party Claim involving any Intellectual Property, any then current employee, any then current customer or supplier, or any Taxes, in each case, of the Business, Purchaser may control the defense of such Third Party Claim through counsel of its choosing, subject to reasonable input from Sellers, and at its own expense. The Indemnifying Party shall permit the Indemnified Party to participate in, but not control, the defense of any such action or suit which the Indemnifying Party has elected to assume the defense of through counsel chosen by the Indemnifying Party; provided, however, that the fees and expenses of such counsel shall be borne by the Indemnifying Party. If the Indemnifying Party elects not to control or conduct the defense or prosecution of a Third-Party Claim, the Indemnifying Party nevertheless shall have the right to participate in the defense or prosecution of any Third-Party Claim and, at its own expense, to employ counsel of its own choosing for such purpose. Notwithstanding anything in this Section 8.7(a) to the contrary, the Indemnifying Party shall not, without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, settle or compromise any Third-Party

Claim unless the settlement or compromise involves only the payment of monetary damages. Notwithstanding anything in this Section 8.7(a) to the contrary, the Indemnified Party shall not, without the written consent of the Indemnifying Party, settle or compromise any Third-Party Claim.

(b) The Parties shall cooperate in the defense or prosecution of any Third-Party Claim, with such cooperation to include (i) the retention and the provision of the Indemnifying Party records and information that are reasonably relevant to such Third-Party Claim and (ii) the making available of employees on a mutually convenient basis for providing additional information and explanation of any material provided hereunder.

Section 8.8 Sole Remedy/Waiver. The Parties acknowledge and agree that the remedies provided for in this Agreement shall be the Parties' sole and exclusive remedy for any misrepresentation or breach of the warranties or covenants contained in this Agreement. In furtherance of the foregoing, the Parties hereby waive, effective upon the occurrence of the Closing, to the fullest extent permitted by applicable Law, any and all other rights, claims and causes of action (including rights of contribution, if any, and claims for rescission) for breach of the warranties or covenants contained in this Agreement; provided, however, that the foregoing shall not apply to deliberate misrepresentations by any Party or any of its Affiliates.

Section 8.9 Transaction Documents. The Parties acknowledge that any liability of any Party under any Transaction Documents (other than this Agreement) shall be governed solely by the terms of such Transaction Documents and shall not impact any Party's rights under this ARTICLE VIII (which shall be without duplication).

ARTICLE IX

[RESERVED]

ARTICLE X

MISCELLANEOUS

Section 10.1 Notices. Except as otherwise expressly provided in this Agreement, any notice or other communication required or permitted under this Agreement shall be in writing and deemed to have been duly given (i) five (5) Business Days following deposit in the mails if sent by registered or certified mail, postage prepaid, (ii) when sent, if sent by facsimile transmission and if receipt thereof is confirmed by machine generated receipt, (iii) when delivered, if delivered personally to the intended recipient and (iv) two (2) Business Days following deposit with a nationally recognized overnight courier service, in each case addressed as follows:

To Sellers:

Cobham Defense Electronic Systems Corporation
58 Main Street, Route 117
Bolton, Massachusetts 01740
Attn: President
Facsimile: (978) 779-2906

and

Lockman Electronic Holdings Limited
Brook Road
Wimborne
Dorset BH21 2BJ
ENGLAND
Attn: Chief Legal Officer
Facsimile: +44 1202 840523

with a copy (which shall not constitute notice) to:

Cobham plc
Brook Road
Wimborne
Dorset BH21 2BJ
ENGLAND
Attn: Chief Legal Officer
Facsimile: +44 1202 840523

and

Jaeckle Fleischmann & Mugel, LLP
12 Fountain Plaza
Suite 800
Buffalo, New York 14202
Attn: Joseph P. Kubarek, Esq.
Kristen M. Birmingham, Esq.
Facsimile: (716) 856-0432

To Purchaser:

Kiwi Stone Acquisition Corp.
c/o GaAs Labs, LLC
28013 Arastradero Road
Los Altos Hills, California, 94022
Attn: John Ocampo
Facsimile: (831) 324-9410

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati, Professional Corporation
650 Page Mill Road
Palo Alto, California 94304
Attn: Steven V. Bernard, Esq.
Lawrence M. Chu, Esq.
Selwyn B. Goldberg, Esq.
Facsimile: (650) 493-6811

Section 10.2 Amendment; Waiver. Except as otherwise expressly provided in this Agreement, any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by Purchaser and Sellers or, in the case of a waiver, by the Party against whom the waiver is to be effective. No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

Section 10.3 Assignment. No Party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of the other Party, except that Purchaser may assign its rights and delegate its obligations hereunder to its Affiliates, provided, that Purchaser remains ultimately liable for all of Purchaser's obligations hereunder.

Section 10.4 Entire Agreement. This Agreement (including all Schedules and Exhibits), together with the other Transaction Documents, constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings, oral or written, with respect to such matters except for any written agreement of the Parties that expressly provides that it is not superseded by this Agreement.

Section 10.5 Parties in Interest. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person other than Purchaser, Sellers or their successors or permitted assigns any rights or remedies under or by reason of this Agreement.

Section 10.6 Public Disclosure. Notwithstanding anything herein to the contrary, each of Purchaser and Sellers agrees that, except as may be required to comply with the requirements of any applicable Laws and the rules and regulations of each stock exchange upon which the securities of such Party is listed, if any, no press release or similar public announcement or communication shall be made concerning the execution or performance of this Agreement unless the Parties shall have consulted in advance with respect thereto.

Section 10.7 Return of Information. If for any reason whatsoever the transactions contemplated by this Agreement are not consummated, Purchaser shall promptly

return to Sellers all books and records furnished by Sellers, any Conveyed Entity or any of their respective Affiliates, agents, employees, or representatives (including all copies, summaries and abstracts, if any, thereof) in accordance with the terms of the Confidentiality Agreement.

Section 10.8 Expenses. Except as otherwise expressly provided in this Agreement, whether or not the transactions contemplated by this Agreement are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be borne by the Party incurring such expenses.

Section 10.9 Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Agreement shall be governed by and construed in accordance with the Laws of the State of New York, without regard to the conflicts of law principles of such state.

(b) With respect to any suit, action or proceeding relating to this Agreement (each, a "Proceeding"), each Party irrevocably (i) agrees and consents to be subject to the exclusive jurisdiction of the United States District Court for the Southern District of New York or any New York State court sitting in New York City and (ii) waives any objection which it may have at any time to the laying of venue of any Proceeding brought in any such court, waives any claim that such Proceeding has been brought in an inconvenient forum and further waives the right to object, with respect to such Proceeding, that such court does not have any jurisdiction over such Party. The foregoing consent to jurisdiction shall not constitute general consent to service of process in the State of New York for any purpose except as provided above and shall not be deemed to confer rights on any Person other than the respective Parties to this Agreement. Each of Sellers and Purchaser irrevocably agrees that service of any process, summons, notice or document by United States registered mail to such Party's address set forth above shall be effective service of process for any action, suit or proceeding in New York with respect to any matters for which it has submitted to jurisdiction pursuant to this Section 10.9(b).

(c) EACH OF PURCHASER AND SELLERS HEREBY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION AS BETWEEN THE PARTIES DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR DISPUTES RELATING HERETO. EACH OF PURCHASER AND SELLERS (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTY HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.9(c).

(d) The Parties agree that the prevailing party or parties, as the case may be, in any suit, action or proceeding relating to this Agreement shall be entitled to reimbursement of all costs of litigation, including reasonable attorneys' fees, from the non-prevailing party. For purposes of this Section 10.9(d), each of the "prevailing party" and the "non-prevailing party" in any suit, action or proceeding shall be the party designated as such by the court or other appropriate official presiding over such suit, action or proceeding, such determination to be made as a part of the judgment rendered thereby.

Section 10.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party, it being understood that all Parties need not sign the same counterpart.

Section 10.11 Headings. The heading references herein and the table of contents hereto are for convenience purposes only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

Section 10.12 No Strict Construction. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event any ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by all Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

Section 10.13 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any term or other provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid, illegal or unenforceable, (a) a suitable and equitable provision shall be substituted therefore in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity, illegality or unenforceability, nor shall such invalidity, illegality or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

Section 10.14 Specific Performance. The Parties hereto agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in the United States District Court for the Southern District of New York or any New York State court sitting in New York City, in addition to any other remedy to which they are entitled at law or in equity.

Section 10.15 Set-Off. In addition to any other remedies Purchaser may have hereunder, Purchaser shall have the right (exercisable in its sole discretion) to set off against any amount required to be paid to Purchaser hereunder (including any Losses to which any Purchaser Indemnitee is entitled to payment from the Sellers under ARTICLE VIII) against amount required to be paid by Purchaser (including any Earn-Out Payment or by seeking recourse by way of a reduction in the principal amount of the Secured Promissory Note or the Short Term Note, or against any Sellers' Profit on Sale, whether payable in cash or in a the form of a note) (such right, the "Set-Off Right"); provided, however, that the Set-Off Right may not be exercised by Purchaser for amounts due to Purchaser unless (a) all Parties agree with respect to

the amount to which Purchaser is entitled under this Agreement in accordance with the procedures set forth in this Agreement, or for amounts due under ARTICLE VIII, such amounts are Agreed Claims, or (b) a court of competent jurisdiction issues a judgment establishing Purchaser's rights (provided that, if such judgment is subsequently overturned by a proper court of appeal, Purchaser shall promptly pay such amounts that have been set off under the Set-Off Right back to Sellers).

* * * * *

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

COBHAM DEFENSE ELECTRONIC SYSTEMS CORPORATION

By: /s/ David L. Fuller
Name: David L. Fuller
Title: Clerk and Treasurer

LOCKMAN ELECTRONIC HOLDINGS LIMITED

By: /s/ Charles P. Stuff
Name: Charles P. Stuff
Title: Director

KIWI STONE ACQUISITION CORP.

By: /s/ John Ocampo
Name: John Ocampo
Title: President

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of April 7, 2011, by and among M/A-COM Technology Solutions Inc., a Delaware corporation ("Parent"), Optomai, Inc., a Delaware corporation (the "Company"), Optomai Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Parent ("Merger Sub"), the Company Stockholders listed on Schedule 1-A (the "Principal Stockholders"), and Vivek Rajgarhia, as Stockholders' Agent ("Stockholders' Agent"). Parent, the Company, Merger Sub, and the Principal Stockholders are sometimes referred to in this Agreement individually as a "Party," and collectively as the "Parties." Capitalized terms used herein shall have the meanings ascribed to them in Article I, unless such terms are defined elsewhere in this Agreement.

RECITALS

WHEREAS, the Board of Directors of each of Parent and Merger Sub and the Company Board has adopted, and deems it advisable and in the best interests of its respective stockholders to consummate, the merger of Merger Sub with and into the Company, upon the terms and subject to the conditions set forth herein (the "Merger"); and

WHEREAS, the Board of Directors of each of Parent and Merger Sub and the Company Board has unanimously adopted this Agreement and approved the Merger and the Other Transactions, in accordance with the provisions of the Delaware General Corporation Law (the "DGCL"), and upon the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the covenants and representations set forth herein, and for other good and valuable consideration, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 **Defined Terms**

As used herein, the terms below shall have the following meanings.

"401(k) Plan" has the meaning set forth in Section 6.10.

"Adjusted Consideration" means the difference of (a) $1,820,000, minus (b) the amount of any Transaction Expenses incurred by the Company (on its own or on behalf of the Company Stockholders or any other Person) in connection with the Merger and the Other Transactions and any financial accommodations provided by Parent or its affiliates to the Company, including an any such Transaction Expenses yet to be incurred or invoiced, minus (c) the amount required at Closing to discharge in full the Company Debt.

"Agreement" has the meaning set forth in the preamble.

"Allocation" has the meaning set forth in Section 7.5(i).

"Alternate Transaction" has the meaning set forth in Section 6.8(a).

"Annual Balance Sheets" means, collectively, the unaudited balance sheet of the Company as of December 31, 2009 and as of December 31, 2010, respectively.

"Annual Financial Statements" means the Annual Balance Sheets, together with the unaudited statements of income, shareholders' equity and cash flows of the Company for the years then ended, including the notes thereto.

"Applicable Exercise Price" means the exercise price of a Qualifying Company Option as set forth in the applicable Company Option.

"Bonus Pool" means that certain bonus pool established by the Company for purposes of funding bonus compensation to certain employees and consultants of the Company in connection with the transactions contemplated by this Agreement.

"Bonus Pool Consideration" means the product of (x) the Adjusted Consideration multiplied by (y) 0.025332.

"Bonus Pool Escrow Consideration" means the product of the (x) Bonus Pool Consideration multiplied by (y) 0.10.

"Bonus Pool Initial Consideration" means the difference of (a) the product of (x) the Bonus Pool Consideration multiplied by (y) 0.90 minus (b) the Bonus Pool's Pro Rata Portion of the Representative Fund.

"Bonus Pool Recipient" means a Person entitled to receive a Transaction Bonus.

"Business Day" means any day that is not a Saturday, Sunday, or other day on which banks are required or authorized by Law to be closed in Delaware.

"Certificate of Merger" has the meaning set forth in Section 2.3.

"Cash" means cash on hand in the Company's bank, lock box, petty cash fund and other accounts net of all "cut" but un-cashed checks.

"Cash Equivalents" means the amount of all marketable securities owned by the Company.

"Claim" has the meaning set forth in Section 10.2(a).

"Claim Objection Notice" has the meaning set forth in Section 10.2(b).

"Claim Objection Period" has the meaning set forth in Section 10.2(b).

"Claiming Party" has the meaning set forth in Section 10.2(a).

"Closing" has the meaning set forth in Section 2.2.

"Closing Consideration Statement" has the meaning set forth in Section 2.11.

"Closing Date" has the meaning set forth in Section 2.2.

"COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985.

"Code" means the Internal Revenue Code of 1986.

"Common Consideration" means the product of (x) the aggregate number of shares of Company Capital Stock outstanding immediately prior to the Effective Time multiplied by (y) the Common Consideration Per Share.

"Common Consideration Calculation Amount" means the sum of (a) the product of (x) the Adjusted Consideration multiplied by (y) 0.974668 plus (b) an amount equal to the aggregate exercise price of all Qualifying Company Options.

"Common Consideration Per Share" means the quotient of (x) the Common Consideration Calculation Amount divided by (y) the Common Share Divisor.

"Common Escrow Consideration" means the product of (x) the Common Consideration multiplied by (y) 0.10.

"Common Escrow Consideration Per Share" means the quotient of (x) the Common Escrow Consideration divided by (y) the number of shares of Company Capital Stock outstanding immediately prior to the Effective Time, giving effect to any Company Options exercised prior to the Effective Time.

"Common Initial Consideration" means the difference of (a) the product of (x) the Common Consideration multiplied by (y) 0.90 minus (b) the Company Stockholders' Pro Rata Portion of the Representative Fund.

"Common Initial Consideration Per Share" means the quotient of (x) the Common Initial Consideration divided by (y) the number of shares of Company Capital Stock outstanding immediately prior to the Effective Time, giving effect to any Company Options exercised prior to the Effective Time.

"Common Share Divisor" means the sum of (x) the aggregate number of shares of Company Capital Stock outstanding immediately prior to the Effective Time plus (y) the aggregate number of shares of Company Capital Stock issuable upon the exercise of Qualifying Company Options.

"Company" has the meaning set forth in the preamble.

"Company Articles" means the Certificate of Incorporation of the Company as in effect on the date hereof.

"Company Authorizations" has the meaning set forth in Section 3.8(b).

"Company Board" means the Board of Directors of the Company.

"Company Board Recommendation" has the meaning set forth in Section 6.7(a).

"Company Bylaws" means the Bylaws of the Company as in effect on the date hereof.

"Company Capital Stock" means the common stock, par value $0.001 per share, of the Company.

"Company Certificate" means a certificate or certificates representing shares of Company Capital Stock.

"Company Debt" means all Indebtedness of the Company, including all of the following, regardless of whether such amounts would otherwise be Indebtedness hereunder: (a) any outstanding indebtedness to Company Stockholders or to Parent or any of its affiliates, and (b) the excess over $250,000, if any, of the aggregate amount of all of the following items: (i) purchase money indebtedness in respect of equipment financing arrangements, (ii) amounts owed in connection with equipment leases, (iii) outstanding balances on Company credit cards, (iv) without duplication of any other item listed in this clause (b), all trade payables incurred by the Company, and (v) unreimbursed employee business expenses incurred prior to Closing, whether or not submitted to the Company for reimbursement prior to Closing.

"Company Intellectual Property" means the Intellectual Property used in, held for use in or necessary for the conduct of the business of the Company as currently conducted and as currently proposed to be conducted, including Intellectual Property used in or necessary for all current Products and all Products currently in development.

"Company Options" means any option to purchase shares of Company Capital Stock or any other equity securities of the Company granted under any stock option plan, program or agreement maintained by the Company or to which the Company is a party.

"Company Owned Intellectual Property" means all Company Intellectual Property other than Intellectual Property licensed to the Company pursuant to any Inbound Intellectual Property License.

"Company Software" has the meaning set forth in Section 3.10(e).

"Company Stockholders" means the holders of the Company Capital Stock.

"Confidential Information" has the meaning set forth in Section 7.6.

"Damages" means any losses (including diminution of value, lost profits, business interruption losses, and losses determined by reference to a multiple of earnings), costs, damages, Liabilities, Taxes, expenses, obligations, actions, suits, proceedings, claims, demands, judgments and settlements (including reasonable legal fees and expenses and all amounts paid in investigation, defense or settlement of any of the foregoing), whether asserted by third parties or incurred or sustained in the absence of third-party claims, whether or not probable, and whether or not any Company Stockholder, the Company, or any officer, director, agent or employee of the Company knew or could have reasonably foreseen the possibility thereof.

"Deductible Amount" has the meaning set forth in Section 10.4(a).

"DGCL" has the meaning set forth in the recitals.

"Disclosure Schedule" means the disclosure schedule of even date herewith delivered by the Company to Parent prior to the execution and delivery of this Agreement and attached hereto.

"Dissenting Share Payments" has the meaning set forth in Section 2.7(c).

"Dissenting Shares" has the meaning set forth in Section 2.7(c).

"Dollars" or "$" means the lawful currency of the United States.

"Earnout Payment Calculation" has the meaning set forth in Section 2.18.

"Earnout Payments" has the meaning set forth in Section 2.18.

"Effective Time" has the meaning set forth in Section 2.3.

"Employee Benefit Plan" means any retirement, pension, profit sharing, deferred compensation, stock bonus, savings, bonus, incentive, cafeteria, medical, dental, vision, hospitalization, life insurance, accidental death and dismemberment, medical expense reimbursement, dependent care assistance, tuition reimbursement, disability, sick pay, holiday, vacation, severance, change of control, stock purchase, stock option, restricted stock, phantom stock, stock appreciation rights, fringe benefit or other employee benefit plan, fund, policy, program, contract, arrangement or payroll practice of any kind (including any "employee benefit plan," as defined in Section 3(3) of ERISA), or any management, employment, consulting or personal services contract or agreement, whether written or oral, qualified or nonqualified, funded or unfunded, or domestic or foreign, (a) sponsored, maintained or contributed to by any of the Company or any ERISA Affiliate to which any of the Company or any ERISA Affiliate is a party, (b) covering or benefiting any current or former officer, employee, agent, director or independent contractor of any of the Company or any ERISA Affiliate (or any dependent or beneficiary of any such individual), (c) with respect to which the Company or any ERISA Affiliate has (or could have) any Liability, or (d) sponsored, maintained or contributed to by TriNet for the benefit of or covering the Company or any current or former officer, employee, agent, director or independent contractor of the Company or any ERISA Affiliate (or any dependent or beneficiary of any such individual), including with respect to any co-employer or similar arrangement.

"Environmental Claim" has the meaning set forth in Section 3.12(f).

"Environmental Laws" has the meaning set forth in Section 3.12(f).

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any corporation, partnership, limited liability company, sole proprietorship, trade, business or other entity or organization that, together with the Company, is treated as a single employer under Code Section 414(b), (c), (m) or (o).

"Escrowed Cash" means the cash held in escrow by Parent as the Escrow Consideration.

"Escrow Consideration" means an amount equal to the product of (x) the Adjusted Consideration multiplied by (y) 0.10.

"Final Date" has the meaning set forth in Section 9.1(b).

"Financial Statements" means the Annual Financial Statements, the Interim Financial Statements and the Monthly Financial Statements.

"GAAP" means the United States generally accepted accounting principles.

"Government Contract" means, individually or collectively as the context may require, (a) written contracts, including delivery orders, task orders, purchase orders and notices-to-proceed between the Company and any Governmental Entity; and (b) written subcontracts (each, a "Government Subcontract") between the Company and a Prime Contractor who is providing goods or services to a Governmental Entity pursuant to a written contract with such Governmental Entity, *provided* that such Government Subcontract relates only to goods or services being provided to such Governmental Entity pursuant to such contract.

"Government Subcontract" has the meaning set forth in the definition of Government Contract.

"Governmental Entity" means any: (a) nation, state, county, city, district or other similar jurisdiction of any nature; (b) federal, state, local or foreign government; (c) governmental or quasi governmental authority of any nature (including any governmental agency, branch, commission, bureau, instrumentality, department, official, entity, court or tribunal); (d) multinational organization or body; or (e) body or other Person entitled by applicable Law or contract to exercise any arbitrative, administrative, executive, judicial, legislative, police, regulatory or Taxing authority or power.

"Inbound Intellectual Property Licenses" has the meaning set forth in Section 3.10(d).

"Indebtedness" means any obligation or other Liability under or for any of the following (excluding any trade payable incurred in the Ordinary Course of Business): (a) indebtedness for borrowed money (including if guaranteed or for which a Person is otherwise liable or responsible, including an obligation to assume indebtedness); (b) obligation evidenced by a note, bond, debenture or similar instrument (including a letter of credit); (c) surety bond; (d) swap or hedging contract; (e) capital lease; (f) banker acceptance; (g) purchase money mortgage, indenture, deed of trust or other purchase money Lien or conditional sale or other title retention agreement; (h) indebtedness secured by any mortgage, indenture or deed of trust upon any asset; or (i) interest, fee or other expense regarding any of the foregoing.

"Independent Accounting Firm" has the meaning set forth in Section 2.18(c).

"Information Statement" has the meaning set forth in Section 6.7(a).

"Initial Consideration" means the difference of (a) the product of (x) the Adjusted Consideration multiplied by (y) 0.90 minus (b) the Representative Fund.

"Intellectual Property" means any or all of the following throughout the world (including all rights in, arising out of, or associated with): (a) all patents, industrial rights and applications therefor and all reissues, divisionals, renewals, extensions, provisionals, continuations and continuations-in-part thereof, and all patents, applications, registrations, documents and filings claiming priority to or serving as a basis for priority thereof; (b) all inventions (whether or not patentable), invention disclosures, improvements, trade secrets, proprietary information, know how, compositions, Software, development tools, technology, techniques, procedures, methodologies, Confidential Information, technical data, customer or vendor lists, pricing or cost information, business or marketing plans or proposals, and all tangible or intangible proprietary information; (c) all works of authorship (in both published and unpublished works), copyrights, copyright registrations and applications therefor, and all other rights of authorship corresponding thereto; (d) mask rights; (e) all industrial designs and any registrations and applications therefor; (f) all trademarks (including all common law trademarks), trade names, logos, service marks, trademark and service mark registrations and applications therefor, and all goodwill for any of the foregoing; (g) all databases and data collections and all rights therein; (h) all moral and economic rights of authors and inventors, however named; (i) all rights or privacy or publicity; (j) all telephone numbers, internet addresses, websites, and domain names, provided that such telephone numbers, internet addresses, websites, and domain names are used primarily for Company business; (k) any other intellectual property right or any similar or equivalent rights to any of the foregoing anywhere in the world, including any application, registration or renewal therefore; and (l) all items, documentation and media containing, describing or relating to any of the foregoing including manuals, memoranda and records wherever created throughout the world.

"Intellectual Property Licenses" has the meaning set forth in Section 3.10(d).

"Interim Balance Sheet" means the unaudited balance sheet of the Company as of March 31, 2011, including the notes thereto.

"Interim Financial Statements" means the Interim Balance Sheet and the related statement of income of the Company for the three (3) months ended March 31, 2011, including the notes thereto.

"Inventors" has the meaning set forth in Section 3.10(g).

"IRS" means the Internal Revenue Service.

"Knowledge" means (a) with respect to the Company or the Principal Stockholders, the actual knowledge of any of the Principal Stockholders or executive officers or other management-level personnel of the Company having responsibility for the matters represented after reasonable inquiry and (b) with respect to Parent, the actual knowledge of Parent's or its subsidiaries' directors or executive officers or other management-level personnel having responsibility for the matters represented after reasonable inquiry.

"Law" means any applicable provision of any constitution, treaty, statute, law (including the common law), rule, regulation, ordinance, code or order enacted, adopted, issued or promulgated by any Governmental Entity.

"Leased Real Property" has the meaning set forth in Section 3.17(b).

"Liability" means any liability or obligation of any kind or nature (whether known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, or due or to become due), including all costs and expenses related thereto.

"Lien" means any mortgage, claim, pledge, security interest, charge, lien, option or other right to purchase, restriction or reservation or any other encumbrance whatsoever.

"Make-Whole Payment" has the meaning set forth in Section 7.5(h).

"Material Adverse Effect" means, with respect to any Person, any incident, condition, change, effect or circumstance that, individually or when taken together with all such incidents, conditions, changes, effects or circumstances in the aggregate, (a) has had or would reasonably be expected to have a material adverse effect on the business, operations, condition (financial or otherwise), properties, prospects, Liabilities or results of operations of such Person and its subsidiaries, taken as a whole or any of them taken individually or (b) materially and adversely affects the ability of the Company, the Company Stockholders, or Parent to consummate the Merger or the Other Transactions.

"Material Contract" has the meaning set forth in Section 3.22.

"Materiality Qualifier" means a qualification to a representation or warranty by use of the word "material," "materially" or "materiality" or by a reference regarding the occurrence or non occurrence or possible occurrence or non occurrence of a Material Adverse Effect or a "materially adverse effect."

"Materials of Environmental Concern" has the meaning set forth in Section 3.12(f).

"Merger" has the meaning set forth in the recitals.

"Monthly Financial Statements" means the unaudited balance sheets of the Company for each fiscal month completed prior to the Closing Date, beginning with the month ended April 30, 2011, and the related statement of income for the monthly periods then ended.

"Multiemployer Plan" means any "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA or Section 414(f) of the Code.

"Non-Competition Agreements" has the meaning set forth in Section 8.3(l).

"Objection Notice" has the meaning set forth in Section 2.18(b).

"Objection Period" has the meaning set forth in Section 2.18(b).

"Open Source Materials" has the meaning set forth in Section 3.10(f).

"Option Holder Transmittal Letter" has the meaning set forth in Section 2.8(c).

"Ordinary Course of Business" means the ordinary and usual course of normal day to day operations of the Company, consistent with the Company's past practice.

"Other Transactions" means the transactions contemplated by the Transaction Documents other than the Merger.

"Outbound Intellectual Property Licenses" has the meaning set forth in Section 3.10(d).

"Parent" has the meaning set forth in the preamble.

"Parent Indemnified Person" has the meaning set forth in Section 10.1(a).

"Party" has the meaning set forth in the preamble.

"Permitted Lien" means any: (a) Lien for any Tax, assessment or other governmental charge that is not yet due and payable or that may thereafter be paid without penalty; or (b) mechanic's, materialmen's, landlord's or similar Lien arising or incurred in the Ordinary Course of Business that secures any amount that is not overdue.

"Person" means any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization or any other business entity or association or any Government Entity.

"Post-Closing Straddle Period" is defined in Section 7.5(c).

"Post-Closing Tax Period" is defined in Section 7.5(c).

"Pre-Closing Straddle Period" is defined in Section 7.5(b).

"Pre-Closing Tax Period" is defined in Section 7.5(b).

"Prime Contractor" means any Person (other than the Company) which is a party to any Government Subcontract.

"Principal Stockholders" has the meaning set forth in the preamble.

"Pro Rata Portion" means (a) with respect to each Company Stockholder, Qualifying Option Holder and the Bonus Pool, the total amount of Initial Consideration paid to such Company Stockholder or Qualifying Option Holder or allocated to the Bonus Pool, as applicable, pursuant to this Agreement as of the Closing, expressed as a percentage of the total of all Initial Consideration paid or allocated, as applicable, to all Company Stockholders, Qualifying Option Holders and the Bonus Pool pursuant to this Agreement as of the Closing and (b) with respect to any Bonus Pool Recipient, such Bonus Pool Recipient's pro rata portion of the Bonus Pool's Pro Rata Portion as set forth on Schedule 1-B.

"Pro Rata Portion of the Representative Fund" means (a) $23,384.70 with respect to the Company Stockholders, (b) $982.00 with respect to the Qualifying Option Holders and (c) $633.30 with respect to the Bonus Pool.

"Products" has the meaning set forth in Section 3.11.

"Qualifying Company Options" means all options to purchase Company Capital Stock issued during 2010, to the extent such options are outstanding and remain unexercised immediately prior to the Effective Time.

"Qualifying Company Option Consideration Per Share" means, with respect to each Qualifying Company Option, the difference of (x) the Common Consideration Per Share minus (y) the Applicable Exercise Price.

"Qualifying Company Option Escrow Consideration Per Share" means the product of (x) the Qualifying Company Option Consideration Per Share multiplied by (y) 0.10.

"Qualifying Company Option Initial Consideration Per Share" means the difference of (a) the product of (x) the Qualifying Company Option Consideration Per Share multiplied by (y) 0.90 minus (b) such Qualifying Option Holder's pro rata share of the Qualifying Option Holders' Pro Rata Portion of the Representative Fund, which shall be determined based on the ratio of the number of shares of Company Capital Stock issuable upon the exercise of such Qualifying Option Holder's Qualifying Company Options to the total number of shares of Company Capital Stock issuable upon the exercise of all Qualifying Company Options, assuming that all Qualifying Company Options are fully-vested.

"Qualifying Option Holder" means each holder of a Qualifying Company Option immediately prior to the Effective Time.

"Real Property Leases" has the meaning set forth in Section 3.17(b).

"Representative Fund" has the meaning set forth in Section 2.12(c).

"Required Stockholder Vote" has the meaning set forth in Section 3.3(b).

"Responding Party" has the meaning set forth in Section 10.2(a).

"Restricted Cash" means any cash on hand held by the Company to secure or otherwise provide payment for any outstanding letters of credit or deposits and any cash on hand held by the Company in bank, lock box and other deposit accounts located in a jurisdiction outside the United States.

"Secretary of State" has the meaning set forth in Section 2.3.

"S Election" has the meaning set forth in Section 7.5(g).

"Section 338(h)(10) Election" has the meaning set forth in Section 7.5(h).

"Software" means all computer programs, operating systems, applications systems, firmware or software of any nature, whether operational, under development or inactive including all object code, source code, comment code, algorithms, models and methodologies, menu structures or arrangements, icons, operational instructions, scripts, commands, syntax, screen designs, reports, designs, concepts, technical manuals, test scripts, user manuals, databases, compilations and other documentation therefor, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature and all data bases necessary or appropriate to operate any such computer program, operating system, applications system, firmware or software.

"Special Claims" has the meaning set forth in Section 10.3(b).

"Stock Option Plan" has the meaning set forth in Section 3.2(a).

"Stockholders' Agent" has the meaning set forth in the preamble.

"Stockholder Consent" has the meaning set forth in Section 6.7(b).

"Straddle Period" means any Tax period that begins before the Closing Date and ends after the Closing Date.

"Surviving Corporation" has the meaning set forth in Section 2.1.

"Taxes" means all federal, state, local, foreign and other income, corporation, capital gains, excise, gross receipts, ad valorem, sales, goods and services, harmonized sales, use, employment, franchise, profits, gains, property, transfer, payroll, social security contributions, intangibles and other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Governmental Entity with respect thereto, and the term "Tax" means any one of the foregoing Taxes.

"Tax Returns" means all returns, declarations, reports, statements and other documents filed or required to be filed in respect of Taxes, and the term "Tax Return" means any one of the foregoing Tax Returns.

"Third-Party Claim" has the meaning set forth in Section 10.2(c).

"Trade Secrets" has the meaning set forth in Section 3.10(h).

"Transaction Bonus" means a bonus awarded to an employee or consultant of the Company pursuant to a Transaction Bonus Agreement.

"Transaction Bonus Agreement" means one of the letter agreements between the Company and its employees or consultants which, among other things, awards such employee or consultant a cash bonus to be funded by the Bonus Pool based upon and representing a portion of the Bonus Pool Consideration and any Earnout Payments allocable to the Bonus Pool.

"Transaction Documents" means this Agreement and each other agreement, document and instrument entered into or executed by any Party in connection with this Agreement.

"Transaction Expenses" has the meaning set forth in Section 11.11.

"Transfer Taxes" has the meaning set forth in Section 7.5(f).

"Transmittal Letter" has the meaning set forth in Section 2.13(a).

"Treasury Regulations" means the applicable regulations promulgated by the IRS under to the Code.

"TriNet" has the meaning set forth in Section 3.14(a).

ARTICLE II

MERGER

Section 2.1 **The Merger**. At the Effective Time and subject to and upon the terms and conditions set forth in this Agreement and the applicable provisions of the DGCL, Merger Sub shall be merged with and into the Company, the separate corporate existence of Merger Sub shall cease and the Company shall continue as the surviving corporation and a wholly-owned subsidiary of Parent. The Company, as the surviving corporation after the Merger, is hereinafter referred to as the "Surviving Corporation."

Section 2.2 **Closing**. Subject to any earlier termination hereof, the closing of the Merger and the Other Transactions (the "Closing") will take place at the offices of Perkins Coie LLP, 3150 Porter Drive, Palo Alto, California 94304, beginning at 10:00 a.m. California Time, on the second Business Day after the satisfaction or waiver of all conditions to the obligations of the Parties to consummate the Merger and the Other Transactions (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions at the Closing) or such other date or time as the Parties may determine (the actual date on which the Closing occurs being the "Closing Date"). To the extent the Parties agree, documents may be delivered at the Closing by facsimile or other electronic means. All actions to be taken and all documents to be executed or delivered at the Closing will be deemed to have been taken, executed and delivered simultaneously, and no action will be deemed taken and no document will be deemed executed or delivered until all have been taken, delivered and executed, except in each case to the extent otherwise stated in this Agreement or any other Transaction Document.

Section 2.3 **Effective Time**. Upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date, the Parties shall execute and file the certificate of merger in the form attached hereto as Exhibit A and in accordance with the requirements of the DGCL (the "Certificate of Merger") with the Secretary of State of the State of Delaware (the "Secretary of State"), whereupon Merger Sub shall be merged with and into the Company, which shall survive the Merger, pursuant to the provisions of the DGCL. The Parties shall make all other filings, recordings or publications required by the DGCL in connection with the Merger. The Merger shall become effective upon the filing of the Certificate of Merger with the Secretary of State pursuant to the DGCL or at such later time as shall be agreed upon by the Parties and specified in the Certificate of Merger (the "Effective Time").

Section 2.4 **Effect of the Merger**. From and after the Effective Time, the effect of the Merger shall be as provided in this Agreement and the applicable provisions of the DGCL.

Section 2.5 **Certificate of Incorporation; Bylaws**.

(a) Immediately after the Effective Time, the certificate of incorporation of the Surviving Corporation shall be the certificate of incorporation of Merger Sub as in effect immediately prior to the Effective Time, except that Article I of the Certificate of Incorporation of the Surviving Corporation will read in its entirety as follows until amended after the Effective Time as provided in such Certificate of Incorporation or by applicable Law: "The name of the corporation is Optomai, Inc.", and such certificate of incorporation shall be the certificate of incorporation of the Surviving Corporation until thereafter amended as provided by Law and such certificate of incorporation.

(b) Immediately after the Effective Time, the bylaws of the Surviving Corporation shall be the bylaws of Merger Sub as in effect immediately prior to the Effective Time, and such bylaws shall be the bylaws of the Surviving Corporation until thereafter amended as provided by Law and such bylaws.

Section 2.6 **Directors; Officers**.

(a) Immediately after the Effective Time, the directors of Merger Sub immediately before the Effective Time shall be the directors of the Surviving Corporation until the earlier of their resignation or removal or until their respective successors are duly elected and qualified, as the case may be. In furtherance thereof, the Company shall secure, effective at the Effective Time, resignations of all of the incumbent directors of the Company Board, and the Company shall take all actions available to the Company to cause the directors of Merger Sub to be so elected or appointed at the Effective Time.

(b) Immediately after the Effective Time, the officers of Merger Sub immediately before the Effective Time shall be the officers of the Surviving Corporation until the earlier of their resignation or removal or until their respective successors are duly appointed, as the case may be. In furtherance thereof, the Company shall secure, effective at the Effective Time, resignations of all of the officers of the Company, and the Company shall take all actions available to the Company to cause the officers of Merger Sub to be so appointed at the Effective Time.

Section 2.7 **Effect on Capital Stock**.

(a) Conversion of Company Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of any Party or any Company Stockholder, all shares of Company Capital Stock will no longer be outstanding and will be canceled and retired automatically and will cease to exist, and each Company Stockholder will cease to have any rights with respect thereto, except the right to receive its respective portion of

the Initial Consideration, Escrow Consideration and Earnout Payments, if any, payable in accordance with and in the manner provided by this Article II, and subject to the limitations and conditions in this Article II, along with the other rights provided by this Agreement.

(b) Conversion of Capital Stock of Merger Sub. As of the Effective Time, by virtue of the Merger and without any action on the part of any Party or any holder of securities of Merger Sub, each share of common stock, par value $0.001 per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one validly issued, fully paid and nonassessable share of common stock of the Surviving Corporation, which will be the only shares of capital stock of the Surviving Corporation issued and outstanding immediately after the Effective Time. Each stock certificate of Merger Sub evidencing ownership of any such shares of common stock shall evidence ownership of such shares of capital stock of the Surviving Corporation.

(c) Dissenters' Rights. "Dissenting Shares" means any shares of Company Capital Stock issued and outstanding immediately prior to the Effective Time and held by a Company Stockholder that has not voted in favor of the Merger or consented thereto in writing and that has demanded properly in writing appraisal for such shares of Company Capital Stock in accordance with Section 262 of the DGCL.

(i) Subject to clause (ii) of this Section 2.7(c), notwithstanding any other provision of this Agreement to the contrary, Dissenting Shares shall not be converted as provided in Section 2.7(a), but the holder thereof shall be entitled only to such rights as are granted by the DGCL.

(ii) Notwithstanding the provisions of clause (i) of this Section 2.7(c), if any Company Stockholder that demands appraisal of such Company Stockholder's shares of Company Capital Stock under the DGCL effectively withdraws or loses (through failure to perfect or otherwise) such Company Stockholder's right to appraisal, then as of the Effective Time or the occurrence of such event, whichever later occurs, such Company Stockholder's shares of Company Capital Stock shall automatically be cancelled and converted (without interest) as provided in Section 2.7(a).

(iii) The Company shall comply with the provisions of Section 262 of the DGCL which are required to be complied with prior to the Effective Time to the reasonable satisfaction of Parent. The Company shall give Parent (A) prompt notice of any written demands for appraisal or payment of the fair value of any shares of Company Capital Stock, withdrawals of such demands, and any other instruments served on the Company pursuant to the DGCL relating to the Merger, and (B) the opportunity to direct all negotiations and proceedings with respect to demands for appraisal under the DGCL. Except with the prior written consent of Parent, which will not be unreasonably withheld or delayed, the Company shall not voluntarily make any payment with respect to any demands for appraisal or compromise, settle, or offer to settle, any such demands or approve any withdrawal of any such demand.

(iv) Notwithstanding the foregoing, (A) to the extent that Parent, the Surviving Corporation or the Company makes any payment or payments in respect of any Dissenting Shares in excess of the value of the Adjusted Consideration that otherwise would have been payable in respect of such shares in accordance with this Agreement or (B) if Parent or the Surviving Corporation incur any Damages (including attorneys' and consultants' fees, costs and expenses and including any such fees, costs and expenses incurred in connection with investigating, defending against or settling any action or proceeding) in respect of any Dissenting Shares (excluding payments for such shares) (payments made or Damages incurred as described in clauses (A) and (B) are referred to herein as "Dissenting Share Payments"), Parent shall be entitled to recover under the terms of Article X hereof the amount of such Dissenting Share Payments to the extent that they exceed the value of the Adjusted Consideration and Earnout Payments that otherwise would have been payable in respect of such shares in accordance with this Agreement.

(d) Cancellation of Company Capital Stock Owned by the Company. As of the Effective Time, by virtue of the Merger and without any action on the part of any Party or any Company Stockholder, all shares of Company Capital Stock that are owned by the Company as treasury stock immediately prior to the Effective Time (if any) shall be canceled and extinguished without any conversion thereof, and no consideration will be paid or delivered in exchange therefor.

Section 2.8 **Company Options**.

(a) Prior to the Closing, the Company or the Company Board shall take such actions as are necessary to cause each outstanding Company Option to be fully-vested. Immediately prior to the Effective Time, the Company shall terminate and cancel each Company Option that is outstanding and unexercised as of the Effective Time. Neither the Surviving Corporation nor Parent shall assume any Company Option that is outstanding immediately prior to the Effective Time, whether or not then exercisable, and the Company shall take any and all action necessary or appropriate to cause the Company Options to be terminated and cancelled prior to the Effective Time. In order to receive payment for a Qualifying Company Option in accordance with this Article II, each Qualifying Option Holder must provide Parent with a duly completed and validly executed letter of transmittal in the form of Exhibit B attached hereto (an "Option Holder Transmittal Letter"). Promptly after the date hereof, the Company shall provide each Qualifying Option Holder with a copy of the Information Statement together with the form of Option Holder Transmittal Letter for completion by such Qualifying Option Holder.

(b) After the Effective Time, as soon as practicable following the receipt of each Qualifying Option Holder's Option Holder Transmittal Letter, Parent and the Surviving Corporation shall cause to be paid to each Qualifying Option Holder an amount in cash equal to the product of (x) the number of shares of Company Capital Stock for which such Qualifying Company Option was exercisable immediately prior to the Effective Time (assuming the full vesting of such Qualifying Company Option) multiplied by (y) the Qualifying Company Option Initial Consideration Per Share.

(c) Additionally, Parent shall retain and hold in escrow in accordance with the provisions of Article X, for the benefit of each such Qualifying Option Holder, an amount in cash equal to the product of (x) the number of shares of Company Capital Stock for which such Qualifying Company Option was exercisable immediately prior to the Effective Time (assuming the full vesting of such Qualifying Company Option) multiplied by (y) the Qualifying Company Option Escrow Consideration Per Share, which shall be held in escrow by Parent to compensate the Parent Indemnified Persons for Damages pursuant to and in accordance with the terms and conditions set forth in Article X, and, to the extent released to the Qualifying Option Holders pursuant to Article X, paid to the Qualifying Option Holders in accordance with Section 2.12.

Section 2.9 **Merger Consideration**. Subject to the adjustments set forth herein, the aggregate consideration payable by Parent to the Company Stockholders in connection with the Merger shall consist of:

(a) the Common Initial Consideration payable in exchange for the Company Capital Stock, which in each case shall be paid or delivered to the Company Stockholders, except with respect to Dissenting Shares, on the Closing Date subject to and in accordance with Sections 2.11 and 2.13;

(b) the Escrow Consideration payable in exchange for the Company Capital Stock, which shall be held in escrow by Parent to compensate the Parent Indemnified Persons for Damages pursuant to and in accordance with the terms and conditions set forth in Article X, and, to the extent released to the Company Stockholders pursuant to Article X, paid or delivered to the Company Stockholders subject to and in accordance with Sections 2.12 and 2.13; and

(c) the Earnout Payments, if any, payable in exchange for the Company Capital Stock in accordance with Section 2.18.

Each Company Stockholder shall be entitled to receive, subject to the limitations and conditions of this Article II, an amount equal to the product of (i) the Common Initial Consideration Per Share or the Common Escrow Consideration Per Share, as applicable, multiplied by (ii) the aggregate number of shares of Company Capital Stock held by such Company Stockholder immediately prior to the Effective Time.

Section 2.10 **Funding and Payment of Bonus Pool Consideration**.

(a) Parent shall, at Parent's election (i) pay directly to the Bonus Pool Recipients or (ii) contribute to the Surviving Corporation, the Bonus Pool Consideration and any Earnout Payments allocable to the Bonus Pool hereunder if, as and when such Bonus Pool Consideration or Earnout Payments become due and payable hereunder.

(b) Reasonably promptly following receipt of Bonus Pool Consideration or Earnout Payments from Parent or the remaining portion of the Representative Fund allocated to the Bonus Pool, if any, from the Stockholders' Agent, the Surviving Corporation or Parent, as applicable, shall cause to be paid to each Bonus Pool Recipient the amount in cash, if any, to which such Bonus Pool Recipient is entitled pursuant to such Person's

Transaction Bonus Agreement, subject to Section 2.15. Parent or the Surviving Corporation, as applicable, shall be permitted, without limiting the foregoing, to delay such any such payment until the next regularly-scheduled payroll date.

(c) Additionally, Parent shall retain and hold in escrow in accordance with the provisions of Article X, for the benefit of each such Bonus Pool Recipient, an amount in cash equal to the Bonus Pool Escrow Consideration, which shall be held in escrow by Parent to compensate the Parent Indemnified Persons for Damages pursuant to and in accordance with the terms and conditions set forth in Article X, and, to the extent released to the Bonus Pool pursuant to Article X, subsequently be paid to the Bonus Pool Recipients in accordance with Section 2.12.

(d) Payments of Transaction Bonuses are intended to comply with the provisions applicable to transaction-based compensation set forth in Treasury Regulations Section 1.409A-3(i)(5)(iv)(A), and the provisions of this Agreement applicable to such payments shall be administered and interpreted consistently with such intent.

Section 2.11 **Purchase Price Adjustments; Payment of Transaction Expenses and Company Debt.** On the Business Day prior to the Closing Date, Stockholders' Agent shall deliver to Parent a statement (the "Closing Consideration Statement"), in form and substance satisfactory to Parent, setting forth Stockholders' Agent's reasonable, good faith determination of the Adjusted Consideration, including a reasonably detailed calculation of such amount and setting forth the elements thereof, accompanied by a certificate signed by the President of the Company stating that the determination contained therein is true and correct as of the Closing, and which shall include copies of any invoices or other supporting documents referred to therein. The Closing Consideration Statement shall include Transaction Expenses incurred by the Company (on its own behalf or on behalf of the Company Stockholders or any other Person) and all Company Debt as of the Closing Date. No fewer than three (3) Business Days prior to the Closing, Stockholders' Agent shall deliver to Buyer a draft Closing Consideration Statement setting forth Seller's reasonable, good faith determination of the Adjusted Consideration as of the Closing Date. Notwithstanding the foregoing, the Adjusted Consideration shall be updated on the Closing Date to reflect Seller's Transaction Expenses related to legal fees in an amount to be determined immediately prior to the Closing upon submission of a final invoice for legal fees by Seller's counsel, White & Lee LLP, with such invoiced amount to be paid by Parent, on behalf of the Company, on the Closing Date, by check or wire transfer to the account(s) specified by Seller in Schedule 2.11. To the extent that Indebtedness owed by the Company to the Principal Stockholders is included in the determination of Company Debt and results in a reduction of the Adjusted Consideration, and provided that Parent has received evidence reasonably satisfactory to Parent and its counsel of the termination of all obligations with respect thereto, including original promissory notes representing the same marked "canceled," the Company will discharge such Company Debt as of the Closing. Parent and Stockholders' Agent will use reasonable, good faith efforts to resolve any disagreements concerning the Closing Consideration Statement. The Adjusted Consideration as determined under this Section 2.11 shall constitute the Adjusted Consideration for purposes of any payment to be made hereunder as of the Closing Date.

Section 2.12 **Escrow of Escrowed Cash; Representative Fund**.

(a) All Escrowed Cash shall be subject to forfeiture as provided in Article X. The Escrowed Cash deposited with Parent pursuant to the requirements of this Agreement shall remain in escrow until such time or times as it is to be released or forfeited as set forth herein. The Escrowed Cash shall not accrue interest.

(b) If all applicable periods during which the Escrowed Cash is subject to forfeiture hereunder have expired and there are no unresolved Claims pending, the Escrowed Cash not previously forfeited shall be released from escrow and delivered or allocated, as applicable, to the respective Company Stockholders and Qualifying Option Holders and the Bonus Pool pursuant to Article X.

(c) Immediately following the Effective Time, a portion of the Initial Consideration consisting of cash in the amount of $25,000 (the "Representative Fund") shall be delivered or caused to be delivered by Parent to the Stockholders' Agent, to be held in escrow by such Stockholders' Agent, to be used exclusively for the purposes set forth in this subsection (c). For the avoidance of doubt, the Representative Fund constitutes a reduction to the Initial Consideration to be received by the holders of Company Stock and Qualifying Company Options or allocated to the Bonus Pool pursuant to this Agreement, and shall not be funded from the Escrowed Cash. The Representative Fund shall be used by the Stockholders' Agent solely for payment of out-of-pocket expenses, in each instance incurred by the Stockholders' Agent in connection with the performance of the Stockholders' Agent duties and obligations hereunder. Notwithstanding anything to the contrary herein, in no event shall (i) any Indemnified Party have any rights in or to the Representative Fund or (ii) Parent have any obligation or incur any expense with respect to the Representative Fund. Parent shall not have any responsibility or liability for the manner in which the Stockholders' Agent uses or disburses the Representative Fund, incurs expenses or performs his duties. Upon the expiration of the three (3) month period following the date on which the Earnout Payment for the period ending on March 30, 2012 is due and payable hereunder (or, if no Earnout Payment is due and payable with respect to such period, August 31, 2012), the Stockholders' Agent shall disburse any remaining portion of the Representative Fund to the Company Stockholders and the Qualifying Option Holders and to Parent or the Surviving Corporation for the benefit of the Bonus Pool in accordance with their respective Pro Rata Portions of the Representative Fund. Neither Parent nor the Surviving Corporation shall have any obligation with respect to the distribution of any remaining amount of the Representative Fund except as expressly provided in Section 2.10(b).

Section 2.13 **Surrender of Certificates**.

(a) Exchange Procedures. In order to receive its portion of the Common Initial Consideration or the Common Escrow Consideration in accordance with this Article II, each Company Stockholder must surrender the Company Certificate(s) representing such Company Stockholder's ownership of Company Capital Stock, together with a duly completed and validly executed letter of transmittal in the form of Exhibit B attached hereto (a "Transmittal Letter"). After the Effective Time, as soon as practicable following the receipt of each Company Stockholder's Transmittal Letter and Company Certificates, Parent shall, in exchange therefor, deliver the Common Initial Consideration and retain in escrow Common

Escrow Consideration in accordance with this Article II. Until properly surrendered, each outstanding Company Certificate will be deemed from and after the Effective Time, for all corporate purposes, to evidence the right to receive a portion of the Adjusted Consideration in accordance with, subject to the other terms and conditions of, this Article II.

(b) No Liability. Notwithstanding anything to the contrary in this Section 2.13, neither the Surviving Corporation nor any Party shall be liable to any Person for any amount properly paid to a Governmental Entity pursuant to any applicable abandoned property, escheat or similar Law.

(c) Dissenting Shares. The provisions of this Section 2.13 shall also apply to Dissenting Shares that lose their status as such, except that the obligations of Parent under this Section 2.13 shall commence on the date of loss of such status and the holder of such shares shall be entitled to receive in exchange for such shares the portion of the Adjusted Consideration to which such holder is entitled pursuant to this Article II.

Section 2.14 **No Further Ownership Rights in Company Capital Stock**. At the Effective Time, the stock transfer books of the Company shall be closed and thereafter there shall be no further registration of transfers of any shares of Company Capital Stock on the records of the Company. From and after the Effective Time, the holders of Company Certificates evidencing ownership of shares of Company Capital Stock outstanding immediately prior to the Effective Time shall cease to have any rights with respect to such shares, except as otherwise provided for herein or by applicable Law. If, after the Effective Time, Company Certificates are presented to Parent or the Surviving Corporation for any reason, they shall be canceled and exchanged as provided in and subject to the terms of this Article II.

Section 2.15 **Withholding Taxes**. The Company and, on its behalf, Parent and the Surviving Corporation, shall be entitled to deduct and withhold from any consideration payable pursuant to this Agreement or any Transaction Bonus Agreement to any Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient such amounts as it may be required to deduct or withhold with respect to the making of such payment under the Code or any provision of applicable Tax Law. To the extent such amounts are so deducted or withheld, such amounts shall be treated for all purposes as having been paid to the Person to whom such amounts would otherwise have been paid.

Section 2.16 **Lost, Stolen or Destroyed Certificates**. In the event that any Company Certificates shall have been lost, stolen or destroyed, Parent shall cause to be paid in exchange for such lost, stolen or destroyed Company Certificates, upon the making of an affidavit of that fact by the holder thereof, such payment of the Adjusted Consideration as may be required pursuant to this Article II; *provided*, *however*, that Parent may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost, stolen or destroyed Company Certificates to deliver a written affidavit and indemnity agreement, in form and substance acceptable to Parent, and a bond in such sum as it may reasonably direct as indemnity against any claim that may be made against Parent or the Surviving Corporation with respect to the Company Certificates alleged to have been lost, stolen or destroyed.

Section 2.17 **Taking of Necessary Action; Further Action**. If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation with full right, title and possession to all assets, property, rights, privileges, powers and franchises of the Company, the officers and directors of Parent, the Company and the Surviving Corporation and each of their respective subsidiaries are fully authorized in the name of their respective corporations to take, and will take, all such lawful and necessary action, so long as such action is not inconsistent with this Agreement.

Section 2.18 **Earnout**.

(a) Subject to the other terms of this Agreement, as additional consideration for the Merger, Parent shall pay to the Company Stockholders and Qualifying Option Holders and allocate to the Bonus Pool the amounts earned, if any, as set forth on Exhibit C (collectively, the "Earnout Payments"), subject to the satisfaction of the conditions set forth thereon and herein. The Earnout Payments shall be calculated by Parent in accordance with Exhibit C as of the close of business on March 30, 2012 and March 29, 2013, respectively. The Earnout Payment calculation (the "Earnout Payment Calculation") shall be provided by Parent to Stockholder's Agent on or before May 30, 2012 for the Earnout Payment set forth in Paragraph (a) of Exhibit C, and on or before May 29, 2013 for the Earnout Payment set forth in Paragraphs (b) and (c) of Exhibit C.

(b) Stockholders' Agent shall be entitled to review the Earnout Payment Calculation, together with supporting work papers and books and records, in each case, of Parent and its representatives, accountants and other advisors, to be provided upon Stockholders' Agent's reasonable request. During a period of thirty (30) days after the date Stockholders' Agent receives the Earnout Payment Calculation (the "Objection Period"), if Stockholders' Agent disagrees with the Earnout Payment Calculation, then Stockholders' Agent shall give written notice (an "Objection Notice") to Parent within such thirty (30) day period specifying in reasonable detail Stockholders' Agent's disagreement with Parent's determination of the applicable Earnout Payment as set forth in the Earnout Payment Calculation. Any Objection Notice must specify those items or amounts as to which Stockholders' Agent disagrees, and Stockholders' Agent will be deemed to have agreed with all other items and amounts contained in the Earnout Payment Calculation. If Stockholders' Agent does not deliver an Objection Notice within the Objection Period, then Stockholders' Agent will be deemed to have agreed entirely with the determination of the applicable Earnout Payment as set forth in the Earnout Payment Calculation.

(c) If an Objection Notice is duly and timely delivered in accordance with the terms of Section 2.18(b), Parent and Stockholders' Agent will, during the thirty (30) days following delivery of the Objection Notice, use commercially reasonable efforts to reach agreement on the disputed items or amounts in order to determine the Earnout Payment, which amount must be within the range of the amount thereof shown in the Earnout Payment Calculation and the amount thereof shown in the Objection Notice. If during such thirty (30) day period, Parent and Stockholders' Agent are unable to reach agreement on the Earnout Payment, they will promptly thereafter cause an independent accounting firm of recognized national or regional standing to be mutually agreed upon by Parent and Stockholders' Agent, acting

reasonably and in good faith (the "Independent Accounting Firm"), to review this Agreement and the disputed items or amounts for the purpose of calculating the Earnout Payment (it being understood that in making such determination, the Independent Accounting Firm will be functioning as an expert and not as an arbitrator). In making its calculation of the Earnout Payment, the Independent Accounting Firm may consider only those items or amounts in the Earnout Payment Calculation as to which Stockholders' Agent disagreed in the Objection Notice. The Independent Accounting Firm's determination of any disputed items or amounts and its calculation of the Earnout Payment must be within the range of the amount thereof shown in the Earnout Payment Calculation and the amount thereof shown on the Objection Notice. The Independent Accounting Firm will deliver to Parent and Stockholders' Agent, as promptly as practicable, a report setting forth, in reasonable detail, its determination of the disputed items and the resulting Earnout Payment. Such report will be final and binding upon the Parties and the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients absent manifest error. The cost of the Independent Accounting Firm's review and report will be borne by Parent, on the one hand, and the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients on the other hand, in the same proportion that the dollar amount of the disputed items or amounts that are not resolved in favor of Parent, on the one hand, and the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients, on the other hand (as applicable), bears to the total dollar amount of items or amounts in dispute resolved by the Independent Accounting Firm. Each Party, the Stockholders' Agent and each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient will bear all of its respective other expenses incurred in connection with matters contemplated by Section 2.18 (b) and this Section 2.18(c).

(d) Subject to the terms and conditions of this Agreement, including the last sentence of this section and Section 10.11 hereof, the Earnout Payments, if any, shall be paid by Parent to the Company Stockholders and Qualifying Option Holders and allocated to the Bonus Pool in accordance with their Pro Rata Portions and shall be due and payable or allocated, as applicable, as soon as reasonably practicable, but not more than ten (10) Business Days, following the final determination of the amount of such Earnout Payments in accordance with the procedures set forth in this Section 2.18, *provided*, *however*, that the amount of the Earnout Payments that would otherwise be required to be made pursuant to this Section 2.18(d) shall be reduced by the amount that may be required to satisfy the full amount of any Claims made prior to that date in accordance with Article X, but not yet finally adjudicated or otherwise finally resolved and paid. Any Earnout Payment not made as a result of pending Claims shall be made when all Claims made in accordance with Article X have been resolved by a final, non-appealable ruling. Each Principal Stockholder (on behalf of himself and each other Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient) acknowledges and agrees that (i) the Company Stockholders', Qualifying Option Holders' and Bonus Pool Recipients' sole and exclusive right under this Section 2.18 will be to receive, subject to the other terms of this Agreement, the Earnout Payments if the conditions set forth on Exhibit C are satisfied; (ii) except for its obligation to provide (A) the applicable level of aggregate funding in respect of the development, production, sales and support of Earnout Products by Parent and its subsidiaries on a consolidated basis as specified in the budget set forth on Exhibit D hereto, only at such times and only upon the satisfaction of the conditions set forth on such Exhibit D, and (B) the other support commitments of Parent expressly enumerated on Exhibit D, Parent (1) will have the right to operate its business and that of its subsidiaries (including the Surviving Corporation) as it

chooses, in its sole discretion, and (2) Parent is not under any obligation to provide any specific level of investment or financial assistance to the Surviving Corporation or the development, production, sales and support of Earnout Products, nor is Parent required to undertake any specific actions (or to refrain from taking any specific actions) with respect to the operation of the Surviving Corporation or the development, production, sales and support of Earnout Products; (iii) Parent is not representing or warranting that any specific revenue or products sale thresholds will be achieved nor will the Company Stockholders, Qualifying Option Holders or Bonus Pool Recipients have any claims against Parent arising from any failure to meet for any reason (other than its failure to comply with the express terms of subsection (ii) above) any revenue or product sales thresholds; and (iv) all payments made under this Article II to Company Stockholders are being paid solely in exchange for the Merger, and, except as otherwise required by Law, the Parties will not take a Tax Return position inconsistent with the foregoing. Notwithstanding any provision hereof to the contrary, (A) each Company Stockholder acknowledges and agrees that he or she will immediately and irrevocably forfeit to Parent his or her rights to receive any and all of the Earnout Payments, including his or her Pro Rata Portion of the Earnout Payments, hereunder if he or she breaches or violates the terms of his or her Non-Competition Agreement, *provided* that such forfeiture will not constitute an election of remedies or limit in any manner the enforcement of any other remedy that may be available to Parent, and *provided further* that the Pro Rata Portion of the other Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall not be increased by operation of this provision and (B) in no event shall the aggregate of all Earnout Payments be more than $16,000,000. All parties hereto acknowledge and agree that the net effect of the operation of the preceding sentence is to reduce the total amount of any Earnout Payment that would otherwise be earned hereunder by the amount of such payment that would have been the Pro Rata Portion of any party that breaches or violates his or her Non-Competition Agreement.

ARTICLE III

REPRESENTATIONS AND WARRANTIES CONCERNING THE COMPANY

The Company and the Principal Stockholders, jointly and severally, represent and warrant to Parent and Merger Sub as of the date hereof and as of the Closing Date as follows, subject, in each case, to the exceptions provided in the Disclosure Schedule. Any disclosure or exception in the Disclosure Schedule will be deemed to be disclosed in each of the other sections of the Disclosure Schedule as though fully set forth in such other sections if it is reasonably apparent on the face of such disclosure or exception that such disclosure or exception applies.

Section 3.1 **Organization, Standing and Power; Subsidiaries**.

(a) The Company is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. The Company has the requisite corporate power and authority to own its properties and assets and to carry on its business as now being conducted and as currently proposed to be conducted and is duly qualified to do business and is in good standing in each jurisdiction in which the ownership or leasing of its properties or assets or the conduct of its business requires such qualification, except where the failure to be so qualified or in good standing has not had and would not reasonably be expected to have a material impact on the Company. The Company has delivered to Parent a true, complete and

correct copy of the Company Articles and Company Bylaws, each as amended to date and as currently in effect. The Company is not in violation of any of the provisions of the Company Articles or Company Bylaws. The Company does not have any subsidiaries and does not directly or indirectly own any equity or similar interest in, or any interest convertible or exchangeable or exercisable for any equity or similar interest in, any Person.

(b) The minute books of the Company made available to Parent contain a complete and accurate summary of all meetings of directors and stockholders and all actions by written consent from the time of incorporation of the Company through the date of this Agreement and accurately reflect, in all material respects, all transactions and other corporate actions referred to in such minutes.

Section 3.2 **Capitalization; Title to the Shares**.

(a) The authorized capital stock of the Company consists of 30,000,000 shares of Company Capital Stock. As of the date hereof, (i) 10,000,000 shares of Company Capital Stock are issued and outstanding; (ii) 2,500,000 shares of Company Capital Stock are reserved for issuance under the Company's 2010 Equity Incentive Plan (the "Stock Option Plan"); and (iii) 418,750 shares of Company Capital Stock are subject to issuance pursuant to outstanding Company Options. No shares of Company Capital Stock are issued and held in the treasury of the Company. As of the Closing, no shares of Company Capital Stock shall be subject to issuance pursuant to any Company Options. All of the outstanding shares of Company Capital Stock are, and all shares of Company Capital Stock which may be issued pursuant to the exercise of outstanding Company Options will be, when issued in accordance with the respective terms thereof, duly authorized, validly issued, fully paid and non-assessable.

(b) Except as listed in Section 3.2 of the Disclosure Schedule, and other than rights of Parent or Merger Sub created hereunder, there is no: (i) pre emptive right, option, warrant, put, call, purchase right, subscription right, conversion right, convertible instrument, exchange right or other security, contract or commitment of any nature whereby any Person has, or has a right to receive, any equity interest of, or right or obligation to acquire any equity interest of, the Company; (ii) equity appreciation, phantom stock, profit participation or similar right with respect to the Company; or (iii) voting trust, proxy or other contract with respect to any equity interest of the Company.

(c) Schedule 1-A sets forth a true, complete and correct list of each holder of record of Company Capital Stock and Company Options, the number and class of such securities (including Company Options) owned by each such holder.

Section 3.3 **Authority**.

(a) The Company has the requisite corporate power and authority to enter into this Agreement and the other Transaction Documents to which the Company is a party and to consummate the Merger and the Other Transactions. The execution and delivery of the Transaction Documents and the consummation of the Merger and the Other Transactions have been duly authorized by all necessary corporate action on the part of the Company, except for the Required Stockholder Vote. The Required Stockholder Vote will be obtained prior to the

Closing. This Agreement and the other Transaction Documents to which the Company is a party have been duly executed and delivered by the Company and constitute the valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except to the extent that enforceability may be limited by the effect, if any, of any applicable bankruptcy, reorganization, insolvency, moratorium or other Laws affecting the enforcement of creditors' rights generally or any general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or in equity. Neither the execution and delivery by the Company of any Transaction Document nor the consummation of the Merger or the Other Transactions will conflict with, or result in any breach or violation of, or default under (with or without notice or lapse of time, or both), or give rise to a right of termination, cancellation or acceleration of any obligation or loss of any benefit under (i) any provision of the Company Articles or the Company Bylaws, (ii) any mortgage, indenture, lease, contract, agreement, instrument or understanding to which the Company is a party or to which any of its properties or assets are bound or (iii) any Law applicable to the Company or any of its properties or assets. No notice to or filing with, and no permit, authorization, consent or approval of, any Person is necessary for the execution and delivery of the Transaction Documents by the Company or the consummation of the Merger or the Other Transactions, other than the filing of the Certificate of Merger with the Secretary of State and approval of this Agreement and the Merger by the Company Stockholders as described in Section 3.3(b).

(b) The affirmative vote or written consent of Company Stockholders holding at least a majority of the outstanding shares of the Company Capital Stock (the "Required Stockholder Vote") is the only vote or written consent of any class or series of the Company's capital stock necessary to approve this Agreement, the Merger and the Other Transactions.

(c) The Company Board has unanimously (i) adopted this Agreement, (ii) determined that the Merger and the Other Transactions are advisable and in the best interests of the stockholders of the Company and on terms that are fair to such stockholders and (iii) resolved to recommend that the stockholders of the Company adopt this Agreement and approve the Merger and the Other Transactions, and none of the aforesaid actions by the Company Board has been amended, rescinded or modified.

Section 3.4 **Financial Statements; Absence of Undisclosed Liabilities**.

(a) Attached hereto as Section 3.4 of the Disclosure Schedule are true, complete and correct copies of the Financial Statements. The Financial Statements (i) were prepared in accordance with, and are consistent with, the books and records of the Company (which books and records are correct and complete in all material respects), and (ii) fairly present, in all material respects, the assets, liabilities and financial condition of the Company at their respective dates and the results of operations of the Company for the respective periods covered thereby. The financial records of the Company, all of which the Company has made available to Parent, are true, complete and correct, accurately represent all actual, bona fide transactions related to the Company and the periods covered thereby, and have been maintained in accordance with sound business practices, including the maintenance of an adequate system of internal controls.

(b) Except (i) as disclosed on the face of the Interim Balance Sheet (regardless of whether in any note thereto), (ii) for Liabilities incurred in the Ordinary Course of Business since the date of the Interim Balance Sheet (none of which are material individually or in the aggregate, and none of which arise out of, relate to or result from, or are in the nature of or were caused by any breach of contract, breach of warranty, tort, infringement or violation of applicable Law), and (iii) Transaction Expenses that have been paid by the Company or will be paid in accordance with the Closing Consideration Statement, the Company does not have any material Liabilities. There are no off balance sheet arrangements to which the Company is a party or otherwise involving the Company.

(c) Except for Indebtedness listed in Section 3.4 of the Disclosure Schedule, the Company does not have any Indebtedness outstanding on the date hereof. The Company is not in default or otherwise in breach with respect to any Indebtedness. The Company has provided to Parent a true, correct and complete copy of all documents (including all amendments, supplements, waivers and consents) with respect to any Indebtedness of the Company.

Section 3.5 **Absence of Certain Changes**. Except as and to the extent set forth on the face of the Financial Statements (rather than in any notes thereto), since December 31, 2010, the Company has conducted its business in the Ordinary Course of Business in all material respects. Without limiting the generality of the foregoing, since December 31, 2010, the Company has not:

(a) suffered any Material Adverse Effect;

(b) (i) issued or otherwise allowed to become outstanding or acquired or pledged or otherwise encumbered any equity interest or other security of the Company or right (including any option, warrant, put or call) to any such equity interest or other security, (ii) declared, set aside or paid any dividend on, or made any other distribution in respect of, any of its equity interests or other securities, (iii) split, combined or reclassified any of its equity interests or issued or authorized the issuance of any other security in respect of, in lieu of or in substitution for any of its equity interests or other securities or made any other change to its capital structure or (iv) purchased, redeemed or otherwise acquired any equity interest or any other security of the Company or any right, warrant or option to acquire any such equity interest or other security;

(c) paid, discharged or satisfied any claims or Liabilities other than the payment, discharge or satisfaction in the Ordinary Course of Business of liabilities reflected or reserved against in the Interim Balance Sheet or incurred any Liabilities (except for non-material items incurred in the Ordinary Course of Business or Transaction Expenses that have been paid by the Company in accordance with the Closing Consideration Statement) or increased, or experienced any change in any assumptions underlying or methods of calculating, any bad debt, contingency or other reserves;

(d) written down the value of any inventory or written off as uncollectible any notes or accounts receivable, except for immaterial write-downs and write-offs in the Ordinary Course of Business;

(e) (i) became a guarantor with respect to any obligation of any other Person, (ii) assumed or otherwise became obligated for any Liability of any other Person for borrowed money, or (iii) agreed to maintain the financial condition of any other Person;

(f) cancelled any debts or waived any claims or rights of substantial value;

(g) (i) made any loan, advance or capital contribution to, or investment in, any other Person, or (ii) made or pledged to make any charitable or other capital contribution;

(h) sold, transferred, or otherwise disposed of any of its properties or assets (real, personal or mixed, tangible or intangible), except in the Ordinary Course of Business;

(i) granted or acquired, or agreed to grant to or acquire from any Person any licenses of Intellectual Property, abandoned, disposed of or permitted to lapse any rights to the use of any Intellectual Property, or disposed of or disclosed to any Person other than representatives of Parent any trade secret, formula, process or know-how or other Intellectual Property not theretofore a matter of public knowledge;

(j) increased in any manner (including acceleration or funding provisions) the compensation or benefits of any current or former director, officer, employee or consultant of the Company (including any such increase pursuant to any Employee Benefit Plan) or increased in any manner (including acceleration or funding provisions) the compensation or benefits payable or to become payable to any current or former director, officer, employee or consultant of the Company, except, in the case of employees other than officers of the Company, for such increases in compensation or benefits made in the Ordinary Course of Business;

(k) adopted, entered into or amended any Employee Benefit Plan, other than as required pursuant to applicable Law;

(l) entered into, amended or terminated any Material Contract or waived, released or assigned any right or claim under any Material Contract;

(m) made capital expenditures or commitments or acquired any property, plant and equipment that would be treated as a capital expenditure in accordance with the Company's historical financial record keeping practices, for an aggregate material cost in excess of $5,000;

(n) made or changed an election in respect of Taxes, adopted or changed any accounting method in respect of Taxes, failed to file, on a timely basis, with the appropriate Governmental Entities, all Tax Returns required to be filed for taxable periods ending on or before the Closing Date and due on or prior to the Closing Date, which such Tax Returns shall be true, correct and complete in all material respects, or failed to pay or remit, on a timely basis, any Taxes required to be paid, amended any Tax Return, entered into any closing agreement, settled or consented to any claim or assessment in respect of Taxes, consented to any extension or waiver of the statutory period of limitations applicable to any claim or assessment in respect of Taxes, or made any other Tax payments outside of the Ordinary Course of Business;

(o) paid, loaned or advanced any amount to, or sold, transferred or leased any properties or assets (real, personal or mixed, tangible or intangible) to, or entered into any agreement or arrangement with, any of its employees, officers, directors or stockholders or any affiliate or associate of any of its employees, officers, directors or stockholders (except for directors' fees and compensation to officers at rates not inconsistent with the Company's past practice in connection with business related travel or other expenses incurred on behalf of the Company and advances to employees); or

(p) agreed, whether in writing or otherwise, to take any action described in this Section 3.5.

Section 3.6 **Litigation**. There is no private or governmental action, suit, proceeding, inquiry, claim, charge, grievance, arbitration or investigation by or pending before any Governmental Entity, or, to the Knowledge of the Company, threatened against the Company, any of its properties or any of its officers or directors (in their capacities as such), or which questions or challenges the validity of any Transaction Document, the Merger or any of the Other Transactions; and there is no valid basis for any such action, suit, proceeding, inquiry, claim, charge, grievance, arbitration or investigation. There is no judgment, decree or order against the Company or to which the Company is subject, or any of its directors or officers (in their capacities as such), that could prevent, enjoin, or materially alter or delay the Merger or any of the Other Transactions. Except as set forth in Section 3.6 of the Disclosure Schedule, the Company does not have any litigation pending against any other party.

Section 3.7 **Restrictions on Business Activities**.

(a) There is no agreement, judgment, injunction, order or decree binding upon the Company or to which the Company is subject which has or could reasonably be expected to have the effect of prohibiting or impairing any current business practice of the Company, any acquisition of property by the Company or the conduct of business by the Company as currently conducted or as currently proposed to be conducted.

(b) The Company is not a party to or bound by any agreement containing any covenant (i) limiting the right of the Company to engage or compete in any line of business or to compete with any Person, (ii) granting to any Person any exclusive rights or sublicensing rights, (iii) providing "most favored nations" clauses to any Person, or (iv) which otherwise adversely affects or would reasonably be expected to adversely affect the right of the Company to sell, distribute or manufacture any products of the Company or any Company Intellectual Property or to purchase or otherwise obtain any Software, services, components, parts or subassemblies.

Section 3.8 **Compliance With Laws; Governmental Authorization**.

(a) The Company has complied in a timely manner and in all material respects with all Laws that affect the business, employees, properties or assets of the Company, and no notice, charge, claim, action or assertion has been received by the Company or to the Company's Knowledge, has been filed, commenced or threatened against the Company alleging any violation of any of the foregoing. The Company has not at any time received any notice or

direction from any Governmental Entity challenging or questioning the legal right of the Company to design, market, offer or sell any of the Products or services of the Company or the use of its properties or assets in the present manner or style thereof.

(b) The Company has obtained each material consent, license, permit, grant, or other authorization of a Governmental Entity (i) pursuant to which the Company currently operates or holds (or currently proposes to operate or hold) any interest in any of its properties or assets or (ii) that is required for the operation of the business of the Company or the holding of any such interest ((i) and (ii) are herein collectively called "Company Authorizations"). The Company has complied in all material respects with all such Company Authorizations, and all Company Authorizations are in full force and effect.

(c) The Company has conducted its export transactions in accordance with applicable provisions of United States export control Laws, including the Export Administration Act. Without limiting the foregoing, the Company represents and warrants that: (i) the Company has obtained all export licenses and other approvals required for its exports of products, Software and technologies from the United States; (ii) the Company is in compliance with the terms of all applicable export licenses or other approvals; (iii) there are no pending or, to the Knowledge of the Company, threatened claims against the Company with respect to such export licenses or other approvals; and (iv) there are no actions, conditions or circumstances pertaining to the Company's export transactions that may give rise to any future claims.

Section 3.9 **Title to Property; Sufficiency of Assets**.

(a) The properties and assets of the Company constitute all of the properties and assets necessary to operate the business of the Company as presently conducted and as presently proposed to be conducted. To the Knowledge of the Company, there are no facts or conditions affecting any material properties or assets of the Company which would reasonably be expected, individually or in the aggregate, to interfere with the current use or operation of such properties or assets.

(b) The Company has good and valid title to, or a valid leasehold interest in or a valid license for, each property and asset used in the business, located on the Company's premises, shown on the Interim Balance Sheet or acquired after the date of the Interim Balance Sheet (except for properties, interests in properties and assets in the aggregate having an immaterial book value sold or otherwise disposed of since the date of the Interim Balance Sheet in the Ordinary Course of Business), free and clear of all Liens other than Permitted Liens.

(c) Each material asset that is personal property is free from material defects (patent and latent), has been maintained in accordance with normal applicable industry practice in all material respects, is in good operating condition and repair, subject to normal wear and tear, and is suitable and sufficient for the purposes for which it is used and presently is proposed to be used in all material respects.

Section 3.10 **Intellectual Property**.

(a) The Company owns good title in all of the Company Owned Intellectual Property, free and clear of any and all Liens, except for Permitted Liens. The Company Owned Intellectual Property and any Intellectual Property licensed to Company pursuant to any Inbound Intellectual Property License constitute all of the Intellectual Property necessary for the conduct of the Company's business as it has been conducted, is currently conducted and currently proposed to be conducted. The Company Owned Intellectual Property and the conduct of the Company's business (including the design, development, reproduction, manufacture, branding, marketing, use, distribution, import, licensing, provision and sale of any products and services by the Company) has not violated, infringed or misappropriated, does not violate, infringe or misappropriate, and, to the Knowledge of the Company, will not violate, infringe or misappropriate any Intellectual Property right of a third party, any right to privacy or publicity, or any applicable Laws regulating unfair competition or trade practices.

(b) Section 3.10(b) of the Disclosure Schedule sets forth a true, complete and correct listing of all patents and patent applications, all registered trademarks, service marks, and trade names and applications therefor, all registered Internet domain names and applications therefor, and all registered copyrights and copyright applications for any Company Owned Intellectual Property, including the patent number or other official registration number associated therewith, the legal owner thereof, the jurisdictions in which each such Intellectual Property right subsists, has been issued or registered or in which any application for such issuance and registration has been filed, and describes any action, filing, or payment that must be taken or made on or before one hundred twenty (120) days after the date of this Agreement in order to maintain any such application or registration in full force and effect. The Company is listed in the records of the appropriate Governmental Entity as the sole owner of record for each issued patent, and each registered trademark, service mark, trade name, Internet domain name and copyright, and applications therefor, listed in Section 3.10(b) of the Disclosure Schedule. The Company has not received any written notice or claim challenging the Company's ownership of any of the Company Owned Intellectual Property or suggesting that any other Person has any claim of legal beneficial ownership thereto. There are no extant forbearances to sue, consents, settlement agreements, judgments, orders or similar litigation-related, inter partes or adversarial-related, or government-imposed obligations to which the Company is a party or is otherwise bound.

(c) All issued patents, registered trademarks, registered copyrights, registered trade names, registered service marks and registered Internet domain names set forth in Section 3.10(b) of the Disclosure Schedule are valid and enforceable, have not expired or been canceled or abandoned, and, except as set forth in Section 3.10(c)(i) of the Disclosure Schedule, are not subject to any pending or, to the Company's Knowledge, threatened judicial or administrative proceeding involving the validity, enforceability or scope thereof. With regard to any patents, trademarks and patent and trademark applications set forth in Section 3.10(b) of the Disclosure Schedule, each has been prosecuted in material compliance with all applicable rules, policies and procedures of the United States Patent and Trademark Office or applicable foreign patent agencies. The Company has not received, or, at any point in time, requested, any written opinion of counsel concerning the patentability, registrability, validity, enforceability or scope of any Company Intellectual Property or the infringement or misappropriation of any Intellectual

Property of any Person by the Company. Except as set forth in Section 3.10(c)(ii) of the Disclosure Schedule, to the Knowledge of the Company, no Person is infringing, misappropriating or otherwise violating any Company Owned Intellectual Property or Intellectual Property exclusively licensed to the Company. Except as set forth in Section 3.10(c)(iii) of the Disclosure Schedule, the Company has not: (i) received any written notice of any claim of infringement or misappropriation by the Company of any Intellectual Property right of any Person; (ii) been a party in any suit, action or proceeding which involves a claim of infringement or misappropriation by the Company of any Intellectual Property right of any Person or breach of any license or agreement involving Intellectual Property; (iii) brought any action, suit or proceeding for infringement or misappropriation of Intellectual Property or breach of any license or agreement involving Intellectual Property against any Person; (iv) delegated, assigned or otherwise transferred any right to bring a claim or suit against any Person for infringement or misappropriation of Company Intellectual Property; or (v) entered into any agreement to indemnify any Person against any charge of infringement or misappropriation of any Intellectual Property in response to an actual or suspected threat of infringement or misappropriation; and, with respect to (ii) and (iii) above, to the Company's Knowledge, no such suit, action or proceeding has been threatened.

(d) Section 3.10(d) of the Disclosure Schedule sets forth a true, complete and correct list of (i) all licenses, sublicenses, covenants not to sue and other agreements as to which the Company is a party and pursuant to which the Company grants or otherwise permits any other Person to use any Company Intellectual Property ("Outbound Intellectual Property Licenses"), and (ii) all licenses, sublicenses, covenants not to sue and other agreements as to which the Company is a party and pursuant to which the Company is authorized or otherwise permitted to use any other Person's Intellectual Property ("Inbound Intellectual Property Licenses"), except Company Software. Each of the Inbound Intellectual Property Licenses and the Outbound Intellectual Property Licenses (together "Intellectual Property Licenses") is valid and binding on all parties thereto and enforceable in accordance with its terms, and there exists no event or condition that does or will result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default by any party thereunder. The Company is in compliance with, and has not breached any term of any such Intellectual Property Licenses and, to the Knowledge of the Company, all other parties to such Intellectual Property Licenses are in compliance with, and have not breached any term of, such Intellectual Property Licenses. The consummation of the Merger or the Other Transactions will not result in the breach, modification, cancellation, termination, suspension of, or acceleration of any payments with respect to such Intellectual Property Licenses. Following the Closing Date, the Company will be permitted to exercise all of the Company's rights under such Intellectual Property Licenses to the same extent the Company would have been able to had the Merger and the Other Transactions not occurred and without the payment of any additional amounts or consideration other than ongoing fees, royalties or payments which the Company would otherwise be required to pay.

(e) Section 3.10(e) of the Disclosure Schedule lists all Software that is owned, licensed, or leased by the Company or otherwise used in the business of the Company ("Company Software"), other than commercially available, off-the-shelf Software (excluding any Open Source Materials) having an acquisition cost of less than $500, and identifies which is owned, licensed, leased or otherwise used, as the case may be. The Company is in material

compliance with the license terms of each item of Company Software, including having purchased an adequate number of "seats" to support its actual usage of same. No source code for any Company Software owned by the Company has been delivered, licensed, or is subject to any source code escrow obligation by the Company to a third party. The execution of the Transaction Documents and the consummation of the Merger and the Other Transactions will not result in a release from escrow of any source code that is Company Owned Intellectual Property. No event has occurred, and no circumstance or condition exists, that (with or without notice or lapse of time, or both) will, or would reasonably be expected to, result in the disclosure or delivery by the Company, or any Person acting on its behalf to any Person of any source code that is Company Owned Intellectual Property.

(f) No Company Owned Intellectual Property contains any Open Source Materials, and no Open Source Materials have been used in, incorporated into, integrated or bundled with, or used in the development or compilation of, any current products or services of the Company or any products or services currently in development. The Company has used its best efforts to: (i) identify such Open Source Materials; and (ii) to avoid the release of the source code of the Company Owned Intellectual Property. There has been no deviation from such efforts and procedures of the Company with respect to Open Source Materials. "Open Source Materials" means all software that is distributed under an open source licensing model which requires as a condition of the license that the licensee (1) provide sublicensees with access to the source code of the third-party software component and any derivative works thereof, and/or (2) provide for further royalty-free distribution of the third-party software component and any derivative works thereof by sublicensees, and/or (3) grant licensor or any third party a license to use any patents owned by the licensee that may be infringed by the licensor's code and any derivative works thereof, including the GNU General Public License (GPL), GNU Library or "Lesser" General Public License (LGPL), Mozilla Public License (MPL) and Developers Open Source Public License (DOSPL).

(g) The Company has secured valid written assignments from all consultants, employees and third parties who contributed to the creation or development of Intellectual Property for the Company ("Inventors"), of the rights to such contributions that the Company does not already own by operation of law, pursuant to which the Company is the sole owner of all such contributions and consequently the sole owner of all rights therein. The Inventors have not made any filings for or, to the Knowledge of the Company, otherwise taken any steps to secure or acquire any rights to Intellectual Property inconsistent with the assignments referred to above in this Section 3.10(g).

(h) The Company has taken reasonable measures consistent with industry practice to protect and preserve the confidentiality of all trade secrets owned, used, appropriated or disclosed by the Company ("Trade Secrets"). All use, disclosure or appropriation of Trade Secrets owned by the Company by or to a third party has been pursuant to the terms of an agreement or other legal obligation between the Company and such third party pursuant to which the third party undertakes to protect and not disclose such Trade Secrets. All use, disclosure or appropriation by the Company of Trade Secrets not owned by the Company has been pursuant to the terms of a written agreement between the Company and the owner of such Trade Secrets, or is otherwise lawful. Neither the Company nor any Person under the control of the Company has materially breached any confidentiality agreements that such Person is subject to, and, to the Knowledge of the Company, no other party to any such confidentiality agreement is in material breach thereof.

(i) No former employer of any employee of the Company has a reasonable basis for bringing against the Company or any of its employees or agents, any claim, suit or action for patent infringement, copyright infringement, or trade secret misappropriation under a theory of inevitable disclosure or otherwise, or for breach of any provision of an employment contract, non-competition agreement, non-solicitation agreement, invention assignment agreement, or nondisclosure agreement. No third party, including any former employer of the Inventors, has any claim to any right, title or interest in any Company Intellectual Property developed by such Inventor that is inconsistent with the assignment to the Company by such Inventor described in Section 3.10(g). Except as set forth in Section 3.10(i) of the Disclosure Schedule, no funding, facilities, or personnel of any Governmental Entity or any public or private university, college, or other educational or research institution were used, directly or indirectly, to develop or create, in whole or in part, any Company Owned Intellectual Property.

(j) No current or former stockholder, member, partner, director, officer or employee of the Company or any of its predecessors in interest will, after the Closing, own or retain any rights in, to, or under any of the Company Intellectual Property.

(k) To the Knowledge of the Company, there have been no unauthorized intrusions or breaches of the security of the Company's information technology systems.

(l) Neither of the Company nor, to the Company's Knowledge, any of its employees has ever been a member or promoter of, or a contributor to, any industry standards body or similar organization that could require or obligate the Company to grant or offer to any third party any license or right to any Company Intellectual Property.

Section 3.11 **Products**. The products manufactured, distributed, licensed, sold, or leased by or on behalf of the Company (the "Products") and all services provided by the Company have conformed in all material respects with all applicable contractual commitments and all express and implied warranties, the Company's published product specifications and with all regulations, certification standards and other requirements of any applicable Governmental Entity or third party. All Products were and are free of any critical defects, and the Company does not have any Liability for replacement or modification of any such Products or other damages in connection therewith, other than in the Ordinary Course of Business in an aggregate amount not exceeding the warranty reserve stated on the most recent Annual Balance Sheet. There are no defects in the design or technology embodied in any Products which impair or are likely to impair the intended use of the Product. There is no pending, or, to the Knowledge of the Company, threatened, and, to the Knowledge of the Company, there is no basis for, any civil, criminal or administrative actions, suits, demands, claims, hearings, notices of violation, investigations, proceedings or demand letters relating to any alleged hazard or alleged defect in design, manufacture, materials or workmanship, including any failure to warn or alleged breach of express or implied warranty or representation, relating to any Product. The Company has not extended to any of its customers any written, non-uniform product warranties, indemnifications

or guarantees. No purchaser of any of the Products or services provided by the Company has any refund, return or credit rights with respect to such Products or services provided by the Company except as expressly provided for in the Company's standard contractual warranties provided for the benefit of purchasers of such Products and services, true, complete and correct copies of which have been provided to Parent.

Section 3.12 **Environmental Matters**.

(a) The Company is in compliance in all material respects with all Environmental Laws, which compliance includes the possession by the Company of all permits and other governmental authorizations required under all Environmental Laws, and compliance with the terms and conditions thereof. The Company has not received any communication (written or oral), whether from a Governmental Entity, citizens group, employee or otherwise, that alleges that the Company is not in such compliance, and there are no circumstances that may prevent or interfere with such compliance in the future. All permits and other governmental authorizations currently held by the Company pursuant to all Environmental Laws are identified in Section 3.12 of the Disclosure Schedule.

(b) There is no Environmental Claim pending or, to the Company's Knowledge, threatened against the Company or against any Person whose Liability for any Environmental Claim the Company has retained or assumed either contractually or by operation of law.

(c) There are no past or present actions, activities, circumstances, conditions, events or incidents, including the release, emission, discharge, presence or disposal of any Material of Environmental Concern, that could form the basis of any Environmental Claim against the Company or against any Person whose Liability for any Environmental Claim the Company has retained or assumed either contractually or by operation of law, or otherwise result in any costs or Liabilities under Environmental Law.

(d) Without limiting the generality of the foregoing, (i) all on-site and off-site locations where the Company has stored, disposed or arranged for the disposal of Materials of Environmental Concern, other than immaterial quantities of ordinary and common office and non-industrial cleaning supplies, are identified in Section 3.12(d)(i) of the Disclosure Schedule and (ii) all underground storage tanks, and the capacity and contents of such tanks, to the Knowledge of the Company after reasonable inquiry with the Company's landlord to be located on any property owned, leased, operated or used by the Company, are identified in Section 3.12(d)(ii) of the Disclosure Schedule. To the Company's Knowledge after reasonable inquiry with the Company's landlord, there is no asbestos contained in or forming part of any building, building component, structure or office space owned, leased, operated or used by the Company, and no polychlorinated biphenyls or polychlorinated biphenyl-containing items are used or stored at any property owned, leased, operated or used by the Company.

(e) The Company has provided to Parent all assessments, reports, data, results of investigations or audits, and other information that are in the possession of the Company (or of which it has Knowledge after reasonable inquiry of the Company's landlord or of which it otherwise has Knowledge) regarding environmental matters pertaining to or the environmental condition of the business of the Company or the compliance (or noncompliance) by the Company with any Environmental Laws.

(f) The Company is not required by virtue of the Merger or the Other Transactions, or as a condition to the effectiveness of the Merger or any of the Other Transactions, (i) to perform a site assessment for Materials of Environmental Concern, (ii) to remove or remediate Materials of Environmental Concern, (iii) to give notice to or receive approval from any Governmental Entity pursuant to any Environmental Law, or (iv) to record or deliver to any Person any disclosure document or statement pertaining to environmental matters.

For purposes of this Agreement:

(i) "Environmental Claim" means any claim, action, cause of action, suit, proceeding, investigation, order, demand or notice (written or oral) by any Person alleging potential Liability (including potential Liability for investigatory costs, cleanup costs, governmental response costs, natural resources damages, property damages, personal injuries, or penalties) arising out of, based on or resulting from (A) the presence, or release into the environment, of, or exposure to, any Material of Environmental Concern at any location, whether or not owned or operated by the Company or (B) circumstances forming the basis of any violation, or alleged violation, of any Environmental Law.

(ii) "Environmental Laws" means all Laws relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water, land surface or subsurface strata, and natural resources), including, Laws relating to (A) emissions, discharges, releases or threatened releases of, or exposure to, Materials of Environmental Concern, (B) the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Materials of Environmental Concern, (C) recordkeeping, notification, disclosure and reporting requirements regarding Materials of Environmental Concern, and (D) endangered or threatened species of fish, wildlife and plant and the management or use of natural resources.

(iii) "Materials of Environmental Concern" means chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum and petroleum products, asbestos or asbestos-containing materials or products, polychlorinated biphenyls, lead or lead-based paints or materials, radon, fungus, mold, mycotoxins or other substances that may have an adverse effect on human health or the environment.

Section 3.13 **Taxes**.

(a) The Company has timely filed all federal, state, local and foreign income, information and other Tax Returns that were required to be filed by it on or prior to the Closing Date. All such Tax Returns were prepared in compliance with all applicable Laws and correctly reflect the facts regarding the income, business, assets, operations, activities, status and other matters of or information regarding the Company required to be shown thereon. No issues

have been raised by or are currently pending with any Governmental Entity with respect to any such Tax. No extension of time to file any such Tax Return has been requested from or granted by any Governmental Entity.

(b) The Company has timely paid all Taxes imposed upon the Company or for which the Company is or could be liable, whether to Governmental Entities or other Persons (such as, for example, under tax allocation agreements), with respect to all taxable periods or portions of periods ending on or before the Closing Date, other than Taxes that are not yet due and payable, Taxes that are being contested in good faith by the Company and any Taxes that arise out of or relate to any Section 338(h)(10) Election. The unpaid Taxes of the Company (other than any Taxes that arise out of or relate to any Section 338(h)(10) Election) that are not yet due and payable do not exceed the reserve for Tax Liability (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth or included in the Interim Financial Statements, as adjusted for the passage of time through the Closing Date, in accordance with the past practices of the Company. The amount of unpaid Taxes that are being contested in good faith by the Company, the Governmental Entity with whom these Taxes are being contested and the status of these proceedings are set forth on Section 3.13(b) of the Disclosure Schedule.

(c) Except as set forth on Section 3.13(c) of the Disclosure Schedule, the Company has not been the subject of any audit or investigation by any Governmental Entity with respect to any taxable periods or portions of periods ending on or before the Closing Date. The Company does not have any Knowledge of any facts that are reasonably likely to cause or result in any material dispute with, or any audit or inspection by, any Governmental Entity with respect to the Taxes or Tax Returns of the Company. No waivers of statutes of limitation with respect to the Taxes or Tax Returns of the Company have been given by or requested from the Company. No claim has ever been made by any Governmental Entity in a jurisdiction where the Company does not file Tax Returns that the Company is or may be subject to taxation by that jurisdiction, and, except as set forth on Section 3.13(c) of the Disclosure Schedule, the Company is not subject to taxation in any jurisdiction other than the jurisdiction in which the Company has been incorporated.

(d) Section 3.13(d) of the Disclosure Schedule sets forth the taxable years of the Company as to which the applicable statute of limitations with respect to Taxes has not expired, and with respect to such taxable years, the years for which examinations have been completed, the years for which examinations are presently being conducted, the years for which examinations have not been initiated and the years for which required Tax Returns have not yet been filed. All deficiencies asserted or assessments made as a result of any examinations of Tax Returns previously filed by the Company have been fully paid, are fully reflected as a Liability in the Interim Financial Statements or are being contested and an adequate reserve therefor has been established and is fully reflected as a Liability in the Interim Financial Statements.

(e) All material elections with respect to Taxes affecting the Company s are either reflected in the Company's Tax Returns or set forth in Section 3.13(e) of the Disclosure Schedule.

(f) All Taxes required to be withheld by or on behalf of the Company in connection with amounts paid or owing to any employee, independent contractor, creditor or other Person have been properly withheld, and all such Taxes either have been duly and timely paid to the proper Governmental Entities or, in circumstances where such Taxes have not yet become due and payable, have been set aside in segregated accounts to be paid to the proper Governmental Entity, and the Company has maintained complete, correct and up-to-date records that comply with all applicable Tax Laws with respect to such withholdings.

(g) The Company is not a party to, or otherwise bound by, any agreement, contract, arrangement or plan (including, without limitation, any Employee Benefit Plan) that has resulted or would result, separately or in the aggregate, in the payment of any "excess parachute payments" within the meaning of Section 280G of the Code. The execution of this Agreement and the consummation of the transactions contemplated by this Agreement (either alone or upon the occurrence of any additional or subsequent event) will not result in any "parachute payment" (as such term is defined in Section 280G of the Code).

(h) Each Employee Benefit Plan that is a "nonqualified deferred compensation plan" (as defined in Code Section 409A(d)(1)) complies in all respects with Section 409A of the Code and all applicable IRS guidance issued with respect thereto (and has so complied for the entire period during which Section 409A of the Code has applied to such Employee Benefit Plan). No event has occurred that would be treated by Code Section 409A(b) as a transfer of property for purposes of Code Section 83. Except with respect to the stock options listed in Section 3.13(h) of the Disclosure Schedule, the exercise prices of which have been increased to equal the fair market value of the underlying stock (as determined by an independent appraisal described in Treasury Regulations Section 1.409A-1(b)(5)(iv)(B)(*2*)(*i*)) as of the date such options were granted in accordance with the provisions of IRS Notice 2008-113, no stock option or equity unit option granted under any Employee Benefit Plan has an exercise price that has been or may be less than the fair market value of the underlying stock or equity units (as the case may be) as of the date such option was granted or has any feature for the deferral of compensation other than the deferral of recognition of income until the later of exercise or disposition of such option.

(i) The Company is not a party to or bound by any tax indemnity agreement, tax sharing agreement, tax allocation agreement or any similar arrangement for the sharing of Tax Liabilities or benefits. The Company is not or could not be liable to pay, reimburse or indemnify any Person (including a Tax authority) in respect of the Tax Liability of another Person, whether or not as a consequence of such third person failing to discharge such Liability.

(j) The Company is not subject to and is not required to register for any value-added Tax.

(k) The Company has never been a member of an affiliated group of corporations within the meaning of Section 1504 of the Code.

(l) The Company has not agreed to make, nor is it required to make, any adjustment under Section 481(a) of the Code by reason of a change in accounting method or otherwise.

(m) The Company has disclosed on its Tax Returns all positions taken therein that could reasonably give rise to a substantial understatement of Tax within the meaning of Section 6662 of the Code.

(n) The Company has not been a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(o) No power of attorney with respect to any Taxes of or relating to the Company has been filed with the IRS or any other Governmental Entity.

(p) The Company has not had a permanent establishment in any foreign country, as defined in any applicable Tax treaty or convention between the United States and such foreign country.

(q) No Company Stockholder holds Common Shares that are non-transferable and subject to a substantial risk of forfeiture within the meaning of Section 83 of the Code with respect to which a valid election under Section 83(b) of the Code has not been made.

(r) Each Company Stockholder is a United States person within the meaning of Section 7701(a)(30) of the Code.

(s) For federal and applicable state and local income Tax purposes, the Company has qualified as a "small business corporation" within the meaning of Section 1361(b) of the Code from the date of its formation through the date of this Agreement, and will properly qualify as a "small business corporation" for such purposes until the Closing Date.

Section 3.14 **Employee Benefit Plans**.

(a) The Company operates in a co-employer relationship with TriNet Group Inc. ("TriNet"), a Professional Employer Organization, and each reference to an employee of the Company in this Agreement includes any Person who is co-employed with TriNet. Section 3.14(a) of the Disclosure Schedule contains a true, complete and correct list of all (i) Employee Benefit Plans and (ii) all benefits provided by the Company or TriNet to employees of the Company or to Persons whose services are utilized in the conduct of the Company's business. Neither the Company nor any ERISA Affiliate has any agreement, arrangement, commitment or obligation, whether formal or informal, whether written or unwritten and whether legally binding or not, to create, enter into or contribute to any additional Employee Benefit Plan, or to modify or amend any existing Employee Benefit Plan. There has been no amendment, interpretation or other announcement (written or oral) by the Company, any ERISA Affiliate or any other Person relating to, or change in participation or coverage under, any Employee Benefit Plan that, either alone or together with other such items or events, could materially increase the expense of maintaining such Employee Benefit Plan (or the Employee Benefit Plans taken as a whole) above the level of expense incurred with respect thereto for the most recent fiscal year

included in the Financial Statements. Each Employee Benefit Plan can be amended or terminated by the Company at any time (whether before or after the Effective Time) and for any reason without any Liability, expense or Damages to the Company or such Employee Benefit Plan (including any surrender charge, market-rate adjustment or early termination charge).

(b) The Company has delivered to Parent, with respect to each Employee Benefit Plan (to the extent applicable thereto and with respect to documents prepared, filed, administered or otherwise in the possession of TriNet to the extent available from TriNet after due inquiry), true, correct and complete copies of: (i) all documents embodying such Employee Benefit Plan (including all amendments thereto) or, if such Employee Benefit Plan is not in writing, a written description of such Employee Benefit Plan; (ii) if required to be filed with respect to such Employee Benefit Plan, the last three annual reports (Form 5500 series and all schedules and financial statements attached thereto) filed with respect to such Employee Benefit Plan; (iii) the most recent summary plan description, if any, and all summaries of material modifications related thereto, distributed with respect to such Employee Benefit Plan; (iv) all contracts (and any amendments thereto) relating to such Employee Benefit Plan, including all trust agreements, investment management agreements, annuity contracts, insurance contracts, bonds, indemnification agreements and service provider agreements; (v) the most recent determination letter, if any, issued by the IRS with respect to such Employee Benefit Plan; (vi) the most recent annual actuarial valuation prepared for such Employee Benefit Plan, if any; (vii) the most recent financial statement prepared for such Employee Benefit Plan, if any; (viii) all written communications to employees, or to any other individuals, to the extent that the provisions of such Employee Benefit Plan as described therein differ from such provisions as set forth or described in the other information or materials furnished under this subsection (b); (ix) all correspondence to or from any Governmental Entity relating to such Employee Benefit Plan; and (x) all coverage, nondiscrimination, top heavy and Code Section 415 tests performed with respect to such Employee Benefit Plan for the three (3) most recently completed plan years.

(c) With respect to each Employee Benefit Plan: (i) such Employee Benefit Plan was properly and legally established; (ii) such Employee Benefit Plan is, and at all times since inception has been, maintained, administered, operated and funded in all respects in accordance with its terms and in compliance with all applicable requirements of all applicable Laws, including ERISA and the Code; (iii) the Company, each ERISA Affiliate, TriNet and all other Persons (including all fiduciaries) have properly performed all of their duties and obligations (whether arising by operation of Law, by contract or otherwise) under or with respect to such Employee Benefit Plan, including all fiduciary, reporting, disclosure, and notification duties and obligations; (iv) all returns, reports (including all Form 5500 series annual reports, together with all schedules and audit reports required with respect thereto), notices, statements and other disclosures relating to such Employee Benefit Plan required to be filed with any Governmental Entity or distributed to any Employee Benefit Plan participant have been properly prepared and duly filed or distributed in a timely manner; (v) none of the Company, any ERISA Affiliate, TriNet or any fiduciary of such Employee Benefit Plan has engaged in any transaction or acted or failed to act in a manner that violates the fiduciary requirements of ERISA or any other applicable Law; (vi) no transaction or event has occurred or is threatened or about to occur (including any of the transactions contemplated in or by this Agreement) with respect to such Employee Benefit Plan that constitutes or could constitute a prohibited transaction under Section 406 or 407 of ERISA or under Section 4975 of the Code for which an exemption is not available;

and (vii) all contributions, premiums and other payments due or required to be paid to (or with respect to) such Employee Benefit Plan have been timely paid, or, if not yet due, have been accrued as a Liability on the Interim Financial Statements. Neither the Company nor any ERISA Affiliate has incurred, and there exists no condition or set of circumstances in connection with which the Company, any ERISA Affiliate, Parent or any of Parent's affiliates could incur, directly or indirectly, any Liability, expense or Damages (except for routine contributions and benefit payments) under ERISA, the Code or any other applicable Law, or pursuant to any indemnification or similar agreement, with respect to any Employee Benefit Plan.

(d) Each Employee Benefit Plan that is intended to be qualified under Section 401(a) of the Code is so qualified and its related trust and/or group annuity contract is exempt from taxation under Section 501(a) of the Code. Each such Employee Benefit Plan: (i) is the subject of an unrevoked favorable determination letter from the IRS with respect to such Employee Benefit Plan's qualified status under the Code, as amended by that legislation commonly referred to as "EGTRRA;" (ii) has a timely filed request for such a determination letter pending with the IRS, and has remaining a period of time under the Code or applicable Treasury Regulations or IRS pronouncements in which to adopt any amendments necessary to obtain such a letter; or (iii) is a prototype or volume submitter plan entitled, under applicable IRS guidance, to rely on the favorable opinion or advisory letter issued by the IRS to the sponsor of such prototype or volume submitter plan. Nothing has occurred, or is reasonably expected by the Company or any Principal Stockholder to occur, that could adversely affect the qualification or exemption of any such Employee Benefit Plan or its related trust or group annuity contract. No such Employee Benefit Plan is a "top-heavy plan," as defined in Section 416 of the Code.

(e) Neither the Company nor any ERISA Affiliate sponsors, maintains or contributes to or has ever sponsored, maintained or contributed to (or been obligated to sponsor, maintain or contribute to), or had any Liability with respect to, any (i) Multiemployer Plan, (ii) multiple employer plan within the meaning of Section 4063 or 4064 of ERISA or Section 413(c) of the Code, (iii) employee benefit plan that is subject to Section 302, 303, 304 or 305 of ERISA, Title IV of ERISA or Section 412, 430, 431, 432 or 436 of the Code, (iv) "multiple employer welfare arrangement," as defined in Section 3(40) of ERISA, or (v) self-insured medical plan (including any such plan pursuant to which a stop-loss policy or contract applies).

(f) Neither the Company nor any ERISA Affiliate has, nor could the Company or any ERISA Affiliate have, any obligation or Liability with respect to any "employee benefit plan" (as defined in Section 3(3) of ERISA) or any other employee benefit plan, fund, policy, program, contract, arrangement or practice solely by reason of being in a co-employer relationship with TriNet.

(g) None of the Employee Benefit Plans provides severance, life insurance, medical or other welfare benefits (within the meaning of Section 3(1) of ERISA) to any employee or former employee of the Company or any ERISA Affiliate after his or her retirement or other termination of employment, and neither the Company nor any ERISA Affiliate has ever represented, promised or contracted (whether in written or oral form) to any employee or former employee that such benefits would be provided, except to the extent required by Section 4980B of the Code and Part 6 of Subtitle B of Title I of ERISA.

(h) There are no actions, suits or claims (other than routine claims for benefits) pending or, to the Knowledge of the Company, threatened with respect to (or against the assets of) any Employee Benefit Plan, nor is there any basis for any such action, suit or claim. No Employee Benefit Plan is currently under investigation, audit or review, directly or indirectly, by any Governmental Entity, and, to the Knowledge of the Company, no such action is contemplated or under consideration by any Governmental Entity.

(i) Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated by this Agreement (either alone or upon the occurrence of any additional or subsequent event(s)) will: (i) entitle any individual to severance pay, unemployment compensation or any other payment from any of the Company, any ERISA Affiliate, Parent, any of Parent's affiliates or any Employee Benefit Plan; (ii) otherwise increase the amount of compensation due to any individual or forgive indebtedness owed by any individual; (iii) result in any benefit or right becoming established or increased, or accelerate the time of payment or vesting of any benefit under any Employee Benefit Plan, except as required by Section 411(d)(3) of the Code; or (iv) require the Company, any ERISA Affiliate, Parent or any of Parent's affiliates to transfer or set aside any assets to fund or otherwise provide for any benefits for any individual.

Section 3.15 **Employee Matters**.

(a) Except as set forth on Section 3.15(a) of the Disclosure Schedule, no director, officer or employee of the Company shall be entitled to any transaction bonuses, change-in-control payments, severance rights, deferred compensation payments, withdrawal liability under Multiemployer Plans and similar obligations that are triggered by the transactions contemplated in this Agreement. All employee bonus payments earned for the fiscal year ended December 31, 2010, have been paid in full to each employee of the Company.

(b) No employee of the Company is a party to, or otherwise bound by, any agreement, including any confidentiality, non-competition or proprietary rights agreement, between such employee and the Company or any other Person that materially adversely affects or will affect the performance of such employee's duties as an employee of the Company following the Closing. To the Knowledge of the Company, no officer or other key employee of the Company intends to terminate employment with the Company prior to, at or following the Closing.

(c) There is not presently any pending or, to the Knowledge of the Company, threatened: (i) strike, slowdown, picketing, work stoppage or employee grievance process affecting the Company; (ii) charge, grievance proceeding or other claim against or affecting the Company relating to the alleged violation of any Law pertaining to labor relations or employment matters, including any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission or any comparable Governmental Entity; (iii) union organizational activity or other labor or employment dispute against or affecting the Company; or (iv) application for certification of a collective bargaining agent with respect to the employees of the Company.

(d) The Company is in compliance in all material respects with the United States Immigration Reform and Control Act. The Company has in its files a Form I-9 that is validly and properly completed in accordance with Law for each employee with respect to whom such form is required by Law.

(e) To the Knowledge of the Company, no event has occurred or circumstances exist that could provide the basis for any work stoppage or other labor dispute with respect to the Company. There is no lockout of any employees of the Company, and no such action is contemplated by the Company.

(f) No current or former director, officer or employee of the Company has any claim against the Company (whether under Law, any employment agreement or otherwise) on account of or for: (i) overtime pay, other than overtime pay for the current payroll period; (ii) wages or salaries, other than wages or salaries for the current payroll period; (iii) vacations, holidays, sick leave, time off or pay in lieu of vacation, holiday, sick leave or time off, other than vacation, holiday, sick leave or time off (or pay in lieu thereof) earned in the 12-month period immediately prior to the date of this Agreement; or (iv) any other amounts (including bonuses, benefits, reimbursement of business expenses or other employment-related payments) other than amounts accrued for on the Financial Statements.

(g) To the Knowledge of the Company, and except to any extent accrued for in the Financial Statements: (i) no Liability has been incurred or is reasonably anticipated by the Company for any breach of contract of employment or for severance payments or for redundancy payments or protective awards or for compensation for unfair dismissal or for failure to comply with any order or directive of any Governmental Entity for the reinstatement or re-engagement of any employee or for sex or race or disability, discrimination or for any other Liability accruing from the termination or variation of any contract of employment or for services; and (ii) no gratuitous payment has been promised by the Company in connection with the actual or proposed termination, suspension or variation of any contract of employment of any present or former director, officer or employee or any dependant of any present or former director, officer or employee of the Company.

(h) Section 3.15(h) of the Disclosure Schedule contains a true, complete and correct list of all employees of the Company as of the date of this Agreement whose annual compensation exceeds $50,000, together with their respective base salaries, bonuses and positions. Section 3.15(h) of the Disclosure Schedule correctly states the number of employees laid off by the Company in the ninety (90) days preceding the date hereof.

(i) Except as set forth in Section 3.15(i) of the Disclosure Schedule, the employment of each of the Company's employees is terminable at will without cost to the Company except for payments required under the Employee Benefit Plans and the payment of accrued salaries or wages and vacation pay. No employee or former employee has any right to be rehired by the Company prior to their hiring a Person not previously employed by the Company.

(j) Except as reflected on the Financial Statements, there are no outstanding loans between the Company and any of its employees. No assurances or

undertakings have been given to any of the employees of the Company as to the continuation, introduction, increase or improvement of any terms and conditions, remuneration, benefits or other bonus or incentive scheme.

(k) The Company has not taken any action that was calculated to dissuade any present employees, representatives or agents of the Company from continuing their employment with the Company following the Closing.

(l) The Company has withheld all amounts required by Law or by agreement to be withheld from the wages, salaries, and other payments to employees, consultants and independent contractors; and has no Liability for any arrears of wages or any taxes or any penalty for failure to comply with any of the foregoing. The Company does not have any Liability for any payment to any trust or other fund or to any Governmental Entity, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no pending claims against the Company under any workers' compensation plan or policy or for long term disability.

(m) Except as set forth on Section 3.15(m) of the Disclosure Schedule, no Person has any agreement with the Company under which that Person acts as an independent contractor, consultant, or in a similar capacity for the Company whether on a full time or a part time or retainer basis or otherwise. All Persons performing services to the Company who are classified and treated as independent contractors qualify as independent contractors and not as employees under applicable Law.

Section 3.16 **Interested Party Transactions**. The Company is not indebted to any director, officer, employee, consultant or stockholder of the Company (except for current amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses), and, except as reflected on the Financial Statements, no such Person is indebted to the Company. Except as set forth on Section 3.16 of the Disclosure Schedule, no officer, director or stockholder of the Company owns or holds, directly or indirectly, any interest in (excepting holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than five percent (5%) of the equity of any such entity), or is an officer, director, employee or consultant of any Person that is, a competitor, lessor, lessee, licensor, licensee, customer, supplier or distributor of the Company or which conducts a business similar to any business conducted by the Company. No officer, director or stockholder of the Company (a) owns or holds, directly or indirectly, in whole or in part, any Company Intellectual Property, (b) has any claim, charge, action or cause of action against the Company, except for claims for reasonable unreimbursed travel or entertainment expenses, accrued vacation pay or accrued benefits under any Employee Benefit Plan existing on the date hereof, (c) has made, on behalf of the Company, any payment or commitment to pay any commission, fee or other amount to, or to purchase or obtain or otherwise contract to purchase or obtain any goods or services from, any other Person of which any officer, director or stockholder of the Company (or, to the Knowledge of the Company, a relative of any of the foregoing) is a partner or stockholder (except holdings solely for passive investment purposes of securities of publicly held and traded entities constituting less than five percent (5%) of the equity of any such entity) or (d) has any material interest in any property, real or personal, tangible or intangible, used in or pertaining to the business of the Company.

Section 3.17 **Real Property**.

(a) The Company does not own any real property (including any ownership interest in any buildings or structures and improvements located thereon).

(b) Section 3.17 of the of Disclosure Schedule sets forth a true, complete and correct list of all leases, subleases, licenses and other agreements (collectively, the "Real Property Leases") pursuant to which the Company uses or occupies or has the right to use or occupy, now or in the future, any real property (the land, buildings and other improvements covered by the Real Property Leases being herein called the "Leased Real Property"). The Company has provided to Parent true, complete and correct copies of each of the Real Property Leases of the Company. Each Real Property Lease (i) is a legal, valid, binding and enforceable obligation of the Company and, to the Knowledge of the Company, each other party thereto, (ii) is in full force and effect, and (iii) constitutes the entire agreement between the parties thereto and there are no other agreements, whether oral or written, between such parties. All rent and other sums and charges payable by the Company as tenant thereunder are current, no notice of default or termination under any Real Property Lease is outstanding, no termination event or condition or uncured default on the part of the Company exists under any Real Property Lease, and, to the Knowledge of the Company, no other party to any Real Property Lease is in default thereunder. To the Knowledge of the Company, no event has occurred and no condition exists which, with the giving of notice or the lapse of time or both, could reasonably be expected to constitute a default or termination event or condition under any Real Property Lease. The use and occupancy by the Company of the Leased Real Property is in compliance with all applicable Laws and insurance requirements. To the Knowledge of the Company, there is no material defect in any of the structural components of any improvement on any Leased Real Property or its electrical, plumbing, HVAC, life safety or other building systems. Except for the Real Property Leases, there are no leases, subleases or occupancy agreements in effect with respect to the Leased Real Property. There are no pending or, to the Knowledge of the Company, threatened or contemplated actions or proceedings regarding condemnation or other eminent domain actions or proceedings affecting the Leased Real Property or any part thereof or of any sale or other disposition of the Leased Real Property or any part thereof in lieu of condemnation.

Section 3.18 **Insurance**. The Company has policies of insurance and bonds of the type and in the amounts customarily carried by Persons conducting businesses or owning assets similar to those of the Company. Section 3.18 of the Disclosure Schedule contains a true, complete and correct list of the policies, contracts of insurance and bonds maintained by the Company, other than the Employee Benefits Plans listed on Section 3.14(a) of the Disclosure Schedule. All such policies and bonds are in full force and effect, all premiums due and payable to date under all such policies and bonds have been paid and the Company is otherwise in compliance with the terms of such policies and bonds. There is no claim pending under any such policies or bonds as to which coverage has been questioned, denied or disputed by the underwriters of such policies or bonds. The Company has not received any notice of cancellation or non-renewal of any such policies or bonds from any of its insurance carriers or the issuers of such bonds, nor to the Company's Knowledge, is the termination of any such

policies or bonds threatened. None of such policies provides for any retrospective premium adjustment, experience-based liability or loss sharing arrangement affecting the Company. Section 3.18 of the Disclosure Schedule also contains a true, complete and correct list of all surety arrangements, self-insurance, retention, captive insurance or similar arrangements under any Law affecting the Company or the operations of the Company.

Section 3.19 **Internal Controls**. The Company (a) makes and keeps accurate books and records that fairly reflect the transactions and dispositions of properties and assets of the Company and (b) maintains internal accounting controls which provide reasonable assurance that (i) transactions are recorded as necessary to permit preparation of its financial statements in a manner consistent with the standards set forth in Section 3.4(a); (ii) receipts and expenditures are made only in accordance with general or specific authorizations of management and directors of the Company; (iii) access to its assets is permitted only in accordance with general or specific authorizations of management and directors of the Company; and (iv) the reported accounting for its assets and liabilities is compared with existing assets and liabilities at reasonable intervals.

Section 3.20 **Brokers' and Finders' Fees**. The Company has not incurred, nor will it incur, directly or indirectly, any Liability for brokerage or finders' fees or agents' commissions or investment bankers' fees or any similar charges in connection with this Agreement, the Merger or any of the Other Transactions.

Section 3.21 **Customers and Suppliers**. No material customer and no material supplier of the Company has canceled or otherwise terminated, or communicated any threat to the Company to cancel or otherwise terminate its relationship with the Company, or has decreased materially its services or supplies to the Company in the case of any such supplier, or its usage of the services or products of the Company in the case of any such customer, and to the Company's Knowledge, no such supplier or customer intends to cancel or otherwise terminate its relationship with the Company or to decrease materially its services or supplies to the Company or its usage of the services or products of the Company based on the Merger or otherwise.

Section 3.22 **Material Contracts**.

(a) Section 3.22(a) of the Disclosure Schedule contains a true, complete and correct list of the following contracts to which the Company is a party or by which any of its assets are bound (each contract so listed or required to be so listed being a "Material Contract") and, to the extent that a Material Contract is oral, Section 3.22(a) of the Disclosure Schedule contains an accurate description of the material terms thereof, and each Material Contract is listed under a heading in Section 3.22(a) of the Disclosure Schedule that corresponds with the applicable clause among the following to which such Material Contract relates:

(i) each distributor, sales, advertising, agency or manufacturer's representative contract;

(ii) each continuing contract for the purchase of materials, supplies, equipment or services involving in the case of any such contract more than $25,000 over the life of the contract;

(iii) each contract, commitment or agreement relating to the acquisition by the Company of any assets, operating business or capital stock of any other Person, the participation in a joint venture or similar arrangement with any other Person or the making of any other investment in any other Person;

(iv) each contract or commitment granting exclusive marketing or distribution or other exclusive rights;

(v) each contract, commitment, offer or proposal made by or binding upon the Company to any customer or potential customer for the sale of Products or services (other than purchase orders acknowledged by the Company in the Ordinary Course of Business which are subject to such Person's standard terms and conditions of sale as made available to Parent and are reflected in the Company's books and records);

(vi) each contract that expires or may be renewed at the option of any Person other than the Company so as to expire more than one (1) year after the date of this Agreement;

(vii) each trust indenture, mortgage, promissory note, loan agreement or other contract or instrument relating to Indebtedness, any currency exchange, commodities or other hedging arrangement or any leasing transaction of the type required to be capitalized in accordance with GAAP, consistently applied;

(viii) each contract or commitment for capital expenditures in excess of $25,000 in the aggregate;

(ix) each contract or commitment limiting the freedom of the Company or, to the Company's Knowledge, any of its employees to engage in any line of business or to compete with any other Person;

(x) each contract containing any form of most-favored provisions in favor of any supplier or customer of the Company;

(xi) each contract purporting to impose confidentiality or nondisclosure obligations on the Company or, to the Company's Knowledge, any of its employees, other than such contracts between the Company and its respective employees;

(xii) each contract for the lease of any machinery, equipment, motor vehicles, office furniture, fixtures or other personal property;

(xiii) each employment agreement or any other agreement that contains any deferred compensation, severance pay or termination pay Liabilities;

(xiv) plans, contracts or arrangements with respect to Employee Benefit Plans;

(xv) each contract with any stockholder, officer, director, affiliate or associate of the Company, or any family member thereof except the grant of Company Options;

(xvi) each collective bargaining agreement, labor contract or similar agreement governing any employee of the Company;

(xvii) each agreement of guarantee, support, indemnification, assumption or endorsement of, or any similar contract or commitment with respect to, Liabilities or Indebtedness of any other Person;

(xviii) each Government Contract and each Government Subcontract;

(xix) each Transaction Bonus Agreement; and

(xx) each other contract not entered into in the Ordinary Course of Business.

(b) The Company has delivered to Parent a true, correct and complete copy of each written Material Contract.

(c) With respect to each Material Contract (i) such Material Contract is legal, valid and binding, in full force and effect and enforceable in accordance with its terms against the Company and, to the Company's Knowledge, against each other party thereto, and such Material Contract will continue to be so legal, valid, binding, in full force and effect and enforceable on identical terms upon the consummation of the Merger and the Other Transactions; (ii) the Company is not and, to the Company's Knowledge, no other party thereto is in breach of or default under such Material Contract, and no party thereto has given to any other party thereto written notice alleging that such a breach or default occurred; (iii) no event has occurred that (with or without the passage of time or giving of notice) would constitute a material breach or default of, or permit termination, modification, acceleration or cancellation of, such Material Contract or of any material right or Liability thereunder; (iv) the Company has not waived any material right under such Material Contract; (v) no party to such Material Contract has terminated, modified, accelerated or canceled such Material Contract or any material right or Liability thereunder or communicated such party's desire or intent to do so; (vi) the Company has not received any prepayment under such Material Contract for any service that has not been fully performed or Product that has not been supplied; and (vii) if the parties to such Material Contract are performing under terms that have expired by the express terms of such Material Contract, then Section 3.22(c) of the Disclosure Schedule identifies such expiration and describes the material terms under which such parties continue to perform.

(d) Section 3.22(d) of the Disclosure Schedule lists all contracts and agreements to which the Company is a party or by which its properties or assets are bound that require a notice, novation, waiver, consent or approval, as the case may be, in connection with the consummation of the Merger or the Other Transactions.

Section 3.23 **Accounts Receivable and Payable**. Subject to any reserves set forth in the Interim Balance Sheet, all accounts receivable of the Company shown on the Interim Balance Sheet and all accounts receivable of the Company arising from and after the date of the Interim Balance Sheet and to including the Closing Date, are valid receivables subject to no setoffs or counterclaims, represent and will represent bona fide claims against debtors for sales and other charges, and are not subject to discount except for normal cash and immaterial trade discounts. The amount carried for doubtful accounts and allowances disclosed in the Interim Balance Sheet are sufficient to provide for any losses which may be sustained on realization of the receivables. The amounts carried as reserves for expenses, including all expenses for services rendered and goods purchased, and warranty claims on the Interim Balance Sheet are sufficient for the payment of (a) expenses incurred prior to the Closing Date, other than Transaction Expenses, (b) current warranty claims and (c) warranty claims which arise prior to twelve (12) months from the date of the Interim Balance Sheet. There are no unpaid invoices or bills representing amounts alleged to be owed by the Company, or other alleged obligations of the Company, which the Company has disputed or determined to dispute or refuse to pay.

Section 3.24 **Inventory**. The inventories of the Company, whether shown on the Interim Balance Sheet or thereafter acquired by the Company, consist of items of a quantity and quality usable or salable in the Ordinary Course of Business. Since the date of the Interim Balance Sheet, the Company has continued to replenish inventories in a normal and customary manner consistent with past practices. The Company has not received written or oral notice that it will experience in the foreseeable future any material difficulty in obtaining, in the desired quantity and quality and at a reasonable price and upon reasonable terms and conditions, the raw materials, supplies or component products required for the manufacture, assembly or production of its products. The values at which inventories are carried reflect the inventory valuation policy of the Company, consistently applied. Since the date of the Interim Balance Sheet, due provision was made on the books of the Company in the Ordinary Course of Business to provide for all slow-moving, obsolete, or unusable inventories to their estimated useful or scrap values and such inventory reserves are adequate to provide for such slow-moving, obsolete or unusable inventory and inventory shrinkage.

Section 3.25 **Propriety of Past Payments**.

(a) No unrecorded fund or asset of the Company has been established for any purpose;

(b) no accumulation or use of corporate funds of the Company has been made without being properly accounted for in the books and records of the Company;

(c) no payment has been made by or on behalf of the Company with the understanding that any part of such payment is to be used for any purpose other than that described in the documents supporting such payment; and

(d) none of the Company, any director, officer, employee or agent of the Company or any other Person associated with or acting for or on behalf of the Company has, directly or indirectly, made any illegal contribution, gift, bribe, rebate, payoff, influence payment, kickback or other payment to any Person, private or public, regardless of form, whether

in money, property or services, (i) to obtain favorable treatment for the Company or any affiliate of the Company in securing business, (ii) to pay for favorable treatment for business secured for the Company or any affiliate of the Company, (iii) to obtain special concessions, or for special concessions already obtained, for or in respect of the Company or any affiliate of the Company or (iv) otherwise for the benefit of the Company or any affiliate of the Company in violation of any Law. None of the Company or any director, officer, employee, agent, or other Person acting for or on behalf of the Company, has (x) used funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to political activity or (y) accepted or received any unlawful contribution, payment, gift, kickback, expenditure or other item of value.

Section 3.26 **Company Information Statement**. None of the information supplied, or to be supplied, by or on behalf of the Company included in the Information Statement will, at the date mailed to the Company's stockholders or option holders and at the effectiveness of the Stockholder Consent, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading when the Information Statement (including all attachments, exhibits and amendments thereto) is read in its entirety, including any risk factors and other disclosure contained in the Information Statement and any amendments thereto.

Section 3.27 **Representations Complete**. None of the representations or warranties made by the Company herein or in the Disclosure Schedule or any certificate furnished by the Company pursuant to this Agreement, when all such documents are read together in their entirety, contains or will contain at the Closing Date any untrue statement of a material fact, or omit or will omit at the Closing Date to state any material fact necessary in order to make the statements contained herein or therein, in the light of the circumstances under which made, not misleading. The Company has not failed to disclose to Parent herein or in the Disclosure Schedule any facts material to the business, results of operations, assets, Liabilities, financial condition or prospects of the Company.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES CONCERNING THE PRINCIPAL STOCKHOLDERS

Each Principal Stockholder, severally and not jointly, represents and warrants to Parent and Merger Sub as of the date hereof and as of the Closing Date as follows:

Section 4.1 **Capacity; Authority**. Each Principal Stockholder has the capacity and authority to enter into this Agreement and the other Transaction Documents to which such Principal Stockholder is a party and to make and perform the representations, warranties, covenants and agreements contained herein and therein. This Agreement and the other Transaction Documents to which such Principal Stockholder is a party have been duly executed and delivered by such Principal Stockholder and constitute the valid and binding obligations of such Principal Stockholder enforceable against such Principal Stockholder in accordance with its terms, except to the extent that enforceability may be limited by the effect, if any, of any applicable bankruptcy, reorganization, insolvency, moratorium or other Laws affecting the

enforcement of creditors' rights generally or any general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or in equity. Neither the execution and delivery by such Principal Stockholder of this Agreement nor the consummation of the Merger or the Other Transactions will conflict with, or result in any breach or violation of, or default under (with or without notice or lapse of time, or both) or give rise to a right of termination, cancellation or obligation or loss of any benefit under (a) any mortgage, indenture, lease, contract, agreement, instrument or understanding to which such Principal Stockholder is a party or to which any of such Principal Stockholder's properties or assets is bound or (b) any Law applicable to such Principal Stockholder or any of such Principal Stockholder's properties or assets. No notice to, filing with, and no permit, authorization, consent or approval of, any Person is necessary for the execution and delivery of this Agreement by such Principal Stockholder or the consummation of the Merger or the Other Transactions, other than the filing of the Certificate of Merger with the Secretary of State and approval of this Agreement and the Merger by the Company Stockholders as described in Section 3.3(b).

Section 4.2 **Title to Shares**. Such Principal Stockholder has good and valid title to the shares of Company Capital Stock set forth next to such Principal Stockholder's name on Schedule 1-A, free and clear of any Lien, other than restrictions imposed by securities Laws applicable to securities generally.

Section 4.3 **Brokers' and Finders' Fees**. Such Principal Stockholder has not incurred, nor will incur, directly or indirectly, any Liability for brokerage or finders' fees or agents' commissions or investment bankers' fees or any similar charges in connection with this Agreement, the Merger or the Other Transactions for which Parent, Merger Sub, the Company or the Surviving Corporation is or may become liable.

ARTICLE V

REPRESENTATIONS AND WARRANTIES CONCERNING PARENT AND MERGER SUB

Parent and Merger Sub, jointly and severally, represent and warrant to the Company and the Principal Stockholders as of the date hereof and as of the Closing Date as follows:

Section 5.1 **Organization, Standing and Power**. Parent is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware, and Merger Sub is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. Each of Parent and Merger Sub has the requisite corporate power and authority to own its respective properties and to carry on its respective business as now being conducted and as currently proposed to be conducted and is duly qualified to do business and is in good standing in each jurisdiction in which the ownership or leasing of its respective properties or assets or the conduct of its respective business requires such qualification, except where the failure to be so qualified or in good standing has not had and would not reasonably be expected to have a Material Adverse Effect on Parent and its subsidiaries, taken as a whole.

Section 5.2 **Authority**. Each of Parent and Merger Sub has the requisite corporate power and authority to enter into this Agreement and to consummate the Merger and the Other Transactions. The execution and delivery of this Agreement and the consummation of the Merger and the Other Transactions have been duly authorized by all necessary corporate action on the part of each of Parent and Merger Sub. This Agreement has been duly executed and delivered by each of Parent and Merger Sub and constitutes the valid and binding obligations of Parent or Merger Sub, as applicable, enforceable against Parent or Merger Sub, as applicable, in accordance with its terms, except to the extent that enforceability may be limited by the effect, if any, of any applicable bankruptcy, reorganization, insolvency, moratorium or other Laws affecting the enforcement of creditors' rights generally or any general principles of equity, regardless of whether such enforceability is considered in a proceeding at law or in equity. Neither the execution and delivery by Parent or Merger Sub of this Agreement nor the consummation of the Merger or the Other Transactions will conflict with, or result in any breach or violation of, or default under (with or without notice or lapse of time, or both) or give rise to a right of termination, cancellation or obligation or loss of any benefit under (a) any provision of the Certificate of Incorporation or Bylaws, or other equivalent charter documents, as applicable, of Parent or Merger Sub, (b) any mortgage, indenture, lease, contract, agreement, instrument or understanding to which Parent or Merger Sub is a party or to by which any of Parent's or Merger Sub's properties or assets is bound or (c) any Law applicable to Parent or Merger Sub or any of their respective properties or assets, except, in the case of clauses (b) and (c) above, any such conflicts, breaches, violations, defaults, rights or losses, which would not, individually or in the aggregate, prevent or materially and adversely delay the consummation by Parent or Merger Sub of the Merger or the Other Transactions or result in a Material Adverse Effect with respect to Parent and its subsidiaries, taken as a whole. Except for the consent of RBS Business Capital, a division of RBS Asset Finance, Inc., no notice to, filing with, and no permit, authorization, consent or approval of, any Person is necessary for the execution and delivery of this Agreement by Parent and Merger Sub or the consummation of the Merger and the Other Transactions, other than the filing of the Certificate of Merger with the Secretary of State and approval of this Agreement and the Merger by Parent as the sole stockholder of Merger Sub.

Section 5.3 **Litigation**. There is no private or governmental action, suit, proceeding, inquiry, claim, charge, grievance, arbitration or investigation by or pending before any Governmental Entity, or, to the Knowledge of Parent, threatened against Parent or any of its subsidiaries, any of their respective properties or any of their respective officers or directors (in their capacities as such), which questions or challenges the validity of any Transaction Document, the Merger or any of the Other Transactions; and there is no valid basis for any such action, suit, proceeding, inquiry, claim, charge, grievance, arbitration or investigation which could reasonably be expected to have a Material Adverse Effect on Parent and its subsidiaries, taken as a whole. There is no judgment, decree or order against Parent or any of its subsidiaries or to which Parent or any of its subsidiaries is subject, or to which any of its directors or officers (in their capacities as such) is subject, that could prevent, enjoin, or materially alter or delay the Merger or any of the Other Transactions.

Section 5.4 **Brokers' and Finders' Fees**. Neither Parent nor Merger Sub has incurred, or will incur, directly or indirectly, any Liability for brokerage or finders' fees or agents' commissions or investment bankers' fees or any similar charges in connection with this Agreement, the Merger or the Other Transactions for which the Company Stockholders are or may become liable.

ARTICLE VI

PRE-CLOSING COVENANTS

The Parties agree as follows with respect to the period between the date hereof and the Closing:

Section 6.1 **General**. Prior to the Closing, upon the terms and subject to the conditions of this Agreement, the Parties agree to use reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable (subject to any applicable Laws) to consummate the Merger and the Other Transactions as promptly as practicable (including satisfaction, but not waiver, of the Closing conditions set forth in Article VIII); *provided*, *however*, that nothing in this Agreement requires, or will be construed to require, any of the Parties to take, or to refrain from taking, any action (including agreeing to any concession or arrangement with any Governmental Entity or other Person that would impose any material obligation on such Party) that would result in any restriction or divestiture with respect to any properties, assets, business or operations of such Party or its affiliates, or to cause its affiliates to do or agree to do any of the foregoing, whether prior to or following the Closing. Without limiting any other provision of this Agreement, the Principal Stockholders shall cause the Company to perform and comply with all covenants and agreements to be performed or complied with by the Company on or before the Closing.

Section 6.2 **Notices and Consents**. The Company and the Principal Stockholders shall give all notices to third parties and use reasonable best efforts to obtain all consents necessary in connection with the Merger and the Other Transactions as expeditiously as possible. No such consent shall include any condition or qualification that would result in or constitute an adverse change in the terms of any Material Contract, unless otherwise agreed to by Parent. Any instrument evidencing any consent to be obtained or notice to be given prior to the Closing shall be in form reasonably satisfactory to Parent. The Company and the Principal Stockholders will provide to Parent complete copies of all letters, applications or other documents prior to their submission to or promptly after receipt from any Governmental Entity or other third party with respect to each consent and notice, and will afford Parent the opportunity to comment on any letter, application and other document to be submitted. The Company and the Principal Stockholders will promptly and regularly advise Parent concerning the status of each such consent and notice, including any difficulties or delays experienced in obtaining any consent and of any conditions required for any consent.

Section 6.3 **Operation of Business**. Without the prior written consent of Parent, the Company shall not engage in any practice, take any action or enter into any agreement or transaction outside the Ordinary Course of Business, except for any action expressly contemplated under this Agreement. Without limiting the generality of the foregoing, without the prior written consent of Parent, and unless otherwise expressly provided in this Agreement, the Company shall not (a) issue, or agree to issue, any capital stock, stock option or other securities of the Company or repurchase or cancel any of its capital stock, (b) incur any

Indebtedness or otherwise encumber any of its assets, (c) declare, set aside, or pay any dividend or make any distribution with respect to its capital stock or enter into any agreement with the Company's stockholders, (d) dispose of any properties or assets other than sales of inventory to customers in the Ordinary Course of Business, (e) increase the compensation of the Company's employees or establish any new compensation plan, (f) make or authorize any amendments to the Company Articles or Company Bylaws, (g) increase its stock of raw material, work in progress and finished goods inventory by more than $25,000 in the aggregate, (h) enter into any contracts or commitments or incur any expense (including the issuance of purchase orders) with a value or requiring payments in excess of $1,000 individually or $25,000 in the aggregate, or which vary from the Company's normal pricing and standard terms, (i) hire any employee or consultant or terminate the employment of any such person, or (j) otherwise engage in any practice, take or fail to take any action or enter into any agreement or transaction that would cause the representations and warranties of the Company contained herein to be untrue at any time between the date hereof and the Closing or that would be likely to result in a Material Adverse Effect.

Section 6.4 **Preservation of Business**. The Company will keep its business, assets and properties substantially intact, including its present operations, physical facilities, working conditions and relationships with licensors, suppliers, customers and employees, and operate such business in a manner consistent with its past practices, including all accounting policies and capital expenditures.

Section 6.5 **Full Access and Cooperation**. The Company will permit Parent and its representatives to have full access at all reasonable times, and in a manner so as not to unreasonably interfere with the normal business operations of the Company, to all premises, properties, personnel, books, records (including Tax records and patent application files), contracts and documents of or pertaining to the Company and permit Parent and its representatives to make such copies and inspections thereof as may reasonably be requested.

Section 6.6 **Notice of Developments**. The Company and the Principal Stockholders will give prompt written notice to Parent of (a) any material breach or inaccuracy of any representation or warranty of the Company or the Principal Stockholders (including those in Article III and Article IV hereof) or any material breach or nonperformance of any covenant or agreement of the Company or the Principal Stockholders (including those in this Article VI), (b) the occurrence of any material damage to or loss or destruction of any properties or assets owned or leased by the Company (whether or not insured), or (c) the occurrence or threatened occurrence of any event or condition which resulted in, or could reasonably be likely to result in, a Material Adverse Effect. No disclosure by the Company or the Principal Stockholders pursuant to this Section 6.6 shall be deemed to amend or supplement the Disclosure Schedule or to prevent or cure any misrepresentation, breach or inaccuracy of warranty or breach or nonperformance of covenant or agreement. As soon as such information becomes available, and in any event not more than thirty (30) days after the end of each fiscal month, the Company shall provide to Parent the Monthly Financial Statements for such month together with a list of the ages and amounts of all accounts and notes due and uncollected as of the end of such month.

Section 6.7 **Information Statement; Stockholder Approval**.

(a) As soon as possible, but in any event, within three (3) Business Days after the execution of this Agreement by the Company, the Company shall prepare an information statement (the "Information Statement") for use in connection with the solicitation of appropriate consents from the Company Stockholders. The Information Statement shall include a statement to the effect that the Company Board unanimously recommends that the Company Stockholders vote to adopt this Agreement and the Merger (the "Company Board Recommendation"). Parent shall have the right to review and comment on the Information Statement (including amendments and supplements) prior to dissemination, and the Company shall not unreasonably refuse to incorporate Parent's comments thereto.

(b) As soon as reasonably practicable after the execution of this Agreement and after the completion of the Information Statement, the Company shall (i) deliver such Information Statement, together with a copy of this Agreement and a Notice of Appraisal Rights pursuant to Section 262 of the DGCL, to each Company Stockholder and use commercially reasonable efforts to cause each such Company Stockholder to execute and deliver a Stockholder Transmittal Letter and (ii) take all action necessary under applicable Law to obtain the requisite consents of the Company Stockholders to this Agreement and the Merger (the "Stockholder Consent"), in each case in accordance with the DGCL. The Company will, through the Company Board, recommend to the Company Stockholders the approval and adoption of this Agreement, the Merger and the Other Transactions and use its commercially reasonable efforts to solicit and obtain the Required Stockholder Approval. The Company will not take any action to delay or postpone the solicitation of the Stockholder Consent without the prior written consent of Parent. The Company will comply with all requirements of the DGCL and other applicable Laws in connection with the solicitation of the Stockholder Consent, including all notice and disclosure requirements with respect to the Company Stockholders.

(c) The Company shall give Parent prompt notice, if at any time prior to the Closing Date the Company shall obtain Knowledge of any facts that make it necessary to amend or supplement the Information Statement in order to make the statements contained therein not misleading when read in its entirety, including any risk factors and other disclosure contained in the Information Statement, including any amendments thereto, and to the extent required by applicable Law, an appropriate amendment or supplement describing such information shall be promptly disseminated by the Company to the Company Stockholders and Qualifying Option Holders. The Information Statement (or any amendment or supplement thereto) shall not include any information about or concerning Parent without Parent's prior consent.

Section 6.8 **Exclusivity**.

(a) From and after the date hereof and until the earlier of the Closing or the termination of this Agreement in accordance with its terms, the Company and the Principal Stockholders shall, and shall cause their respective officers, directors, employees, advisors, representatives or agents to, immediately terminate all discussions which have already been commenced regarding any transaction that would be entered into by the Company or the Company Stockholders in lieu of the Merger, or which would materially interfere with the

Merger or any of the Other Transactions, including a sale of any assets of the Company, a sale (whether by sale of stock, merger or otherwise) of the Company Capital Stock, or any material debt or equity financing in respect of the Company (each, individually, an "Alternate Transaction").

(b) From and after the date hereof and until the earlier of the Closing or the termination of this Agreement in accordance with its terms, the Company and the Principal Stockholders agree not to (i) communicate with or enter into discussions or agreements or understandings with (or provide any information or access to facilities or encouragement or advice to) any other Person regarding an Alternate Transaction or (ii) solicit or knowingly encourage the submissions of offers, proposals or indications of interest for an Alternate Transaction.

Section 6.9 **Intentionally Omitted**.

Section 6.10 **Termination of Plans**. Prior to the Closing Date, the Company shall (a) terminate each Employee Benefit Plan that is intended to constitute a 401(k) plan (each, a "401(k) Plan") effective no later than the day immediately preceding the Closing Date, (b) adopt any and all amendments to each 401(k) Plan as may be necessary to ensure compliance with all applicable requirements of the Code (including all qualification requirements), and (c) take all other action(s) as Parent may direct, unless Parent notifies the Company in writing at least five (5) days prior to the Closing Date that Parent agrees to sponsor and maintain (or to allow the Surviving Corporation to continue to sponsor and maintain) such 401(k) Plan after the Effective Time. Unless Parent provides the notice described in the preceding sentence to the Company, the Company shall, prior to the Closing Date, provide Parent with evidence reasonably satisfactory to Parent that (i) each 401(k) Plan has been terminated effective no later than the day before the Closing Date pursuant to resolutions of the Company Board, (ii) each 401(k) Plan has been amended as described above (the form and substance of such resolutions and amendments shall be subject to the prior review and approval of Parent), and (iii) the Company has taken all other action(s) directed by Parent with respect thereto.

ARTICLE VII

ADDITIONAL AGREEMENTS

Section 7.1 **General**. In case at any time after the Closing any further action is necessary to carry out the purposes of the Transaction Documents, the Merger and the Other Transactions, each Party hereto and Stockholders' Agent shall take such further action (including the execution and delivery of such further instruments and documents) as any other Party or Stockholders' Agent reasonably may request, all at the requesting party's cost and expense (unless the requesting party is entitled to indemnification therefor under Article X below).

Section 7.2 **Press Releases and Public Announcements**. Except as otherwise required by applicable Law, the Company and the Principal Stockholders will not, and will not permit any of their respective affiliates, representatives or advisors to, issue or cause the publication of any press release or make any other public announcement, including any tombstone advertisements, or any announcements to employees, customers or suppliers of the

Company with respect to the Merger or the Other Transactions without the consent of Parent. Parent shall be permitted to issue or cause the publication of a press release or make a public announcement with respect to the Merger and the Other Transactions. The Parties shall cooperate with each other in the development and distribution of any press releases and other public announcements with respect to this Agreement, the Merger and the Other Transactions, and shall furnish the other with drafts of any such releases and announcements as far in advance as reasonably possible.

Section 7.3 **Appointment of Stockholders' Agent**.

(a) Without any further act of any Company Stockholder, Qualifying Option Holder, or Bonus Pool Recipient, Stockholders' Agent is hereby irrevocably constituted and appointed as agent and true and lawful attorney in fact for each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient with full power of substitution or resubstitution, solely for the purposes set forth herein, such appointment being coupled with an interest and irrevocable.

(b) Stockholders' Agent will act as the representative of each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient, and is authorized to act on behalf of each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient under this Agreement and any other Transaction Document or in connection with the Merger or any of the Other Transactions, including receipt of any notice or service of process in connection with any Claim (all of which will be deemed delivered or served upon all Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients upon delivery to Stockholders' Agent). No bond shall be required of Stockholders' Agent, and Stockholders' Agent shall receive no compensation for his services. Notices or communications from Stockholders' Agent shall constitute notices or communications from each of the Company Stockholders, Qualifying Option Holders, and Bonus Pool Recipients.

(c) Stockholders' Agent shall not be liable for any act done or omitted hereunder as Stockholders' Agent while acting in good faith and in the exercise of reasonable judgment, and any act done or omitted pursuant to the advice of counsel shall be conclusive evidence of such good faith. Each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient shall severally indemnify Stockholders' Agent and hold him harmless against any loss, Liability or expense incurred without gross negligence or bad faith on the part of Stockholders' Agent and arising out of or in connection with the acceptance or administration of his duties hereunder to the extent that the Representative Fund is not sufficient to cover any such amounts.

Section 7.4 **Actions of Stockholders' Agent**. A decision, act, consent or instruction of Stockholders' Agent shall constitute a decision of all of the Company Stockholders, Qualifying Option Holders, and Bonus Pool Recipients and shall be final, binding and conclusive upon each and every Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient. Parent and the Surviving Corporation may rely upon any decision, act, consent or instruction of Stockholders' Agent as being the decision, act, consent or instruction of each and every Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient. Parent and the Surviving Corporation are hereby relieved from any Liability to any Person for any acts done by Parent or the Surviving Corporation, as applicable, in accordance with such decision, act, consent or instruction of Stockholders' Agent.

Section 7.5 **Tax Matters**.

(a) Preparation and Filing of Tax Returns. Parent shall prepare or cause to be prepared and file or cause to be filed all Tax Returns of the Company for all taxable periods to the extent such Tax Returns are filed or required to be filed on or after the Closing Date. If requested by the Stockholders' Agent, Parent shall allow the Stockholders' Agent to review and comment on each income Tax Return prepared or caused to be prepared by Parent (to the extent such income Tax Return could affect any obligation of the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients under this Agreement) at the Stockholders' Agent's sole cost and expense. Parent shall consider in good faith all reasonable comments of the Stockholders' Agent with respect to such income Tax Returns prior to filing. Any compensation deductions arising in connection with the transactions contemplated by this Agreement shall, to the maximum extent permitted by law, be allocated to the Tax period of the Company that begins on the day following the Closing Date.

(b) Liability for Taxes. Immediately upon written demand from Parent, the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall severally but not jointly reimburse Parent for all Taxes of the Company for any Tax period ending on or before the Closing Date (a "Pre-Closing Tax Period") and for the Company Stockholders', Qualifying Option Holders' and Bonus Pool Recipients' portion (as determined pursuant to clause (c) below) of all Taxes of the Company for any Straddle Period. Parent shall be responsible for all Taxes of the Company for any Tax period that begins after the Closing Date (a "Post-Closing Tax Period") and for its portion (as determined pursuant to clause (c) below) of all Taxes of the Company for any Straddle Period. Any amounts paid by the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients to Parent pursuant to this Section 7.5(b) shall be treated as an adjustment to the Adjusted Consideration unless otherwise required by Law.

(c) Apportionment of Straddle Period Income Taxes. With respect to any Straddle Period, the Taxes attributable to such Straddle Period shall be apportioned between the period of the Straddle Period that begins on the first day of the Straddle Period and ends on the Closing Date (the "Pre-Closing Straddle Period"), which portion shall be the responsibility of the Company Stockholders, the Qualifying Option Holders and the Bonus Pool Recipients, and the period of the Straddle Period that begins on the Closing Date and ends on the last day of the Straddle Period ("Post-Closing Straddle Period"), which portion shall be the responsibility of Parent. The portion of the Tax allocated to the Pre-Closing Straddle Period shall (i) in the case of any property or similar ad valorem Taxes be deemed to be the amount of such Tax for the entire taxable period multiplied by a fraction the numerator of which is the number of days in the taxable period ending on the Closing Date and the denominator of which is the number of days in the entire taxable period; and (ii) in the case of any other Taxes be deemed equal to the amount that would be payable if the relevant taxable period ended on the Closing Date. The portion of the Tax allocated to the Post-Closing Straddle Period shall equal the balance of the income Tax attributable to the Straddle Period.

(d) Cooperation. Parent, the Principal Stockholders and the Stockholders' Agent shall cooperate fully, as and to the extent reasonably requested by the other party, in connection with the preparation and filing of any Tax Return or claim for refund and any audit, litigation or other proceeding with respect to the Company's Taxes. Upon request, Parent, the Principal Stockholders and the Stockholders' Agent shall provide each other with the information that either party is required to report pursuant to the Code.

(e) Control of Audit or Tax Litigation. Parent shall control any audit, litigation or other proceeding regarding any Taxes of the Company. Parent shall permit the Stockholders' Agent to review and comment on any documents in connection with such audit, litigation or other proceeding and shall take any reasonable comments into consideration prior to filing any document.

(f) Transfer Taxes. The Company or Parent shall be liable for and pay all sales, use, transfer, real property transfer, documentary, recording, gains, stock transfer and similar Taxes and fees, and any deficiency, interest or penalty asserted with respect thereto, but excluding any Tax based upon or measured by gross or net receipts of gross or net income (collectively, "Transfer Taxes"), arising out of or in connection with the transactions effected pursuant to this Agreement. The Company or Parent shall timely file or cause to be filed all necessary documentation and Tax Returns with respect to such Transfer Taxes.

(g) S Election. Upon Parent's election, the Company and each Company Stockholder shall file the election provided for under Section 1362(a) of the Code with respect to the Company (the "S Election"). The S Election shall request an effective date of January 1, 2010. The Company Stockholders shall execute at the Closing IRS Form 2553.

(h) 338(h)(10) Election. Upon Parent's election, provided that the S Election is approved by the IRS with an effective date of January 1, 2010, the Company and each Company Stockholder shall join with Parent to make the election provided for under Section 338(h)(10) of the Code with respect to the acquisition of the Company Capital Stock pursuant to this Agreement (the "Section 338(h)(10) Election"). Parent and the Company Stockholders shall execute at the Closing IRS Form 8023. Notwithstanding any provision of this Agreement to the contrary, Parent shall cause the Company to pay any Taxes of the Company that arise out of or relate to the Section 338(h)(10) Election, and any the Company Stockholders shall not have any liability with respect to such Taxes. In the event the Section 338(h)(10) Election is made, Parent shall pay each Company Stockholder an additional payment (a "Make-Whole Payment") in an amount equal to the sum of (i) the excess (if any) of (A) the total amount of Taxes payable by such Company Stockholder upon the transfer of his Company Capital Stock as contemplated in this Agreement assuming that the Section 338(h)(10) Election is made over (B) the total amount of Taxes that would have been payable by such Company Stockholder with respect to the transfer of his Company Capital Stock as contemplated in this Agreement without the Section 338(h)(10) Election, plus (ii) the amount of any Taxes actually payable as a result of the receipt by such Company Stockholder of such excess amount described in clause (i), including any Taxes payable with respect to such additional amount. Promptly following completion of the Allocation (as defined below), each Company Stockholder shall determine the amount of its Make-Whole Payment and provide such determination to Parent for its review and approval, which shall not be unreasonably withheld or delayed. In computing the amount of a Company

Stockholder's Make-Whole Payment, such Company Stockholder shall be deemed to be subject to the highest marginal federal, state, and local tax rates applicable to such Company Stockholder, and any items of income, deduction, gain, loss, or credits of such Company Stockholder or the Company not arising from the payments made pursuant to this Agreement shall be excluded. Upon approval by Parent of a Make-Whole Payment, Parent shall pay the amount of such Make-Whole Payment to the applicable Company Stockholder. Each Company Stockholder shall cooperate with Parent in connection with the determination of such Company Stockholder's Make-Whole Payment and shall promptly provide all information reasonably requested by Parent in connection with its review. For purposes of this Agreement, any Make-Whole Payment shall be treated as additional consideration for the Company Capital Stock.

(i) Allocation In Connection With 338(h)(10) Election. In the event the Section 338(h)(10) Election is made, the aggregate consideration paid to the Company Stockholders (and amounts paid on or as of the Closing Date to Qualifying Option Holders and Bonus Pool Recipients) pursuant to this Agreement, liabilities of the Company and other relevant items shall be allocated among the Company's assets in accordance with the rules of Section 338 of the Code. In connection with any Section 338(h)(10) Election, as soon as practicable after the Closing Date, Parent, the Company and the Stockholders' Agent shall together in good faith: (i) determine and agree upon the "aggregate deemed sale price" of the Company (within the meaning of, and in accordance with, Treasury Regulations Section 1.338-4(a)) and (ii) determine and agree upon the proper allocations (the "Allocation") of the "aggregate deemed sale price" among the respective assets of the Company (in accordance with Section 338(b)(5) of the Code). Parent, the Company and the Company Stockholders shall take no position inconsistent with such determinations and Allocation on any applicable Tax Return, in any proceeding before any Taxing authority or otherwise.

Section 7.6 **Confidential Information**. From and after the Closing, each Principal Stockholder and Stockholders' Agent will treat and hold as confidential all information concerning the business and affairs of the Company and Parent that is not already generally available to the public (the "Confidential Information"), refrain from using any of the Confidential Information except in connection with this Agreement, and deliver promptly to Parent or the Company or destroy, at the request and option of Parent, all tangible embodiments (and all copies) of any Confidential Information that are in his possession. In the event that any Principal Stockholder or Stockholders' Agent is requested or required (pursuant to written or oral question or request for information or documents in any legal proceeding, interrogatory, subpoena, civil investigative demand, or similar process) to disclose any Confidential Information, such Principal Stockholder or Stockholders' Agent will notify Parent promptly of the request or requirement so that Parent or the Company may seek an appropriate protective order or waive compliance with the provisions of this Section 7.6. If, in the absence of a protective order or the receipt of a waiver hereunder, any Principal Stockholder is, on the advice of counsel, compelled to disclose any Confidential Information to any tribunal or else stand liable for contempt, such Principal Stockholder or Stockholders' Agent may disclose the Confidential Information to the tribunal; *provided*, *however*, that the disclosing Principal Stockholder shall use his best efforts to obtain, at the reasonable request of Parent, and at Parent's cost, an order or other assurance that confidential treatment will be accorded to such portion of the Confidential Information required to be disclosed as Parent shall designate. The terms of this Agreement shall be deemed Confidential Information.

ARTICLE VIII

CONDITIONS TO THE CLOSING

Section 8.1 **Conditions to Obligations of Each Party**. The respective obligations of each Party to consummate the Merger and the Other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, by agreement of all the Parties (to the extent permitted by applicable Law):

(a) No Injunctions or Restraints; Illegality. No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal or regulatory restraint or prohibition preventing the consummation of the Merger or the Other Transactions shall be in effect, nor shall any proceeding brought by any Governmental Entity seeking any of the foregoing be pending; nor shall there be any action taken, or any statute, rule, regulation or order enacted, entered or enforced, which makes the consummation of the Merger or any of the Other Transactions illegal. In the event an injunction or other order shall have been issued, each Party agrees to use its reasonable best efforts to have such injunction or other order lifted.

(b) Governmental Approval. The Parties shall have timely obtained from each Governmental Entity all approvals, waivers and consents, if any, necessary for consummation of, or in connection with, the Merger and the Other Transactions.

(c) Stockholder Approval. The Company shall have obtained the Required Stockholder Vote, and such Required Stockholder Vote shall not have been rescinded or modified in any regard.

(d) Option Holder Transmittal Letter. Each Option Holder shall have executed and delivered to the Company an Option Holder Transmittal Letter.

Section 8.2 **Additional Conditions to Obligations of the Company**. The obligations of the Company to consummate the Merger and the Other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, by the Company, in the Company's sole discretion:

(a) Representations, Warranties and Covenants. The representations and warranties of Parent and Merger Sub in this Agreement shall be true, complete and correct in all material respects (except for such representations and warranties that contain a Materiality Qualifier, which representations and warranties as so qualified shall be true, complete and correct in all respects) as of the date of this Agreement and on and as of the Closing Date as though such representations and warranties were made on and as of such date (except for such representations and warranties which speak as of a particular date which representations and warranties need be true, complete and correct in all material respects, or in all respects if such representations or warranties contain a Materiality Qualifier, only as of such date), and Parent and Merger Sub shall have performed and complied in all material respects with all covenants, obligations and conditions of this Agreement required to be performed and complied with by Parent and Merger Sub as of the Closing.

(b) Certificate of Parent and Merger Sub. The Company shall have received from Parent and Merger Sub officer's certificates, in form and substance reasonably acceptable to the Company, attaching a good standing certificate, dated within fifteen (15) days before the Closing, from the Secretary of State (or comparable Governmental Entity) of each state or jurisdiction in which Parent or Merger Sub was organized, each stating that the Company or Merger Sub is in good standing, and certifying to the fulfillment of the conditions specified in Section 8.2(a).

(c) Parent Third Party Consents. The Company shall have been furnished with evidence reasonably satisfactory to the Company of the consent or approval of those Persons whose consent or approval is required for the Parent and Merger Sub (i) to consummate the Merger and the Other Transactions and (ii) to comply with and perform all of the Parent's and Merger Sub's obligations as contemplated hereby, including the consent of RBS Business Capital, a division of RBS Asset Finance, Inc.

Section 8.3 **Additional Conditions to the Obligations of Parent and Merger Sub**. The obligations of Parent and Merger Sub to consummate the Merger and the Other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, by Parent and Merger Sub, in Parent's and Merger Sub's sole discretion:

(a) Representations, Warranties and Covenants. The representations and warranties of the Company and the Principal Stockholders in this Agreement shall be true, complete and correct in all material respects (except for such representations and warranties that contain a Materiality Qualifier, which representations and warranties as so qualified shall be true, complete and correct in all respects) as of the date of this Agreement and on and as of the Closing Date as though such representations and warranties were made on and as of such date (except for such representations and warranties which speak as of a particular date which representations and warranties need be true, complete and correct in all material respects, or in all respects if such representations or warranties contain a Materiality Qualifier, only as of such date), and the Company and each Principal Stockholder shall have performed and complied in all material respects with all covenants, obligations and conditions of this Agreement required to be performed and complied with by the Company or such Principal Stockholder as of the Closing.

(b) Certificate of the Company. Parent shall have received a certificate executed by the Chief Executive Officer of the Company, in form and substance reasonably acceptable to Parent, attaching a good standing certificate, dated within fifteen (15) days before the Closing, from the Secretary of State (or comparable Governmental Entity) of the state or jurisdiction in which the Company was organized and each state or jurisdiction in which the Company is qualified to do business, each stating that the Company is in good standing, and certifying (i) fulfillment of the conditions set forth in Sections 8.3(a) and 8.3(f); (ii) that attached thereto is a true, complete and correct copy of the resolutions of the Company Board authorizing the execution, delivery and performance of this Agreement and the Other Transaction Documents and the consummation of the Merger and the Other Transactions, in each case as are

then in full force and effect; (iii) that attached thereto is a true, complete and correct copy of the Company Articles and the Company Bylaws, in each case as are then in full force and effect; (iv) as to the incumbency and signatures of the officers of the Company; and (v) that the stockholders of the Company have approved this Agreement, the Merger, and the Other Transactions in accordance with the Company Articles and the DGCL.

(c) Transmittal Letters; Dissenting Shares. Holders of Company Capital Stock representing at least ninety-five percent (95%) of the aggregate number of shares of Company Capital Stock outstanding immediately prior to the Effective Time shall have delivered a duly completed and executed Transmittal Letter to Parent or shall have otherwise waived their appraisal rights under the DGCL to Parent's satisfaction.

(d) Company Third Party Consents. Parent shall have been furnished with evidence reasonably satisfactory to Parent of the consent or approval of those Persons whose consent or approval is required for the Company and the Principal Stockholders (i) to consummate the Merger and the Other Transactions and (ii) to comply with and perform all of the Company's and the Principal Stockholders' obligations as contemplated hereby.

(e) Parent Third Party Consents. Parent shall have obtained the consent or approval of those Persons whose consent or approval is required for Parent and Merger Sub (i) to consummate the Merger and the Other Transactions and (ii) to comply with and perform all of Parent's and Merger Sub's obligations as contemplated hereby, including the consent of RBS Business Capital, a division of RBS Asset Finance, Inc.

(f) No Material Adverse Effect. Since the date of this Agreement, the Company shall not have suffered a Material Adverse Effect.

(g) Resignation of Directors and Officers. The directors and officers of the Company in office immediately prior to the Closing shall have resigned as directors or officers of the Company, effective as of the Closing Date, and Parent shall have received letters of resignation in form and substance satisfactory to Parent from such directors and officers.

(h) Vesting and Cancellation of Company Options. Each outstanding Company Option shall have become fully-vested and each outstanding, unexercised Company Option as of the Effective Time shall have been terminated or cancelled.

(i) Termination of 401(k) Plan. Parent shall have been furnished with evidence reasonably satisfactory to Parent that the 401(k) Plan has been terminated.

(j) Tax Certificates. The Company shall have delivered to Parent (i) a properly executed FIRPTA certificate, substantially in the form agreed to by the Parties, which states that the shares of Company Capital Stock do not constitute "United States real property interests" under Section 897(c) of the Code, for purposes of satisfying Parent's obligations under Treasury Regulation Section 1.1445-2(c)(3); and (ii) a form of notice to the IRS in accordance with the requirements of Treasury Regulation Section 1.897-2(h)(2) in the customary form along with written authorization for Parent to deliver such notice form to the IRS on behalf of the Company after the Closing.

(k) Tax Forms. Each Company Stockholder shall have delivered a properly executed IRS Form 2553 and IRS Form 8023, in each case, in form and substance reasonably satisfactory to Parent.

(l) Closing Consideration Statement. The Company shall have delivered to Parent the Closing Consideration Statement, which shall be prepared as required hereby and in form and substance reasonably satisfactory to Parent.

(m) Non-Competition and Nonsolicitation Agreements. The Principal Stockholders shall have executed and delivered to Parent non-competition and nonsolicitation agreements substantially in the form of Exhibit E (the "Non-Competition Agreements").

(n) Offer Letters. Each of the Principal Stockholders and Jae Hwan Yoo and Paul Bovaird, shall have executed and delivered to Parent offer letters for employment with Parent or one of its designated subsidiaries following the Closing in form and substance reasonably satisfactory to Parent.

(o) Principal Stockholder Transmittal Letters. Each Principal Stockholder shall have executed and delivered to Parent a Transmittal Letter.

Section 8.4 **Frustration of Conditions**. No Party may rely on the failure of any condition set forth in this Article VIII to be satisfied if such failure was caused by such Party's failure to comply with or perform any of its covenants or obligations set forth in this Agreement.

ARTICLE IX

TERMINATION

Section 9.1 **Termination**. At any time prior to the Effective Time, whether before or after approval of the matters presented in connection with the Merger to the stockholders of the Company, this Agreement may be terminated:

(a) by the written consent of Parent and the Company;

(b) by Parent or the Company, if the Closing shall not have occurred on or before the day that is thirty (30) days after the date of this Agreement or the next Business Day if such day is not a Business Day (the "Final Date"); *provided*, that the right to terminate this Agreement under this Section 9.1(b) shall not be available to any Party whose action or failure to act has been the cause of or resulted in the failure of the Closing to occur on or before such date and such action or failure to act constitutes a breach of this Agreement;

(c) by Parent, if the Company or any Principal Stockholder shall breach any representation, warranty, covenant, obligation or agreement hereunder such that the conditions set forth in Section 8.3(a) would be incapable of being satisfied by the Final Date, and such breach shall not have been cured, or by its nature cannot be cured, within ten (10) days of receipt by the Company or such Principal Stockholder of written notice of such breach; *provided*, that Parent has not breached any of its representations, warranties, obligations or agreements hereunder in any material respect;

(d) by the Company, if Parent or Merger Sub shall breach any representation, warranty, covenant, obligation or agreement hereunder, such that the conditions set forth in Section 8.2(a) would be incapable of being satisfied by the Final Date, and such breach shall not have been cured, or by its nature cannot be cured, within ten (10) days following receipt by Parent or Merger Sub of written notice of such breach; *provided*, that the neither Company nor any of the Principal Stockholders has breached any of its representations, warranties, obligations or agreements hereunder in any material respect;

(e) by Parent, if any condition in Sections 8.1 or 8.3 becomes incapable of fulfillment at the Closing; *provided*, that Parent has not waived such condition;

(f) by the Company, if any condition in Sections 8.1 or 8.2 becomes incapable of fulfillment at the Closing; *provided*, that the Company has not waived such condition; or

(g) by Parent or the Company if any permanent injunction or other order of a court or other competent authority preventing the consummation of the Merger or any of the Other Transactions shall have become final and nonappealable.

Section 9.2 **Effect of Termination**. Termination of this Agreement pursuant to Section 9.1 will not be deemed to release any Party from any Liability for breach of any term hereof (nor a waiver of any right in connection therewith) and will be in addition to any other right or remedy a Party has under this Agreement or otherwise. The exercise of a right of termination of this Agreement is not an election of remedies.

ARTICLE X

CERTAIN REMEDIES

Section 10.1 **Indemnity**.

(a) Indemnification for Damages. The Company Stockholders, the Qualifying Option Holders and the Bonus Pool Recipients and, if and only if this Agreement has been terminated prior to the Closing, the Company, agree to severally, but not jointly, indemnify, defend and hold harmless Parent and the Surviving Corporation and each of their respective affiliates, and each of their respective directors, officers, managers, members, partners, stockholders, subsidiaries, employees, successors, heirs, assigns, agents and representatives (each a "Parent Indemnified Person") from and against and be liable for any and all Damages related to or arising out of, caused by or resulting from, directly or indirectly, the following:

(i) any breach or inaccuracy of any representation or warranty made in this Agreement or any other Transaction Document by the Company or any Principal Stockholder, including the failure of a representation or warranty made by the Company or any Principal Stockholder herein or in any other Transaction Document to be true at the Closing as if given at the Closing;

(ii) any breach or nonperformance of any agreement, covenant or obligation in any Transaction Document to be performed by the Company on or before the Closing or by any Principal Stockholder on, before or after the Closing;

(iii) any Transaction Expenses or any Company Debt, whether paid by the Company or not, to the extent that such Transaction Expense or Company Debt has not already been deducted in the determination of the Adjusted Consideration;

(iv) any errors, omissions or inaccuracies in the Closing Consideration Statement or the elements thereof;

(v) any Taxes that are unpaid as of the Closing Date (but excluding any Taxes of the Company that arise out of or relate to any Section 338(h)(10) Election) and that (A) are imposed on the Company with respect to any Pre-Closing Tax Period or Pre-Closing Straddle Period or (B) arise out of or relate to the Merger, including any employment Taxes imposed with respect to the payment of a portion of the Adjusted Consideration and the Earnout Payments, if any, to the Qualifying Option Holders and Bonus Pool Recipients;

(vi) any Dissenting Share Payments; and

(vii) the matters described on Schedule 10.1.

(b) Nature of the Company Stockholders', Qualifying Option Holders' and Bonus Pool Recipients' Obligations for Indemnification of Parent Indemnified Persons. Each Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient will be responsible solely for such Company Stockholder's, Qualifying Option Holder's or Bonus Pool Recipient's Pro Rata Portion of any Damages for which a Parent Indemnified Person is entitled to indemnification hereunder; *provided*, *however*, that each Principal Stockholder will be solely responsible for all of the Damages that are related to or arise out of, or are caused by or result from, a breach, inaccuracy, or nonperformance of any representation, warranty, agreement, covenant, or obligation individually made or required to be performed by such Principal Stockholder; and, *provided*, *further*, that, in the event that the Closing has not occurred, the Company shall be solely liable for any Damages for which a Parent Indemnified Person is entitled to indemnification hereunder.

(c) Escrowed Cash Forfeiture. Parent may satisfy any adjudicated or agreed Claim, or any portion thereof, for Damages of a Parent Indemnified Person permitted by this Article X by deeming Escrowed Cash to be forfeited in an amount equal to each Company Stockholder's, each Qualifying Option Holder's and each Bonus Pool Recipient's Pro Rata Portion of the total amount of such adjudicated or agreed Claim. The Company Stockholders, Qualifying Option Holders and the Bonus Pool Recipients agree to forfeit such Escrowed Cash in satisfaction of such adjudicated or agreed Claim and agree that they shall have no further right, title or interest whatsoever in such forfeited Escrowed Cash or any claims with respect thereto effective as of the date of such forfeiture.

(d) Release of Escrowed Cash. To the extent not previously forfeited, on the day that the Earnout Payment for the period ended March 30, 2012 is due and payable hereunder (or, if no Earnout Payment is due and payable with respect to such period, on May 30, 2012), Parent shall release the Escrowed Cash remaining in escrow at that date, *provided*, *however*, that the amount of Escrowed Cash that would otherwise be released from escrow pursuant to this Section 10.1(d) shall be reduced by that amount of Escrowed Cash that may be required to satisfy the full amount of any Claims made prior to that date in accordance with this Article X, but not yet finally adjudicated or otherwise finally resolved and paid. Any released Escrowed Cash shall be released to the Company Stockholders and Qualifying Option Holders and allocated to the Bonus Pool, in each case to the extent the foregoing are deemed to have contributed such released Escrowed Cash to the escrow fund pursuant to Sections 2.8, 2.9 and 2.10. Any Escrowed Cash remaining in escrow in connection with pending Claims shall be released from escrow when all Claims made in accordance with this Article X have been resolved by a final, non-appealable ruling.

Section 10.2 **Indemnification Procedure**.

(a) Notice of Claims. Any Parent Indemnified Person claiming indemnification hereunder (a "Claiming Party") shall give to Stockholders' Agent, or the Company, as applicable (the "Responding Party"), notice of any claim (a "Claim") as to which such Parent Indemnified Person proposes to demand indemnification hereunder as soon as reasonably practicable after the Claiming Party has received notice thereof (provided that failure to give timely notice shall not limit the indemnification obligations of the indemnifying parties hereunder except to the extent the indemnifying parties demonstrate, by clear and convincing evidence, actual prejudice caused by the delay in giving, or failure to give, such notice).

(b) Objections to Claims; Resolution of Conflicts; Arbitration.

(i) The Responding Party shall have the right to object to any Claim made pursuant to Section 10.2(a) by delivering written notice of such objection (an "Claim Objection Notice") to the Claiming Party within thirty (30) days following the Responding Party's receipt of a Claim notice (such period, the "Claim Objection Period"). The Claim Objection Notice shall specify in reasonable detail the basis for the Responding Party's objection to the Claim. In the event that the Responding Party does not object to a Claim within the Claim Objection Period, (A) the Responding Party shall be deemed to have accepted and agreed to the Claim set forth in the Claim notice and shall be precluded from raising any objection thereto after the Claim Objection Period, and (B) if applicable, any forfeiture of Escrowed Cash pursuant to Section 10.1(c) shall be effective as of the day following the expiration of the Claim Objection Period.

(ii) In the event the Responding Party timely delivers a Claim Objection Notice to the Claiming Party pursuant to Section 10.2(b)(i), the Claiming Party shall have fifteen (15) days after receipt of such Claim Objection Notice to respond thereto in a written statement. If after such 15-day period there remains a dispute regarding the Claim, the Claiming Party and the Responding Party shall attempt in good faith for ten (10) days to reach a settlement of such

Claim. If such a settlement is reached with respect to the Claim, any forfeiture of Escrowed Cash pursuant to Section 10.1(c), if applicable, shall be effective as of the date of settlement.

(iii) If no such settlement can be reached after good faith negotiation during such 10-day period, either the Claiming Party or the Responding Party, by written notice to the other, may demand arbitration of the matter, unless the amount of the Claim is at issue in pending litigation with a third party, in which event arbitration shall not be commenced until such amount is ascertained or all parties involved agree to arbitration. The matter in dispute shall be settled by arbitration conducted by a panel of three arbitrators. Within twenty (20) days after written notice of demand for arbitration is delivered, the Claiming Party and the Responding Party shall each select one (1) arbitrator, and the two (2) arbitrators so selected shall select a third arbitrator. The decision of the arbitrators as to the validity and amount of any Claim shall be binding and conclusive upon the Parties, and any forfeiture of Escrowed Cash pursuant to Section 10.1(c), if applicable, shall be effective as of the time of such decision.

(iv) Judgment upon any award rendered by the arbitrators may be entered in any court having jurisdiction. Any such arbitration shall be held in the Boston, Massachusetts metropolitan area under the commercial rules then in effect of the American Arbitration Association. All costs and expenses (including attorneys' fees and expenses) incurred by the Parties in connection with any such arbitration shall be allocated in accordance with Section 11.11. The fees and expenses of each arbitrator and the administrative fee of the American Arbitration Association shall be allocated by the arbitrator or arbitrators, as the case may be (or, if not so allocated, shall be borne equally by the Claiming Party and the Responding Party).

(v) This Section 10.2(b) shall not apply to any action for, or in any way limit the rights and remedies of any Party with respect to such Party's right to seek, specific performance, injunctive or declaratory relief or other equitable remedies pursuant to Section 10.7 or otherwise

(c) Third-Party Claims. If any Claim is a third-party claim (a "Third-Party Claim"), the following provisions shall apply:

(i) The Responding Party will have the right to assume the defense of the Third-Party Claim with counsel of the Responding Party's choice reasonably satisfactory to the Claiming Party at any time within thirty (30) days after the Claiming Party has given notice of the Third-Party Claim (or within a shorter period, if any, during which a defense must be commenced for the preservation of rights); *provided*, *however*, that the Responding Party must continuously conduct the defense of the Third-Party Claim actively and diligently thereafter in order to preserve its rights in this regard and must keep the Claiming Party reasonably informed of the status of the Third-Party Claim; and, *provided*, *further*, that the Claiming Party may retain separate co-counsel at its sole cost and

expense and participate in the defense of the Third-Party Claim. If the Responding Party fails to give such written notice within such 30-day period (or such shorter period, if any, during which a defense must be commenced for the preservation of rights), then the Responding Party will no longer have the right to assume the defense of such Third-Party Claim. If the Responding Party assumes the defense of such Third-Party Claim, then the Persons on whose behalf such Person is responding will be obligated to indemnify the Claiming Party or Claiming Parties with respect to such Third-Party Claim.

(ii) So long as the Responding Party has assumed and continues conducting the defense of the Third-Party Claim in accordance with Section 10.2(c)(i) above, (A) the Responding Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Claiming Party (not to be withheld unreasonably) unless the judgment or proposed settlement involves only the payment of money damages by the Responding Party, does not impose an injunction or other equitable relief upon the Claiming Party, and includes, as an unconditional term thereof, the giving by the claimant or plaintiff to the Claiming Party of a release (in form and substance reasonably satisfactory to the Claiming Party) from all Liability in respect of such Third-Party Claim, and (B) the Claiming Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Responding Party (not to be withheld unreasonably).

(iii) In the event the Responding Party does not assume and continuously conduct the defense of the Third-Party Claim in accordance with Section 10.2(c)(i) above, (A) the Claiming Party may defend against, and consent to the entry of any reasonable judgment or enter into any reasonable settlement with respect to, the Third-Party Claim in any manner the Claiming Party reasonably may deem appropriate (and the Claiming Party need not consult with, or obtain any consent from, the Responding Party in connection therewith) and (B) the Responding Party will remain responsible for any Damages the Claiming Party may suffer resulting from, arising out of, relating to, in the nature of, or caused by the Third-Party Claim to the fullest extent provided in this Article X.

(d) Cooperation. The Parties, and any Responding Party or Claiming Party, shall cooperate with each other in the defense of any Claim hereunder and shall make available to the Party or Parties defending such Claim such materials and assistance relating thereto as is reasonably requested from such Person.

Section 10.3 **Survival**.

(a) General. The representations and warranties of the Company and the Principal Stockholders contained in this Agreement or in any other Transaction Document and all related rights to indemnification shall survive the Closing and the consummation of the Merger and the Other Transactions as set forth in this Section 10.3. The representations and warranties of Parent and Merger Sub contained in this Agreement or in any other Transaction

Document shall expire and terminate as of the Closing. Except as provided in Section 10.3(b), neither the Company nor any Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient shall have any obligation to provide indemnification pursuant to Section 10.1(a)(i) for any breach or inaccuracy of any representation or warranty in Article III or Article IV unless a Claim with respect thereto is asserted in accordance with this Article X on or prior to the later of (i) May 29, 2013 and (ii) the date that the Earnout Payment for the period ending March 29, 2013 becomes due and payable under Section 2.18. Each covenant and agreement (other than representations and warranties) contained in this Agreement or in any other Transaction Document, and all associated rights to indemnification, shall survive the Closing and shall continue in full force thereafter until all Liability hereunder relating thereto is barred by all applicable statutes of limitation, subject to any applicable limitation expressly stated herein or such other Transaction Document.

(b) Extended Survival. Notwithstanding Section 10.3(a), all Claims and related rights to indemnification based on (i) a breach or inaccuracy of any representation or warranty contained in Sections 3.1 (Organization, Standing and Power; Subsidiaries), 3.2 (Capitalization; Title to Shares), 3.3 (Authority), Section 3.10 (Intellectual Property), Section 3.13 (Taxes), Section 3.20 (Brokers' and Finders' Fees) or Article IV, or (ii) willful misconduct or fraud in connection with or knowing or intentional breach of any representation or warranty (collectively, the "Special Claims"), shall survive the Closing for the longer of (x) the period ending six months after the end of the applicable statute of limitations relating to the Claim (including any extensions thereof) and (y) the period set forth in the third sentence of Section 10.3(a).

(c) Survival of Representations, Warranties, Covenants and Agreements until Final Determination. For each Claim for indemnification hereunder regarding a representation, warranty, covenant or agreement that is made before the expiration of such representation, warranty, covenant or agreement, such Claim and any associated right to indemnification will not terminate until the final determination with respect to, and, if applicable, satisfaction of such Claim.

Section 10.4 **Limitations**.

(a) Deductible. Except as provided below, the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall not be required to indemnify the Parent Indemnified Persons pursuant to Section 10.1(a)(i) unless and until the aggregate amount of all Damages of all Parent Indemnified Persons under this Article X exceeds $36,000 (the "Deductible Amount"). For the avoidance of doubt, if the Damages to which the Parent Indemnified Persons are entitled pursuant to Section 10.1(a)(i) exceed the Deductible Amount, then the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients will be obligated for all of the Damages in excess of the Deductible Amount (such amount intended to be a deductible) and thereafter no such deductible limitation shall be applicable to Damages to which the Parent Indemnified Persons are entitled pursuant to Section 10.1(a)(i). The limitations set forth in this Section 10.4(a) shall not apply to or otherwise affect the ability to make Claims or recover Damages with respect to Special Claims.

(b) Cap. Except as provided below, each individual Company Stockholder's, Qualifying Option Holder's and Bonus Pool Recipient's aggregate Liability for all Damages to which the Parent Indemnified Persons are entitled to indemnification pursuant to this Article X shall be forfeiture of the Escrowed Cash allocable to such Company Stockholder, Qualifying Option Holder and Bonus Pool Recipient and such Company Stockholder's, Qualifying Option Holder's and Bonus Pool Recipient's Pro Rata Portion of the Earnout Payments. The foregoing notwithstanding, (i) each individual Company Stockholder's, Qualifying Option Holder's and Bonus Pool Recipient's aggregate Liability for all Damages to which the Parent Indemnified Persons are entitled to indemnification pursuant to this Article X with respect to Special Claims or Claims for indemnification under Sections 10.1(a)(ii), (iii), (iv), (vi) and (vii) shall not exceed the aggregate consideration to which such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient is entitled to hereunder or under his or her Transaction Bonus Agreement, as applicable, including the Escrowed Cash allocable to such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient, such Company Stockholder's, Qualifying Option Holder's or Bonus Pool Recipient's Pro Rata Portion of the Earnout Payments, and any payments received (or which such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient is entitled to receive) in connection with the Closing; and (ii) there shall not be any limit on the aggregate Liability for Damages to which the Parent Indemnified Persons are entitled to indemnification pursuant to this Article X with respect to Claims based on fraud or under Section 10.1(a)(v).

(c) Recourse.

(i) The Parent Indemnified Persons shall not be entitled to make Claims for monetary Damages from a Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient under Section 10.1(a) to be satisfied in any form other than forfeiture of the Escrowed Cash allocable to such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient unless and until all of the Escrowed Cash allocable to such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient has been forfeited in connection with Section 10.1(c), or because all such Escrowed Cash allocable to such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient has been released from escrow or reserved pending the resolution of unresolved Claims pursuant to Section 10.1(d); *provided, however*, that the Parent Indemnified Parties shall be entitled to deduct such Claims for monetary Damages allocable to such Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient from any Earnout Payments which become due and payable. If and to the extent that the Escrowed Cash or any Earnout Payments which are due and payable are not sufficient to satisfy any Claims hereunder, the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall directly pay to any Parent Indemnified Person the amount of the Damages for which such Parent Indemnified Person is entitled to indemnification hereunder. The Parties hereby acknowledge and agree that the disbursement of the Escrowed Cash or the Earnout Payments, as the case may be, shall not be deemed to modify the obligations of the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients with respect to indemnification or the survival of representations and warranties, nor shall the Escrowed Cash or Earnout Payments, as the case

may be, or the Parent Indemnified Persons' rights to make Claims against the Escrowed Cash or the Earnout Payments serve as a cap on or the sole source of funds to satisfy the indemnification obligations of the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients or otherwise limit the Parent Indemnified Persons' remedies hereunder, except as expressly provided herein.

(ii) Nothing contained in this Section 10.4(c) shall limit Parent's and the Surviving Corporation's rights to specific performance and other equitable remedies as set forth in Section 10.7.

Section 10.5 **Materiality Qualifiers**. For purposes of this Article X, in determining (a) whether a breach of a representation or warranty made by the Company or the Principal Stockholders in this Agreement or in any other Transaction Document, including any certificate delivered hereunder, has occurred and (b) the amount of Damages arising out of, relating to or resulting therefrom, all Materiality Qualifiers will be ignored and each such representation and warranty will be read and interpreted without regard to any Materiality Qualifier.

Section 10.6 **Limitation on Contribution and Certain Other Rights**. The Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients hereby agree that, if following the Closing, any Claim is made by any Parent Indemnified Person or otherwise becomes due from the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients pursuant to this Article X in respect of any Damages, the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall not have any rights against the Surviving Corporation or any Person who is or was a director, officer, member, manager or employee of the Company or the Surviving Corporation, whether by reason of contribution, indemnification, subrogation or otherwise, with respect thereto, and the Company Stockholders, Qualifying Option Holders and Bonus Pool Recipients shall not take any action against the Surviving Corporation or any such director, officer, member, manager or employee with respect thereto.

Section 10.7 **Rights to Specific Performance**. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed by the Company or the Principal Stockholders in accordance with their specific terms or were otherwise breached. Accordingly, Parent, Merger Sub, the Surviving Corporation and the Company shall be entitled to seek an injunction or injunctions, without the posting of any bond, to prevent breaches of this Agreement by the Company and the Principal Stockholders, as applicable, and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which Parent, Merger Sub, the Surviving Corporation, or the Company is entitled at law or in equity.

Section 10.8 **Knowledge and Investigation**. All representations, warranties, covenants, agreements and indemnities of the Company and the Principal Stockholders contained in this Agreement and in the other Transaction Documents shall be deemed material and relied upon by the Parent Indemnified Persons, regardless of any knowledge or investigation or any representation made by Parent or Merger Sub, and none will be waived by any failure to pursue any action or consummation of the Merger and the Other Transactions.

Section 10.9 **Other Factors Not Limiting**. No representation or warranty contained herein will limit the generality or applicability of any other representation or warranty. The terms of this Article X will be enforceable regardless of whether Liability is based on past, present or future acts, claims or legal requirements and regardless of any sole, concurrent, contributory, comparative or similar negligence, or of any sole, concurrent, strict or similar Liability, of a Person seeking indemnification (or of any of the Parent Indemnified Persons).

Section 10.10 **Effect of Officer's Certificates**. For the avoidance of doubt, any written certification by a Person (or any officer thereof) of the accuracy of any representation or warranty (or of any other matter), including any certification contemplated in Section 8.2 or 8.3, will be deemed to constitute the making or re-making of such representation or warranty by such Person (or a representation or warranty regarding such other matter) at the time of such certification in the manner and to the extent stated in such certification, including for purposes of Section 10.1(a).

Section 10.11 **Right of Set Off**. Parent will have the right (but not the obligation) to set off against any Earnout Payment otherwise due and payable hereunder, reduce the amount of such Earnout Payment by and retain for Parent's own account any amount to which Parent may be entitled from the Company Stockholders, Qualifying Option Holders or the Bonus Pool Recipients under this Article X. The exercise of or failure to exercise such right of set off will not constitute an election of remedies or limit in any manner the enforcement of any other remedy that may be available to Parent.

Section 10.12 **Exclusive Remedy**. After the Closing Date, except with respect to claims based on fraud, the right of indemnification under this Article X shall be the sole and exclusive remedy available to any party in respect of monetary Damages for any Claim or cause of action arising under this Agreement in connection with any breach of any representation, warranty, covenant or provision of this Agreement; *provided*, *however*, that this exclusive remedy does not preclude a party from bringing an action for specific performance or other equitable remedy to require a party to perform its obligations under this Agreement. Except to the extent expressly stated in this Article X, each party expressly waives any rights it may have to make a Claim against any other party under this Agreement pursuant to any constitutional, statutory, or common law authorities.

Section 10.13 **Payment of Costs for Unsuccessful Fraud Claims**. If a Parent Indemnified Person pursues a Claim for indemnification against the Company or a Company Stockholder, Qualifying Option Holder or Bonus Pool Recipient on the basis of fraud or intentional misrepresentation and indemnification for such Claim would not otherwise be able hereunder in the absence of such alleged fraud or intentional misrepresentation, and the arbitrator appointed pursuant to Section 10.2(b) determines, in a final order, that such Parent Indemnified Person had no reasonable basis for pursuing such Claim on the basis of fraud or intentional misrepresentation and that the pursuit of such Claim on such basis was frivolous and without merit and so directs such Parent Indemnified Person in such final order, then such Parent Indemnified Person shall pay the reasonable and actual documented legal fees, costs and

expenses of the Company, Stockholders' Agent, and such Company Stockholders, Qualifying Option Holders or Bonus Pool Recipients, as applicable, solely incurred in connection with the defense of such Claim to the extent based on fraud or intentional misrepresentation.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1 **Notices**. All notices and other communications hereunder shall be in writing and shall be deemed received (a) on the date of delivery if delivered personally and/or by messenger service, (b) on the date of confirmation of receipt of transmission by facsimile (or, the first Business Day following such receipt if (i) the date is not a Business Day or (ii) confirmation of receipt is given after 5:00 p.m., California Time) or (c) on the date of confirmation of receipt if delivered by a nationally recognized courier service (or, the first Business Day following such receipt if (i) the date is not a Business Day or (ii) confirmation of receipt is given after 5:00 p.m., California Time), to the Parties at the following address or facsimile numbers (or at such other address or facsimile number for a Party as shall be specified by like notice):

(A) if to Parent, Merger Sub or the Surviving Corporation, to:

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, Massachusetts 01851
Attention: Chief Financial Officer and General Counsel
Facsimile No.: (978) 656-2678

with a copy to (not notice):

Perkins Coie LLP
1900 Sixteenth Street, Suite 1400
Denver, Colorado 80202
Attention: Jeff Beuche
Facsimile No.: (303) 291-2400

(B) if to the Company prior to the Closing, to:

Optomai, Inc.
1270 Oakmead Parkway, #101
Sunnyvale, California 94085
Attention: Vivek Rajgarhia

with a copy to (not notice):

White & Lee LLP
The White & Lee Building
541 Jefferson Ave, Ste. 100
Redwood City, California 94063
Attention: Mark Cameron White
Facsimile No.: (650) 298-6099

(C) if to Stockholders' Agent, to:

Vivek Rajgarhia
1195 Fairfield Road
Bridgewater, New Jersey 08807

with a copy to (not notice):

White & Lee LLP
The White & Lee Building
541 Jefferson Ave, Ste. 100
Redwood City, California 94063
Attention: Mark Cameron White
Facsimile No.: (650) 298-6099]

Section 11.2 **Interpretation; Construction**. In this Agreement: (a) the table of contents and headings are for convenience of reference only and will not affect the meaning or interpretation of this Agreement; (b) the words "herein," "hereunder," "hereby" and similar words refer to this Agreement as a whole (and not to the particular sentence, paragraph or Section where they appear); (c) terms used in the plural include the singular, and vice versa, unless the context clearly requires otherwise; (d) unless expressly stated herein to the contrary, reference to any document means such document as amended or modified and as in effect from time to time in accordance with the terms thereof; (e) unless expressly stated herein to the contrary, reference to any applicable Law means such applicable Law as amended, modified, codified, replaced or reenacted, in whole or in part, and as in effect from time to time, including any rule or regulation promulgated thereunder; (f) the words "including," "include" and variations thereof are deemed to be followed by the words "without limitation"; (g) "or" is used in the sense of "and/or"; "any" is used in the sense of "any or all"; and "with respect to" any item includes the concept "of" such item or "under" such item or any similar relationship regarding such item; (h) unless expressly stated herein to the contrary, reference to a document, including this Agreement, will be deemed to also refer to each annex, addendum, exhibit, schedule or other attachment thereto; (i) unless expressly stated herein to the contrary, reference to an Article, Section, Schedule, Disclosure Schedule, or Exhibit is to an article, section, schedule, the Disclosure Schedule, or exhibit, respectively, of this Agreement; (j) when calculating a period of time, the day that is the initial reference day in calculating such period will be excluded and, if the last day of such period is not a Business Day, such period will end on the next day that is a Business Day; (k) with respect to all dates and time periods in or referred to in this Agreement, time is of the essence; (l) the phrase "the date hereof" means the date of this Agreement, as stated in the first paragraph hereof; and (m) the Parties participated jointly in the negotiation and drafting of this Agreement and the documents relating hereto, and each Party was (or had ample

opportunity to be) represented by legal counsel in connection with this Agreement and the other Transaction Documents, and each Party and each Party's counsel has reviewed and revised (or had ample opportunity to review and revise) this Agreement and the other Transaction Documents; therefore, if an ambiguity or question of intent or interpretation arises, then this Agreement and the other Transaction Documents will be construed as if drafted jointly by the Parties and no presumption or burden of proof will arise favoring or disfavoring any Party by virtue of the authorship of any of the terms hereof or thereof. Parent acknowledges and agrees that any reference herein to documents having be delivered or made available to Parent, or words of similar import, will be deemed to include such documents as were made available and accessible to Parent's due diligence team for their review by posting to the file transfer server located at https://optomai.box.net/shared/ and thereafter continuously maintained at that posted location through the Closing, or actually delivered in physical or electronic form to a representative of Parent, in either case on or before the date that is three (3) days prior to the date of this Agreement.

Section 11.3 **Counterparts**. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart.

Section 11.4 **Entire Agreement; Nonassignability; Parties in Interest**. This Agreement, the other Transaction Documents and the certificates, documents and instruments and other agreements specifically referred to herein or therein or delivered pursuant hereto or thereto, including the Exhibits and the Schedules, including the Disclosure Schedule (a) constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof, (b) shall not be assigned by operation of law or otherwise, and (c) shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third party beneficiary rights in any Person not a party to this Agreement other than the Parent Indemnified Persons.

Section 11.5 **Severability**. In the event that any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other Persons or circumstances will be interpreted so as reasonably to effect the intent of the Parties. The Parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such void or unenforceable provision.

Section 11.6 **Governing Law**. This Agreement and all disputes and controversies arising hereunder shall be governed by and construed in accordance with the Laws of the State of Delaware without reference to such state's principles of conflicts of law. Except as provided in Section 10.2(b), each Party irrevocably consents to the exclusive jurisdiction of any court located within the State of Delaware, in connection with any matter based upon or arising out of this Agreement or the matters contemplated herein, and agrees that process may be

served upon them in any manner authorized by the Laws of the State of Delaware for such Persons and waives and covenants not to assert or plead any objection which it might otherwise have to such jurisdiction and such process.

Section 11.7 **Attorneys' Fees**. Should any Party institute any action or proceeding in court or otherwise to enforce any provision hereof or for damages by reason of alleged breach of any provision of this Agreement, the substantially prevailing Party shall be entitled to receive from the non-prevailing Party such reasonable out of pocket expenses (including attorneys' fees and expenses) incurred by the substantially prevailing Party in connection with any such action or proceeding.

Section 11.8 **Amendment**. The Parties may cause this Agreement to be amended at any time by execution of an instrument in writing signed on behalf of each of the Parties.

Section 11.9 **Waiver of Jury Trial**. IN THE EVENT OF ANY DISPUTE OR CONTROVERSY AMONG THE PARTIES ARISING HEREUNDER, WHETHER IT RESULTS IN PROCEEDINGS IN ANY COURT IN ANY JURISDICTION OR IN ARBITRATION, THE PARTIES HEREBY KNOWINGLY AND VOLUNTARILY, AND HAVING HAD AN OPPORTUNITY TO CONSULT WITH COUNSEL, WAIVE ALL RIGHTS TO TRIAL BY JURY, AND AGREE THAT ANY AND ALL MATTERS SHALL BE DECIDED BY A JUDGE OR ARBITRATOR WITHOUT A JURY TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW.

Section 11.10 **Extension; Waiver**. Any Party may, to the extent legally allowed, (a) extend the time for the performance of any of the obligations or other acts of the other Parties, (b) waive any inaccuracies in the representations and warranties made to such Party contained in any Transaction Document and (c) waive compliance with any of the agreements or conditions for the benefit of such Party contained in any Transaction Document. Any such extension or waiver by any Party shall not operate or be construed as a further or continuing extension or waiver. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party.

Section 11.11 **Expenses**. Whether or not the Merger is consummated, all costs and expenses arising out of, relating to or incidental to the discussion, evaluation, negotiation and documentation of the Transaction Documents, the Merger and the Other Transactions and any financial accommodations provided by Parent or its affiliates to the Company (including reasonable fees and expenses of legal counsel and financial advisors and accountants, if any) (in the aggregate, "Transaction Expenses"), shall be paid by the Party incurring such expense, subject to Article X.

[Signature page follows]

IN WITNESS WHEREOF, Parent, the Company, the Principal Stockholders, Merger Sub and Stockholders' Agent have executed and delivered this Agreement or have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized, all as of the date first written above.

PARENT:

M/A-COM TECHNOLOGY SOLUTIONS INC.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

MERGER SUB:

OPTOMAI MERGER SUB, INC.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

COMPANY:

OPTOMAI, INC.

By: /s/ V. Rajgarhia
Name: Vivek Rajgarhia
Title: President and CEO

PRINCIPAL STOCKHOLDERS:

By: /s/ Vikas Manan
Name: Vikas Manan

By: /s/ V. Rajgarhia
Name: Vivek Rajgarhia

By: /s/ Stefano D' Agostino
Name: Stefano D'Agostino

STOCKHOLDERS' AGENT:

By: /s/ V. Rajgarhia
Name: Vivek Rajgarhia

Exhibit 3.1

THIRD AMENDED AND RESTATED

CERTIFICATE OF INCORPORATION

OF

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., formerly known as Kiwi Stone Acquisition Corp., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (hereinafter called the "Corporation"), DOES HEREBY CERTIFY:

1. The present name of the Corporation is: M/A-COM Technology Solutions Holdings, Inc.

2. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on March 25, 2009. An amended and restated Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on May 26, 2009, and an Amended and Restated Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on March 16, 2010.

3. This Third Amended and Restated Certificate of Incorporation of the Corporation has been duly adopted in accordance with the provisions of Sections 245 and 242 of the General Corporation Law of the State of Delaware (the "DGCL") and was approved by written consent of the stockholders of the Corporation in accordance with the provisions of Section 228 of the DGCL. The text of the Certificate of Incorporation as heretofore amended, restated or supplemented is hereby amended and restated in its entirety as follows:

ARTICLE I

The name of the corporation is M/A-COM Technology Solutions Holdings, Inc.

ARTICLE II

The address of its registered office in the State of Delaware is 2711 Centerville Road, Suite 400, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is Corporation Service Company.

ARTICLE III

The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

The total number of shares of capital stock that the Corporation is authorized to issue is three hundred sixty million, seven hundred seventeen thousand five hundred fifty four (360,717,554) shares, of which (i) two hundred eight million, nine hundred twenty one thousand, four hundred ninety four (208,921,494) shares shall be common stock, par value $0.001 per share (the "Common Stock"), and (ii) one hundred fifty one million, seven hundred ninety six thousand, sixty (151,796,060) shares shall be

preferred stock, par value $0.001 per share, (A) one hundred seventeen million, six hundred twenty six thousand, five hundred (117,626,500) of which are hereby designated as Class A Preferred Stock, (x) one hundred million (100,000,000) of which are hereby designated as Series A-1 Convertible Preferred Stock (the "Series A-1 Preferred Stock"), (y) seventeen million, six hundred twenty six thousand, five hundred (17,626,500) of which are hereby designated as Series A-2 Convertible Preferred Stock (the "Series A-2 Preferred Stock", and together with the Series A-1 Preferred Stock, the "Class A Preferred Stock"), and (B) thirty four million, one hundred sixty nine thousand, five hundred and sixty (34,169,560) of which are hereby designated as Class B Convertible Preferred Stock (the "Class B Preferred Stock", and collectively with the Class A Preferred Stock, the "Preferred Stock").

A description of the respective classes of stock and a statement of the designations, preferences, voting powers, relative, participating, optional or other special rights and privileges and the qualifications, limitations and restrictions of the Class B Preferred Stock, Series A-1 Preferred Stock, Series A-2 Preferred Stock and Common Stock are as follows:

A. Common Stock.

1. Relative Rights of Preferred Stock and Common Stock. All preferences, voting powers, relative, participating, optional or other special rights and privileges, and qualifications, limitations or restrictions, of the Common Stock are expressly made subject and subordinate to those that may be fixed with respect to any shares of the Preferred Stock, whether pursuant to this Third Amended and Restated Certificate of Incorporation or any agreement to which the Corporation is a party or by which it is bound.

2. Voting Rights. Except as otherwise required by law or this Third Amended and Restated Certificate of Incorporation, the holders of Common Stock will be entitled to one vote per share on all matters to be voted on by the stockholders of the Corporation; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Third Amended and Restated Certificate of Incorporation that relates solely to the terms of one or more outstanding class or series of Preferred Stock if the holders of such affected class or series are entitled, either separately or together with the holders of one or more other such class or series, to vote thereon pursuant to this Third Amended and Restated Certificate of Incorporation or pursuant to the DGCL.

3. Increase/Decrease of Common Stock. Notwithstanding the provisions of Section 242(b)(2) of the DGCL, the number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares then outstanding) by the affirmative vote of the holders of a majority of the outstanding shares of capital stock of the Corporation, voting as a single class on an as-converted to common basis, with each such share being entitled to such number of votes per share as is provided in this Article IV.

4. Dividends. Dividends may be paid on the Common Stock out of funds legally available therefor if, as and when determined by the Board of Directors subject to the prior dividend rights of the Preferred Stock and other restrictions of Section B(1) below.

B. Preferred Stock. The voting powers, preferences and rights (and the qualifications, limitations, or restrictions thereof) of the Class B Preferred Stock, the Series A-1 Preferred Stock and the Series A-2 Preferred Stock are as follows:

1. Dividends.

(a) Series A-2 Dividends. The holders of the Series A-2 Preferred Stock shall be entitled to receive, out of funds legally available therefor, per share dividends in cash at the rate of eight percent (8%) per annum of the Liquidation Value thereof, when, as and if declared by the Board of Directors (the "Series A-2 Dividend"). The right to receive dividends on shares of the Series A-2 Preferred Stock shall not be cumulative, and no right to dividends shall accrue to holders of Series A-2 Preferred Stock by reason of the fact that dividends on said shares are not declared or paid. All declared but unpaid Series A-2 Dividends shall be payable in cash upon a Liquidation Event of the Corporation, as provided in Section B(2). Each dividend paid in cash shall be mailed to the holders of record of the Series A-2 Preferred Stock, as their names and addresses appear on the share register of the Corporation or at the office of the transfer agent on the corresponding dividend payment date. The rights of the Series A-2 Preferred Stock to receive the Series A-2 Dividend shall be pari passu to the rights of Series A-1 Preferred Stock to receive the Series A-1 Dividend and the rights of the Class B Preferred Stock to receive the Class B Dividend.

(b) Series A-1 Dividends. The holders of the Series A-1 Preferred Stock shall be entitled to receive, out of funds legally available therefor, per share dividends in cash at the rate of eight percent (8%) per annum of the Liquidation Value thereof, when, as and if declared by the Board of Directors (the "Series A-1 Dividend"). The right to receive dividends on shares of the Series A-1 Preferred Stock shall not be cumulative, and no right to dividends shall accrue to holders of Series A-1 Preferred Stock by reason of the fact that dividends on said shares are not declared or paid. All declared but unpaid Series A-1 Dividends shall be payable in cash upon a Liquidation Event of the Corporation, as provided in Section B(2). Each dividend paid in cash shall be mailed to the holders of record of the Series A-1 Preferred Stock, as their names and addresses appear on the share register of the Corporation or at the office of the transfer agent on the corresponding dividend payment date. The rights of the Series A-1 Preferred Stock to receive the Series A-1 Dividend shall be pari passu to the rights of Series A-2 Preferred Stock to receive the Series A-2 Dividend and the rights of the Class B Preferred Stock to receive the Class B Dividend.

(c) Class B Dividends. The holders of the Class B Preferred Stock shall be entitled to receive, out of funds legally available therefor, per share dividends in cash at the rate of 8.0% per annum of the Liquidation Value thereof, when, as and if declared by the Board of Directors (the "Class B Dividend"). Such dividends shall not be cumulative and shall not accrue by reason of the fact that dividends have not been declared or paid to the holders of the Class B Preferred Stock but all declared but unpaid dividends on the Class B Preferred Stock shall be fully paid or declared with funds irrevocably set apart for payment before any dividends may be declared or paid with respect to any Junior Securities (other than the Special Dividend). All declared but unpaid Class B Dividends shall be payable in cash upon a Liquidation Event of the Corporation, as provided in Section B(2). The rights of the Class B Preferred Stock to receive the Class B Dividend shall be pari passu to the rights of the Series A-1 Preferred Stock to receive the Series A-1 Dividend and the rights of the Series A-2 Preferred Stock to receive the Series A-2 Dividend.

(d) Other Dividends. So long as any shares of Preferred Stock are outstanding:

(i) no dividends (other than the Special Dividend and dividends on Common Stock payable solely in Common Stock) shall be paid on any other class or series of stock of the Corporation during any fiscal year of the Corporation until the Class B Dividend, the Series A-2 Dividend and the Series A-1 Dividend for that fiscal year and any dividends that have been declared but remain unpaid for any prior fiscal year shall have been paid, and no dividends (other than the Special Dividend and dividends on Common Stock payable solely in Common Stock) shall be declared and set apart for

any other class or series of stock of the Corporation during any fiscal year of the Corporation until the Class B Dividend, the Series A-2 Dividend and the Series A-1 Dividend shall have been declared and set apart for payment during that fiscal year; and

(ii) after payment of the Class B Dividend, the Series A-2 Dividend and the Series A-1 Dividend, no dividend or distribution in cash, shares of stock or other property (other than the Special Dividend and to the extent declared, dividends on Common Stock payable solely in Common Stock) shall be paid or declared and set apart for payment on Common Stock, unless, at the same time, an equivalent dividend or distribution is declared or paid or set apart, as the case may be, on the Class B Preferred Stock, the Series A-2 Preferred Stock and the Series A-1 Preferred Stock based upon the number of shares of Common Stock which the holder of each such share of the Preferred Stock would be entitled to receive if such holder had converted such Preferred Stock into Common Stock on the same record date as the dividend or distribution on Common Stock or, if no record date is fixed, the date as of which the record holders of Common Stock entitled to such dividend or distribution are to be determined.

(iii) Notwithstanding anything to the contrary contained herein, no amounts shall be payable with respect to the Class B Preferred Stock in connection with the Special Dividend and the holders of the Class B Preferred Stock have no rights with respect to such Special Dividend.

(e) Waiver of Dividends. Any dividend preference of the Class B Preferred Stock, Series A-2 Preferred Stock, and Series A-1 Preferred Stock, as applicable, may be waived, in whole or in part, by the consent or vote of the holders of the majority of the outstanding shares of Class B Preferred Stock (in the case of any dividend preference of the Class B Preferred), voting as a single class, and by the consent or vote of the holders of the majority of the outstanding shares of Class A Preferred (in the case of any dividend preference of any Class A Preferred Stock), voting together as a single class, subject to the provisions of Section B(5)(f)(i).

2. Liquidation Preference.

(a) Class B Preference. Upon any Liquidation Event, each holder of Class B Preferred Stock shall be entitled to be paid, before any distribution or payment is made upon any Junior Securities, an amount in cash (the "Class B Liquidation Preference") equal to the greater of (i) the aggregate Liquidation Value of all shares of Class B Preferred Stock then held by such holder plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon and (ii) 75.0% of the aggregate Liquidation Value of all shares of Class B Preferred Stock then held by such holder plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon plus an amount equal to the ratable portion (if any) of the Class B Common Participation Amount such holder of Class B Preferred Stock would be entitled to receive pursuant to Section B(2)(c) if such holder's shares of Class B Preferred Stock and all other shares of Preferred Stock were converted to Common Stock immediately prior to such Liquidation Event. If, upon any such Liquidation Event, the Corporation's assets to be distributed among the holders of the Class B Preferred Stock are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid pursuant to this Section B(2)(a), then the entire assets available to be distributed to the Corporation's stockholders shall be distributed pro rata among such holders of Class B Preferred Stock based upon the aggregate Liquidation Value (plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon) of the Class B Preferred Stock held by each such holder.

(b) Class A Preference. If upon any Liquidation Event the assets and funds of the Corporation legally available for distribution to the Corporation's stockholders in connection with such Liquidation Event exceed the aggregate amount payable to the holders of the Class B Preferred Stock pursuant to Section B(2)(a), then, after the payments required by Section B(2)(a) shall have been made in

full or irrevocably set apart for payment, each holder of Class A Preferred Stock shall be entitled to be paid, on a pari passu basis, before any distribution or payment is made upon the Common Stock, out of the assets of the Corporation legally available for distribution in connection with such Liquidation Event, the following amounts in cash: (i) for each share of Series A-2 Preferred Stock an amount equal to the sum of (A) one (1) times the Series A-2 Original Purchase Price (as adjusted for any stock dividends, combinations or splits with respect to such shares after the date hereof) plus (B) all declared but unpaid dividends on such share of Series A-2 Preferred Stock (the "Series A-2 Liquidation Preference"), or such lesser amount as may be approved by the holders of the majority of the outstanding shares of the Series A-2 Preferred Stock, and (ii) for each share of Series A-1 Preferred Stock an amount equal to the sum of (A) three (3) times the Series A-1 Original Purchase Price (as adjusted for any stock dividends, combinations or splits with respect to such shares after the date hereof) plus (B) all declared but unpaid dividends on such share of Series A-1 Preferred Stock (the "Series A-1 Liquidation Preference"), or such lesser amount as may be approved by the holders of the majority of the outstanding shares of the Series A-1 Preferred Stock. If, upon any such Liquidation Event, the Corporation's assets to be distributed among the holders of the Class A Preferred Stock are insufficient to permit payment to such holders of the aggregate amount which they are entitled to be paid pursuant to this Section B(2)(b), then the entire assets and funds of the Corporation legally available for distribution to the holders of the Class A Preferred Stock after payment of the aggregate amounts payable to the holders of the Class B Preferred Stock pursuant to Section B(2)(a) shall be distributed with equal priority and ratably among the holders of the Class A Preferred Stock, in proportion to the full amounts to which they otherwise would be respectively entitled.

(c) Participating Preferred. If the assets and funds of the Corporation legally available for distribution to the Corporation's stockholders in connection with any Liquidation Event exceed the sum of the aggregate amount payable to holders of the Class B Preferred Stock pursuant to Section B(2)(a) and the aggregate amount payable to holders of the Class A Preferred Stock pursuant to Section B(2)(b), then, after the payments required by Sections B(2)(a) (including the amount payable to holders of the Class B Preferred Stock with respect to the Class B Participation Amount) and B(2)(b) shall have been made in full or irrevocably set apart for payment, the remaining assets and funds of the Corporation legally available for distribution to the Corporation's stockholders in connection with such Liquidation Event shall be distributed with equal priority and ratably among the holders of the Class A Preferred Stock (as if fully converted into Common Stock pursuant to Section B(6)) and the holders of Common Stock, on a per share basis.

(d) Deemed Liquidation Event. For purposes of this Section B(2), any Fundamental Change or Change in Ownership shall be deemed to be a Liquidation Event, and each holder of Preferred Stock shall be entitled to receive in connection therewith (and, if no actual liquidation is taking place, upon surrender of the Preferred Stock held by such holder) payment from the Corporation (or the successor or purchasing entity) of an amount equal to the aggregate amount specified herein that such holders would have received upon a Liquidation Event in accordance with this Section B(2). Notwithstanding the preceding sentence or anything to the contrary contained in this Section B(2), if a Fundamental Change or Change in Ownership involves the payment by a successor or purchasing entity to the Corporation's stockholders of consideration in whole or in part other than cash, then the amounts payable to the Class B Preferred Stock pursuant to this Section B(2) shall be paid in such form of consideration that is paid to the Corporation's other stockholders (it being understood that the holders of Class B Preferred Stock shall be entitled to their ratable portion of any such form of non-cash consideration payable to the holders of Class A Preferred Stock) unless a different form of consideration is offered to the holders of the Class B Preferred Stock and the holders of a majority of the Class B Preferred Stock elect to accept such alternative form of consideration, and if any of the Corporation's other stockholders are given an option as to the form of consideration to be received, then all holders of Class B Preferred Stock shall be given the same option, with it being understood that (i) the value of any

such non-cash consideration payable to the holders of Class B Preferred Stock shall be determined as provided in Section B(6)(c) or, at the election of the holders of a majority of the outstanding shares of Class B Preferred Stock, as may otherwise be provided in the definitive agreement(s) entered into in connection with any such Fundamental Change or Change in Ownership and (ii) the Corporation or its Board of Directors may permit one or more key employees of the Corporation or any Subsidiary (other than any Person who is a partner, member, officer, employee of or otherwise affiliated with GaAs Labs, LLC or any Affiliated Company thereof, even if such Person is an employee of the Corporation or any Subsidiary) to, exchange all or a portion of their shares of capital stock of the Corporation for securities of the successor or purchasing entity in such transaction (or an Affiliate of such successor or purchasing entity) even if the holders of the Class B Preferred Stock are not given an opportunity to participate in that exchange.

(e) Waiver. Notwithstanding the foregoing, the treatment of any Fundamental Change or Change in Ownership as a Liquidation Event may be waived by the consent or vote of the holders of a majority of the outstanding shares of Class B Preferred Stock (in the case of any waiver applicable to the Class B Preferred Stock), voting as a single class, and, subject to the provisions of Section B(5)(f)(i), by the consent or vote of the holders of a majority of the outstanding shares of the Class A Preferred Stock (in the case of any waiver applicable to the Class A Preferred Stock), voting together as a single class.

(f) Allocation of Escrow. In the event of a Fundamental Change or Change in Ownership, if any portion of the consideration payable to the stockholders of the Corporation is placed into escrow and/or is payable to the stockholders of the Corporation subject to contingencies, then unless such treatment is waived by the consent or vote of the holders of a majority of the outstanding shares of Class B Preferred Stock (in the case of any waiver applicable to the Class B Preferred Stock), voting as a single class, and by the consent or vote of the holders of a majority of the outstanding shares of the Class A Preferred Stock (in the case of any waiver applicable to the Class A Preferred Stock), voting together as a single class, the purchase agreement or merger agreement for such deemed Liquidation Event shall provide that (i) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "Initial Consideration") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections B(2)(a), B(2)(b), and B(2)(c) as if the Initial Consideration were the only consideration payable in connection with such deemed Liquidation Event and (ii) any additional consideration which becomes payable to the stockholders of the Corporation upon release from escrow or satisfaction of contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections B(2)(a), B(2)(b), and B(2)(c) after taking into account the previous payment of the Initial Consideration as part of the same transaction. Notwithstanding anything to the contrary contained herein, for purposes of this Section B(2)(e), the Class B Common Participation Amount payable to any holder of Class B Preferred Stock pursuant to Section B(2)(a) shall be deemed to be payable to such holder pursuant to Section B(2)(c).

(g) Effecting a Liquidation Event. The Corporation shall not be permitted to effect a Liquidation Event unless the agreement(s) for such Liquidation Event provides that the consideration payable to the holders of capital stock of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with this Section B(2). In the event of a Fundamental Change or Change in Ownership deemed to be a Liquidation Event for purposes of this Section B(2), the date of such deemed Liquidation Event shall be deemed to be the date such transaction closes.

3. Priority of Class B Preferred Stock on Dividends and Redemptions. So long as a majority of the shares of the Class B Preferred Stock originally issued to the Summit Investors as of the date of the Purchase Agreement remains outstanding, without the prior written consent of the Majority Class B Investors, the Corporation shall not, nor shall it permit any Subsidiary to, redeem, purchase or otherwise

acquire directly or indirectly any Junior Securities, nor shall the Corporation directly or indirectly pay or declare any dividend or make any distribution upon any Junior Securities, except in each case as expressly permitted pursuant to the terms of this Third Amended and Restated Certificate of Incorporation, the Investor Rights Agreement and/or the Class B Preferred Rights Agreement.

4. Redemptions.

(a) Redemption Upon Request. At any time on or after the seventh (7th) anniversary of the date of the first issuance of shares of Class B Preferred Stock, the Majority Class B Investors may require redemption of all (but not less than all) of the shares of Class B Preferred Stock and any securities issued upon conversion or otherwise in respect thereof, at a price per share equal to the Redemption Value, payable in immediately available funds, by delivering written notice of such request to the Corporation. Within ten (10) business days after receipt of a request for redemption in accordance with this Section B(4)(a), the Corporation shall give written notice of such request to each other holder of Class B Preferred Stock or any shares issued upon conversion or otherwise in respect thereof specifying the Redemption Value, the proposed Redemption Date and the place at which payment may be obtained and calling upon such holder to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing such holder's shares of Class B Preferred Stock and any securities issued upon conversion or otherwise in respect thereof (the "Redemption Notice"). The Corporation shall redeem all of the shares of Class B Preferred Stock and any securities issued upon conversion or otherwise in respect thereof, in each case at the Redemption Value, on a date fixed by the Corporation, which date shall be not more than 180 days after the later of the Corporation's receipt of such request for redemption or the date on which the Redemption Value of the Class B Preferred Stock and any securities issued upon conversion or otherwise in respect thereof shall have been determined in accordance with this Section B(4).

(b) Redemption Upon Bankruptcy. If the Corporation or any Subsidiary or Subsidiaries holding all or substantially all of the Corporation's assets on a consolidated basis makes an assignment for the benefit of creditors or admits in writing its inability to pay its debts generally as they become due, or an order, judgment or decree is entered adjudicating the Corporation or any such Subsidiary or Subsidiaries bankrupt or insolvent, or any order for relief with respect to the Corporation or any such Subsidiary or Subsidiaries is entered under the Bankruptcy Code, or the Corporation or any such Subsidiary or Subsidiaries petitions or applies to any tribunal for the appointment of a custodian, trustee, receiver or liquidator of the Corporation or any such Subsidiary or Subsidiaries or of any substantial part of the assets of the Corporation or any such Subsidiary or Subsidiaries, or commences any proceeding relating to the Corporation or any such Subsidiary or Subsidiaries under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, or any such petition or application is filed, or any such proceeding is commenced, against the Corporation or any such Subsidiary or Subsidiaries and either (i) the Corporation or any such Subsidiary or Subsidiaries by any act indicates its approval thereof, consent thereto or acquiescence therein or (ii) such petition, application or proceeding is not dismissed within 90 days, then each share of Preferred Stock then outstanding automatically and without any further action by the holders of Preferred Stock shall be redeemed by the Corporation effective immediately and converted into the right to receive an amount in cash equal to the aggregate Liquidation Value of all shares of Preferred Stock then held by such holder plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon. Within five (5) days after any redemption in accordance with this Section B(4)(b), the Corporation shall give written notice of such redemption to each holder of Preferred Stock specifying the aggregate redemption value of such holder's shares of Preferred Stock so redeemed, the date of redemption and the place at which payment may be obtained and calling upon such holder to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Preferred Stock so redeemed.

(c) Redemption Value and Procedures. The Corporation shall be required to redeem on the proposed Redemption Date each share of Class B Preferred Stock or (if applicable) securities issued upon conversion or otherwise in respect thereof for which a request for redemption has been delivered in accordance with Section B(4)(a) at a price per share equal to the Redemption Value thereof, payable in immediately available funds. For purposes of Section B(4)(a), "Redemption Value" shall mean (i) with respect to a share of Class B Preferred Stock, the greater of (A) the aggregate Liquidation Value of such share of Class B Preferred Stock plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon, and (B) 75.0% of the aggregate Liquidation Value of such share of Class B Preferred Stock plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon plus the Fair Market Value of the Conversion Stock issuable upon conversion of such share of Class B Preferred Stock, (ii) with respect to a share of Class A Preferred Stock, the aggregate Liquidation Value of such share of Class A Preferred Stock plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon, and (iii) with respect to any other security, the Fair Market Value thereof, in each case determined as of the Redemption Date. Except as provided in Section B(4)(d), on the Redemption Date, each holder of shares of Preferred Stock or (if applicable) other securities on the Redemption Date shall surrender to the Corporation the certificate or certificates representing such shares of Preferred Stock and other securities, in the manner and at the place designated in the Redemption Notice, and thereupon the aggregate Redemption Value of such shares of Preferred Stock and (if applicable) other securities shall be payable to the order of the Person whose name appears on such certificate or certificates as the owner thereof and each surrendered certificate shall be cancelled.

(d) Failure to Redeem. If the funds of the Corporation legally available for redemption of shares of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) pursuant to this Section B(4) on the proposed Redemption Date are insufficient to redeem all shares of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) then subject to redemption or if the redemption of such Class B Preferred Stock or other securities (other than the Class A Preferred Stock) is not permitted under any loan agreement, indenture or financing agreement with a bank or other unaffiliated financial institution to which the Corporation or any of its Subsidiaries is bound (collectively, the "Financing Agreements"), then (without limiting the Corporation's obligation hereunder or curing any failure not to redeem all of the shares of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock)) those funds that are legally available and permitted under the Financing Agreements to be used for the redemption of securities will be used to redeem the maximum possible number of shares ratably among the holders thereof in proportion to the aggregate Redemption Value that each such holder of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) would be entitled to receive pursuant to this Section B(4). If the funds of the Corporation legally available for redemption of shares of Class A Preferred Stock pursuant to this Section B(4) on the proposed Redemption Date are insufficient to redeem all shares of Class A Preferred Stock then subject to redemption or if the redemption of such Class A Preferred Stock or other securities is not permitted under any Financing Agreements, then (without limiting the Corporation's obligation hereunder or curing any failure not to redeem all of the shares of Class A Preferred Stock) those funds that are legally available and permitted under the Financing Agreements to be used for the redemption of shares of Class A Preferred Stock (after payment of the full Redemption Value that each such holder of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) are entitled to receive pursuant to this Section B(4)) will be used to redeem the maximum possible number of shares ratably among the holders thereof in proportion to the aggregate Redemption Value that each such holder would be entitled to receive pursuant to this Section B(4). Each share of Preferred Stock or other security not redeemed as and when required hereunder for any reason shall remain outstanding, be entitled to all the rights and preferences provided herein and shall automatically commence to accrue on a daily basis dividends (regardless of whether or not such dividends have been declared and whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of such dividends) on the sum of the Redemption Value

thereof plus all accumulated but unpaid dividends thereon at the rate of eight percent (8%) per annum, compounded quarterly on the last day of each calendar quarter, becoming accumulated and remaining accumulated dividends until paid to the holder thereof. Thereafter, until such time as such share is redeemed in accordance with this Section B(4), such dividend rate shall increase automatically at the end of each succeeding 90-day period by an additional increment of two (2) percentage points (but in no event shall such dividend rate exceed fourteen percent (14%)). Such accrued dividends (the "Default Dividends") shall be cumulative such that all such accrued but unpaid dividends shall be fully paid or declared with funds irrevocably set apart for payment thereof in all cases before any dividends may be declared or paid with respect to any Junior Securities in the case of Default Dividends on the Class B Preferred Stock or the Common Stock in the case of Default Dividends on the Class A Preferred Stock. At any time thereafter when additional funds of the Corporation are legally available and permitted under the Financing Agreements to be used for the redemption of shares of Class B Preferred Stock and (if applicable) other securities subject to redemption under this Section B(4), such funds will immediately be used to redeem the balance of the shares of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) subject to redemption under this Section B(4) that the Corporation has become obliged to redeem on any proposed Redemption Date but that it has not redeemed, ratably among the holders thereof in proportion to the remaining aggregate Redemption Value (plus all accrued Default Dividends and declared but unpaid dividends) that each such holder remains entitled to receive. Following the payment in full of the amounts due the holders of the Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) pursuant to this Section B(4), at any time thereafter when additional funds of the Corporation are legally available and permitted under the Financing Agreements to be used for the redemption of shares of Preferred Stock, such funds will immediately be used to redeem the balance of the shares of Class A Preferred Stock subject to redemption under this Section B(4) that the Corporation has become obliged to redeem on any proposed Redemption Date but that it has not redeemed, ratably among the holders thereof in proportion to the remaining aggregate Redemption Value (plus all accrued Default Dividends and declared but unpaid dividends) that each such holder remains entitled to receive. Notwithstanding anything to the contrary contained herein, without the prior written consent of the Majority Class B Investors, the Corporation shall not declare or pay any dividends or redeem, repurchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any Junior Securities after the receipt of notice of redemption under this Section B(4), or at any other time when the Corporation is obligated to make redemption payments under this Section B(4), unless and until all amounts required to be paid to the holders of Class B Preferred Stock and (if applicable) other securities (other than the Class A Preferred Stock) to be redeemed under this Section B(4) shall have been paid in full. Notwithstanding anything to the contrary contained herein, without the prior written consent of the holders of a majority of the Class A Preferred Stock, the Corporation shall not declare or pay any dividends or redeem, repurchase or otherwise acquire (or pay into or set aside for a sinking fund for such purpose) any Common Stock at any other time when the Corporation is obligated to make redemption payments under this Section B(4) to the holders of the Class A Preferred Stock, unless and until all amounts required to be paid to the holders of Class A Preferred Stock to be redeemed under this Section B(4) shall have been paid in full. The Corporation shall use commercially reasonable efforts to obtain the removal or waiver of any direct or indirect restrictions on the timely redemption of the Preferred Stock or other securities pursuant to this Section B(4) under any Financing Agreement (including, to the extent necessary and commercially reasonable, by taking commercially reasonable efforts to refinance the indebtedness under any such Financing Agreement) or to overcome any legal restrictions, in each case so as to permit the timely redemption of the Preferred Stock or other securities pursuant to this Section B(4).

(e) Effect of Redemption. From and after the Redemption Date, unless there shall have been a default in payment of the Redemption Value, all rights of the holders of shares of Preferred Stock as holders of Preferred Stock (except the right to receive the applicable Redemption Value without interest upon surrender of their certificate or certificates) shall cease with respect to such shares of Preferred Stock, and such shares of Preferred Stock shall not thereafter be transferred on the books of the Corporation or be deemed to be outstanding for any purpose whatsoever.

(f) Other Redemptions or Acquisitions. The shares of Class B Preferred Stock shall not be redeemable or otherwise repurchasable by the Corporation or any of its Subsidiaries, except as set forth in this Section B(4) or as otherwise agreed to by the Majority Class B Investors and the Corporation.

5. Voting Rights.

(a) Generally. Except as otherwise provided herein or in the DGCL, the holders of shares of Preferred Stock shall be entitled to vote as a single class with the holders of the Common Stock on all matters submitted to a vote of stockholders of the Corporation. Each holder of shares of Preferred Stock shall be entitled to the number of votes equal to the largest number of full shares of Common Stock into which all shares of Preferred Stock held of record by such holder could then be converted pursuant to Section B(6) at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is first executed. The holders of shares of Preferred Stock shall be entitled to notice of any meeting of stockholders in accordance with the Bylaws of the Corporation.

(b) Election of Directors.

(i) Board Size. The Board of Directors shall be composed of five (5) directors, unless the Majority Class B Investors, voting as a single class, and the holders of a majority of the outstanding shares of Class A Preferred Stock, voting as a single class, consents or votes in favor of a change in the size of the Board of Directors.

(ii) Class A Board Seats. For so long as any shares of Series A-1 Preferred Stock or Series A-2 Preferred Stock remain outstanding, the holders of such outstanding shares, in addition to the other voting rights set forth herein, shall have the right, voting together as a single class on an as-converted basis, to elect three of the members to the Board of Directors (the "Class A Board Seats"). If a vacancy in the Class A Board Seats is to be filled by the Board of Directors, only directors elected by the holders of the Series A-1 Preferred Stock and the Series A-2 Preferred Stock as provided in this Section B(5)(b)(ii) shall vote to fill such vacancy, or, in the event there should be no such directors in office, the seat shall remain vacant until filled by election as provided in this Section B(5)(b)(ii).

(iii) Class B Board Seat. For so long as any shares of Class B Preferred Stock remain outstanding, in the election of directors of the Corporation, the holders of Class B Preferred Stock, voting separately as a single class to the exclusion of all other classes and series of the Corporation's capital stock and with each share of Class B Preferred Stock entitled to one vote, shall be entitled to elect (by majority vote) one (1) director to serve on the Board of Directors with such director serving until his or her successor is duly elected by the holders of Class B Preferred Stock or his or her earlier death, resignation or removal from office by the holders of Class B Preferred Stock. If the holders of Class B Preferred Stock for any reason fail to elect a director hereunder, (including, without limitation, following the death, resignation or removal from office by the holders of Class B Preferred Stock of a director elected by the holders of the Class B Preferred Stock), such position shall remain vacant until such time as the holders of Class B Preferred Stock elect an individual to serve as a director to fill such position and shall not be filled by resolution or vote of the Board of Directors or the Corporation's other stockholders.

(c) Other Voting Rights. The holders of Class B Preferred Stock also shall be entitled to the special voting and approval rights set forth in the Investor Rights Agreement and Class B Preferred Rights Agreement.

(d) Meetings; Action by Written Consent. Subject to any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), the voting rights of the holders of Preferred Stock or Common Stock, voting separately or together (whether as to the election of directors or any other matter), may be exercised either at a special meeting of the holders of the applicable class or series of stock called as provided below, or at any annual or special meeting of the stockholders of the Corporation, or by written consent of such holders in lieu of a meeting.

(e) Preferred Protective Provisions. For so long as any shares of Preferred Stock remain outstanding, without the affirmative vote of the holders of at least a majority of the outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis, the Corporation shall not:

(i) amend this Third Amended and Restated Certificate of Incorporation or the Bylaws of the Corporation (including by merger or otherwise);

(ii) create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Preferred Stock with respect to the distribution of assets on a Liquidation Event and the payment of dividends;

(iii) effect any sale, lease, assignment, transfer, exchange or other conveyance of a majority of the assets or capital stock of the Corporation (including, without limitation, the granting of an exclusive license to all or a substantial portion of the Corporation's intellectual property in a single transaction or series of transactions), or any consolidation, business combination, acquisition, conversion or merger involving the Corporation or any share exchange, reclassification or other change of any stock which results in the stockholders of the Corporation immediately prior to such transaction owning less than 50% of the voting equity securities of the surviving entity after such transaction, or any recapitalization, or any dissolution, liquidation or winding up of the Corporation or, unless the obligations of the Corporation under an agreement are expressly conditional upon the requisite approval of the holders of shares of the Preferred Stock as provided for herein, make any agreement or become obligated to do so;

(iv) redeem or repurchase any Preferred Stock except as expressly contemplated herein, or pay, declare or set aside for payment any Distribution on the Common Stock; or

(v) effect any voluntary liquidation, dissolution or winding up of the Corporation.

(f) Series A-2 Preferred and Series A-1 Preferred Protective Provisions. For so long as any shares of both Series A-2 Preferred Stock and Series A-1 Preferred Stock remain outstanding, without the affirmative vote of the holders of at least a majority of (i) the outstanding shares of Series A-2 Preferred Stock and (ii) the outstanding shares of Series A-1 Preferred Stock, each voting separately on an as-converted basis, the Corporation shall not:

(i) amend or waive the rights, preferences or privileges of either the Series A-2 Preferred Stock or the Series A-1 Preferred Stock set forth in this Third Amended and Restated Certificate of Incorporation without concurrently effecting a corresponding amendment or waiver of the rights, preferences or privileges of the Series A-1 Preferred Stock or the Series A-2 Preferred Stock, as applicable, set forth in this Third Amended and Restated Certificate of Incorporation;

(ii) authorize the redemption or repurchase by the Corporation of shares of either the Series A-2 Preferred Stock or the Series A-1 Preferred Stock without a corresponding redemption or repurchase of shares of the Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable, on a pari passu basis; or

(iii) amend the provisions of this Section B(5)(f).

6. Conversion.

(a) Conversion Procedure.

(i) At any time and from time to time, any holder of Class B Preferred Stock may convert all or any portion of the shares of Class B Preferred Stock (including any fraction of a share) held by such holder into a number of shares of Common Stock computed by multiplying the number of shares of Class B Preferred Stock to be converted by the Class B Original Purchase Price (as adjusted for any stock dividends, combinations or splits with respect to such shares) and dividing the result by the Class B Conversion Price then in effect. The initial "Class B Conversion Price" shall be equal to the Class B Original Purchase Price, but shall be subject to adjustment as provided in this Section B(6). Any holder of shares of Series A-2 Preferred Stock may convert all or any portion of the shares of Series A-2 Preferred Stock (including any fraction of a share) held by such holder into a number of shares of Common Stock computed by multiplying the number of shares of Series A-2 Preferred Stock to be converted by the Series A-2 Original Purchase Price (as adjusted for any stock dividends, combinations or splits with respect to such shares) and dividing the result by the Series A-2 Conversion Price then in effect. The initial "Series A-2 Conversion Price" shall be equal to the Series A-2 Original Purchase Price, but shall be subject to adjustment as provided in this Section B(6). Any holder of shares of Series A-1 Preferred Stock may convert all or any portion of the shares of Series A-1 Preferred Stock (including any fraction of a share) held by such holder into a number of shares of Common Stock computed by multiplying the number of shares of Series A-1 Preferred Stock to be converted by the Series A-1 Original Purchase Price (as adjusted for any stock dividends, combinations or splits with respect to such shares) and dividing the result by the Series A-1 Conversion Price then in effect. The initial "Series A-1 Conversion Price" shall be equal to the Series A-1 Original Purchase Price, but shall be subject to adjustment as provided in this Section B(6).

(ii) Except as otherwise provided herein, each conversion of shares of Preferred Stock will be deemed to have been effected as of the close of business on the date on which the certificate or certificates representing the shares of Preferred Stock to be converted (or an affidavit of loss with respect thereto reasonably acceptable to the Corporation) have been surrendered for conversion at the principal office of the Corporation. At such time as such conversion has been effected, the rights of the holder of such shares of Preferred Stock, as a holder of Preferred Stock, will cease and the Person or Persons in whose name or names any certificate or certificates for shares of Common Stock are to be issued upon such conversion will be deemed to have become the holder or holders of record of the shares of Common Stock represented thereby. Notwithstanding any other provision hereof, if a conversion of Preferred Stock is to be made in connection with a Fundamental Change, Change in Ownership, Public Offering or other transaction affecting the Corporation or a holder of Preferred Stock, the conversion of any shares of Preferred Stock may, at the election of the holder thereof, be conditioned upon the consummation of such event or transaction, in which case such conversion shall not be deemed to be effective until immediately prior to the consummation of such event or transaction and shall be deemed null and void if such event or transaction is no subsequently so consummated.

(iii) Promptly (and in any event within three (3) business days) after a conversion has been effected, the Corporation shall deliver to the converting holder (or the converting holder's designee):

(A) cash in an amount of all accrued Default Dividends (if any) and declared but unpaid dividends on the shares of Preferred Stock converted; provided that, at the sole option of the Board of Directors and without the approval of the holders of the Preferred Stock, any such dividends (other than any Default Dividends) may be paid in whole or in part in shares of Common Stock having a Fair Market Value as of the date of conversion equal to the amount of such declared but unpaid dividends; provided further that if any such dividends are paid in shares of Common Stock, then the amount of dividends paid in shares of Common Stock (if less than all) shall be allocated among all holders of Preferred Stock then electing conversion ratably based on the aggregate amount of such dividends payable to each such holder as compared to the aggregate amount of such dividends payable to all holders;

(B) with respect to holders of Class B Preferred Stock, if such conversion was an automatic conversion effected pursuant to Section B(6)(o)(i), cash in an amount determined as follows (such payment, the "QPO Preference"), in priority to any distribution or payment upon any Junior Securities: (1) if the QPO Return is less than or equal to 1.75, then such cash payment shall be equal to 50.0% of the aggregate Liquidation Value of all shares of Class B Preferred Stock then held by such holder; (2) if the QPO Return is greater than 1.75 and less than 2.25, then such cash payment shall be a percentage of the aggregate Liquidation Value of all shares of Class B Preferred Stock then held by such holder between 50.0% and 16.7% determined as a linear interpolation of the QPO Return from 1.75 to 2.25; and (3) if the QPO Return is greater than or equal to 2.25, then such cash payment shall be equal to 16.7% of the aggregate Liquidation Value of all shares of Class B Preferred Stock then held by such holder; provided that the Corporation, at its election and without approval from any holders of Class B Preferred Stock, may satisfy its obligation to pay up to 50% of the QPO Preference by issuance of newly-issued shares of Common Stock (such shares to be valued at the price per share paid by the public in the Qualified Public Offering resulting in such mandatory conversion) in lieu of cash;

(C) cash in the amount payable pursuant to Section B(6)(a)(vi) with respect to such conversion;

(D) a certificate or certificates representing the number of shares of Common Stock issuable by reason of such conversion in such name or names and such denomination or denominations as the converting holder has specified; and

(E) a certificate representing any shares of Preferred Stock which were represented by the certificate or certificates delivered to the Corporation in connection with such conversion but which were not converted.

(iv) If the corporation is not permitted under applicable law to pay any portion of any accrued Default Dividend on the Preferred Stock being converted, the Corporation shall pay such dividends to the converting holder as soon thereafter as funds of the Corporation are legally available for such payment. At the request of any such converting holder, the Corporation shall provide such holder with written evidence of its obligation to pay such dividends to such holder.

(v) The issuance of certificates for shares of Common Stock upon conversion of shares of Preferred Stock will be made without charge to the holders of such shares of Preferred Stock for any issuance tax in respect thereof or other cost incurred by the Corporation in connection with such conversion and the related issuance of shares of Common Stock. Upon conversion

of each share of Preferred Stock, the Corporation will take all such actions as are necessary in order to ensure that the Common Stock issuable with respect to such conversion will be validly issued, fully paid and nonassessable.

(vi) If any fractional interest in a share of Common Stock would, except for the provisions of this Section B(6)(a)(vi), be deliverable upon any conversion of shares of Preferred Stock, the Corporation, in lieu of delivering the fractional share therefor, will pay an amount to the holder thereof equal to the fair market value (as determined in good faith by the Board of Directors) of such fractional interest as of the date of conversion.

(vii) The Corporation shall not close its books against the transfer of Preferred Stock or of Common Stock issued or issuable upon conversion of any Preferred Stock in any manner which interferes with the timely conversion of the Preferred Stock. The Corporation shall use commercially reasonable efforts to assist and cooperate with any holder of Preferred Stock required to make any governmental filings or obtain any governmental approval prior to or in connection with any conversion of shares of Preferred Stock hereunder (including, without limitation, making any filings required to be made by the Corporation and paying all filing fees and expenses payable by the Corporation or any such holder in connection therewith).

(viii) The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of issuance upon the conversion of the Preferred Stock, such number of shares of Common Stock issuable upon the conversion of all outstanding shares of Preferred Stock. All shares of Common Stock which are so issuable shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens, charges and encumbrances. The Corporation shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Corporation upon each such issuance). The Corporation shall not take any action which would cause the number of authorized but unissued shares of Common Stock to be less than the number of such shares required to be reserved hereunder for issuance upon conversion of the Preferred Stock.

(b) Adjustments to Conversion Price for Diluting Issues.

(i) Special Definition. For purposes of this Section B(6)(b), "Additional Shares of Common" shall mean all shares of Common Stock issued (or, pursuant to Section B(6)(b)(iii), deemed to be issued) by the Corporation after the filing of this Third Amended and Restated Certificate of Incorporation, other than issuances or deemed issuances of:

(A) Equity Awards or shares of Common Stock upon the exercise or conversion of Options or Convertible Securities that are outstanding as of the filing of this Third Amended and Restated Certificate of Incorporation and were issued to employees, directors or service providers of the Corporation and its Subsidiaries pursuant to any Approved Plan;

(B) Options to acquire, or other Equity Awards representing, up to 1,000,000 shares of Common Stock (plus any shares of Common Stock previously awarded but subsequently forfeited by a holder without the payment to such holder of consideration) and shares of Common Stock issued or issuable upon exercise thereof, and such additional Options or Equity Awards as may be approved by the holders of a majority of the Class B Preferred Stock pursuant to the Class B Preferred Rights Agreement, in each case issued after the date of the filing of this Third Amended and Restated Certificate of Incorporation but prior to the first anniversary of such date, to employees,

directors or service providers of the Corporation and its Subsidiaries pursuant to any Approved Plan, as such number of shares is proportionately adjusted for subsequent stock splits, combinations and dividends affecting the Common Stock;

(C) Options to acquire shares of Common Stock (and shares of Common Stock upon exercise thereof) or any Equity Awards, issued or granted after the date of the first anniversary of this Third Amended and Restated Certificate of Incorporation to employees, directors or service providers of the Corporation and its Subsidiaries pursuant to any Approved Plan;

(D) shares of Common Stock issuable upon the conversion of the Preferred Stock or the exercise of the Summit Warrants;

(E) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split or other distribution on the shares of Common Stock that is covered by Sections B(6)(f), (g), (h), or (i) hereof;

(F) shares of Common Stock issued in a Qualified Public Offering;

(G) shares of Common Stock issued or issuable as consideration for the acquisition of another Person by the Corporation by merger, purchase of substantially all of the assets or other reorganization; provided that, in each case, that such issuances are approved by the Board of Directors;

(H) up to an aggregate of 5,125,434 shares of Common Stock issued or issuable to banks, equipment lessors or other financial institutions pursuant to a debt financing or commercial leasing transaction approved by the Board of Directors; and

(I) up to an aggregate of 5,125,434 shares of Common Stock issued or issuable to any Person that prior to such issuance does not hold (and is not affiliated with or an employee, officer, director, manager or direct or indirect partner, members or stockholder of any Person that holds) any Equity Securities of the Corporation: (1) in connection with any settlement of any action, suit, proceeding or litigation approved by the Board of Directors; and (2) in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships or joint ventures approved by the Board of Directors.

(ii) No Adjustment of Conversion Price. No adjustment in the Class B Conversion Price, the Series A-2 Conversion Price or the Series A-1 Conversion Price shall be made in respect of the issuance of Additional Shares of Common unless the consideration per Additional Share of Common issued or deemed to be issued by the Corporation (as determined pursuant to Section B(6)(c)) is less than the Class B Conversion Price (in the case of adjustments to the Class B Conversion Price), Series A-2 Conversion Price (in the case of adjustments to the Series A-2 Conversion Price) or Series A-1 Conversion Price (in the case of adjustments to the Series A-1 Conversion Price) in effect on the date of and immediately prior to such issuance.

(iii) Effect on Conversion Price of Certain Events. For purposes of determining the adjusted Class B Conversion Price, under Section B(6)(b), the following occurring after the filing of the Third Amended and Restated Certificate of Incorporation shall be applicable:

(A) Issuance of Rights or Options. If the Corporation in any manner grants or sells any Options and the price per share for which Common Stock is issuable upon the exercise of such Options, or upon conversion or exchange of any Convertible Securities issuable upon exercise of

such Options, is less than the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, in effect immediately prior to the time of the granting or sale of such Options, then the total maximum number of shares of Common Stock issuable upon the exercise of such Options or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the granting or sale of such Options for such price per share. For purposes of this Section B(6)(b)(iii)(A), the "price per share for which Common Stock is issuable" shall be determined by dividing (x) the total amount, if any, received or receivable by the Corporation as consideration for the granting or sale of such Options, plus the minimum aggregate amount of additional consideration payable to the Corporation upon exercise of all such Options, plus in the case of Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the issuance or sale of such Convertible Securities and the conversion or exchange thereof, by (y) the total maximum number of shares of Common Stock issuable upon the exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options. No further adjustment of the applicable Conversion Price shall be made when Convertible Securities are actually issued upon the exercise of such Options or when Common Stock is actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities.

(B) Issuance of Convertible Securities. If the Corporation in any manner issues or sells any Convertible Securities and the price per share for which Common Stock is issuable upon conversion or exchange thereof is less than the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, in effect immediately prior to the time of such issue or sale, then the maximum number of shares of Common Stock issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Corporation at the time of the issuance or sale of such Convertible Securities for such price per share. For the purposes of this Section B(6)(b)(iii)(B), the "price per share for which Common Stock is issuable" shall be determined by dividing (x) the total amount received or receivable by the Corporation as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Corporation upon the conversion or exchange thereof, by (y) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the applicable Conversion Price shall be made when Common Stock is actually issued upon the conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Conversion Price had been or are to be made pursuant to other provisions of this Section B(6), no further adjustment of the applicable Conversion Price shall be made by reason of such issue or sale.

(C) Change in Option Price or Conversion Rate. If the purchase price provided for in any Options, the additional consideration, if any, payable upon the conversion or exchange of any Convertible Securities or the rate at which any Convertible Securities are convertible into or exchangeable for Common Stock changes at any time, the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, in effect at the time of such change shall be immediately adjusted to the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, which would have been in effect at such time had such Options or Convertible Securities still outstanding provided for such changed purchase price, additional consideration or conversion rate, as the case may be, at the time initially granted, issued or sold. For purposes of this Section B(6)(b)(iii)(C), if the terms of any Option or Convertible Security which was outstanding as of the date of issuance of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable, are changed in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the Common Stock deemed issuable

upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such change; provided that no such change shall at any time cause the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, hereunder to be increased.

(D) Treatment of Expired Options and Unexercised Convertible Securities. Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Security without the exercise of any such Option or right, the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, then in effect hereunder shall be adjusted immediately to the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, which would have been in effect at the time of such expiration or termination had such Option or Convertible Security, to the extent outstanding immediately prior to such expiration or termination, never been issued. For purposes of this Section B(6)(b)(iii)(D), the expiration or termination of any Option or Convertible Security which was outstanding as of the date of issuance of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable, shall not cause the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, hereunder to be adjusted unless, and only to the extent that, a change in the terms of such Option or Convertible Security caused it to be deemed to have been issued after the date of issuance of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable.

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common. If and whenever on or after the date of filing of the Third Amended and Restated Certificate of Incorporation the Corporation issues or sells, or in accordance with this Section B(6)(b) is deemed to have issued or sold, any shares of its Common Stock without consideration or for a consideration per share less than the Class B Conversion Price, the Series A-2 Conversion Price or the Series A-1 Conversion Price in effect immediately prior to the time of such issue or sale, then immediately upon such issue or sale or deemed issue or sale each of the Class B Conversion Price, the Series A-2 Conversion Price and the Series A-1 Conversion Price which is greater than such consideration per share shall be reduced to the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, (calculated to the nearest cent) determined by dividing (a) the sum of (1) the product derived by multiplying the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price, as applicable, in effect immediately prior to such issue or sale by the number of shares of Common Stock Deemed Outstanding immediately prior to such issue or sale, plus (2) the consideration, if any, received by the Corporation upon such issue or sale, by (b) the number of shares of Common Stock Deemed Outstanding immediately after such issue or sale. Notwithstanding the foregoing, the Conversion Price shall not be reduced at such time if the amount of such reduction would be less than $0.01, but any such amount shall be carried forward, and a reduction will be made with respect to such amount at the time of, and together with, any subsequent reduction which, together with such amount and any other amounts so carried forward, equal $0.01 or more in the aggregate. For the purposes of this Section B(6)(b)(iv), all shares of Common Stock issuable upon conversion of all outstanding shares of Preferred Stock and the exercise and/or conversion of any other outstanding Convertible Securities and all Options and all shares of Common Stock reserved for issuance under any Approved Plan shall be deemed to be outstanding.

(c) Calculation of Consideration Received. If any Common Stock, Option or Convertible Security is issued or sold or deemed to have been issued or sold for cash, the consideration received therefor shall be deemed to be the amount received by the Corporation therefor (net of discounts and commissions). If any Common Stock, Option or Convertible Security is issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Corporation shall be the fair value of such consideration, except where such consideration consists of securities, in which case the amount of consideration received by the Corporation shall be the Fair Market Value thereof as of the date of receipt. If any Common Stock, Option or Convertible Security is issued to

the owners of the non-surviving entity in connection with any merger in which the Corporation is the surviving corporation, the amount of consideration therefor shall be deemed to be the fair value of the portion of the net assets of the non-surviving entity that is attributable to such Common Stock, Option or Convertible Security, as the case may be. The fair value of any consideration or net assets other than cash and securities (and, if applicable, the portions thereof attributable to any such stock or securities) shall be determined jointly by the Corporation, the holders of a majority of the Class A Preferred Stock, and the Majority Class B Investors. If such parties are unable to reach agreement within a reasonable period of time, the fair value of such consideration shall be determined by an independent appraiser (other than one of the "Big Four" accounting firms) experienced in valuing such type of consideration jointly selected by the Corporation, the holders of a majority of the Class A Preferred Stock, and the Majority Class B Investors. The determination of such appraiser shall be final and binding upon the parties, and the fees and expenses of such appraiser shall be borne by the Corporation.

(d) Integrated Transactions. In case any Option is issued in connection with the issue or sale of other securities of the Corporation, together comprising one integrated transaction in which no specific consideration is allocated to such Option by the parties thereto, the Option shall be deemed to have been issued for a consideration of $0.01.

(e) Treasury Shares. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Corporation or any Subsidiary, and the disposition of any shares so owned or held shall be considered an issue or sale of Common Stock.

(f) Record Date. If the Corporation takes a record of the holders of Common Stock for the purpose of entitling them (a) to receive a dividend or other distribution payable in Common Stock, Options or in Convertible Securities or (b) to subscribe for or purchase Common Stock, Options or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or upon the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

(g) Adjustments for Subdivisions or Combinations of Common Stock. In the event the outstanding shares of Common Stock shall be subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of Common Stock, the Class B Conversion Price, the Series A-2 Conversion Price and the Series A-1 Conversion Price in effect immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Common Stock shall be combined (by reclassification or otherwise) into a lesser number of shares of Common Stock, the Class B Conversion Price, the Series A-2 Conversion Price and the Series A-1 Conversion Price in effect immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately increased.

(h) Adjustments for Subdivisions or Combinations of Preferred Stock. In the event the outstanding shares of Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock shall be subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of Class B Preferred Stock, Series A-2 Preferred Stock or Series A-1 Preferred Stock, as applicable, the Class B Dividend, Series A-2 Dividend or Series A-1 Dividend, Class B Original Issue Price, Series A-2 Original Issue Price or Series A-1 Original Issue Price and Class B Liquidation Preference, Series A-2 Liquidation Preference or Series A-1 Liquidation Preference of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable, in effect immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately decreased. In the event the outstanding shares of Class B Preferred Stock, Series A-2

Preferred Stock or the Series A-1 Preferred Stock, as applicable, shall be combined (by reclassification or otherwise) into a lesser number of shares of Class B Preferred Stock, Series A-2 Preferred Stock or Series A-1 Preferred Stock, as applicable, the Class B Dividend, Series A-2 Dividend or Series A-1 Dividend, Class B Original Issue Price, Series A-2 Original Issue Price or Series A-1 Original Issue Price and Class B Liquidation Preference, Series A-2 Liquidation Preference or Series A-1 Liquidation Preference of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock, as applicable, in effect immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately increased. In no event shall the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock be so subdivided or combined without the others of them being correspondingly subdivided or combined.

(i) Adjustments for Reclassification, Exchange and Substitution; Organic Change.

(i) Subject to Section B(2), if the Common Stock issuable upon conversion of the Class B Preferred Stock, Series A-2 Preferred Stock or the Series A-1 Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by Organic Change or otherwise (other than a subdivision or combination of shares provided for above or pursuant to a Fundamental Change or Change in Ownership), then, in any such event, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive each holder of Class B Preferred Stock, Series A-2 Preferred Stock or Series A-1 Preferred Stock, as applicable, shall have the right thereafter to convert such shares of Class B Preferred Stock, Series A-2 Preferred Stock or Series A-1 Preferred Stock, as applicable, into a number of shares of such other class or classes of stock which a holder of the number of shares of Common Stock deliverable upon conversion of shares of the Class B Preferred Stock, Series A-2 Preferred Stock or Series A-1 Preferred Stock, as applicable, immediately before that change would have been entitled to receive in such reorganization or reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(ii) Prior to the consummation of any Organic Change (other than an Organic Change that also constitutes a Qualified Sale Transaction), the Corporation shall make appropriate provisions (in form and substance reasonably satisfactory to each of the holders of a majority of the outstanding shares of Class A Preferred, voting together as a single class, and to the Majority Class B Investors) to ensure that (i) the Preferred Stock shall not be cancelled or retired as a result of such Organic Change unless the rights, preferences and privileges of the Preferred Stock are otherwise preserved (whether in the form of a successor security of the Corporation or any successor thereto) and (ii) each of the holders of the Preferred Stock thereafter have the right to acquire and receive, in lieu of or in addition to (as the case may be) the shares of Common Stock immediately theretofore acquirable and receivable upon the conversion of such holder's Preferred Stock, such shares of stock, securities or assets as such holder would have received in connection with such Organic Change if such holder had converted its Preferred Stock immediately prior to such Organic Change (plus all accrued Default Dividends (if any) and declared but unpaid dividends on the Preferred Stock held by such holder immediately prior to such Organic Change). In each such case set forth in the preceding sentence, the Corporation shall also make appropriate provisions (in form and substance reasonably satisfactory to each of the holders of a majority of the outstanding shares of Class A Preferred, voting together as a single class, and to the Majority Class B Investors) to ensure that the provisions of this Section B(6) shall thereafter be applicable to the Preferred Stock or such successor securities. The Corporation shall not effect any such Organic Change (other than an Organic Change that also constitutes a Qualified Sale Transaction), unless prior to the consummation thereof, the successor entity (if other than the Corporation) resulting from consolidation or merger or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to each of the holders of a majority of the outstanding shares of Class A Preferred, voting together as a single class, and to the Majority Class B Investors), the obligation to deliver to each such holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire.

(j) Certain Events. If any event occurs of the type contemplated by the provisions of this Section B(6) but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Board of Directors shall make an appropriate adjustment in the Class B Conversion Price, Series A-2 Conversion Price, and Series A-1 Conversion Price so as to protect the rights of the holders of Class B Preferred Stock, Series A-2 Preferred Stock, and Series A-1 Preferred Stock; provided that no such adjustment shall increase the Class B Conversion Price, Series A-2 Conversion Price or Series A-1 Conversion Price as otherwise determined pursuant to this Section B(6) or decrease the number of shares of Common Stock issuable upon conversion of each share of Preferred Stock.

(k) Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Class B Conversion Price, Series A-2 Conversion Price or the Series A-1 Conversion Price pursuant to this Section B(6), the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the calculation of such adjustment or readjustment and the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Preferred Stock, furnish or cause to be furnished to all holders of Preferred Stock a like certificate setting forth (i) such adjustments and readjustments, (ii) the applicable Conversion Prices at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of Class B Preferred Stock, Series A-2 Preferred Stock and Series A-1 Preferred Stock.

(l) Waiver of Adjustment of Conversion Price. Notwithstanding anything herein to the contrary, any downward adjustment of the Class B Conversion Price, the Series A-2 Conversion Price or the Series A-1 Conversion Price may be waived, either before or after the issuance causing the adjustment, by the consent or vote of the holders of the majority of the outstanding shares of Class B Preferred Stock (in the case of the Class B Conversion Price) or the holders of a majority of the outstanding Series A-2 Preferred Stock and Series A-1 Preferred Stock (in the case of the Series A-2 Conversion Price and Series A-1 Conversion Price), subject to Section B(5)(f)(i). Any such waiver shall bind all future holders of Class B Preferred Stock, Series A-2 Preferred Stock and Series A-1 Preferred Stock, as applicable.

(m) Other Notices. If at any time:

(i) the Corporation shall declare any dividend upon Common Stock payable in cash or stock or make any other distribution to the holders of Common Stock,

(ii) the Corporation shall offer for subscription pro rata to the holders of Common Stock any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property;

(iii) there shall be any Fundamental Change, Change in Ownership or Organic Change, or

(iv) the Board of Directors or stockholders shall approve, or there shall occur, a voluntary or involuntary dissolution, liquidation or winding up of the Corporation,

then in any one or more of said cases, the Corporation shall give, by delivery in person, certified or registered mail, return receipt requested, telecopier, telex, or other means of electronic communications addressed to each holder of any shares of Preferred Stock at the address of such holder as shown on the books of the Corporation, (A) at least 10 days prior written notice of the date on which the books of the Corporation shall close or a record shall be taken for such dividend, distribution or subscription rights or for determining rights to vote in respect of any such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding up and (B) in the case of any such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding up, at least 10 days prior written notice of the date when the same shall take place. Such notice in accordance with the foregoing clause (A) shall also specify, in the case of any such dividend, distribution or subscription rights, the date on which the holders of Common Stock shall be entitled thereto and such notice in accordance with the foregoing clause (B) shall also specify the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, disposition, dissolution, liquidation or winding up, as the case may be.

(n) Class B Notices. The Corporation shall give written notice to each record holder of Class B Preferred Stock at least 10 days prior to the date on which the Corporation closes its books or takes a record (A) with respect to any dividend or distribution upon Common Stock (other than the Special Dividend), (B) with respect to any pro rata subscription offer to holders of Common Stock or (C) for determining rights to vote with respect to any Organic Change or Liquidation Event. Not less than 30 days prior to the payment date stated therein, the Corporation shall also give written notice of any Liquidation Event to each record holder of Class B Preferred Stock, setting forth in reasonable detail the amount of proceeds payable under each of clauses (i) and (ii) of Section B(2)(a) with respect to each share of Class B Preferred Stock and each Junior Security in connection with such Liquidation Event.

(o) Automatic Conversion.

(i) All of the outstanding shares of Preferred Stock shall be automatically converted into Common Stock at the Series A-2 Conversion Price, the Series A-1 Conversion Price or the Class B Conversion Price, as applicable, then in effect, without any further action on the part of the Corporation or any holder of Series A-2 Preferred Stock, Series A-1 Preferred Stock or Class B Preferred Stock, as applicable, upon the closing of a Qualified Public Offering; provided that any such automatic conversion shall be effected only at the time of and subject to the consummation of the sale of shares pursuant to such Qualified Public Offering upon written notice of such mandatory conversion delivered to all holders of Preferred Stock at least seven days prior to the consummation of such Qualified Public Offering.

(ii) All of the outstanding shares of Class A Preferred Stock shall be automatically converted into Common Stock at the Series A-2 Conversion Price or the Series A-1 Conversion Price, as applicable, then in effect, without any further action on the part of the Corporation or any holder of Class A Preferred Stock upon a vote or consent of the holders of the majority of the Class A Preferred Stock in favor of such automatic conversion.

(iii) All of the outstanding shares of Class B Preferred Stock shall be automatically converted into Common Stock at the Class B Conversion Price then in effect, without any further action on the part of the Corporation or any holder of Class B Preferred Stock, upon a vote or consent of the holders of the majority of the Class B Preferred Stock in favor of such automatic conversion.

(p) No Reissuance of Preferred Stock. Shares of Preferred Stock which are converted into shares of Common Stock as provided herein shall not be reissued.

(q) Issue Tax. The issuance of certificates for shares of stock upon conversion of Preferred Stock shall be made without charge to the holders thereof for any issuance tax in respect thereof, provided that the Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of the Preferred Stock which is being converted.

(r) Closing of Books. The Corporation will at no time close its transfer books against the transfer of any Preferred Stock or of any shares of Common Stock issued or issuable upon the conversion of any shares of Preferred Stock in any manner which interferes with the timely conversion of such Preferred Stock, except as may otherwise be required to comply with applicable securities laws.

7. Registration of Transfer. The Corporation will keep at its principal office a register for the registration of shares of Preferred Stock. Upon the surrender of any certificate representing shares of Preferred Stock at such place, the Corporation will, at the request of the record holder of such certificate, execute and deliver (at the Corporation's expense) a new certificate or certificates in exchange therefor representing in the aggregate the number of shares of Preferred Stock represented by the surrendered certificate. Each such new certificate will be registered in such name and will represent such number of shares of Preferred Stock surrendered as is requested by the holder of the surrendered certificate and will be substantially identical in form to the surrendered certificate.

8. Replacement. Upon receipt of evidence reasonably satisfactory to the Corporation (an affidavit of the registered holder will be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing shares of Preferred Stock, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Corporation (provided that if the holder is a financial institution or other institutional investor, then a customary agreement to indemnify shall be satisfactory) or, in the case of any mutilation, upon surrender of such certificate the Corporation will (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the number of shares of Preferred Stock represented by (and dated the date of) such lost, stolen, destroyed or mutilated certificate.

9. Definitions. As used herein, the following terms shall have the respective meanings set forth below:

"Additional Shares of Common" shall have the meaning set forth in Section B(6)(b)(i) of Article IV.

"Affiliate" means with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such Person, in the case of an entity, includes any members of the Family Group of any individual who controls such entity, and in the case of an individual, includes any relative or spouse of such Person, or any relative of such spouse, if any such relative is a member of such individual's Family Group. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Affiliated Company" means (i) in respect of any Summit Investor, any Person which controls, is controlled by or under common control with Summit Partners, L.P., including each of its affiliated investment funds and management entities (other than the Corporation and any Person that is controlled by the Corporation), and (ii) in respect of any GaAs Labs Investor, any Person which controls, is controlled by or under common control with GaAs Labs, LLC (other than the Corporation and any Person that is controlled by the Corporation).

"Approved Plan" means the Corporation's Amended and Restated 2009 Omnibus Stock Option Plan, as in effect on the date of this Third Amended and Restated Certificate of Incorporation, and any other written stock option, stock purchase or similar incentive plan for employees, officers, directors or consultants of the Corporation approved by the Board of Directors.

"Bankruptcy Code" means Title 11 of the United States Code, Sections 101 *et seq*.

"Board of Directors" means the board of directors of the Corporation.

"Business Day" means any day other than a Saturday, Sunday or any day that national banks having offices in Delaware are required or authorized to be closed for the transaction of business.

"Change in Ownership" means any sale, transfer, issuance or other transaction or series of sales, transfers, issuances and/or other transactions of or involving shares of the Corporation's capital stock by the Corporation or any holders thereof which results in the holders of Common Stock and Preferred Stock as of immediately after the consummation of the transactions contemplated by the Purchase Agreement or their Permitted Transferees ceasing to own more than 50% of the Corporation's total voting power represented by the outstanding voting securities of the Corporation immediately following such sale, transfer or issuance or series of sales, transfers and/or issuances.

"Class A Preferred Stock" shall have the meaning set forth in the first full paragraph of Article IV.

"Class B Common Participation Amount" means, in connection with any Liquidation Event (including any deemed Liquidation Event pursuant to Section B(2)(d) of Article IV), any assets and funds that would remain for distribution in respect of Common Stock (and Preferred Stock on an as-converted to Common Stock basis) after payment in full of 75.0% of the aggregate Liquidation Value of all shares of Class B Preferred Stock plus all accrued Default Dividends (if any) and declared but unpaid dividends thereon plus the aggregate amount payable to the holders of the Class A Preferred Stock pursuant to Section B(2)(b) of Article IV.

"Class B Conversion Price" shall have the meaning set forth in Section B(6)(a)(i) of Article IV.

"Class B Dividend" shall have the meaning set forth in Section B(1)(c) of Article IV.

"Class B Liquidation Preference" shall have the meaning set forth in Section B(2)(a) of Article IV.

"Class B Original Purchase Price" means $3.51 per share of Class B Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares).

"Class B Preferred Rights Agreement" means that certain Class B Preferred Rights Agreement, dated as of December 21, 2010, by and among the Corporation and the other Persons named therein, as such agreement may be amended, modified or waived from time to time in accordance with its terms.

"Class B Preferred Stock" shall have the meaning set forth in the first full paragraph of Article IV.

"Common Stock" means the Corporation's common stock, par value $0.001 per share, and for purposes of Section B(6) of Article IV shall include any capital stock of any class of the Corporation hereafter authorized which is not limited to a fixed sum or percentage of par or stated value in respect to the rights of the holders thereof to participate in dividends or in the distribution of assets upon any liquidation, dissolution or winding up of the Corporation.

"Common Stock Deemed Outstanding" means, at any given time, the number of shares of Common Stock actually outstanding at such time, plus the number of shares of Common Stock issuable upon the exercise and/or conversion of any outstanding Convertible Securities and all Options, plus the number of shares of Common Stock reserved for issuance under any Approved Plan, plus the number of shares of Common Stock issuable upon conversion of all outstanding shares of Preferred Stock.

"Conversion Price" means the Class B Conversion Price, the Series A-2 Conversion Price or the Series A-1 Conversion Price.

"Convertible Securities" means any stock or securities (other than Options) directly or indirectly convertible into or exchangeable for Common Stock.

"Corporation" means M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation.

"DGCL" shall have the meaning set forth in the recitals.

"Distribution" shall mean (A) the transfer of cash or other property to a holder of Common Stock in respect of such Common Stock without consideration whether by way of dividend or otherwise, other than dividends on Common Stock payable in Common Stock, or (B) the purchase or redemption of shares of Common Stock of the Corporation by the Corporation or its Subsidiaries for cash or property other than: (i) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its Subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase, (ii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its Subsidiaries pursuant to rights of first refusal contained in agreements providing for such right, (iii) repurchases of Common Stock of the Corporation in connection with the settlement of a dispute with any stockholder, as approved by the Board of Directors, and (iv) any other repurchase or redemption of Common Stock of the Corporation approved by the holders of a majority of the Preferred Stock of the Corporation voting as a single class.

"Equity Awards" means any stock, stock appreciation rights, phantom stock rights, or other rights or awards expressly contemplated under any Approved Plan.

"Equity Securities" means (i) capital stock (including the Preferred Stock and the Common Stock) of, membership interests, partnership interests or other equity interests in, the Corporation or any of its Subsidiaries, (ii) obligations, evidences of indebtedness or other debt or equity securities or interests convertible or exchangeable into such equity interests in the Corporation or any of its Subsidiaries and (iii) warrants, options or other rights to purchase or otherwise acquire such equity interests in the Corporation or any of its Subsidiaries.

"Fair Market Value" of any security means the average of the closing prices of such security's sales on all securities exchanges on which such security may at the time be listed, or, if there has been no sales on any such exchange on any day, the average of the highest bid and lowest asked prices on all such exchanges at the end of such day, or, if on any day such security is not so listed, the average of the highest bid and lowest asked prices on such day in the domestic over-the-counter market as reported by Pink OTC Markets, Inc., or any similar successor organization, in each such case averaged over a period of 21

days consisting of the day as of which "Fair Market Value" is being determined and the 20 consecutive business days prior to such day; provided that if such security is listed on any domestic securities exchange, the term "business days" as used in this sentence means business days on which such exchange is open for trading. If at any time such security is not listed on any securities exchange or quoted in the over-the-counter market, the "Fair Market Value" shall be the fair value thereof determined jointly by the Board of Directors, the holders of a majority of the Class A Preferred Stock, and the Majority Class B Investors (without applying any minority discounts and, if a security of the Corporation, determined in accordance with this Article IV). If such parties are unable to reach agreement within a reasonable period of time, the fair value of such consideration shall be determined (without applying any minority discounts) by an independent appraiser (other than one of the "Big Four" accounting firms) experienced in valuing securities jointly selected by the Corporation, the holders of a majority of the Class A Preferred Stock, and the Majority Class B Investors. The determination of such appraiser shall be final and binding upon the parties, and the fees and expenses of such appraiser shall be borne by the Corporation.

"Family Group" means, as to any particular Person, (i) such Person's spouse and descendants (whether natural or adopted), siblings and siblings-in-law and their descendants (whether natural or adopted), (ii) any trust solely for the benefit of such Person and/or such Person's spouse, descendants, siblings and siblings-in-law and their descendants and (iii) any partnerships, corporations or limited liability companies where the only partners, shareholders or members are such Person and/or such Person's spouse, parents, parents-in-law, descendants (including of such parents or parents-in-law) and/or trusts referred to in clause (ii) of this definition.

"Fundamental Change" means (i) any sale, lease, conveyance, exclusive license, transfer or other disposition of all or substantially all of the assets of the Corporation and its Subsidiaries on a consolidated basis (measured by fair market value determined in the reasonable good faith judgment of the Board of Directors) in any transaction or series of transactions, except where such sale, lease, conveyance, exclusive license, transfer or other disposition is to a wholly-owned Subsidiary of the Corporation, and (ii) any merger or consolidation or other transaction to which the Corporation is a party, except for a merger in which the Corporation is the surviving corporation, the terms and relative priorities of the Class B Preferred Stock are not changed and the Class B Preferred Stock is not exchanged for cash, securities or other property, and after giving effect to such merger, the holders of Common Stock and Preferred Stock as of immediately after the consummation of the transactions contemplated by the Purchase Agreement and their Permitted Transferees shall continue to own more than 50% of the Corporation's total voting power represented by the outstanding voting securities of the Corporation immediately following such merger or consolidation.

"GaAs Labs Investor" means any direct or indirect stockholder of the Corporation that is an Affiliated Company of GaAs Labs, LLC.

"Initial Consideration" shall have the meaning set forth in Section B(2)(e) of Article IV.

"Institutional Stockholder" means any GaAs Labs Investor or any Summit Investor.

"Investor Rights Agreement" means that certain Amended and Restated Investor Rights Agreement, dated as of December 21, 2010, by and among the Corporation and the other Persons named therein, as such agreement may be amended, modified or waived from time to time in accordance with its terms.

"Junior Securities" means any capital stock or other equity securities of the Corporation, except for the Class B Preferred Stock.

"Liquidation Event" means any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary.

"Liquidation Value" of any share of Class B Preferred Stock or Series A-2 Preferred Stock as of any particular date shall be equal to the Original Purchase Price of such share of Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares) and of any share of Series A-1 Preferred Stock as of any particular date shall be equal to three (3) times the Original Purchase Price of such share of Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares). For the avoidance of doubt, no dividend paid on any share of Preferred Stock shall constitute an offset to or credit against such share's Liquidation Value.

"Majority Class B Investors" means the holders of a majority of the then-outstanding Class B Preferred Stock or, if no Class B Preferred Stock is then outstanding, of the Common Stock issued upon conversion thereof then-outstanding.

"Options" means any rights, warrants or options to subscribe for or purchase Common Stock or Convertible Securities.

"Original Purchase Price" means (i) with respect to any share of Class B Preferred Stock, the Class B Original Purchase Price, (ii) with respect to any Series A-2 Preferred Stock, the Series A-2 Original Purchase Price, and (iii) with respect to any share of Series A-1 Preferred Stock, the Series A-1 Original Purchase Price.

"Organic Change" means any recapitalization, reorganization, reclassification, consolidation, merger or other transaction, in each case which is effected in such a manner that all of the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock.

"Permitted Transferee" means (i) with respect to any Person who is an individual, a member of such Person's Family Group, and (ii) with respect to any Person which is an entity, any of such Person's Affiliates, but in either case only for so long as such Person remains a Permitted Transferee of such Person.

"Person" means an individual, a partnership, a corporation, a limited liability company, a limited liability, an association, a joint stock company, a trust, a joint venture, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof.

"Preferred Stock" means the Corporation's preferred stock, par value $0.001 per share.

"Purchase Agreement" means that certain Stock Purchase and Recapitalization Agreement, dated as of December 21, 2010, by and among the Corporation and the other Persons named therein, as such agreement may be amended, modified or waived from time to time in accordance with its terms.

"Public Offering" means any offering by the Corporation of its capital stock or equity securities to the public pursuant to an effective registration statement under the Securities Act of 1933, as then in effect, or any comparable statement under any similar federal statute then in force.

"QPO Preference" shall have the meaning set forth in Section B(6)(a)(iii)(B) of Article IV.

"QPO Return" means, with respect to any Qualified Public Offering, the result of (i) the price per share paid by the public in such Qualified Public Offering, divided by (ii) the Class B Conversion Price in effective immediately prior to such Qualified Public Offering.

"Qualified Public Offering" means a Public Offering underwritten on a firm commitment basis by a nationally recognized investment bank in which (i) the aggregate proceeds received by the Corporation and any other selling stockholders in such Public Offering (net of discounts and commissions) shall be at least $100,000,000 and (ii) the price per share paid by the public in such Public Offering will be an amount not less than 1.5 times the Class B Conversion Price (as appropriately adjusted for stock splits, stock combinations, stock dividends and the like with respect to the Common Stock).

"Qualified Sale Transaction" has the meaning given to such term in the Class B Preferred Rights Agreement.

"Redemption Date" means, as to any share of Class B Preferred Stock or other applicable security, the date specified or determined herein on which the Corporation is required to redeem such share of Class B Preferred Stock or other applicable security; provided that no such date shall be a Redemption Date unless the Redemption Value of such share of Class B Preferred Stock or other applicable security is actually paid in full on such date, and if not so paid in full, the Redemption Date shall be the date on which such amount is fully paid.

"Redemption Notice" shall have the meaning set forth in Section B(4)(a) of Article IV.

"Restricted Opportunity" means a corporate opportunity offered to a Person in writing solely and expressly by virtue of such Person being a director, officer or employee of the Corporation.

"Series A-1 Conversion Price" shall have the meaning set forth in Section B(6)(a)(i) of Article IV.

"Series A-2 Conversion Price" shall have the meaning set forth in Section B(6)(a)(i) of Article IV.

"Series A-1 Dividend" shall have the meaning set forth in Section B(1)(b) of Article IV.

"Series A-2 Dividend" shall have the meaning set forth in Section B(1)(a) of Article IV.

"Series A-1 Liquidation Preference" shall have the meaning set forth in IV.B.2(b).

"Series A-2 Liquidation Preference" shall have the meaning set forth in IV.B.2(b).

"Series A-1 Original Purchase Price" means $0.265 per share of Series A-1 Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares).

"Series A-2 Original Purchase Price" means $2.50 per share of Series A-2 Preferred Stock (as adjusted for any stock dividends, combinations or splits with respect to such shares).

"Series A-1 Preferred Stock" shall have the meaning set forth in the first full paragraph of Article IV.

"Series A-2 Preferred Stock" shall have the meaning set forth in the first full paragraph of Article IV.

"Special Dividend" has the meaning set forth in the Purchase Agreement.

"Subsidiary" means any corporation more than 50% of the outstanding voting securities of which are owned by the Corporation and its Subsidiaries, directly or indirectly, or a partnership or limited liability company in which the Corporation or any Subsidiary is a general partner or manager or which is otherwise controlled by the Corporation or any Subsidiary or of which the Corporation and its Subsidiaries hold interests entitling them to receive more than 50% of the profits or losses of the partnership or limited liability company.

"Summit Investors" means, collectively, Summit Partners Private Equity Fund VII-A, L.P., a Delaware limited partnership, Summit Partners Private Equity Fund VII-B, L.P., a Delaware limited partnership, Summit Investors I, LLC, a Delaware limited liability company, Summit Investors I (UK), L.P., a Cayman Islands exempt limited partnership, Mainsail Partners II, L.P., a Delaware limited partnership.

"Summit Warrants" means those certain warrants acquired by certain of the Summit Investors on the date of filing of this Third Amended and Restated Certificate of Incorporation.

Each definition used herein includes the singular and the plural, and references to the neuter gender include the masculine and feminine where appropriate. References to any agreement, document, or instrument means such agreement, document, or instrument as amended at the time and include any extension or replacement. Unless otherwise specified, references to Sections mean Sections of this Third Amended and Restated Certificate of Incorporation.

10. Amendment and Waiver. No amendment, modification, alteration, repeal or waiver of any provision of this Article IV shall be binding or effective without the prior written consent of the holders of the majority of the shares of the Class A Preferred Stock (voting on an as converted basis) and the Majority Class B Investors; provided that no amendment, modification, alteration, repeal or waiver of the terms or relative priorities of the Preferred Stock may be accomplished by the merger, consolidation or other transaction of the Corporation with another corporation or entity unless the Corporation has obtained the prior written consent of the Majority Class B Investors and the holders of a majority of the Class A Preferred Stock (voting on an as converted basis). Notwithstanding the preceding sentence, the consent of the holders of a majority of the shares of the Class A Preferred Stock and the Majority Class B Investors shall not be required for amendments, supplements, modifications, terminations or waivers of this Article IV to implement customary "public company" provisions effective upon the closing of a Qualified Public Offering and simultaneously with the conversion of the Preferred Stock pursuant to Section B(6)(o) (it being understood that no such amendments, supplements, modifications, terminations or waivers shall affect the rights of the Class A Preferred Stock and Class B Preferred Stock until their respective conversion).

11. Notices. Except as otherwise expressly provided herein, all notices referred to herein shall be in writing and shall be deemed given (a) upon receipt if delivered personally, (b) upon receipt when sent by confirmed facsimile or electronic transmission (with duplicate original sent by United States mail), (c) three (3) Business Days after such notice is deposited in the United States mail, postage prepaid, when sent by registered or certified mail or (d) one (1) Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to each holder of record at such holder's address or facsimile number appearing on the books of the Corporation.

ARTICLE V

A. Board of Directors Generally. The number of the directors of the Corporation shall be fixed from time to time by or pursuant to this Third Amended and Restated Certificate of Incorporation and the Bylaws of the Corporation. The directors shall hold their office until a successor is elected and qualified or until his or her earlier death, resignation or removal. At each annual meeting of the stockholders of the Corporation, the date of which shall be fixed by or pursuant to the Bylaws of the Corporation, the successors of the directors shall be elected to hold office for a term expiring at the next annual meeting of stockholders. The election of directors need not be by a written ballot. No decrease in the number of directors constituting the Board of Directors shall shorten the terms of any incumbent director.

B. Vacancies on the Board. Subject to any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), newly created directorships resulting from any increase in the number of directors may be filled by the Board of Directors and any vacancies on the Board of Directors resulting from death, resignation or removal shall only be filled as may be as prescribed in this Third Amended and Restated Certificate of Incorporation and the Bylaws of the Corporation. Subject to any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), any director elected in accordance with the preceding sentence of this Section B shall hold office for the remainder of the full term of the directors and until such director's successor shall have been elected and qualified or until his or her earlier death, resignation or removal.

ARTICLE VI

Subject to any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), any action required or permitted to be taken by the stockholders of the Corporation may be taken at an annual or special meeting of the stockholders of the Corporation and may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth action so taken shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action.

ARTICLE VII

Except as otherwise provided in this Third Amended and Restated Certificate of Incorporation or in any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), in furtherance and not in limitation of the powers conferred by statute upon it by law, the Board of Directors is expressly authorized to make, adopt, repeal, alter or amend the Bylaws of the Corporation in the manner provided in the Bylaws.

ARTICLE VIII

A. Limitation of Liability of Directors. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL, or (d) for any transaction from which the director derived an improper personal benefit. If the DGCL is amended after the date hereof to authorize action by corporations organized pursuant to the DGCL to further eliminate or limit the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as amended.

B. Indemnification of Directors.

(a) Each Person who was or is made a party or is threatened to be made a party or is involved in any threatened, pending or completed action, suit, proceeding, investigation or other inquiry, whether formal or informal, whether of a civil, criminal, administrative or investigative nature (hereinafter a "proceeding"), by reason of the fact that he or she, or a Person of whom he or she is the legal representative, is or was a director of the Corporation, whether the basis of such proceeding is an alleged action or inaction in an official capacity or in any other capacity while serving as a director, shall be indemnified and held harmless by the Corporation to the fullest extent permissible under Delaware law, as the same exists or may hereafter exist in the future (but, in the case of any future change, only to the extent that such change permits the Corporation to provide broader indemnification rights than the law permitted prior to such change), against all costs, charges, expenses, liabilities and losses (including, without limitation, attorneys' fees, judgments, finds, ERISA excise taxes, or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such Person in connection therewith and such indemnification shall continue as to a Person who has ceased to be a director and shall inure to the benefit of his or her heirs, executors and administrators.

(b) The Corporation shall pay expenses actually incurred in connection with any proceeding in advance of its final disposition; provided, however, that if Delaware law then requires, the payment of such expenses incurred in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified.

(c) If a claim under paragraph (a) of this Section B is not paid in full by the Corporation within thirty (30) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination that indemnification of the claimant is permissible in the circumstances because the claimant has met the applicable standard of conduct, if any, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met the standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the standard of conduct.

C. Indemnification of Officers, Employees and Agents. The Corporation may provide indemnification to employees and agents of the Corporation to the fullest extent permissible under Delaware law.

D. Expenses as a Witness. To the extent that any director, officer, employee or agent of the Corporation is by reason of such position, or position with another entity at the request of the Corporation, a witness in any action, suit or proceeding, he or she shall be indemnified against all costs and expenses actually and reasonably incurred by him or her on his or her behalf in connection therewith.

E. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such Person against such expense, liability or loss under Delaware law.

F. Indemnity Agreements. The Corporation may enter into agreements with any director, officer, employee or agent of the Corporation providing for indemnification to the fullest extent permissible under Delaware law.

G. Separability. Each and every paragraph, sentence, term and provision to this Article VIII is separate and distinct, so that if any paragraph, sentence, term or provision hereof shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the validity or unenforceability of any other paragraph, sentence, term or provision hereof. To the extent required, any paragraph, sentence, term or provision of this Article VIII may be modified by a court of competent jurisdiction to preserve its validity and to provide the claimant with, subject to the limitations set forth in this Article VIII and any agreement between the Corporation and claimant, the broadest possible indemnification permitted under applicable law.

ARTICLE IX

Subject to the rights of the holders of Preferred Stock contained in Article IV or in any agreement to which the Corporation is a party or by which it is bound (including, without limitation, the Investor Rights Agreement and the Class B Preferred Rights Agreement), the Corporation reserves the right to amend, alter or repeal any provision contained in this Third Amended and Restated Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are subject to this reservation, provided, however, that neither any amendment nor repeal of Article VIII, nor the adoption of any provision of this Third Amended and Restated Certificate of Incorporation inconsistent with Article VIII, shall eliminate or reduce the effect of Article VIII, in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for Article VIII, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE X

To the maximum extent permissible by law:

(i) No (x) director of the Corporation or (y) holder of Common Stock or Preferred Stock or any partner, member, director, stockholder or agent of any such holder, shall have any duty or obligation at any time to purchase securities from, to make any investment in or otherwise to provide financing to, or to arrange financing for, the Corporation; and

(ii) No Institutional Stockholder nor any of its directors, officers, employees, agents, stockholders (including trustees and beneficiaries of any stockholder), members, managers, partners or Affiliated Companies nor any director or officer of the Corporation who is a director, officer, employee, agent, adviser, attorney, stockholder, member, manager or partner of any of the Institutional Stockholders or any of their respective Affiliated Companies shall have any obligation to refrain from (and each shall not liable to the Corporation or its stockholders for breach of any fiduciary duty solely for) directly or indirectly (1) engaging in the same or similar activities or lines of business as the Corporation or developing or marketing any products or services that compete, directly or indirectly, with those of the Corporation, (2) investing or owning any interest publicly or privately in, or developing a business relationship with, any Person engaged in the same or similar activities or lines of business as, or otherwise in competition with, the Corporation or (3) doing business with any client or customer of the Corporation, in each case, so long as such activities do not constitute a Restricted Opportunity. The Corporation hereby

renounces any interest or expectancy in, or in being offered an opportunity to participate in, any corporate opportunity that may be presented to or become known to any Institutional Stockholder or any of its directors, officers, employees, agents, stockholders, members, managers, partners or Affiliated Companies (other than any Restricted Opportunity), and no Institutional Stockholder nor any of its directors, officers, employees, agents, stockholders, members, managers, partners or Affiliated Companies shall have any duty to communicate or offer such corporate opportunity to the Corporation or any of its Affiliated Companies pursues or acquire such corporate opportunity for itself, directs such corporate opportunity to another Person, or does not communicate information regarding such corporate opportunity to the Corporation. For the avoidance of doubt, no corporate opportunity that (i) the Corporation is not permitted to undertake under Article III of the Certificate of Incorporation, (ii) the Corporation is not financially able or contractually permitted or legally able to undertake, or (iii) is, from its nature, not in the line of the Corporation's business or is of no practical advantage to the Corporation or that is one in which the Corporation has no interest or reasonable expectancy shall or shall be deemed to belong to the Corporation.

* * * * *

IN WITNESS WHEREOF, M/A-COM Technology Solutions Holdings, Inc. has caused this certificate to be executed this 21st day of December, 2010.

M/A-COM TECHNOLOGY SOLUTIONS
HOLDINGS, INC.

By: /s/ Conrad Gagnon

Name: Conrad Gagnon
Title: Chief Financial Officer

[Signature Page to Third Amended and Restated Certificate of Incorporation]

AMENDED AND RESTATED BYLAWS

OF

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

Adopted December 21, 2010

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M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

AMENDED AND RESTATED BYLAWS

ARTICLE I — MEETINGS OF STOCKHOLDERS

1.1 ***Place of Meetings***. Meetings of stockholders of M/A-COM Technology Solutions Holdings, Inc. (the "**Company**") shall be held at any place, within or outside the State of Delaware, determined by the Company's board of directors (the "**Board**"). The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (as amended, the "**DGCL**"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

1.2 ***Annual Meeting***. An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board from time to time; provided that the annual meeting of the stockholders must be held each year within 120 days after the close of the immediately preceding fiscal year of the Company, from and after the end of the Company's fiscal year 2011. Any other proper business may be transacted at the annual meeting. The Company shall not be required to hold an annual meeting of stockholders, provided that (i) the stockholders are permitted to act by written consent under the Company's certificate of incorporation and these bylaws, (ii) the stockholders take action by written consent to elect directors and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

1.3 ***Special Meeting***. A special meeting of the stockholders may be called at any time by the Board, Chairperson of the Board, Chief Executive Officer or President (in the absence of a Chief Executive Officer) or by one or more stockholders holding shares in the aggregate representing not less than 10% of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting.

If any person(s) other than the Board calls a special meeting, the request shall:

(i) be in writing;

(ii) specify the time of such meeting and the general nature of the business proposed to be transacted; and

(iii) be delivered personally or sent by registered mail or by facsimile transmission to the Chairperson of the Board, the Chief Executive Officer, the President (in the absence of a Chief Executive Officer) or the Secretary of the Company.

The officer(s) receiving the request shall cause notice to be promptly given to the stockholders entitled to vote at such meeting, in accordance with these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting. No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this section 1.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

1.4 ***Notice of Stockholders' Meetings***. Whenever stockholders are required or permitted to take any action at a meeting, a written notice of the meeting shall be given which shall state the place, if any, date and hour of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the DGCL, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, the written notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting.

1.5 ***Quorum***. Except as otherwise provided by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, at each meeting of stockholders the presence in person or by proxy of the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. Where a separate vote by a class or series or classes or series is required, a majority of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise provided by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound.

If, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, in the manner provided in section 1.6, until a quorum is present or represented.

1.6 ***Adjourned Meeting; Notice***. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

1.7 ***Conduct of Business***. Meetings of stockholders shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by the Chief Executive Officer, or in the absence of the foregoing persons by the President, or in the absence of the foregoing persons by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business.

1.8 ***Voting***. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of section 1.10 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as otherwise required by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, each stockholder entitled to vote at any

meeting of stockholders shall be entitled to one vote for each share of capital stock held by such stockholder which has voting power upon the matter in question. Voting at meetings of stockholders need not be by written ballot and, unless otherwise required by law, need not be conducted by inspectors of election unless so determined by the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote thereon which are present in person or by proxy at such meeting. If authorized by the Board, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission (as defined in section 7.2 of these bylaws), provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxy holder.

Except as otherwise required by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series, except as otherwise provided by law, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound.

1.9 ***Stockholder Action by Written Consent Without a Meeting***. Unless otherwise provided in the certificate of incorporation or any agreement to which the Company is party or by which it is bound, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

An electronic transmission (as defined in section 7.2) consenting to an action to be taken and transmitted by a stockholder or proxy holder, or by a person or persons authorized to act for a stockholder or proxy holder, shall be deemed to be written, signed and dated for purposes of this section, provided that any such electronic transmission sets forth or is delivered with information from which the Company can determine (i) that the electronic transmission was transmitted by the stockholder or proxy holder or by a person or persons authorized to act for the stockholder or proxy holder and (ii) the date on which such stockholder or proxy holder or authorized person or persons transmitted such electronic transmission.

In the event that the Board shall have instructed the officers of the Company to solicit the vote or written consent of the stockholders of the Company, an electronic transmission of a stockholder written consent given pursuant to such solicitation may be delivered to the Secretary or the President of the Company or to a person designated by the Secretary or the President. The Secretary or the President of the Company or a designee of the Secretary or the President shall cause any such written consent by electronic transmission to be reproduced in paper form and inserted into the corporate records.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date

for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL. In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

1.10 ***Record Date for Stockholder Notice; Voting; Giving Consents***. In order that the Company may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which record date:

(i) in the case of determination of stockholders entitled to notice of or to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting;

(ii) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board; and

(iii) in the case of determination of stockholders for any other action, shall not be more than 60 days prior to such other action.

If no record date is fixed by the Board:

(i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action of the Board is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company in accordance with applicable law, or, if prior action by the Board is required by law, shall be at the close of business on the day on which the Board adopts the resolution taking such prior action; and

(iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting, provided that the Board may fix a new record date for the adjourned meeting.

1.11 ***Proxies***. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy

shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

1.12 ***List of Stockholders Entitled to Vote***. The officer who has charge of the stock ledger of the Company shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Company's principal place of business. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

ARTICLE II — DIRECTORS

2.1 ***Powers***. The business and affairs of the Company shall be managed by or under the direction of the Board, except as may be otherwise provided in the DGCL or the certificate of incorporation.

2.2 ***Number of Directors***. The Board shall consist of one or more members, each of whom shall be a natural person. The number of directors of the Company shall initially be five (5) and, subject to the certificate of incorporation or any agreement to which the Company is party or by which it is bound, the number of directors shall thereafter be determined from time to time by resolution of the Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

2.3 ***Election, Qualification and Term of Office of Directors***. Except as provided in section 2.4 of these bylaws, and subject to sections 1.2 and 1.9 of these bylaws, directors shall be elected at each annual meeting of stockholders. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation, these bylaws and each other agreement to which the Company is party or by which it is bound may prescribe other qualifications for directors. Except as provided in any agreement to which the Company is party or by which it is bound, each director shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation or removal.

2.4 ***Resignation and Vacancies***. Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, when one or more directors resign from the Board, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the Company should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the voting stock at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office and until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal.

2.5 ***Place of Meetings; Meetings by Telephone***. The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

2.6 ***Conduct of Business***. Meetings of the Board shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in the absence of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

2.7 ***Regular Meetings***. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board; provided that regular meetings of the Board must be held not less often than quarterly unless such requirement is otherwise waived in accordance with the provisions of any agreement to which the Company is party or by which it is bound.

2.8 ***Special Meetings***. Notice. Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson of the Board, the Chief Executive Officer, the President, the Secretary or any director.

Notice of the time and place of special meetings shall be:

(i) delivered personally by hand, by courier or by telephone;

(ii) sent by United States first-class mail, postage prepaid;

(iii) sent by facsimile; or

(iv) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 48 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least five (5) days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting.

2.9 ***Quorum; Voting***. At all meetings of the Board, a majority of the total authorized number of directors shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound.

If the certificate of incorporation provides that one or more directors shall have more or less than one vote per director on any matter, every reference in these bylaws to a majority or other proportion of directors shall refer to a majority or other proportion of the votes of the directors.

2.10 ***Board Action by Written Consent Without a Meeting***. Unless otherwise restricted by the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.11 ***Fees and Compensation of Directors***. Unless otherwise restricted by the certificate of incorporation, these bylaws or any other agreement to which the Company is party or by which it is bound, the Board shall have the authority to fix the compensation of directors. The directors shall be entitled to reimbursement of any direct, out-of-pocket costs and expenses (including reasonable travel expenses) incurred in connection with their service on the Board or any committee, including without limitation attendance at each regular or special meeting of the Board and at any meeting of a committee of the Board.

2.12 ***Removal of Directors***. Unless otherwise restricted by statute, the certificate of incorporation, these bylaws or any other agreement to which the Company is party or by which it is bound, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE III — COMMITTEES

3.1 ***Committees of Directors***. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company.

3.2 ***Committee Minutes***. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

3.3 ***Meetings and Actions of Committees***. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) **section 2.5** (Place of Meetings; Meetings by Telephone);

(ii) **section 2.7** (Regular Meetings);

(iii) **section 2.8** (Special Meetings; Notice);

(iv) **section 2.9** (Quorum; Voting);

(v) **section 2.10** (Board Action by Written Consent Without a Meeting); and

(vi) **section 7.5** (Waiver of Notice)

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. However:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board; and

(iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

Any provision in the certificate of incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound.

3.4 ***Subcommittees***. Unless otherwise provided in the certificate of incorporation, these bylaws, the resolutions of the Board designating the committee or any agreement to which the Company is party or by which it is bound, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE IV — OFFICERS

4.1 ***Officers***. The officers of the Company shall be a President and a Secretary. The Company may also have, at the discretion of the Board, a Chairperson of the Board, a Vice Chairperson of the Board, a Chief Executive Officer, one or more Vice Presidents, a Chief Financial Officer, a Treasurer, one or more Assistant Treasurers, one or more Assistant Secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

4.2 ***Appointment of Officers***. The Board shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of section 4.3 of these bylaws.

4.3 ***Subordinate Officers***. The Board may appoint, or empower the Chief Executive Officer or, in the absence of a Chief Executive Officer, the President, to appoint, such other officers and agents as the business of the Company may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

4.4 ***Removal and Resignation of Officers***. Any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless

otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

4.5 ***Vacancies in Offices***. Any vacancy occurring in any office of the Company shall be filled by the Board or as provided in section 4.3.

4.6 ***Representation of Shares of Other Corporations***. Unless otherwise directed by the Board, the President or any other person authorized by the Board or the President is authorized to vote, represent and exercise on behalf of the Company all rights incident to any and all shares of any other corporation or corporations standing in the name of the Company. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

4.7 ***Authority and Duties of Officers***. Except as otherwise provided in these bylaws, the officers of the Company shall have such powers and duties in the management of the Company as may be designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

ARTICLE V — INDEMNIFICATION

5.1 ***Indemnification of Directors and Officers in Third Party Proceedings***. Subject to the other provisions of this Article V, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

5.2 ***Indemnification of Directors and Officers in Actions by or in the Right of the Company***. Subject to the other provisions of this Article V, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that

the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

5.3 ***Successful Defense***. To the extent that a present or former director or officer of the Company has been successful on the merits or otherwise in defense of any action, suit or proceeding described in section 5.1 or section 5.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

5.4 ***Indemnification of Others***. Subject to the other provisions of this Article V, the Company shall have power to indemnify its employees and agents to the extent not prohibited by the DGCL or other applicable law. The Board shall have the power to delegate to such person or persons the determination of whether employees or agents shall be indemnified.

5.5 ***Advanced Payment of Expenses***. Expenses (including attorneys' fees) incurred by an officer or director of the Company in defending any Proceeding shall be paid by the company in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article V or the DGCL. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the Company deems appropriate. The right to advancement of expenses shall not apply to any Proceeding for which indemnity is excluded pursuant to these bylaws.

5.6 ***Limitation on Indemnification***. Subject to the requirements in section 5.3 and the DGCL, the Company shall not be obligated to indemnify any person pursuant to this Article V in connection with any Proceeding (or any part of any Proceeding):

(i) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(ii) for an accounting or disgorgement of profits pursuant to Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(iii) for any reimbursement of the Company by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934, as amended (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(iv) initiated by such person, including any Proceeding (or any part of any Proceeding) initiated by such person against the Company or its directors, officers, employees, agents or other indemnitees, unless (a) the Board authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (b) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (c) otherwise required to be made under section 5.7 or (d) otherwise required by applicable law; or

(v) if prohibited by applicable law.

5.7 ***Determination; Claim***. If a claim for indemnification or advancement of expenses under this **Article V** is not paid by the Company or on its behalf within 90 days after receipt by the Company of a written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. To the extent not prohibited by law, the Company shall indemnify such person against all expenses actually and reasonably incurred by such person in connection with any action for indemnification or advancement of expenses from the Company under this **Article V**, to the extent such person is successful in such action. In any such suit, the Company shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

5.8 ***Non-Exclusivity of Rights***. The indemnification and advancement of expenses provided by, or granted pursuant to, this **Article V** shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

5.9 ***Insurance***. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the DGCL.

5.10 ***Survival***. The rights to indemnification and advancement of expenses conferred by this **Article V** shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

5.11 ***Effect of Repeal or Modification***. Any amendment, alteration or repeal of this Article V shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to such amendment, alteration or repeal.

5.12 ***Certain Definitions***. For purposes of this Article V, references to the "**Company**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article V with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article V, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Company" shall include any service as a director, officer,

employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Company" as referred to in this Article V.

ARTICLE VI — STOCK

6.1 ***Stock Certificates; Partly Paid Shares***. The shares of the Company shall be represented by certificates. Every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of the Company by the Chairperson of the Board or Vice-Chairperson of the Board, or the President or a Vice-President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Company shall not have power to issue a certificate in bearer form.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Company in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Company shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 ***Special Designation on Certificates***. If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; provided that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock, a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Company shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this section 6.2 or Sections 156, 202(a) or 218(a) of the DGCL or with respect to this section 6.2 a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

6.3 ***Lost Certificates***. Except as provided in this section 6.3 or any agreement to which the Company is party or by which it is bound, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any

certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and, subject to the certificate of incorporation or any agreement to which the Company is party or by which it is bound, the Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 ***Dividends***. The Board, subject to any restrictions contained in the certificate of incorporation, applicable law or any agreement to which the Company is party or by which it is bound, may declare and pay dividends upon the shares of the Company's capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock, subject to the provisions of the certificate of incorporation and each agreement to which the Company is party or by which it is bound.

The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve, in each case if and to the extent permitted by the certificate of incorporation and each agreement to which the Company is party or by which it is bound.

6.5 ***Stock Transfer Agreements***. The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL or any other agreement to which the Company is party or by which it is bound.

6.6 ***Registered Stockholders***. The Company:

(i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner; and

(ii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware, the certificate of incorporation or any agreement to which the Company is party or by which it is bound.

6.7 ***Transfers***. Transfers of record of shares of stock of the Company shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

ARTICLE VII — MANNER OF GIVING NOTICE AND WAIVER

7.1 ***Notice of Stockholder Meetings***. Notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the Company's records. An affidavit of the Secretary or an Assistant Secretary of the Company or of the transfer agent or other agent of the Company that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

7.2 ***Notice by Electronic Transmission***. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, any notice to stockholders given by the Company under any provision of the DGCL, the certificate of incorporation,

these bylaws or any agreement to which the Company is party or by which it is bound shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any such consent shall be deemed revoked if:

(i) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent; and

(ii) such inability becomes known to the Secretary or an Assistant Secretary of the Company or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iv) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Company that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

An "**electronic transmission**" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

7.3 ***Notice to Stockholders Sharing an Address***. Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Company under the provisions of the DGCL, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any stockholder who fails to object in writing to the Company, within 60 days of having been given written notice by the Company of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

7.4 ***Notice to Person with Whom Communication is Unlawful***. Whenever notice is required to be given, under the DGCL, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Company is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

7.5 ***Waiver of Notice***. Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation, these bylaws or any agreement to which the Company is party or by which it is bound.

ARTICLE VIII — GENERAL MATTERS

8.1 ***Fiscal Year***. The fiscal year of the Company shall be fixed by resolution of the Board and may be changed by the Board.

8.2 ***Seal***. The Company may adopt a corporate seal, which shall be in such form as may be approved from time to time by the Board. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

8.3 ***Annual Report***. The Company shall cause an annual report to be sent to the stockholders of the Company to the extent required by applicable law. If and so long as there are fewer than 100 holders of record of the Company's shares, the requirement of sending an annual report to the stockholders of the Company is expressly waived (to the extent permitted under applicable law).

8.4 ***Construction; Definitions***. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE IX — AMENDMENTS

Subject to the rights of the holders of any series of Preferred Stock as provided in the certificate of incorporation or any agreement to which the Company is party or by which it is bound (i) these bylaws may be adopted, amended or repealed by the stockholders entitled to vote and (ii) the Company may, in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors; provided that the fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

A bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

CERTIFICATE OF ADOPTION OF AMENDED AND RESTATED BYLAWS

The undersigned hereby certifies that he or she is the duly elected, qualified and acting Secretary or Assistant Secretary of M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation (the "Company"), and that the foregoing bylaws, comprising 17 pages, were adopted as the bylaws of the Company effective as of December 21, 2010.

By: /s/ Clay Simpson

Title: Assistant Secretary

Exhibit 4.3

THIS WARRANT WAS ORIGINALLY ISSUED ON DECEMBER 21, 2010. NEITHER THIS WARRANT NOR THE SHARES OBTAINABLE UPON EXERCISE HEREOF HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS, AND THIS WARRANT MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

COMMON STOCK PURCHASE WARRANT

Date of Issuance: December 21, 2010 Certificate No. WC-____

FOR VALUE RECEIVED, M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation (the "Company"), hereby grants to [_____][1] or its registered assigns (the "Registered Holder") the right to purchase from the Company, at any time and from time to time during the Exercise Period, a number of shares of the Company's Common Stock, par value $0.001 per share ("Common Stock"), equal to (i) [_____],[2] less (ii) the number of shares of Common Stock already issued in connection with partial exercises of this Warrant, at a price per share of $3.511898 (as adjusted from time to time in accordance herewith, the "Exercise Price"). This Common Stock Purchase Warrant (the "Warrant") is one of several warrants (collectively, the "Warrants") issued pursuant to the terms of that certain Stock Purchase and Recapitalization Agreement, dated as of December 21, 2010, by and among the Company, the initial holder hereof and the other parties thereto. Certain capitalized terms used herein are defined in Section 5. The number and kind of securities obtainable pursuant to the rights granted hereunder and the purchase price for such securities are subject to adjustment pursuant to the provisions contained in this Warrant.

For income tax purposes, the value of this Warrant on the date hereof is $0.01.

This Warrant is subject to the following provisions:

Section 1. Exercise of Warrant.

1A. Exercise Period. The Registered Holder may exercise, in whole or in part (but not as to a fractional share of Common Stock), the purchase rights represented by this Warrant at any time and from time to time from and after the Date of Issuance of this Warrant, but not later than the later of (x) the earlier of (i) December 21, 2020, or (ii) immediately following consummation of a sale of all or substantially all of the assets or capital stock or other equity securities of the Company (including by merger, consolidation, recapitalization or similar transaction), with it being understood this warrant can be exercised by any purchaser hereof in connection with and conditioned upon the consummation of such a sale, and (y) ten days after the delivery of notice of the first to occur of the events specified in clause (x) (the "Exercise Period").

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[1] Note: Individual warrants to be prepared for each of Summit Partners Private Equity Fund VII-A, L.P., Summit Partners Private Equity Fund VII-B, L.P., Summit Investors I, LLC, Summit Investors I (UK), L.P. and Mainsail Partners II, L.P.

[2] Note: To represent in the aggregate for all Summit Warrants 5,125,434 shares of Common Stock.

1B. Exercise Procedure.

(i) This Warrant shall be deemed to have been exercised when the Company has received all of the following items (the "Exercise Time"):

(a) a completed Exercise Agreement, as described in Section 1C, executed by the Person exercising all or part of the purchase rights represented by this Warrant (the "Purchaser");

(b) this Warrant;

(c) if this Warrant is not registered in the name of the Purchaser, an Assignment or Assignments substantially in the form set forth in Exhibit B hereto evidencing the assignment of this Warrant to the Purchaser, in which case the Registered Holder shall have complied with the provisions set forth in Section 5; and

(d) either (1) a wire transfer or check payable to the Company in an amount equal to the product of the Exercise Price multiplied by the number of shares of Common Stock being purchased upon such exercise (the "Aggregate Exercise Price"), (2) the surrender to the Company of debt or equity securities of the Company having a Fair Market Value equal to the Aggregate Exercise Price of the Common Stock being purchased upon such exercise (provided that, for purposes of this Section 1B(i)(d)(2), the Fair Market Value of any note or other debt security shall be deemed to be equal to the aggregate outstanding principal amount thereof plus all accrued and unpaid interest thereon), or (3) a written notice to the Company that the Purchaser is exercising all or part of the purchase rights represented by this Warrant by authorizing the Company to withhold from the issuance a number of shares of Common Stock otherwise to be issued upon such exercise of this Warrant having an aggregate Fair Market Value equal to the Aggregate Exercise Price and acknowledging that such withheld shares of Common Stock shall no longer be issuable under this Warrant.

(ii) Certificates for shares of Common Stock purchased upon exercise of all or part of the purchase rights represented by this Warrant shall be delivered by the Company to the Purchaser within five (5) business days after the date of the Exercise Time. Unless all of the purchase rights represented hereby have been exercised, the Company shall prepare a new Warrant, substantially identical hereto, representing the rights formerly represented by this Warrant which have not been exercised and shall, within such five-day period, deliver such new Warrant to the Person designated for delivery in the Exercise Agreement.

(iii) The Common Stock issuable upon the exercise of this Warrant shall be deemed to have been issued to the Purchaser at the Exercise Time, and the Purchaser shall be deemed to have become the record holder of such Common Stock at the Exercise Time.

(iv) The issuance of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Registered Holder or the Purchaser for any issuance tax in respect thereof or other cost incurred by the Company in connection with such exercise and the related issuance of shares of Common Stock. Each share of Common Stock issuable upon exercise of this Warrant shall, upon payment of the Exercise Price therefor, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges with respect to the issuance thereof.

(v) The Company shall not close its books against the transfer of this Warrant or of any share of Common Stock issued or issuable upon the exercise of this Warrant in any manner which interferes with the timely exercise of this Warrant.

(vi) The Company shall assist and cooperate with any Registered Holder or Purchaser required to make any governmental filings or obtain any governmental approvals prior to or in connection with any exercise of this Warrant (including, without limitation, making any filings and obtaining all consents required to be made or obtained by the Company and the Company shall pay all fees and expenses payable by the Company in connection therewith).

(vii) Notwithstanding any other provision hereof, if an exercise of all or part of the purchase rights represented by this Warrant is to be made in connection with a registered public offering or the sale of the Company, the exercise of any portion of this Warrant may, at the election of the Registered Holder or the Purchaser, be conditioned upon the consummation of the public offering or sale of the Company in which case such exercise shall not be deemed to be effective until the consummation of such transaction.

(viii) The Company shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock solely for the purpose of issuance upon the exercise of the Warrants, such number of shares of Common Stock issuable upon the exercise of the all outstanding Warrants. All shares of Common Stock which are so issuable shall, when issued, be duly and validly issued, fully paid and nonassessable and free from all taxes, liens and charges. The Company shall take all such actions as may be necessary to assure that all such shares of Common Stock may be so issued without violation of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock may be listed (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance). The Company shall from time to time take all such action as may be necessary to assure that the par value of the unissued Common Stock acquirable upon exercise of this Warrant is at all times equal to or less than the Exercise Price. The Company shall not take any action (including, without limitation, amendment, modification or restatement of the Certificate of Incorporation) which would cause the number of authorized but unissued shares of Common Stock to be less than the number of such shares required to be reserved hereunder for issuance upon exercise of the Warrants.

1C. Exercise Agreement. Upon any exercise of this Warrant, the Exercise Agreement shall be substantially in the form set forth in Exhibit A hereto; provided that if the shares of Common Stock are not to be issued in the name of the Person in whose name this Warrant is registered, then the Exercise Agreement shall also state the name of the Person to whom the certificates for the shares of Common Stock are to be issued; provided further that if the number of shares of Common Stock to be issued does not include all the shares of Common Stock purchasable hereunder, then the Exercise Agreement shall also state the name of the Person to whom a new Warrant for the unexercised portion of the rights hereunder is to be delivered. Such Exercise Agreement shall be dated the actual date of execution thereof.

1D. Fractional Shares. If a fractional share of Common Stock would, but for the provisions of this Section 1D, be issuable upon exercise of the rights represented by this Warrant and the Fair Market Value of such fractional share of Common Stock is greater than or equal to $1,000, then the Company shall, within five (5) business days after the date of the Exercise Time, deliver to the Purchaser a check payable to the Purchaser in lieu of such fractional share in an amount equal to the difference between the Fair Market Value of such fractional share as of the date of the Exercise Time and the Exercise Price of such fractional share. If a fractional share of Common Stock would, but for the provisions of Section 1D, be issuable upon exercise of the rights represented by this Warrant and the Fair

Market Value of such fractional share of Common Stock is less than $1,000, then this Warrant shall be deemed to have expired with respect to such fractional share as of the date the last full share for which this Warrant is exercisable is issued or this Warrant otherwise expires.

Section 2. Adjustments to Exercise Price. In order to prevent dilution of the rights granted under this Warrant, the Exercise Price shall be subject to adjustment from time to time after the Date of Issuance of this Warrant as provided in this Section 2.

2A. Effect on Exercise Price of Certain Issuances of Common Stock.

(i) If and whenever the Company issues or sells, or in accordance with Section 2B is deemed to have issued or sold, any shares of Common Stock for a consideration per share less than the Exercise Price in effect immediately prior to such time, then immediately upon such issue or sale the Exercise Price shall be reduced to the Exercise Price determined by dividing:

(a) the sum of (x) the product derived by multiplying the Exercise Price in effect immediately prior to such issue or sale times the number of shares of Common Stock Deemed Outstanding immediately prior to such issue or sale, plus (y) the consideration, if any, received by the Company upon such issue or sale, by

(b) the number of shares of Common Stock Deemed Outstanding immediately after such issue or sale.

(ii) Upon each such adjustment of the Exercise Price hereunder, the number of shares of Common Stock acquirable upon exercise of this Warrant shall be adjusted to the number of shares determined by multiplying the Exercise Price in effect immediately prior to such adjustment by the number of shares of Common Stock acquirable upon exercise of this Warrant immediately prior to such adjustment and dividing the product thereof by the Exercise Price resulting from such adjustment.

(iii) Notwithstanding the foregoing, there shall be no adjustment in the Exercise Price as a result of any issue or sale (or deemed issue or sale) of:

(a) any Equity Awards or shares of Common Stock upon the exercise or conversion of Options or Convertible Securities that are outstanding as of the Initial Date of Issuance and were issued to employees, directors or service providers of the Company and its Subsidiaries pursuant to any Approved Plan;

(b) Options to acquire, or other Equity Awards representing, up to 1,000,000 shares of Common Stock (plus any shares of Common Stock previously awarded but subsequently forfeited by a holder without the payment to such holder of consideration) and shares of Common Stock issued or issuable upon exercise thereof, and such additional Options or Equity Awards as may be approved by the holders of a majority of the Class B Preferred Stock pursuant to the Class B Preferred Rights Agreement, in each case issued or granted after the Initial Date of Issuance but prior to the first anniversary of such date, to employees, directors or service providers of the Company and its Subsidiaries pursuant to any Approved Plan, as such number of shares is proportionately adjusted for subsequent stock splits, combinations and dividends affecting the Common Stock;

(c) Options to acquire shares of Common Stock (and shares of Common Stock upon exercise thereof) or any Equity Awards issued or granted at any time in any amount after the first anniversary of the Initial Date of Issuance to employees, directors or service providers of the Company and its Subsidiaries pursuant to any Approved Plan;

(d) shares of Common Stock issuable upon the conversion of the Preferred Stock or the exercise of the Warrants;

(e) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split or other distribution on the shares of Common Stock that is covered by Section 2C or Section 2D;

(f) shares of Common Stock issued in a Qualified Public Offering;

(g) shares of Common Stock issued or issuable as consideration for the acquisition of another corporation by the Company by merger, purchase of substantially all of the assets or other reorganization or pursuant to a joint venture agreement; provided that, in each case, that such issuances are approved by the Company's board of directors;

(h) up to an aggregate of 5,125,434 shares of Common Stock issued or issuable to banks, equipment lessors or other financial institutions pursuant to a debt financing or commercial leasing transaction approved by the Company's board of directors; and

(i) up to an aggregate of 5,125,434 shares of Common Stock issued or issuable to any Person that prior to such issuance does not hold (and is not Affiliated with or an employee, officer, director, manager or direct or indirect partner, members or stockholder of any Person that holds) any Equity Securities of the Company: (1) in connection with any settlement of any action, suit, proceeding or litigation approved by the Company's board of directors; and (2) in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Company's board of directors.

(iv) This Section 2A will terminate and be of no further force and effect effective as of and following the consummation of a Qualified Public Offering.

2B. Effect on Exercise Price of Certain Other Events. For purposes of determining the adjusted Exercise Price under Section 2A, the following shall be applicable:

(i) Issuance of Rights or Options. If the Company in any manner grants or sells any Options and the price per share for which Common Stock is issuable upon the exercise of such Options, or upon conversion or exchange of any Convertible Securities issuable upon exercise of such Options, is less than the Exercise Price in effect immediately prior to the time of the granting or sale of such Options, then the total maximum number of shares of Common Stock issuable upon the exercise of such Options, or upon conversion or exchange of the total maximum amount of such Convertible Securities issuable upon the exercise of such Options, shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the granting or sale of such Options for such price per share. For purposes of this paragraph, the "price per share for which Common Stock is issuable upon exercise of such Options or upon conversion or exchange of such Convertible Securities" is determined by dividing (A) the total amount, if any, received or receivable by the Company as consideration for the granting or sale of such Options, plus the minimum aggregate amount of additional consideration payable to the Company upon the exercise of all such Options, plus in the case of such Options which relate to Convertible Securities, the minimum aggregate amount of additional consideration, if any, payable to the Company upon the issuance or sale of such Convertible Securities and the conversion or exchange thereof, by (B) the total

maximum number of shares of Common Stock issuable upon exercise of such Options or upon the conversion or exchange of all such Convertible Securities issuable upon the exercise of such Options. No further adjustment of the Exercise Price shall be made upon the actual issuance of such Common Stock or of such Convertible Securities upon the exercise of such Options or upon the actual issuance of such Common Stock upon conversion or exchange of such Convertible Securities.

(ii) Issuance of Convertible Securities. If the Company in any manner issues or sells any Convertible Securities and the price per share for which Common Stock is issuable upon conversion or exchange thereof is less than the Exercise Price in effect immediately prior to the time of such issue or sale, then the maximum number of shares of Common Stock issuable upon conversion or exchange of such Convertible Securities shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the issue or sale of such Convertible Securities for such price per share. For the purposes of this paragraph, the "price per share for which Common Stock is issuable upon conversion or exchange thereof" is determined by dividing (A) the total amount received or receivable by the Company as consideration for the issue or sale of such Convertible Securities, plus the minimum aggregate amount of additional consideration, if any, payable to the Company upon the conversion or exchange thereof, by (B) the total maximum number of shares of Common Stock issuable upon the conversion or exchange of all such Convertible Securities. No further adjustment of the Exercise Price shall be made upon the actual issue of such Common Stock upon conversion or exchange of such Convertible Securities, and if any such issue or sale of such Convertible Securities is made upon exercise of any Options for which adjustments of the Exercise Price had been or are to be made pursuant to other provisions of this Section 2B, no further adjustment of the Exercise Price shall be made by reason of such issue or sale.

(iii) Change in Option Price or Conversion Rate. If the purchase price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion or exchange of any Convertible Securities, or the rate at which any Convertible Securities are convertible into or exchangeable for Common Stock changes at any time, the Exercise Price in effect at the time of such change shall be adjusted immediately to the Exercise Price which would have been in effect at such time had such Options or Convertible Securities still outstanding provided for such changed purchase price, additional consideration or changed conversion rate, as the case may be, at the time initially granted, issued or sold and the number of shares of Common Stock issuable hereunder shall be correspondingly adjusted; provided that if such adjustment would result in an increase of the Exercise Price then in effect, such adjustment shall not be effective until 30 days after written notice thereof has been given by the Company to all holders of the Warrants. For purposes of this Section 2B, if the terms of any Option or Convertible Security which was outstanding as of the Date of Issuance of this Warrant are changed in the manner described in the immediately preceding sentence, then such Option or Convertible Security and Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such change; provided that no such change shall at any time cause the Exercise Price hereunder to be increased.

(iv) Treatment of Expired Options and Unexercised Convertible Securities. Upon the expiration of any Option or the termination of any right to convert or exchange any Convertible Securities without the exercise of such Option or right, the Exercise Price then in effect and the number of shares of Common Stock acquirable hereunder shall be adjusted immediately to the Exercise Price and the number of shares which would have been in effect at the time of such expiration or termination had such Option or Convertible Securities, to the extent outstanding immediately prior to such expiration or termination, never been issued; provided that if such expiration or termination would result in an increase in the Exercise Price then in effect, such increase shall not be effective until 30 days after written notice thereof has been given to all holders of the Warrants. For purposes of this Section 2B, the expiration or termination of any Option or Convertible Security which was outstanding as of the Date of Issuance of this Warrant shall not cause the Exercise Price hereunder to be adjusted unless, and only to the extent that, a change in the terms of such Option or Convertible Security caused it to be deemed to have been issued after the Date of Issuance of this Warrant.

(v) Calculation of Consideration Received. If any Common Stock, Options or Convertible Securities are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor shall be deemed to be the net amount received by the Company therefor. In case any Common Stock, Options or Convertible Securities are issued or sold for a consideration other than cash, the amount of the consideration other than cash received by the Company shall be the fair value of such consideration, except where such consideration consists of securities, in which case the amount of consideration received by the Company shall be the fair market value thereof as of the date of receipt as determined in good faith by the Company's board of directors with the approval of the Requisite Registered Holders (such approval not to be unreasonably withheld, conditioned or delayed). In case any Common Stock, Options or Convertible Securities are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity the amount of consideration therefor shall be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such Common Stock, Options or Convertible Securities, as the case may be. The fair value of any consideration other than cash or securities shall be determined jointly by the Company and the Requisite Registered Holders obtainable upon exercise of such Warrants. If such parties are unable to reach agreement within a reasonable period of time, such fair value shall be determined by an appraiser (other than one of the "Big Four" accounting firms) experienced in valuing such type of consideration jointly selected by the Company and the Requisite Registered Holders. The determination of such appraiser shall be final and binding on the Company and the Registered Holders of the Warrants, and the fees and expenses of such appraiser shall be paid by the Company.

(vi) Integrated Transactions. In case any Option is issued in connection with the issue or sale of other securities of the Company, together comprising one integrated transaction in which no specific consideration is allocated to such Options by the parties thereto, the Options shall be deemed to have been issued for a consideration of $0.01 per share of Common Stock.

(vii) Treasury Shares. The number of shares of Common Stock outstanding at any given time does not include shares owned or held by or for the account of the Company or any Subsidiary, and the disposition of any shares so owned or held shall be considered an issue or sale of Common Stock.

(viii) Record Date. If the Company takes a record of the holders of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in Common Stock, Options or in Convertible Securities or (B) to subscribe for or purchase Common Stock, Options or Convertible Securities, then such record date shall be deemed to be the date of the issue or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase, as the case may be.

2C. Subdivision or Combination of Common Stock. If the Company at any time subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced and the number of shares of Common Stock obtainable upon exercise of this Warrant shall be proportionately increased, and if the Company at any time combines (by reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased and the number of shares of Common Stock obtainable upon exercise of this Warrant shall be proportionately decreased.

2D. Reorganization, Reclassification, Consolidation, Merger or Sale. Upon the consummation of any Organic Change (other than an Organic Change that also constitutes a Qualified Sale Transaction or in connection with and following which this Warrant expires as set forth in Section 1A), the Registered Holder thereafter will be entitled to receive upon surrender of the Warrant to the Company (x) to the extent there are cash proceeds resulting from the consummation of such Organic Change, cash (net of the Aggregate Exercise Price for the shares of Common Stock being purchased upon exercise hereof) in an amount equal to the cash proceeds that would have been payable to the Registered Holder had the Registered Holder exercised such Warrant immediately prior to the consummation of such Organic Change, and (y) to the extent that the Registered Holder would be entitled to receive securities (in addition to or in lieu of cash in connection with any such Organic Change), the same kind and amounts (net of the total Aggregate Exercise Price for the shares of Common Stock being purchased upon exercise hereof) of securities or other assets, or both, that are issuable or payable to the Company's stockholders with respect to their shares of capital stock of the Company upon such Organic Change, as would have been deliverable to the Registered Holder had the Registered Holder exercised such Warrant immediately prior to the consummation of such Organic Change (it being understood that the foregoing does not provide the Registered Holder with the right in respect of this Warrant to participate in or have set aside for its benefit any cash dividends that are declared and paid to the Company's stockholders in connection with any such Organic Change). In any such case set forth in the preceding sentence, the Company shall make appropriate provision (in form and substance reasonably satisfactory to the Requisite Registered Holders) with respect to such holders' rights and interests to insure that the provisions of this Section 2 shall thereafter be applicable to this Warrant. The Company shall not effect any consolidation, merger or sale to which this Section 2D applies, unless prior to the consummation thereof, the successor entity (if other than the Company) resulting from consolidation or merger or the entity purchasing such assets assumes by written instrument (in form and substance reasonably satisfactory to the Requisite Registered Holders), the obligation to deliver to each such holder such shares of stock, securities or assets as, in accordance with the foregoing provisions, such holder may be entitled to acquire.

2E. Certain Events. If any event occurs of the type contemplated by the provisions of this Section 2 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Company's board of directors shall make an appropriate adjustment in the Exercise Price and the number of shares of Common Stock obtainable upon exercise of this Warrant so as to protect the rights of the holders of the Warrants; provided that no such adjustment shall increase the Exercise Price or decrease the number of shares of Common Stock obtainable as otherwise determined pursuant to this Section 2. If the Company shall enter into any transaction for the sole or primary purpose of avoiding the application of the provisions of this Section 2, the benefits provided by such provisions shall nevertheless apply and be preserved.

2F. Notice of Certain Events.

(i) Promptly upon any adjustment of the Exercise Price, the Company shall give written notice thereof to the Registered Holder, setting forth in reasonable detail and certifying the calculation of such adjustment.

(ii) The Company shall give written notice to the Registered Holder at least 10 days prior to (A) the date on which the Company closes its books or takes a record (1) with respect to any dividend or distribution upon the Common Stock, (2) with respect to any *pro rata* subscription offer to holders of Common Stock, or (3) for determining rights to vote with respect to any Organic Change, dissolution or liquidation, or (B) the date of any conversion of shares of Preferred Stock into shares of Common Stock.

(iii) The Company shall give written notice to the Registered Holders at least 10 days prior to the date on which any Organic Change, dissolution or liquidation or any event listed in Section 1A(i) or (ii) shall take place.

Section 3. Definitions. For purposes of this Warrant, the following terms have the meanings set forth below:

"Affiliate" means with respect to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with, such Person, and, in the case of an individual, includes any relative or spouse of such Person, or any relative of such spouse, if any such relative is a member of such individual's Family Group. The term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Approved Plan" has the meaning given such term in the Certificate of Incorporation.

"Certificate of Incorporation" means that certain Third Amended and Restated Certificate of Incorporation of M/A-COM Technology Solutions Holdings, Inc., as amended and in effect from time to time.

"Class B Preferred Rights Agreement" means that certain Class B Preferred Rights Agreement dated as of December 21, 2010, by and among the Company and the Summit Investors named therein.

"Common Stock" means the Company's Common Stock, par value $0.001 per share.

"Common Stock Deemed Outstanding" means, with respect to any Person at any given time, (i) the number of shares of Common Stock actually outstanding at such time, plus (ii) the maximum number of shares of Common Stock that are issuable upon the exercise, exchange or conversion of any unexpired right or unexpired option (including this Warrant) to subscribe for, to purchase or to receive Common Stock or any stock or other securities convertible into or exchangeable for Common Stock (including the Preferred Stock) regardless of whether any of the foregoing are actually exercisable at such time, plus (iii) the number of shares of Common Stock reserved for issuance under any Approved Plan; provided that the number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company and any Subsidiary.

"Convertible Securities" has the meaning set forth in the Certificate of Incorporation.

"Date of Issuance" means, with respect to any Warrant, the date entered as the "Date of Issuance" set forth thereon.

"Equity Awards" means any stock, stock appreciation rights, phantom stock rights, or other rights or awards expressly contemplated under any Approved Plan.

"Fair Market Value" has the meaning set forth in Section 9 of Part B of Article IV of the Certificate of Incorporation.

"Family Group" means, as to any particular Person, (i) such Person's spouse and descendants (whether natural or adopted), (ii) any trust solely for the benefit of such Person and/or such Person's spouse and/or descendants, and (iii) any partnerships, corporations or limited liability companies where the only partners, shareholders or members are such Person and/or such Person's spouse, parents, parents-in-law, descendants (including of such parents or parents-in-law) and/or trusts referred to in clause (ii) of this definition.

"Initial Date of Issuance" means December 21, 2010

"Options" has the meaning set forth in the Certificate of Incorporation.

"Organic Change" means any recapitalization, reorganization, reclassification, consolidation, merger or other transaction, in each case which is effected in such a manner that all of the holders of Common Stock are entitled to receive (either directly or upon subsequent liquidation) stock, securities or assets with respect to or in exchange for Common Stock.

"Original Issue Price" has the meaning set forth in the Certificate of Incorporation.

"Person" means an individual, a partnership, a joint venture, a corporation, a limited liability company, a trust, an unincorporated organization and a government or any department or agency thereof.

"Preferred Stock" has the meaning set forth in the Certificate of Incorporation.

"Qualified Public Offering" has the meaning set forth in the Certificate of Incorporation.

"Qualified Sale Transaction" has the meaning set forth in the Class B Preferred Rights Agreement.

"Requisite Registered Holders" means the Registered Holders of Warrants representing a majority of the Common Stock obtainable upon exercise of all of the Warrants then outstanding.

"Significant Competitor" means any Person that directly or indirectly engages in any business that competes with the business then conducted by the Company and its Subsidiaries and has consolidated revenues from such competitive activities of at least 90% of the consolidated revenues of the Company for the prior twelve month period.

Section 4. No Voting Rights; Limitations of Liability. This Warrant shall not entitle the holder hereof to any voting rights or other rights as a stockholder of the Company. No provision hereof, in the absence of affirmative action by the Registered Holder to purchase Common Stock, and no enumeration herein of the rights or privileges of the Registered Holder shall give rise to any liability of such holder for the Exercise Price of Common Stock obtainable by exercise hereof or as a stockholder of the Company.

Section 5. Warrant Transferable. Subject to the transfer conditions referred to in the legend endorsed hereon, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the Registered Holder, upon surrender of this Warrant with a properly executed Assignment substantially in the form of Exhibit B hereto at the principal office of the Company; provided that notwithstanding any provision contained in this Warrant to the contrary, this Warrant shall not be, without approval by the board of directors of the Company, transferred to any Person that directly or indirectly engages in, or is employed by, any business that competes with the business then conducted by the Company and its subsidiaries and any such purported transfer shall be null and void, and the Company shall refuse to recognize any such purported transfer and shall not recognize on its records any change in record ownership of this Warrant pursuant to any such purported transfer; *provided, however*, that the foregoing restriction shall not prevent the Registered Holder from transferring this Warrant or

rights hereunder to a private equity, venture capital or other investment firm or entity that is primarily engaged in making venture capital investments, or an Affiliate of any such investment firm or entity, unless such private equity, venture capital or other investment firm owns a controlling interest in any Significant Competitor.

Section 6. Warrant Exchangeable for Different Denominations. This Warrant is exchangeable, upon the surrender hereof by the Registered Holder at the principal office of the Company, for new Warrants of like tenor representing in the aggregate the purchase rights hereunder, and each of such new Warrants shall represent such portion of such rights as is designated by the Registered Holder at the time of such surrender. The date on which the Company initially issues this Warrant shall be deemed to be the Date of Issuance with respect to any such new Warrants, regardless of the number of times new certificates representing the unexpired and unexercised rights formerly represented by this Warrant shall be issued.

Section 7. Replacement. Upon receipt of evidence reasonably satisfactory to the Company (provided that an affidavit of the Registered Holder shall be satisfactory) of the ownership and the loss, theft, destruction or mutilation of any certificate evidencing this Warrant, and in the case of any such loss, theft or destruction, upon receipt of indemnity reasonably satisfactory to the Company (provided that if the holder is a financial institution or other institutional investor, then a customary agreement to indemnify shall be satisfactory), or, in the case of any such mutilation upon surrender of such certificate, the Company shall (at its expense) execute and deliver in lieu of such certificate a new certificate of like kind representing the same rights represented by such lost, stolen, destroyed or mutilated certificate and dated the Date of Issuance thereof.

Section 8. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Warrant shall be in writing and shall be deemed to have been given only (i) when delivered personally to the recipient, (ii) one (1) business day after being sent to the recipient by reputable overnight courier service (charges prepaid) provided that confirmation of delivery is received, (iii) upon machine-generated acknowledgment of receipt after transmittal by facsimile (provided that a confirmation copy is sent via reputable overnight courier service for delivery within two (2) business days thereafter), or (iv) five (5) days after being mailed to the recipient by certified or registered mail (return receipt requested and postage prepaid), addressed, in the case of clause (ii) or clause (iv) of this Section 8 as follows: (A) if to the Company, at its principal executive offices, and (B) if to the Registered Holder of this Warrant, at such holder's address as it appears in the records of the Company (unless otherwise indicated by any such holder).

Section 9. Amendment and Waiver. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Requisite Registered Holders.

Section 10. Descriptive Headings; Governing Law. The headings and captions used in this Warrant are for reference purposes only and shall not affect in any way the meaning or interpretation of this Warrant. The corporate laws of the State of Delaware shall govern all issues concerning the relative rights of the Company and its stockholders. All other issues and questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdictions) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

* * * * *

IN WITNESS WHEREOF, the undersigned has executed or caused to be executed on its behalf this Warrant, to be dated the Date of Issuance hereof.

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

By: _____
Name:
Its:

[SIGNATURE PAGE TO COMMON STOCK PURCHASE WARRANT]

EXHIBIT A

EXERCISE AGREEMENT

To: Dated:

The undersigned, pursuant to the provisions set forth in the attached Warrant (Certificate No. WC-_____), hereby agrees to subscribe for the purchase of _____ shares of Common Stock covered by such Warrant and makes payment herewith in full therefor at the price per share provided by such Warrant.

Signature _____

Name _____

Address _____

_____

_____

EXHIBIT B

ASSIGNMENT

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant (Certificate No. WC-_____) with respect to the number of shares of Common Stock covered thereby set forth below, unto:

Names of Assignee	Address	No. of Shares

Dated:

Signature _____

Name _____

Witness _____

M/A-COM Technology Solutions Holdings, Inc.
Amended and Restated 2009 Omnibus Stock Plan
Adopted: May 26, 2009
Amended and Restated: September 29, 2009

1. Purpose. The purpose of the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan (the "Plan") is to promote the interests of the Company and its stockholders by providing employees of the Company or any of its Affiliates with an opportunity to acquire a proprietary interest in the Company and reward them for achieving a high level of performance and thereby develop a stronger incentive to put forth maximum effort for the continued success and growth of the Company and its Affiliates. In addition, the opportunity to acquire a proprietary interest in the Company will aid in attracting and retaining employees of outstanding ability. The Plan is also intended to provide Outside Directors with an opportunity to acquire a proprietary interest in the Company, to compensate Outside Directors, consultants and advisors to the Company or its Affiliates for their contribution to the Company and its Affiliates and to aid in attracting and retaining Outside Directors and qualified consultants and advisors.

2. Definitions.

2.1 The capitalized terms used elsewhere in the Plan have the meanings set forth below.

(a) "Affiliate" means any corporation that is a "parent corporation" or "subsidiary corporation" of the Company, as those terms are defined in Code Sections 424(e) and (f), or any successor provisions.

(b) "Agreement" means a written contract (i) consistent with the terms of the Plan entered into between the Company or an Affiliate and a Participant and (ii) containing the terms and conditions of an Award in such form and not inconsistent with the Plan as the Committee shall approve from time to time, together with all amendments thereto, which amendments may be unilaterally made by the Company (with the approval of the Committee) unless such amendments are deemed by the Committee to be materially adverse to the Participant and not required as a matter of law.

(c) "Award" or "Awards" means a grant made under the Plan in the form of Restricted Stock, Options, Stock Appreciation Rights, Performance Units, Stock or any other stock-based award.

(d) "Board" means the Board of Directors of the Company.

(e) "Code" means the Internal Revenue Code of 1986, as amended and in effect from time to time or any successor statute.

(f) "Committee" means two or more directors designated by the Board to administer the Plan under Section 3.1 of the Plan. From and after the time, if any, that the Company has a class of securities registered under Section 12 of the Exchange Act, Committee means two or more Non-Employee Directors designated by the Board to administer the Plan under Section 3.1 of the Plan. If the Board has not designated a committee to administer the Plan, then notwithstanding the foregoing, the Board will constitute the Committee, and the minimum number of Committee members stated above shall not apply.

(g) "Company" means M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation, or any successor to all or substantially all of its businesses by merger, consolidation, purchase of assets or otherwise.

(h) "Effective Date" means the date specified in Section 12.1 of the Plan.

(i) "Employee" means an employee (including an officer or director who is also an employee) of the Company or an Affiliate.

(j) "Exchange Act" means the Securities Exchange Act of 1934, as amended and in effect from time to time or any successor statute.

(k) "Fair Market Value" as of any date means, unless otherwise expressly provided in the Plan:

(i) the closing sale price of a Share on the date in question, or, if no sale of Shares shall have occurred on that date, on the next preceding day on which a sale of Shares occurred

(A) on the composite tape for New York Stock Exchange listed shares, or

(B) if the Shares are not quoted on the composite tape for New York Stock Exchange listed shares, on the principal United States Securities Exchange registered under the Exchange Act on which the Shares are listed, or

(C) if the Shares are not listed on any such exchange, on the National Association of Securities Dealers, Inc. Automated Quotations National Market System or any system then in use, or

(ii) if clause (i) is inapplicable, the mean between the closing "bid" and the closing "asked" quotation of a Share on the date immediately preceding that date, or, if no closing bid or asked quotation is made on that date, on the next preceding day on which a closing bid and asked quotation is made, on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use, or

(iii) if clauses (i) and (ii) are inapplicable, what the Committee determines in good faith and in a manner consistent with Code Section 409A to be 100% of the fair market value of a Share on that date.

However, if the applicable securities exchange or system has closed for the day at the time the event occurs that triggers a determination of Fair Market Value, whether the grant of an Award, the exercise of an Option or Stock Appreciation Right or otherwise, all references in this paragraph to the "date immediately preceding that date" shall be deemed to be references to "that date." In the case of an Incentive Stock Option, if this determination of Fair Market Value is not consistent with the then current regulations of the Secretary of the Treasury, Fair Market Value shall be determined in accordance with those regulations. The determination of Fair Market Value shall be subject to adjustment as provided in Section 16 of the Plan.

(l) "Fundamental Change" means a dissolution or liquidation of the Company, a sale of substantially all of the assets of the Company, a merger or consolidation of the Company with or into any other corporation, regardless of whether the Company is the surviving corporation, or a statutory share exchange involving capital stock of the Company.

(m) "Incentive Stock Option" means any Option designated as such and granted in accordance with the requirements of Code Section 422 or any successor provision.

(n) "Insider" as of a particular date means any person who, as of that date is an officer of the Company as defined under Exchange Act Rule 16a-1(f) or its successor provision.

(o) "Non-Employee Director" means a member of the Board who is considered a non-employee director within the meaning of Exchange Act Rule 16b-3(b)(3) or its successor provision and an outside director for purposes of Code Section 162(m).

(p) "Non-Statutory Stock Option" means an Option other than an Incentive Stock Option.

(q) "Option" means a right to purchase Stock, including both Non-Statutory Stock Options and Incentive Stock Options.

(r) "Outside Director" means a director of the Company or an Affiliate who is not an Employee.

(s) "Participant" means a person or entity to whom an Award is or has been made in accordance with the Plan.

(t) "Performance Cycle" means the period of time as specified in an Agreement over which Performance Units are to be earned.

(u) "Performance Units" means an Award made pursuant to Section 11 of the Plan.

(v) "Plan" means this 2009 Omnibus Stock Plan, as may be amended and in effect from time to time.

(w) "Restricted Stock" means Stock granted under Section 7 of the Plan so long as such Stock remains subject to one or more restrictions.

(x) "Share" means a share of Stock.

(y) "Stock" means the common stock of the Company.

(z) "Stock Appreciation Right" means a right, the value of which is determined in relation to the appreciation in value of Shares pursuant to an Award granted under Section 10 of the Plan.

(aa) "Subsidiary" means a "subsidiary corporation," as that term is defined in Code Section 424(f) or any successor provision.

(bb) "Successor" with respect to a Participant means the legal representative of an incompetent Participant, and if the Participant is deceased the estate of the Participant or the person or persons who may, by bequest or inheritance, or pursuant to the terms of an Award, acquire the right to exercise an Option or Stock Appreciation Right or to receive cash and/or Shares issuable in satisfaction of an Award in the event of the Participant's death.

(cc) "Term" means the period during which an Option or Stock Appreciation Right may be exercised or the period during which the restrictions or terms and conditions placed on Restricted Stock or any other Award are in effect.

(dd) "Transferee" means any member of the Participant's immediate family (*i.e.*, his or her children, step-children, grandchildren and spouse) or one or more trusts for the benefit of such family members or partnerships in which such family members are the only partners.

2.2 Gender and Number. Except when otherwise indicated by the context, reference to the masculine gender shall include, when used, the feminine gender and any term used in the singular shall also include the plural.

3. Administration and Indemnification.

3.1 *Administration*.

(a) The Committee shall administer the Plan. The Committee shall have exclusive power to (i) make Awards, (ii) determine when and to whom Awards will be granted, the form of each Award, the amount of each Award, and any other terms or conditions of each Award consistent with the Plan, and (iii) determine whether, to what extent and under what circumstances, Awards may be settled, paid or exercised in cash, Shares or other Awards, or other property or canceled, forfeited or suspended. Each Award shall be subject to an Agreement authorized by the Committee. A majority of the members of the Committee shall constitute a quorum for any meeting of the Committee, and acts of a majority of the members present at any meeting at which a quorum is present or the acts unanimously approved in writing by all members of the Committee shall be the acts of the Committee. Notwithstanding the foregoing, the Board shall have the sole and exclusive power to administer the Plan with respect to Awards granted to Outside Directors and, except to the extent that the grant or exercise of such authority would cause any Award or transaction to become subject to (or lose an exemption under) the short-swing profit recovery provisions of Section 16 of the Exchange Act, the Board may, at any time and from time to time, without any further action of the Committee, exercise the powers and duties of the Committee under the Plan. To the extent that any permitted action taken by the Board conflicts with action taken by the Committee, the Board action will control.

(b) Solely for purposes of determining and administering Awards to Participants who are not Insiders, the Committee may delegate all or any portion of its authority under the Plan to one or more persons who are not Non-Employee Directors.

(c) To the extent within its discretion and subject to Sections 15 and 16 of the Plan, the Committee may amend the terms and conditions of any outstanding Award.

(d) The Committee's interpretation of the Plan and of any Award or Agreement made under the Plan and all related decisions or resolutions of the Board or Committee shall be final and binding on all parties with an interest therein. Consistent with its terms, the Committee shall have the power to establish, amend or waive regulations to administer the Plan. In carrying out any of its responsibilities, the Committee shall have discretionary authority to construe the terms of the Plan and any Award or Agreement made under the Plan.

(e) From and after the time, if any, that the Company has a class of securities registered under Section 12 of the Exchange Act, it is the intent of the Committee that the Plan and all Awards granted pursuant to it shall be administered by the Committee so as to permit the Plan and Awards to comply with Exchange Act Rule 16b-3, except in such instances as the Committee, in its discretion, may so provide. If any provision of the Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 3.1(d), that provision to the extent possible shall be interpreted and deemed amended in the manner determined by the Committee so as to avoid the conflict. To the extent of any remaining irreconcilable conflict with this intent, the provision shall be deemed void as applicable to Insiders to the extent permitted by law and in the manner deemed advisable by the Committee.

(f) It is the intent that the Plan and all Awards granted pursuant to it will not provide for the deferral of compensation within the meaning of Code Section 409A, and the Plan shall be administered in accordance with this intent. If the Committee determines that any Award may be subject to Code Section 409A, the Board or the Committee may adopt such amendments to the Plan and the applicable Award agreement, or adopt other policies and procedures or take other actions that the Board or the Committee determines are necessary or appropriate to exempt the Award from Code Section 409A, in each case without requirement of stockholder approval or the consent of the Participant.

3.2 *Indemnification*. Each person who is or shall have been a member of the Committee, or of the Board, and any other person to whom the Committee delegates authority under the Plan, shall be indemnified and held harmless by the Company, to the extent permitted by law, against and from any loss, cost, liability or expense that may be imposed upon or reasonably incurred by such person in connection with or resulting from any claim, action, suit or proceeding to which such person may be a party or in which such person may be involved by reason of any action taken or failure to act, made in good faith, under the Plan and against and from any and all amounts paid by such person in settlement thereof, with the Company's approval, or paid by such person in satisfaction of any judgment in any such action, suit or proceeding against such person, provided such person shall give the Company an opportunity, at the Company's expense, to handle and defend the same before such person undertakes to handle and defend it on such person's own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such person or persons may be entitled under the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

4. Shares Available Under the Plan.

(a) The number of Shares available for distribution under the Plan shall not exceed 30,000,000 (subject to adjustment pursuant to Section 16 of the Plan).

(b) Any Shares subject to the terms and conditions of an Award under the Plan that are not used because the terms and conditions of the Award are not met may again be used for an Award under the Plan; provided however, that Shares with respect to which a Stock Appreciation Right has been exercised whether paid in cash and/or in Shares may not again be awarded under the Plan.

(c) Any unexercised or undistributed portion of any terminated, expired, exchanged, or forfeited Award, or any Award settled in cash in lieu of Shares (except as provided in Section 4(b) of the Plan) shall be available for further Awards.

(d) For the purposes of computing the total number of Shares granted under the Plan, the following rules shall apply to Awards payable in Shares where appropriate:

(i) each Option shall be deemed to be the equivalent of the maximum number of Shares that may be issued upon exercise of the particular Option;

(ii) an Award (other than an Option) payable in some other security shall be deemed to be equal to the number of Shares to which it relates;

(iii) where the number of Shares available under the Award is variable on the date it is granted, the number of Shares shall be deemed to be the maximum number of Shares that could be received under that particular Award; and

(iv) where two or more types of Awards (all of which are payable in Shares) are granted to a Participant in tandem with each other, such that the exercise of one type of Award with respect to a number of Shares cancels at least an equal number of Shares of the other, each such joint Award as a whole shall be deemed to be the equivalent of the maximum number of Shares available under the largest single Award.

Additional rules for determining the number of Shares granted under the Plan may be made by the Committee as it deems necessary or desirable.

(e) No fractional Shares may be issued under the Plan; however, cash shall be paid in lieu of any fractional Share in settlement of an Award.

5. Eligibility. Participation in the Plan shall be limited to Employees and to individuals who are not Employees but who provide services to the Company or an Affiliate, including services provided in the capacity of a consultant, advisor or director. The granting of Awards is solely at the discretion of the Committee, except that Incentive Stock Options may only be granted to Employees. References herein to “employed,” “employment” or similar terms (except “Employee”) shall include the providing of services in any capacity or as a director or director emeritus. Neither the transfer of employment of a Participant between any of the Company or its Affiliates, nor a leave of absence granted to such Participant and approved by the Committee, shall be deemed a termination of employment for purposes of the Plan.

6. General Terms of Awards.

6.1 *Amount of Award*. Each Agreement shall set forth the number of Shares of Restricted Stock, Stock or Performance Units subject to the Agreement, or the number of Shares to which the Option subject to the Agreement applies or with respect to which payment upon the exercise of the Stock Appreciation Right subject to the Agreement is to be determined, as the case may be, together with such other terms and conditions applicable to the Award as determined by the Committee acting in its sole discretion.

6.2 *Term*. Each Agreement, other than those relating solely to Awards of Shares without restrictions, shall set forth the Term of the Option, Stock Appreciation Right, Restricted Stock or other Award or the Performance Cycle for the Performance Units, as the case may be. Acceleration of the expiration of the applicable Term is permitted, upon such terms and conditions as shall be set forth in the Agreement, which may, but need not, include, without limitation, acceleration in the event of the Participant’s death or retirement. Acceleration of the Performance Cycle of the Performance Units will be subject to Section 11.2 of the Plan.

6.3 *Transferability*.

(a) *Generally*. Except as provided in this Section, during the lifetime of a Participant to whom an Award is granted, only that Participant (or that Participant’s legal representative) may exercise an Option or Stock Appreciation Right, or receive payment with

respect to Performance Units or any other Award. No Award of Restricted Stock (before the expiration of the restrictions), Options, Stock Appreciation Rights, Performance Units or other Award may be sold, assigned, transferred, exchanged or otherwise encumbered other than to a Successor in the event of a Participant's death or pursuant to a qualified domestic relations order as defined in the Code or Title 1 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), or the rules thereunder; any attempted transfer in violation of this Section 6.3 shall be of no effect. Any Award held by a Transferee shall continue to be subject to the same terms and conditions that were applicable to that Award immediately before the transfer thereof to the Transferee. For purposes of any provision of the Plan relating to notice to a Participant or to acceleration or termination of an Award upon the death, disability or termination of employment of a Participant, the references to "Participant" shall mean the original grantee of an Award and not any Transferee.

(b) *Reliance on Exemption From Registration in Rule 12h-1(f)(1)*. Notwithstanding subsection (a) above, during any period in which the Company is relying on the exemption from registration contained in Rule 12h-1(f)(1) promulgated under the Exchange Act with respect to outstanding Options issued under this Plan and is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act: (i) any outstanding Options and, prior to exercise, the shares issuable upon exercise of such Options, may not be transferred by the Participant other than to persons who are family members (as defined in Rule 701(c)(3) promulgated under the Securities Act) pursuant to a domestic relations order, or to an executor or guardian of the Participant upon the death or disability of the Participant; provided that the Participant may transfer such securities to the Company or in connection with an acquisition or Change of Control transaction involving the Company as otherwise provided in the Plan, so long as following such acquisition transaction the Options shall no longer be outstanding and the Company will no longer be relying on the exemption in Rule 12h-1(f)(1); (ii) any hypothecation, the entry into any short position, any "put equivalent position" (as defined in Rule 16a-1(h) promulgated under the Exchange Act), or any "call equivalent position" (as defined in Rule 16a-1(h) promulgated under the Exchange Act) with respect to any Option or (prior to exercise of such an Option) the underlying Shares) shall be prohibited; and (iii) following any transfer of an Option by a Participant pursuant to subsection (b)(i), no further such transfers will be allowed.

6.4 *Termination of Employment*. Except as otherwise determined by the Committee or provided by the Committee in an Agreement, in case of a Participant's termination of employment, the following provisions shall apply:

(a) *Options and Stock Appreciation Rights*.

(i) If a Participant's employment or other relationship with the Company and its Affiliates terminates because of the Participant's death, then any Option or Stock Appreciation Right that has not expired or been terminated shall remain exercisable for six months after Participant's death, but, unless otherwise provided in the Agreement, only to the extent that such Option or Stock Appreciation Right was exercisable immediately prior to Participant's death.

(ii) If a Participant's employment or other relationship with the Company and its Affiliates terminates because the Participant is disabled (within the meaning of Section 22(e)(3) of the Code), then any Option or Stock Appreciation Right that has not expired or been terminated shall remain exercisable for six months after Participant's termination of employment resulting from Participant's disability, but, unless otherwise provided in the Agreement, only to the extent that such Option or Stock Appreciation Right was exercisable immediately prior to such Participant's termination of employment resulting from Participant's disability.

(iii) If a Participant's employment or other relationship with the Company and its Affiliates terminates for any reason other than death or disability, then any Option or Stock Appreciation Right that has not expired or been terminated shall remain exercisable for 90 days after termination of the Participant's employment or other relationship with the Company, whichever occurs later, but, unless otherwise provided in the Agreement, only to the extent that such Option or Stock Appreciation Right was exercisable immediately prior to such Participant's termination of employment or other relationship with the Company.

(iv) Notwithstanding Sections 6.4(a)(i), (ii) and (iii) of the Plan, in no event shall an Option or a Stock Appreciation Right be exercisable after the expiration of the Term of such Award. Any Option or Stock Appreciation Right that is not exercised within the periods set forth in Sections 6.4 (i), (ii) and (iii) of the Plan, except as otherwise provided by the Committee in the Agreement, shall terminate as of the end of the periods described in such Sections.

(b) *Performance Units*. If a Participant's employment or other relationship with the Company and its Affiliates terminates during a Performance Cycle because of death or disability, or under other circumstances provided by the Committee in its discretion in the Agreement or otherwise, the Participant, unless the Committee shall otherwise provide in the Agreement, shall be entitled to a payment with respect to the Performance Units at the end of the Performance Cycle based upon the extent to which achievement of performance targets was satisfied at the end of such period (as determined at the end of the Performance Cycle) and prorated for the portion of the Performance Cycle during which the Participant was employed by the Company or its Affiliates. Except as provided in this Section 6.4(b) or in the Agreement, if a Participant's employment or other relationship with the Company and its Affiliates terminates during a Performance Cycle, then such Participant shall not be entitled to any payment with respect to that Performance Cycle.

(c) *Restricted Stock Awards*. Unless otherwise provided in the Agreement, in case of a Participant's death or disability, any Shares of Restricted Stock as to which restrictions have not lapsed as of the date of the Participant's termination of employment shall terminate at the date of the Participant's termination of employment and such Shares of Restricted Stock shall be forfeited to the Company.

6.5 *Rights as Stockholder*. Each Agreement shall provide that a Participant shall have no rights as a stockholder with respect to any securities covered by an Award unless and until the date the Participant becomes the holder of record of the Stock, if any, to which the Award relates.

7. Restricted Stock Awards.

(a) An Award of Restricted Stock under the Plan shall consist of Shares subject to restrictions on transfer and conditions of forfeiture, which restrictions and conditions shall be included in the applicable Agreement. The Committee may provide for the lapse or waiver of any such restriction or condition based on such factors or criteria as the Committee, in its sole discretion, may determine.

(b) Except as otherwise provided in the applicable Agreement, each Stock certificate issued with respect to an Award of Restricted Stock shall either be deposited with the Company or its designee, together with an assignment separate from the certificate, in blank, signed by the Participant, or bear such legends with respect to the restricted nature of the Restricted Stock evidenced thereby as shall be provided for in the applicable Agreement.

(c) The Agreement shall describe the terms and conditions by which the restrictions and conditions of forfeiture upon awarded Restricted Stock shall lapse. Upon the lapse of the restrictions and conditions, Shares free of restrictive legends, if any, relating to such restrictions shall be issued to the Participant or a Successor or Transferee.

(d) A Participant or a Transferee with a Restricted Stock Award shall have all the other rights of a stockholder including, but not limited to, the right to receive dividends and the right to vote the Shares of Restricted Stock.

8. Other Awards. The Committee may from time to time grant Stock and other Awards under the Plan including, without limitation, those Awards pursuant to which Shares are or may in the future be acquired, Awards denominated in Stock units, securities convertible into Stock and phantom securities. The Committee, in its sole discretion, shall determine the terms and conditions of such Awards provided that such Awards shall not be inconsistent with the terms and purposes of the Plan. The Committee may, at its sole discretion, direct the Company to issue Shares subject to restrictive legends and/or stop transfer instructions that are consistent with the terms and conditions of the Award to which the Shares relate.

9. Stock Options.

9.1 *Terms of All Options*.

(a) An Option shall be granted pursuant to an Agreement as either an Incentive Stock Option or a Non-Statutory Stock Option. The purchase price of each Share subject to an Option shall be determined by the Committee and set forth in the Agreement, but shall not be less than 100% of the Fair Market Value of a Share as of the date the Option is granted (except as provided in Sections 9.2 and 20 of the Plan or as otherwise determined by the Committee in its discretion).

(b) The purchase price of the Shares with respect to which an Option is exercised shall be payable in full at the time of exercise, provided that to the extent permitted by law and the Committee, the Agreement may permit some or all Participants to simultaneously exercise Options and sell the Shares thereby acquired pursuant to a brokerage or similar relationship and use the proceeds from the sale as payment of the purchase price of the Shares. The purchase price may be payable in cash or, at the discretion of the Committee, by delivery or tender of Shares having a Fair Market Value as of the date the Option is exercised equal to the purchase price of the Shares being purchased pursuant to the Option, a reduction of the number of Shares otherwise issuable upon the Option exercise (as described below) or a combination thereof, as determined by the Committee, but no fractional Shares will be issued or accepted. Provided, however, that a Participant exercising a stock option shall not be permitted to pay any portion of the purchase price with Shares if, in the opinion of the Committee, payment in such manner could have adverse financial accounting consequences for the Company or is otherwise not desirable. In lieu of all or any part of a cash payment from a person receiving Shares in connection with the Option exercise, the Committee may permit the individual to pay all or any part of the purchase price through (i) a reduction of the number of Shares to be delivered in connection with the Option exercise having a Fair Market Value on the date of exercise equal to the aggregate exercise price for the Shares being received through such reduction of Shares to be delivered, or (ii) through delivery of a full-recourse promissory note in form acceptable to the Committee and any share pledge agreement, security agreement or other related documentation the Committee may prescribe for such purpose.

(c) Each Option shall be exercisable in whole or in part on the terms provided in the Agreement. In no event shall any Option be exercisable at any time after the expiration of its Term. When an Option is no longer exercisable, it shall be deemed to have lapsed or terminated.

(d) Each Option shall not be exercisable more than 10 years after the date of grant.

9.2 *Incentive Stock Options*. In addition to the other terms and conditions applicable to all Options:

(a) the purchase price of each Share subject to an Incentive Stock Option shall not be less than 100% of the Fair Market Value of a Share as of the date the Incentive Stock Option is granted if this limitation is necessary to qualify the Option as an Incentive Stock Option (except as provided in Section 19 of the Plan);

(b) the aggregate Fair Market Value (determined as of the date the Option is granted) of the Shares with respect to which Incentive Stock Options held by an individual first become exercisable in any calendar year (under the Plan and all other incentive stock option plans of the Company and its Affiliates) shall not exceed $100,000 (or such other limit as may be required by the Code) if this limitation is necessary to qualify the Option as an Incentive Stock Option and to the extent any Option granted to a Participant exceeds this limit the Option shall be treated as a Non-Statutory Stock Option;

(c) the Agreement covering an Incentive Stock Option shall contain such other terms and provisions that the Committee determines necessary to qualify this Option as an Incentive Stock Option; and

(d) the recipient of an Incentive Stock Option must be an employee of the Company or one of its Affiliates on the date of grant; and

(e) notwithstanding any other provision of the Plan to the contrary, no Participant may receive an Incentive Stock Option under the Plan if, at the time the Award is granted, the Participant owns (after application of the rules contained in Code Section 424(d), or its successor provision), Shares possessing more than 10% of the total combined voting power of all classes of stock of the Company or its Subsidiaries, unless (i) the exercise price for that Incentive Stock Option is at least 110% of the Fair Market Value of the Shares subject to that Incentive Stock Option on the date of grant and (ii) that Option is not exercisable after the date five years from the date that Incentive Stock Option is granted.

10. Stock Appreciation Rights. An Award of a Stock Appreciation Right shall entitle the Participant (or a Successor or Transferee), subject to terms and conditions determined by the Committee, to receive upon exercise of the Stock Appreciation Right all or a portion of the excess of (i) the Fair Market Value of a specified number of Shares as of the date of exercise of the Stock Appreciation Right over (ii) a specified price that shall not be less than 100% of the Fair Market Value of such Shares as of the date of grant of the Stock Appreciation Right. A Stock Appreciation Right may be granted in connection with part or all of, in addition to, or completely independent of an Option or any other Award under the Plan. If issued in connection with a previously or contemporaneously granted Option, the Committee may impose a condition that exercise of a Stock Appreciation Right cancels a pro rata portion of the Option with which it is connected and vice versa. Each Stock Appreciation Right may be exercisable in whole or in part on the terms provided in the Agreement. No Stock Appreciation Right shall be exercisable at any time after the expiration of its Term. When a Stock Appreciation Right is no longer exercisable, it shall be deemed to have lapsed or terminated. Upon exercise of a Stock Appreciation Right, payment to the Participant or a Successor or Transferee shall be made at such time or times as shall be provided in the Agreement in the form of cash, Shares or a combination of cash and Shares as determined by the Committee. The Agreement may provide for a limitation upon the amount or percentage of the total appreciation on which payment (whether in cash and/or Shares) may be made in the event of the exercise of a Stock Appreciation Right.

11. Performance Units.

11.1 *Initial Award*.

(a) An Award of Performance Units under the Plan shall entitle the Participant or a Successor or Transferee to future payments of cash, Shares or a combination of cash and Shares, as determined by the Committee, based upon the achievement of pre-established performance targets. These performance targets may, but need not, include, without limitation, targets relating to one or more of the Company's or a group's, unit's, Affiliate's or an individual's performance. The Agreement may establish that a portion of a Participant's Award will be paid for performance that exceeds the minimum target but falls below the maximum target applicable to the Award. The Agreement shall also provide for the timing of the payment.

(b) Following the conclusion or acceleration of each Performance Cycle, the Committee shall determine the extent to which (i) performance targets have been attained, (ii) any other terms and conditions with respect to an Award relating to the Performance Cycle have been satisfied and (iii) payment is due with respect to an Award of Performance Units. Any payment determined to be due shall be made within such period of time after the end of the Performance Cycle so as to qualify the payment for the short-term deferral exemption from Code Section 409A.

11.2 *Acceleration and Adjustment*. The Agreement may permit an acceleration of the Performance Cycle and an adjustment of performance targets and payments with respect to some or all of the Performance Units awarded to a Participant, upon the occurrence of certain events, which may, but need not include, without limitation, a Fundamental Change, a recapitalization, a change in the accounting practices of the Company, a change in the Participant's title or employment responsibilities, the Participant's death or retirement or, with respect to payments in Shares with respect to Performance Units, a reclassification, stock dividend, stock split or stock combination as provided in Plan Section 16. The Agreement also may provide for a limitation on the value of an Award of Performance Units that a Participant may receive.

12. Effective Date and Duration of the Plan.

12.1 *Effective Date*. Upon its adoption by the Board, the Plan shall be submitted for approval by the stockholders of the Company and shall be effective as of the date of such approval (which date is set forth on the first page of the Plan).

12.2 *Duration of the Plan*. The Plan shall remain in effect until all Stock subject to it shall be distributed, all Awards have expired or lapsed, the Plan is terminated pursuant to Section 15 of the Plan or the tenth anniversary of the Effective Date (the "Termination Date"); provided, however, that Awards made before the Termination Date may be exercised, vested or otherwise effectuated beyond the Termination Date unless limited in the Agreement or otherwise. No Award of an Option shall be made more than 10 years after the Effective Date. The date and time of approval by the Committee of the granting of an Award shall be considered the date and time at which the Award is made or granted.

13. Plan Does Not Affect Employment Status.

(a) Status as an eligible Employee shall not be construed as a commitment that any Award will be made under the Plan to that eligible Employee or to eligible Employees generally.

(b) Nothing in the Plan or in any Agreement or related documents shall confer upon any Employee or Participant any right to continue in the employment of the Company or any Affiliate or constitute any contract of employment or affect any right that the Company or any Affiliate may have to change such person's compensation, other benefits, job responsibilities, or title, or to terminate the employment of such person with or without cause.

14. Tax Withholding. The Company shall have the right to withhold from any cash payment under the Plan to a Participant or other person (including a Successor or a Transferee) an amount sufficient to cover any required withholding taxes. The Company shall have the right to require a Participant or other person receiving Shares under the Plan to pay the Company a cash amount sufficient to cover any required withholding taxes before actual receipt of those Shares. In lieu of all or any part of a cash payment from a person receiving Shares under the Plan, the Committee may permit the individual to cover all or any part of the required withholdings through a reduction of the number of Shares delivered or delivery or tender return to the Company of Shares held by the Participant or other person, in each case valued in the same manner as used in computing the withholding taxes under the applicable laws.

15. Amendment, Modification and Termination of the Plan.

(a) The Board may at any time and from time to time terminate, suspend or modify the Plan. Except as limited in (b) below, the Committee may at any time alter or amend any or all Agreements under the Plan to the extent permitted by law.

(b) No termination, suspension, or modification of the Plan will materially and adversely affect any right acquired by any Participant or Successor or Transferee under an Award granted before the date of termination, suspension, or modification, unless otherwise agreed to by the Participant in the Agreement or otherwise, or required as a matter of law. It will be conclusively presumed that neither (i) any adjustment for changes in capitalization provided for in Section 16 of the Plan, nor (ii) any amendment to the Plan or an Award Agreement contemplated by Section 3.1(f) hereof, will adversely affect these rights.

16. Adjustment for Changes in Capitalization. Subject to any required action by the Company's stockholders, (i) the aggregate number of Shares available for Awards under the Plan, (ii) the number of Shares and amount of cash subject to Awards then outstanding, and (iii) the exercise price of any outstanding Awards, shall be proportionately adjusted for any increase or decrease in the number of outstanding Shares resulting from a stock split, reverse stock split, stock dividend, recapitalization, combination or reclassification of the Shares or other distribution of the Company's equity securities on the Shares without the receipt of consideration by the Company; provided, however, that neither the conversion of any convertible securities of the Company nor the exchange of one class of the Company's equity securities for another shall be deemed to have been effected "without receipt of consideration by the Company" hereunder; and provided, further, that any fractional shares otherwise issuable pursuant to this paragraph shall instead be rounded to the nearest whole share. Any adjustment required by this paragraph shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive subject to any required action by the Company's stockholders. Except as expressly provided herein or as provided by express Committee action, the issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall have no effect under this paragraph, and no adjustment by reason thereof shall be made with respect to, the number of Shares or amount of cash subject to an Award or the exercise price thereof. For the avoidance of doubt, the Committee shall have the power in its discretion to make such changes as it may deem appropriate to the terms of any Award in the case of any change in the Company's capitalization not expressly contemplated by the first sentence of this Section 16.

17. Fundamental Change. In the event of a proposed Fundamental Change, the Committee may, but shall not be obligated to:

(a) if the Fundamental Change is a merger or consolidation or statutory share exchange, make appropriate provision for the protection of the outstanding Options and Stock Appreciation Rights by the assumption or substitution of options, stock appreciation rights and appropriate voting common stock of the corporation surviving any merger or consolidation or, if appropriate, the parent corporation of the Company or such surviving corporation, provided that such substitution will be effected in a manner that will not result in the grant of a new Option or Stock Appreciation Right under Code Section 409A; or

(b) at least ten days before the occurrence of the Fundamental Change, declare, and provide written notice to each holder of an Option or Stock Appreciation Right of the declaration, that each outstanding Option and Stock Appreciation Right, whether or not then exercisable, shall be canceled at the time of, or immediately before the occurrence of the Fundamental Change in exchange for payment to each holder of an Option or Stock Appreciation Right, within ten days after the Fundamental Change, of cash equal to (i) for each Share covered by a canceled Option, the amount, if any, by which the Fair Market Value (as defined in this Section) per Share exceeds the exercise price per Share covered by such Option or (ii) for each Stock Appreciation Right, the price determined pursuant to Section 10, except that the Fair Market Value of the Shares as of the date of exercise of the Stock Appreciation Right, as used in clause (i) of Section 10 of the Plan, shall be deemed to be their Fair Market Value (as defined in this Section) . At the time of the declaration provided for in the immediately preceding sentence, each Stock Appreciation Right

and each Option shall immediately become exercisable in full and each person holding an Option or a Stock Appreciation Right shall have the right, during the period preceding the time of cancellation of the Option or Stock Appreciation Right, to exercise the Option as to all or any part of the Shares covered thereby or the Stock Appreciation Right in whole or in part, as the case may be. In the event of a declaration pursuant to this Section 17(b), each outstanding Option and Stock Appreciation Right granted pursuant to the Plan that shall not have been exercised before the Fundamental Change shall be canceled at the time of, or immediately before, the Fundamental Change, as provided in the declaration. Notwithstanding the foregoing, no person holding an Option or a Stock Appreciation Right shall be entitled to the payment provided for in this Section 17(b) if such Option or Stock Appreciation Right shall have terminated, expired or been cancelled. For purposes of this Section only, "Fair Market Value" per Share means the cash plus the fair market value, as determined in good faith by the Committee, of the non-cash consideration to be received per Share by the stockholders of the Company upon the occurrence of the Fundamental Change.

18. Change in Control.

(a) *Definition.* A "Change in Control" of the Company shall be deemed to occur if any of the following occur:

(1) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) after the effective date of this Plan first acquires or first becomes a "beneficial owner" (as defined in Rule 13d-3 or any successor rule under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors ("*Voting Securities*"), provided, however, that the following shall not constitute a Change in Control pursuant to this paragraph (a)(1):

(A) any acquisition of Shares or Voting Securities of the Company directly from the Company,

(B) any acquisition or beneficial ownership by the Company or a Subsidiary,

(C) any acquisition or beneficial ownership by any employee benefit plan (or related trust) sponsored or maintained by the Company or one or more of its subsidiaries,

(D) any acquisition or beneficial ownership by any corporation with respect to which, immediately following such acquisition, more than 50% of both the combined voting power of the Company's then outstanding Voting Securities and the Shares are then beneficially owned by all or substantially all of the persons who beneficially owned Voting Securities and Shares immediately prior to such acquisition in substantially the same proportions as their ownership of such Voting Securities and Shares, as the case may be, immediately prior to such acquisition, or

(E) any sale of stock by the Company for capital raising purposes;

(2) A majority of the members of the Board of Directors of the Company shall not be Continuing Directors. "*Continuing Directors*" shall mean: (A) individuals who, on the date hereof, are directors of the Company, (B) individuals elected as directors of the Company subsequent to the date hereof for whose election proxies shall have been solicited by the Board, (C) individuals elected as directors of the Company subsequent to the date hereof pursuant to a nomination or board representation right of preferred shareholders of the Company or (D) any individual elected or appointed by the Board to fill vacancies on the Board caused by death or resignation (but not by removal) or to fill newly-created directorships;

(3) Consummation of a reorganization, merger or consolidation of the Company or a statutory exchange of outstanding Voting Securities, unless, immediately following such reorganization, merger, consolidation or exchange, all or substantially all of the persons who were the beneficial owners, respectively, of Voting Securities and Shares of the Company immediately prior to such reorganization, merger, consolidation or exchange beneficially own, directly or indirectly, more than 50% of, respectively, the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors and the then outstanding shares of common stock, as the case may be, of the corporation that is the issuer of such securities held by the shareholders of the Company after such reorganization, merger, consolidation or exchange in substantially the same proportions as their ownership, immediately prior to such reorganization, merger, consolidation or exchange, of the Voting Securities and Shares, as the case may be; or

(4) Consummation of (x) a complete liquidation or dissolution of the Company or (y) the sale or other disposition of all or substantially all of the assets of the Company (in one or a series of transactions), other than to a corporation with respect to which, immediately following such sale or other disposition, more than 50% of, respectively, the combined voting power of the then outstanding voting securities of such corporation entitled to vote generally in the election of directors and the then outstanding shares of common stock of such corporation is then beneficially owned, directly or indirectly, by all or substantially all of the persons who were the beneficial owners, respectively, of the Voting Securities and Shares immediately prior to such sale or other disposition in substantially the same proportions as their ownership, immediately prior to such sale or other disposition, of the Voting Securities and Shares, as the case may be.

(b) *Acceleration of Vesting, Assumption and/or Termination*. If and to the extent so provided in an Agreement or by Committee action with respect to any outstanding Option, Restricted Stock or Stock Appreciation Right, and notwithstanding anything in Section 17 to the contrary, if a Change in Control shall occur, then such Option, Restricted Stock or Stock Appreciation Right, if not already exercised or vested in full or otherwise terminated, expired or cancelled, may become immediately exercisable and fully vested as provided in the Agreement or Committee action and may remain exercisable during the remaining term thereof or such other period as may be provided in the Agreement or by Committee action. For the avoidance of doubt, unless otherwise provided in an Agreement or specifically by Committee action as set forth above, no Option, Restricted Stock or Stock Appreciation Right will accelerate in exercisability or vesting upon a Change in Control. In addition, in the event of a Change in Control, the Committee may provide that each outstanding Award shall be assumed or an equivalent Award substituted by the successor entity (or a parent or subsidiary thereof) or it may cause any and all Awards outstanding hereunder to terminate effective as of the date of such Change in Control. For the avoidance of doubt, the Committee may make any change to the terms of an Award contemplated by this Section 18 or Section 17 without requirement of stockholder approval or the consent of the Participant holding the Award, even if such change is to the Participant's detriment.

(c) *Cash Payment*. If a Change in Control shall or is to occur, then the Committee, in its sole discretion, and without the consent of the Participant affected thereby, may determine that some or all outstanding Options, unvested Restricted Stock or Stock Appreciation Rights shall be cancelled as of the effective date of any such Change in Control. The Committee may further determine that the holder or holders of such cancelled Options, unvested Restricted Stock or Stock Appreciation Rights shall receive, with respect to some or all of the Shares subject to such Options, unvested Restricted Stock or Stock Appreciation Rights, as of the date of such cancellation, cash in an amount, for (i) each Share subject to an Option or Stock Appreciation Right, equal to the excess of the per Share Fair Market Value of such Shares immediately prior to such Change in Control over the exercise price per Share of such Options or Stock Appreciation Rights and (ii) for each unvested Share of Restricted Stock, equal to the per Share Fair Market Value of such Shares immediately prior to such Change in Control.

19. Forfeitures. An Agreement may provide that if a Participant has received or been entitled to payment of cash, delivery of Shares, or a combination thereof pursuant to an Award within six months before the Participant's termination of employment with the Company and its Affiliates, the Committee, in its sole discretion, may require the Participant to return or forfeit the cash and/or Shares received with respect to the Award (or its economic value as of (i) the date of the exercise of Options or Stock Appreciation Rights, (ii) the date of, and immediately following, the lapse of restrictions on Restricted Stock or the receipt of Shares without restrictions or (iii) the date on which the right of the Participant to payment with respect to Performance Units vests, as the case may be) in the event of certain occurrences specified in the Agreement. The Committee's right to require forfeiture must be exercised within 90 days after discovery of such an occurrence but in no event later than 15 months after the Participant's termination of employment with the Company and its Affiliates. The occurrences may, but need not, include competition with the Company or any Affiliate, unauthorized disclosure of material proprietary information of the Company or any Affiliate, a violation of applicable business ethics policies of the Company or Affiliate or any other occurrence specified in the Agreement within the period or periods of time specified in the Agreement.

20. Corporate Mergers, Acquisitions, Etc. The Committee may also grant Options, Stock Appreciation Rights, Restricted Stock or other Awards under the Plan in substitution for, or in connection with the assumption of, existing options, stock appreciation rights, restricted stock or other awards granted, awarded or issued by another corporation and assumed or otherwise agreed to be provided for by the Company pursuant to or by reason of a transaction involving a corporate merger, consolidation, acquisition of property or stock, separation, reorganization or liquidation to which the Company or an Affiliate is a party. The terms and conditions of the substitute Awards may vary from the terms and conditions set forth in the Plan to the extent that the Board at the time of the grant may deem appropriate to conform, in whole or in part, to the provisions of the awards in substitution for which they are granted, but will be effected in a manner that will not result in the grant of a new Option or Stock Appreciation Right under Code Section 409A.

21. Unfunded Plan. The Plan shall be unfunded and the Company shall not be required to segregate any assets that may at any time be represented by Awards under the Plan. Neither the Company, its Affiliates, the Committee, nor the Board of Directors shall be deemed to be a trustee of any amounts to be paid under the Plan nor shall anything contained in the Plan or any action taken pursuant to its provisions create or be construed to create a fiduciary relationship between the Company and/or its Affiliates, and a Participant or Successor or Transferee. To the extent any person acquires a right to receive an Award under the Plan, this right shall be no greater than the right of an unsecured general creditor of the Company.

22. Limits of Liability.

(a) Any liability of the Company to any Participant with respect to an Award shall be based solely upon contractual obligations created by the Plan and the Award Agreement.

(b) Except as may be required by law, neither the Company nor any member of the Board of Directors or of the Committee, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken, or not taken, in good faith under the Plan.

23. Compliance with Applicable Legal Requirements. No certificate for Shares distributable pursuant to the Plan shall be issued and delivered unless the issuance of the certificate complies with all applicable legal requirements including, without limitation, compliance with the provisions of applicable state securities laws, the Securities Act of 1933, as amended and in effect from time to time or any successor statute, the Exchange Act and the requirements of the exchanges on which the Company's Shares may, at the time, be listed.

24. Deferrals and Settlements. The Committee may require or permit Participants to elect to defer the issuance of Shares or the settlement of Awards in cash under such rules and procedures as it may establish under the Plan, consistent with the requirements of Code Section 409A. It may also provide that deferred settlements include the payment or crediting of interest on the deferral amounts.

25. Other Benefit and Compensation Programs. Payments and other benefits received by a Participant under an Award made pursuant to the Plan shall not be deemed a part of a Participant's regular, recurring compensation for purposes of the termination, indemnity or severance pay laws of any country and shall not be included in, nor have any effect on, the determination of benefits under any other employee benefit plan, contract or similar arrangement provided by the Company or an Affiliate unless expressly so provided by such other plan, contract or arrangement, or unless the Committee expressly determines that an Award or portion of an Award should be included to accurately reflect competitive compensation practices or to recognize that an Award has been made in lieu of a portion of competitive cash compensation.

26. Requirements of Law.

(a) To the extent that federal laws do not otherwise control, the Plan and all determinations made and actions taken pursuant to the Plan shall be governed by the laws of the State of Delaware without regard to its conflicts-of-law principles and shall be construed accordingly.

(b) If any provision of the Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not effect the remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

27. Delivery of Financial Information. The Company will, to the extent necessary to comply with applicable state securities laws, deliver financial statements of the Company to a Participant at least annually. During any period in which the Company is relying on the exemption from registration contained in Rule 12h-1(f)(1) promulgated under the Exchange Act with respect to outstanding Options issued hereunder and is not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Company hereby undertakes to provide the financial and other information required by such exemption to all holders of such Options in the manner, at the times and to the extent required by such exemption.

28. Restrictions on Shares. Notwithstanding any other provision of the Plan, at the discretion of the Committee, the Company may reserve to itself and its assignees in the option Agreement (a) a right of first refusal to purchase all Shares that a Participant (or a subsequent transferee) may propose to transfer to a third party, (b) a right to repurchase a portion of or all Shares held by a Participant upon the Participant's termination of employment or service with the Company or its parent, subsidiary or affiliate for any reason within a specified time (but not to exceed 90 days of the later of termination or exercise of the Award, if required by applicable laws), (c) the right to require the Participant from time to time to execute and deliver stockholder, voting or similar agreements, (d) the right to require the Participant to agree not to take any action that would cause the Company not to qualify for Subchapter S tax status, if applicable, (e) a right to prohibit the exercise of any Option to the extent it would cause termination of the Company's Subchapter S Corporation status under the Code during any period in which the Company has a Subchapter S election in place, and (e) the right of the Company to require the Participant from time to time to execute and deliver underwriter lock up agreements. The price to be paid upon any purchase or repurchase of Shares pursuant to clause (a) or (b) above will be determined by the Committee, and any such purchase or repurchase will be effected on terms that are consistent with maintaining the status of Shares as "service recipient stock" for purposes of Code Section 409A. This paragraph 28 is not a limitation on the provisions that may be included in any Agreement. Shares may be repurchased at the Participant's original purchase price provided that, if required by applicable laws, such right to repurchase as to employees lapses at the rate of at least 20% of the Shares subject to the Award per year over five years from the date that the Award is granted (without respect to the date that the Award was exercised or became exercisable).

Exhibit 10.3

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.
Incentive Stock Option Agreement
(Under the 2009 Omnibus Stock Plan)

Name of Optionee:

No. of Shares Covered: Date of Grant:

Vesting Start Date: Address of Optionee:

Exercise Price Per Share: Expiration Date: _____ [Note: (generally will be 10 years following grant date)]

Exercise Schedule (Cumulative):

[Vesting terms]

This is an Incentive Stock Option Agreement (the "Agreement") between M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation (the "Company"), and the optionee identified above (the "Optionee") effective as of the date of grant specified above.

RECITALS

A. The Company maintains the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan (the "Plan").

B. Pursuant to the Plan, the board of directors of the Company (the "Board") or a committee of two or more directors of the Company (the "Committee") appointed by the Board administers the Plan and has the authority to determine the awards to be granted under the Plan (if the Board has not appointed a committee to administer the Plan, then the Board shall constitute the Committee).

C. The Committee has determined that the Optionee is eligible to receive an award under the Plan in the form of an incentive stock option (the "Option").

The Company hereby grants this Option to the Optionee under the terms and conditions as follows.

TERMS AND CONDITIONS*

1. **Grant**. The Optionee is granted this Option to purchase the number of Shares specified at the beginning of this Agreement.

2. **Exercise Price**. The price to the Optionee of each Share subject to this Option shall be the exercise price specified at the beginning of this Agreement.

3. **Incentive Stock Option**. This Option is intended to be an "incentive stock option" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"); provided that if the Option or part thereof fails to qualify as an incentive stock option, it will be treated as a non-statutory stock option.

4. **Exercise Schedule**. This Option shall vest and become exercisable as to the number of Shares and on the dates specified in the exercise schedule at the beginning of this Agreement. The exercise schedule shall be cumulative; thus, to the extent this Option has not already been exercised and has not expired, terminated or been cancelled, the Optionee or the person otherwise entitled to exercise this Option as provided herein may at any time, and from time to time, purchase all or any portion of the Shares then purchasable under the exercise schedule.

   This Option may also be exercised in full (notwithstanding the exercise schedule) under the circumstances described in Section 8 of this Agreement if it has not expired prior thereto.

5. **Expiration**. This Option shall expire at 5:00 p.m. Eastern Time on the earliest of:

   (a) The expiration date specified at the beginning of this Agreement (which date shall not be later than ten years after the date of grant or, if the Optionee owns or is deemed to own stock possessing more than 10% of the combined voting power of all classes of stock of the Company, five years after the date of grant);

   (b) The expiration of the period after the termination of employment of the Optionee within which the Option can be exercised (as specified in Section 7 of this Agreement);

   (c) Termination of the Optionee's employment for Cause. "Cause" shall be deemed to exist upon (i) an act or acts of dishonesty undertaken by Optionee and intended to result in substantial gain or personal enrichment of Optionee at the expense of the Company; (ii) unlawful conduct or gross misconduct that is willful and deliberate on Optionee's part and that, in either event, is materially injurious to the Company; (iii) the conviction of Optionee of a felony; or (iv) material breach by Optionee of any terms and conditions of any employment or non-competition/non-solicitation agreement between the Optionee and the Company not caused by the Company, which breach has not been cured by Optionee within ten days after written notice thereof to Optionee from the Company; or

* Unless the context indicates otherwise, terms that are not defined in this Agreement shall have the meaning set forth in the Plan as it currently exists or as it is amended in the future.

(d) The date (if any) fixed for cancellation pursuant to Section 17 of the Plan or pursuant to Section 18 of the Plan.

In no event may anyone exercise this Option, in whole or in part, after it has expired, notwithstanding any other provision of this Agreement. In addition, if the Option is exercised, and prior to the delivery of the certificate representing the Shares so purchased, it is determined that Cause for termination existed, then the Company may rescind the Option exercise by the Optionee and the Option shall terminate at the election of the Company.

6. **Procedure to Exercise Option**.

Notice of Exercise. This Option may be exercised by delivering written notice of exercise to the Company at the principal executive office of the Company, to the attention of the Company's **Secretary,** in the form attached to this Agreement. The notice shall state the number of Shares to be purchased, and shall be signed by the person exercising this Option. If the person exercising this Option is not the Optionee, he/she also must submit appropriate proof of his/her right to exercise this Option.

Tender of Payment. Upon giving notice of any exercise hereunder, the Optionee shall provide for payment of the purchase price of the Shares being purchased through one or a combination of the following methods:

(a) Cash (including check, bank draft or money order);

(b) To the extent permitted by law, through a broker-assisted cashless exercise in which the Optionee simultaneously exercises the Option and sells all or a portion of the Shares thereby acquired pursuant to a brokerage or similar relationship and uses the proceeds from such sale to pay the purchase price of such Shares;

(c) If approved by the Committee, by delivery to the Company of unencumbered Shares having an aggregate Fair Market Value on the date of exercise equal to the purchase price of such Shares; or

(d) If approved by the Committee, by authorizing the Company to retain, from the total number of Shares as to which the Option is exercised, that number of Shares having a Fair Market Value on the date of exercise equal to the purchase price for the total number of Shares as to which the Option is exercised.

Notwithstanding the foregoing, the Optionee shall not be permitted to pay any portion of the purchase price through a broker-assisted cashless exercise with Shares, or by authorizing the Company to retain Shares upon exercise of the Option, if the Committee, in its sole discretion, determines that payment in such manner is undesirable.

Delivery of Certificates. As soon as practicable after the Company receives the notice and purchase price provided for above, it shall deliver to the person exercising this Option, in the name of such person, a certificate or certificates representing the Shares being purchased. The Company shall pay any original issue or transfer taxes with respect to the issue or transfer of the Shares and all fees and expenses incurred by it in connection therewith. All Shares so issued shall be fully paid and nonassessable. Notwithstanding anything to the contrary in this Agreement, no certificate for Shares distributable under the Plan shall be issued and delivered unless the issuance of such certificate complies with all applicable legal requirements including, without limitation, compliance with the provisions of applicable state securities laws, the Securities Act of 1933, as amended (the "Securities Act") and the Exchange Act.

7. **Employment Requirement**. This Option may be exercised only while the Optionee remains employed with the Company or an Affiliate thereof, and only if the Optionee has been continuously so employed since the date of this Agreement; *provided that*:

(a) This Option may be exercised for 90 days following the day the Optionee's employment by the Company or an Affiliate ceases if such cessation of employment is for a reason other than death or disability, but only to the extent that it was exercisable immediately prior to termination of employment; provided, that if termination of the Optionee's employment shall have been for Cause, the Option shall expire, and all rights to purchase Shares hereunder shall terminate, immediately upon such termination.

(b) This Option may be exercised within six months after the Optionee's employment by the Company or an Affiliate ceases if such cessation of employment is because of death or disability of the Optionee, but only to the extent it was exercisable immediately prior to cessation of employment.

(c) If the Optionee's employment terminates after a declaration made pursuant to Section 17 of the Plan in connection with a Fundamental Change, the Option may be exercised at any time permitted by such declaration.

Notwithstanding the above, the Option may not be exercised after it has expired.

8. **Acceleration of Vesting**.

Fundamental Change. In the event of a Fundamental Change the Committee may, but shall not be obligated to:

(a) if the Fundamental Change is a merger or consolidation or statutory share exchange, make appropriate provision for the protection of this Option by the substitution for this Option of options or voting common stock of the corporation surviving any merger or consolidation or, if appropriate, the parent corporation of the Company or such surviving corporation; or

(b) at least ten days before the occurrence of the Fundamental Change, declare, and provide written notice to the Optionee of the declaration, that this Option, whether or not then exercisable, shall be canceled at the time of, or immediately before the occurrence of, the Fundamental Change (unless it shall have been exercised prior to the occurrence of the Fundamental Change). In connection with any such declaration, the Committee may, but shall not be obligated to, cause payment to be made to the Optionee of cash equal to, for each Share covered by the canceled Option, the amount, if any, by which the Fair Market Value per Share exceeds the exercise price per Share covered by this Option. At the time of any such declaration, this Option shall immediately become exercisable in full and the Optionee shall have the right, during the period preceding the time of cancellation of this Option, to exercise this Option as to all or any part of the Shares covered by this Option. In the event of a declaration pursuant to this subsection, to the extent this Option has not been exercised prior to the Fundamental Change, the unexercised part of this Option shall be canceled at the time of, or immediately before, the Fundamental Change, as provided in the declaration. Notwithstanding the foregoing, the holder of this Option shall not be entitled to the payment provided for in this subsection if this Option shall have expired pursuant to Section 5 above or been cancelled. For purposes of this subsection only, "Fair Market Value" per Share has the meaning set forth in Section 17 of the Plan.

Change in Control. If a Change in Control of the Company shall occur, then, at the sole discretion of the Committee, the Option, if not already exercised in full or otherwise terminated, expired or cancelled, may become immediately exercisable in full and remain exercisable during

the remaining term of the Option or such other period as the Committee may determine. As described in Section 18 of the Plan, the Company may also provide for the assumption or substitution of the Option or that the Option shall terminate upon the Change in Control.

Discretionary Acceleration. Notwithstanding any other provisions of this Agreement to the contrary, the Committee may, in its sole discretion, declare at any time that the Option shall be immediately exercisable.

Possible Tax Effect of Acceleration. If acceleration of this Option results in the vesting of Shares with a Fair Market Value in excess of $100,000 in any given year, then this Option shall not be deemed an "incentive stock option" within the meaning of Section 422 of the Code to the extent the Fair Market Value of vested Shares exceeds $100,000 in such year.

For the avoidance of doubt, no consent of the Optionee shall be required for any change (including a change detrimental to the Optionee) to the terms of the Option made by the Committee pursuant to this Section 8.

9. **Limitation on Transfer**. During the lifetime of the Optionee, only the Optionee or his/her guardian or legal representative may exercise the Option. The Option may not be assigned or transferred by the Optionee otherwise than by will or the laws of descent and distribution.

10. **No Stockholder Rights Before Exercise**. No person shall have any of the rights of a stockholder of the Company with respect to any Share subject to the Option until the Share actually is issued to him/her upon exercise of the Option.

11. **Lock-Up Period**.

(a) The Optionee agrees that the Optionee will not offer, pledge, sell, contract to sell, sell any option, sell any contract to purchase, purchase any option, purchase any contract to sell, grant any option, right, or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any Shares (or any other Company securities) or enter into any swap, hedging, or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares (or any other Company securities) held by the Optionee (other than those included in the registration) for a period specified by the representative of the underwriters of the Company's capital stock (or any other Company securities, collectively, the "Stock") not to exceed 90 days (180 days in the case of an initial public offering), plus any additional periods required by the Financial Industry Regulatory Authority, after the effective date of any Company registration statement filed under the Securities Act.

(b) The Optionee agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriter to the extent that such agreements are consistent with the foregoing or that are necessary to give further effect to the provisions set forth in Section 11(a). In addition, if requested by the Company or the representative of the underwriters of Stock, the Optionee will provide, within 10 days of such request, such information as may be required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act.

(c) The obligations described in this Section 11 will not apply to a registration relating solely to employee benefit plans on Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a Commission Rule 145 transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to the shares of Stock subject to the foregoing restriction until the end of such period, as applicable.

12. **Discretionary Adjustment**. Except for such mandatory adjustments provided for in Section 16 of the Plan, in the event of any reorganization, merger, consolidation, recapitalization, liquidation, reclassification, stock dividend, stock split, combination of shares, rights offering, or extraordinary dividend or divestiture (including a spin-off), or any other change in the corporate structure or Shares of the Company, the Committee (or if the Company does not survive any such transaction, a comparable committee of the Board of Directors of the surviving corporation) may, without the consent of the Optionee, make such adjustment as it determines in its discretion to be appropriate as to the number and kind of securities subject to and reserved under the Plan and the number and kind of securities issuable upon exercise of the Option and the exercise price hereof.

13. **Transfer of Shares — Tax Effects**. The Optionee hereby acknowledges that if any Shares received pursuant to the exercise of any portion of the Option are sold within two years from the date of grant or within one year from the effective date of exercise of the Option, or if certain other requirements of the Code are not satisfied, such Shares will be deemed under the Code not to have been acquired by the Optionee pursuant to an "incentive stock option" as defined in the Code; and that the Company shall not be liable to the Optionee in the event the Option for any reason is deemed not to be an "incentive stock option" within the meaning of the Code.

14. **Tax Consequences**.

(a) The Optionee may incur tax liability as a result of the Optionee's purchase or disposition of the Shares. **THE OPTIONEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.**

(b) Notwithstanding the Company's good faith determination of the Fair Market Value of the Company's common stock for purposes of determining the exercise price per Share of the Option, the taxing authorities may assert that the fair market value of the Company's common stock on the date of grant was greater than the exercise price per Share. The Option may fail to qualify as an incentive stock option if the exercise price per Share of the Option is less than the fair market value of the Company's common stock on the date of grant. In addition, under Section 409A of the Code, if the exercise price per Share of the Option is less than the fair market value of the Company's common stock on the date of grant, the Option may be treated as a form of deferred compensation and the Optionee may be subject to an additional 20% federal tax (as well as an additional 20% state tax if the Optionee is a resident of California), plus interest and possible penalties. The Optionee is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

15. **Amendment to Meet the Requirements of Section 409A**. The Optionee acknowledges that the Company, in the exercise of its sole discretion and without the consent of the Optionee, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to meet the requirements of Section 409A of the Code as amplified by any Internal Revenue Service or U.S. Treasury Department regulations or guidance as the Company deems appropriate or advisable.

16. **Interpretation of This Agreement**. All decisions and interpretations made by the Committee with regard to any question arising hereunder or under the Plan shall be binding and conclusive upon the Company and the Optionee. If there is any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern.

17. **Discontinuance of Employment**. This Agreement shall not give the Optionee a right to continued employment with the Company or any Affiliate of the Company, and the Company or any such Affiliate employing the Optionee may terminate his/her employment at any time and otherwise deal with the Optionee without regard to the effect it may have upon him/her under this Agreement.

18. **Option Subject to Plan, Certificate of Incorporation and By-Laws**. The Optionee acknowledges that the Option and the exercise thereof is subject to the Plan, the Certificate of Incorporation, as amended from time to time, and the By-Laws, as amended from time to time, of the Company, and any applicable federal or state laws, rules or regulations.

19. **Binding Effect**. This Agreement shall be binding in all respects on the heirs, representatives, successors and assigns of the Optionee. This Agreement may be executed in one or more counterparts, which together shall constitute a binding agreement. Photocopies or other facsimiles of a party's original signature hereto shall be deemed binding originals when delivered to the other party hereto, regardless of the medium of delivery.

20. **Choice of Law**. This Agreement is entered into under the laws of the State of Delaware and shall be construed and interpreted thereunder (without regard to its conflict of law principles).

21. **Execution of Stockholder Agreements**. At the discretion of the Committee, the Company is hereby granted the right to require the Optionee from time to time to execute and deliver stockholder, voting or similar agreements.

22. **Right of First Refusal**. If the Optionee (or a subsequent transferee) proposes to transfer any Shares acquired upon exercise of or in connection with the Option (in each case a "Selling Stockholder"), then the Selling Stockholder shall promptly give written notice to the Company at least 30 days prior to the closing of such transfer. The notice shall describe in reasonable detail the proposed transfer including, without limitation, the number of Shares to be transferred, the nature of the transfer, the consideration to be paid, and the name and address of each prospective purchaser or transferee. For purposes of this Section 22, Transfer means the sale, assignment, encumbrance, hypothecation, pledge, conveyance in trust, gift, transfer by request, devise or descent, or other transfer or disposition of any kind, including, but not limited to, transfers to receivers, levying creditors, trustees or receivers in bankruptcy proceedings or general assignees for the benefit of creditors, whether voluntary or by operation of law, directly or indirectly, of any of the Shares.

    For a period of 15 days following receipt of any notice described in the preceding paragraph, the Company (or its assignee) shall have the right to purchase all or a portion of the Shares subject to such notice on the same terms and conditions as set forth therein. The Company's purchase right shall be exercised by written notice signed by an officer of the Company (or its assignee) and delivered to the Selling Stockholder within such 15-day period, the failure of the Company (or its assignee) to respond within such period shall be conclusive evidence that it elects not to purchase the Shares. The Company or its assignee shall effect the purchase of the Shares, including payment of the purchase price, not more than 30 business days after delivery of the notice from the Selling Stockholder, and at such time the Selling Stockholder shall deliver to the Company the certificate(s) representing the Shares to be purchased by the Company, each certificate to be properly endorsed for transfer.

    To the extent that the Shares proposed to be transferred are not purchased by the Company and/or its assignee(s) as provided in this Section 22, then the Selling Stockholder may transfer such Shares to the proposed transferee(s) pursuant to the terms specified in the notice within 45 days after the date of the notice and provided further that any such sale or other Transfer is effected in accordance with any applicable securities laws and each proposed transferee agrees in writing that the provisions of this Agreement, including this Section 22, shall continue to apply to the Shares after such Transfer. If the Shares described in the notice are not Transferred to the proposed transferee within such 45-day period, a new notice shall be given to the Company, and the Company and/or its assignees shall again be offered the right of first refusal as provided herein before any Shares acquired upon exercise of the Option may be sold or otherwise Transferred.

This provision shall terminate upon the closing of the Company's first underwritten public offering of its common stock.

23. **Subchapter S.** During any time when the Company has a Subchapter S election in place, the Company may prohibit the exercise of this Option to the extent such exercise would cause the termination of the Company's Subchapter S election.

24. **California Securities Law Matters**. The sale of the securities that are the subject of this agreement has not been qualified with the Commissioner of Corporations of the State of California and the issuance of the securities or the payment or receipt of any part of the consideration before the qualification is unlawful, unless the sale of securities is exempt from qualification by Section 25100, 25102, or 25105 of the California Corporations Code. The rights of all parties to this agreement are expressly conditioned on qualification being obtained, unless the sale is exempt.

[*Remainder of page left blank intentionally – signature page follows*]

IN WITNESS WHEREOF, the Optionee and the Company have executed this Agreement as of the date of grant.

OPTIONEE

_____

Signature

_____

Name

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.

By _____

Name: _____

Its: _____

_____, 20__

To:
M/A-COM Technology Solutions Holdings, Inc.
100 Chelmsford Street
Lowell, MA 01851
Attention: Corporate Secretary

Ladies and Gentlemen:

I hereby exercise the following option (the "Option") granted to me under the M/A-COM Technology Solutions Holdings, Inc. 2009 Omnibus Stock Plan (the "Plan") with respect to the number of shares of Common Stock of M/A-COM Technology Solutions Holdings, Inc. (the "Company") indicated below:

Name: _____

Date of Grant of Option: _____

Exercise Price Per Share: _____

Number of Shares With Respect to Which the Option is Hereby Exercised: _____

Total Exercise Price: _____

Select one or more of the following, which equal or exceed the Total Exercise Price:

☐ Enclosed with this letter is a check, bank draft or money order in the amount of $_____ of the Total Exercise Price.

Note that use of the following forms of payment is subject to the consent of the Committee (as defined in the Plan):

☐ With the consent of the Company, I hereby agree to pay $_____ of the Total Exercise Price within five business days of the date hereof and, as stated in the attached Broker's Letter, I have delivered irrevocable instructions to _____ to promptly deliver to the Company the amount of sale or loan proceeds from the Shares to be issued pursuant to this exercise necessary to satisfy my obligation hereunder to pay $_____ of the Total Exercise Price.

☐ With the consent of the Company, enclosed with this letter is a certificate evidencing unencumbered Shares (duly endorsed in blank) having an aggregate Fair Market Value (as defined in the Plan) equal to or in excess of $_____ of the Total Exercise Price.

☐ With the Consent of the Company, I elect to pay $_____ of the Total Exercise Price through a reduction in the number of Shares delivered to me upon this exercise of the Option as provided in Section 9.1(b) of the Plan.

If I am enclosing Shares with this letter, I hereby represent and warrant that I am the owner of such Shares free and clear of all liens, security interests and other restrictions or encumbrances. I agree that I will pay any required withholding taxes in connection with this exercise.

Please issue a certificate (the "Certificate") for the number of Shares with respect to which the Option is being exercised in the name of the person indicated below and deliver the Certificate to the address indicated below:

Name in Which to Issue Certificate: _____

Address to Which Certificate Should be Delivered: _____

_____

_____

_____

Principal Mailing Address for Holder of the Certificate (if different from above):

_____

_____

_____

_____

Very truly yours,

_____

Signature

_____

Name, please print

_____

Social Security Number

_____

_____

_____

Address

_____

Phone Number

_____, 20__

To:
M/A-COM Technology Solutions Holdings, Inc.
100 Chelmsford Street
Lowell, MA 01851
Attention: Corporate Secretary

Ladies and Gentlemen:

Name of Optionee:	_____
Date of Grant of Option:	_____
Exercise Price Per Share:	_____
Number of Shares With Respect to Which the Option is to be Exercised:	_____
Total Exercise Price:	_____

The above Optionee has requested that we finance the exercise of the above Option to purchase Shares of Common Stock of M/A-COM Technology Solutions Holdings, Inc. (the "Company") and has given us irrevocable instructions to promptly deliver to the Company the amount of sale or loan proceeds from the Shares to be issued pursuant to such exercise to satisfy the Optionee's obligation to pay the Total Exercise Price.

Very truly yours,

_____
Broker Name

By _____
Name _____
Its _____

Exhibit 10.4

M/A-COM Technology Solutions Holdings, Inc.
2009 Omnibus Stock Plan Restricted Stock Agreement
(Employee)

Name and address of Recipient:

No. of Shares Covered: Grant Date:

Per Share Purchase Price: $0.001 (deemed paid in full by provision of services to the Company)

Vesting Schedule (Cumulative):

Vesting Date(s)	Number of Shares That Vest

This is a Restricted Stock Agreement ("Agreement") between M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation (the "Company"), and the recipient identified above (the "Recipient") effective as of the date of grant specified above.

Recitals

WHEREAS, the Company maintains the 2009 Omnibus Stock Plan (the "Plan");

WHEREAS, any capitalized terms used in this Agreement, if not defined herein, shall have the meanings set forth in the Plan;

WHEREAS, under the Plan, the Board of Directors of the Company (the "Board") or a committee of two or more directors of the Company (the "Committee") designated by the Board has the authority to determine equity awards to be granted to employees or other service providers of the Company (if the Board has not appointed a committee to determine such equity awards, then the Board shall constitute the Committee); and

WHEREAS, the Committee has determined that the Recipient is to receive an award under the Plan in the form of restricted shares of the Company's common stock, par value $0.001 per share ("Common Stock");

NOW, THEREFORE, the Company hereby grants this award to the Recipient under the terms and conditions as follows.

Terms and Conditions

1. **Grant of Restricted Stock**.

(a) Subject to the terms and conditions of this Agreement, the Company has issued to the Recipient the number of shares of Common Stock (the "Shares") specified at the beginning of this Agreement. These Shares are subject to the restrictions provided for in this Agreement and are referred to collectively as the "Restricted Shares" and each as a "Restricted Share."

(b) The Restricted Shares will be evidenced by a duly issued stock certificate registered in the name of the Recipient. All restrictions provided for in this Agreement will apply to each Restricted Share and to any other securities distributed with respect to that Restricted Share. Each Restricted Share will remain restricted and subject to forfeiture to the Company unless and until that Restricted Share has vested in the Recipient in accordance with all of the terms and conditions of this Agreement.

(c) The Recipient agrees that the Company need not deliver to Recipient a stock certificate in respect of any unvested restricted Shares. The Recipient shall have no right to Transfer (as defined in Section 16 below) any unvested Restricted Shares, except as approved by the Committee (pursuant to Section 18 of the Plan or otherwise).

2. **Vesting**. The Restricted Shares that have not previously been forfeited will vest in the numbers and on the dates specified in the Vesting Schedule at the beginning of this Agreement, subject to Recipient's continued employment with Company or any of its Affiliates through each such date, and further subject to the following provisions:

Discretionary Acceleration. The Committee has the power, in its sole discretion, to declare at any time that the Restricted Shares subject to this award shall vest in whole or in part.

3. **Lapse of Restrictions; Issuance of Unrestricted Shares**. Upon the vesting of any Restricted Shares, such vested Restricted Shares will no longer be subject to forfeiture as provided in Section 4 of this Agreement, and the Company will issue to the Recipient a certificate evidencing the vested Restricted Shares.

4. **Forfeiture**. If the Recipient's employment with or provision of consulting or other services to the Company is terminated for any reason, whether by the Company, by the Recipient or otherwise, voluntarily or involuntarily, other than in the circumstances explicitly excepted from this provision by Section 2 of this Agreement, then any Restricted Shares that have not previously vested shall be forfeited by the Recipient to the Company without requirement of any payment of consideration by the Company, the Recipient shall thereafter have no right, title or interest whatever in such Restricted Shares, and, if the Company does not have custody of any and all certificates representing Restricted Shares so forfeited, the Recipient shall immediately return to the Company any and all certificates representing Restricted Shares so forfeited. Additionally, the Recipient will deliver to the Company a stock power duly executed in blank relating to any and all certificates representing Restricted Shares forfeited to the Company in accordance with the previous sentence

or, if such stock power has previously been tendered to the Company, the Company will be authorized to deem such previously tendered stock power delivered, and the Company will be authorized to cancel any and all certificates representing Restricted Shares so forfeited and to cause a new stock certificate to be issued to the Recipient evidencing any Shares that vested prior to forfeiture.

5. **Stockholder Rights.** As of the date of grant specified at the beginning of this Agreement, the Recipient shall have all of the rights of a stockholder of the Company with respect to the Restricted Shares (including voting rights and the right to receive dividends and other distributions), except as otherwise specifically provided in this Agreement.

6. **Restrictive Legends and Stop-Transfer Orders.**

(a) The certificate representing the Restricted Shares shall bear the following legend noting the existence of the restrictions and the Company's rights to reacquire the Restricted Shares set forth in this Agreement:

"THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY."

(b) The certificate representing the Restricted Shares shall bear the following legend regarding Securities Act of 1933, as amended (the "Securities Act"), compliance:

"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

(c) The Recipient agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(d) The Company shall not be required (i) to transfer on its books any vested or unvested Restricted Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or the Stockholder's Agreement, or (ii) to treat as owner of the Restricted Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom the Restricted Shares shall have been so transferred.

7. **Tax Consequences and Withholdings.** The Recipient understands that unless a proper and timely Section 83(b) election has been made as further described below, generally under

Section 83 of the Code, at the time the Restricted Shares vest, the Recipient will recognize ordinary income equal to the fair market value of the Restricted Shares then vesting. The Recipient shall be solely responsible for tax obligations that arise as a result of the vesting or sale of the Restricted Shares. When the Recipient recognizes income upon vesting of the Restricted Shares, or upon filing a Section 83(b) election as described below, the Company shall have the right to require the payment (through withholding from the Recipient's salary or otherwise) of any federal, state, local or foreign taxes based on the fair market value of the Restricted Shares then vesting (or, in the case of an election under Section 83(b), as of the date of issuance). In furtherance and not in limitation of the foregoing: (i) the Company shall have the right to require Recipient to pay the Company a cash amount sufficient to cover any required withholding taxes before actual receipt of the Shares, and (ii) in lieu of all or any part of such a cash payment, the Committee may permit Recipient to provide all or any part of the required withholdings through a reduction of the number of vested Restricted Shares otherwise deliverable to Recipient by the Company hereunder, or through delivery and forfeit to the Company of other Shares held by the Recipient, in each case valued in the same manner as used in computing the withholding taxes under the applicable laws.

8. **Section 83(b) Election**. The Recipient has been informed that, with respect to the grant of Restricted Shares, an election may be filed by the Recipient with the Internal Revenue Service, within 30 days of the date of issuance, electing pursuant to Section 83(b) of the Code to be taxed upon making such election on the fair market value of the Restricted Shares on the date of issuance. The Recipient acknowledges that it is the Recipient's sole responsibility to timely file the election under Section 83(b) of the Code if the Recipient chooses to make such an election. The Recipient has been advised that he or she should consult his or her personal tax or financial advisor with any questions regarding whether to make a Section 83(b) election. If the Recipient makes such election, the Recipient shall promptly provide the Company a copy of the election form.

9. **Lock-Up**.

(a) The Recipient agrees that the Recipient will not offer, pledge, sell, contract to sell, sell any option, sell any contract to purchase, purchase any option, purchase any contract to sell, grant any option, right, or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any Shares (or any other Company securities) or enter into any swap, hedging, or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any Shares (or any other Company securities) held by the Recipient (other than those included in the registration) for a period specified by the representative of the underwriters of the Company's capital stock (or any other Company securities, collectively, the "Stock") not to exceed 90 days (180 days in the case of an initial public offering), plus any additional periods required by the Financial Industry Regulatory Authority, after the effective date of any Company registration statement filed under the Securities Act.

(b) The Recipient agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriter to the extent that such agreements are consistent with the foregoing or that are necessary to give further effect to

the provisions set forth in Section 9(a). In addition, if requested by the Company or the representative of the underwriters of Stock, the Recipient will provide, within 10 days of such request, such information as may be required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act.

(c) The obligations described in this Section 9 will not apply to a registration relating solely to employee benefit plans on Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a Commission Rule 145 transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to the shares of Stock subject to the foregoing restriction until the end of such period, as applicable.

10. **Discontinuance of Employment**. This Agreement shall not give the Recipient a right to continued employment or engagement with the Company or any parent or subsidiary of the Company, and the Company or any such parent or subsidiary employing the Recipient may terminate his/her employment or engagement at any time and otherwise deal with the Recipient without regard to the effect it may have upon him/her under this Agreement.

11. **Adjustments for Changes in Capitalization**. This Restricted Shares granted pursuant to this Agreement shall be subject to adjustments for changes in the Company's capitalization as provided in Section 16 of the Plan.

12. **Interpretation of This Agreement**. All decisions and interpretations made by the Committee with regard to any question arising hereunder shall be binding and conclusive upon the Company and the Recipient. If there is any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern.

13. **Award Subject to Certificate of Incorporation and Bylaws**. The Recipient acknowledges that the Restricted Shares are subject to the Certificate of Incorporation, as amended from time to time, and the Bylaws, as amended from time to time, of the Company, and any applicable federal or state laws, rules or regulations.

14. **Binding Effect and Amendment**. This Agreement shall be binding in all respects on the heirs, representatives, successors and assigns of the Recipient. This Agreement contains all terms and conditions with respect to the subject matter hereof and no amendment, modification or other change hereto shall be of any force or effect unless and until set forth in a writing executed by Recipient and the Company. This Agreement may be executed in one or more counterparts, which together shall constitute a binding agreement. Photocopies or other facsimiles of a party's original signature hereto shall be deemed binding originals when delivered to the other party hereto, regardless of the medium of delivery.

15. **Choice of Law**. This Agreement is entered into under the laws of the State of Delaware and shall be construed and interpreted thereunder (without regard to its conflict of law principles).

16. **Right of First Refusal**. If the Recipient (or a subsequent transferee) proposes to transfer any vested Restricted Shares (in each case a "Selling Stockholder"), then the Selling Stockholder shall promptly give written notice to the Company at least 30 days prior to the closing of such transfer. The notice shall describe in reasonable detail the proposed transfer including, without limitation, the number of Shares to be transferred, the nature of the transfer, the consideration to be paid, and the name and address of each prospective purchaser or transferee. For purposes of this Section 16, Transfer means the sale, assignment, encumbrance, hypothecation, pledge, conveyance in trust, gift, transfer by request, devise or descent, or other transfer or disposition of any kind, including, but not limited to, transfers to receivers, levying creditors, trustees or receivers in bankruptcy proceedings or general assignees for the benefit of creditors, whether voluntary or by operation of law, directly or indirectly, of any of the Shares.

For a period of 15 days following receipt of any notice described in the preceding paragraph, the Company (or its assignee) shall have the right to purchase all or a portion of the Shares subject to such notice on the same terms and conditions as set forth therein. The Company's purchase right shall be exercised by written notice signed by an officer of the Company (or its assignee) and delivered to the Selling Stockholder within such 15-day period, the failure of the Company (or its assignee) to respond within such period shall be conclusive evidence that it elects not to purchase the Shares. The Company or its assignee shall effect the purchase of the Shares, including payment of the purchase price, not more than 30 business days after delivery of the notice from the Selling Stockholder, and at such time the Selling Stockholder shall deliver to the Company the certificate(s) representing the Shares to be purchased by the Company, each certificate to be properly endorsed for transfer.

To the extent that the Shares proposed to be transferred are not purchased by the Company and/or its assignee(s) as provided in this Section 16, then the Selling Stockholder may transfer such Shares to the proposed transferee(s) pursuant to the terms specified in the notice within 45 days after the date of the notice and provided further that any such sale or other Transfer is effected in accordance with any applicable securities laws and each proposed transferee agrees in writing that the provisions of this Agreement, including this Section 16, shall continue to apply to the Shares after such Transfer. If the Shares described in the notice are not Transferred to the proposed transferee within such 45-day period, a new notice shall be given to the Company, and the Company and/or its assignees shall again be offered the right of first refusal as provided herein before any vested Restricted Shares may be sold or otherwise Transferred.

This provision shall terminate upon the closing of the Company's first underwritten public offering of its common stock.

17. **California Securities Law Matters**. The sale of the securities that are the subject of this agreement has not been qualified with the Commissioner of Corporations of the State of California and the issuance of the securities or the payment or receipt of any part of the consideration before the qualification is unlawful, unless the sale of securities is exempt from qualification by Section 25100, 25102, or 25105 of the California Corporations Code. The rights of all parties to this agreement are expressly conditioned on qualification being obtained, unless the sale is exempt.

18. **By Executing this Agreement you are Executing a Joinder to the Company's Investor Rights Agreement**. It is a condition precedent to the issuance of the Restricted Shares to Recipient

that Recipient agree to be bound by, and sign a written joinder to, the Amended and Restated Investor Rights Agreement dated December 21, 2010 by and among the Company and certain holders of capital stock of the Company (as amended from time to time, the "Investor Rights Agreement"), which contains, among other things, certain restrictions on the transfer of the Shares. By executing this Agreement below, Recipient hereby joins and becomes a party to the Investor Rights Agreement as an Other Investor (as such term is defined in the Investor Rights Agreement) with the same force and effect as if originally named therein as an Other Investor. Recipient hereby agrees to be bound by all of the terms and provisions applicable to an Other Investor under the Investor Rights Agreement. Recipient acknowledges that he or she has received a copy of the Investor Rights Agreement. Each reference to an Other Investor in the Investor Rights Agreement shall be deemed to include Recipient. Recipient hereby acknowledges and agrees that the Company may condition any future proposed transfer of the Shares by Recipient on, among other things, the proposed transferee executing a written joinder and agreement to be bound to the Investor Rights Agreement and to any other restrictive provisions contained in this Agreement.

IN WITNESS WHEREOF, the Recipient and the Company have executed this Agreement as of the date first set forth above.

RECIPIENT

_____

Signature

_____

Name

M/A-COM Technology Solutions Holdings, Inc.

By _____

Its _____

Exhibit A

IRREVOCABLE STOCK POWER

FOR VALUE RECEIVED, the undersigned does hereby assign and transfer to M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation, _____ (_____) shares of Common Stock, par value $0.001 per share, of M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation (the "Corporation"), represented by Stock Certificate No. ____, standing in the name of the undersigned on the books of the Corporation. The undersigned does hereby irrevocably constitute and appoint any authorized officer of the Corporation as attorney-in-fact to transfer said shares of stock on the books of the Corporation with full power of substitution in the premises in accordance with the terms of any Restricted Stock Agreement by and between the Corporation and the undersigned.

IN WITNESS WHEREOF, this Irrevocable Stock Power is executed effective as of the __ day of _____, 20__.

Stockholder:

_____

Name:

Exhibit 10.9

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01851

July 9, 2009

Mr. Joseph Thomas

Re: Offer of Employment with M/A-COM Technology Solutions Inc.

Dear Joe:

On behalf of M/A-COM Technology Solutions Inc., a Delaware corporation (the "Company"), I am pleased to invite you to join the Company as its Chief Executive Officer, reporting to the Board of Directors with duties and responsibilities customarily associated with that position. This is an exempt position and you will be working out of our Lowell, MA offices. Subject to the terms and conditions set forth in this letter, the effective date of your employment will be April 1, 2009 (the "Effective Date"), or such other date as you and the Company mutually agree in writing.

The terms of this offer of employment are as follows:

1. At-Will Employment. You should be aware that your employment with the Company is for no specified period and constitutes "at-will" employment. As a result, you are free to terminate your employment at any time, for any reason or for no reason. Similarly, the Company is free to terminate your employment at any time, for any reason or for no reason, subject to the provisions of Paragraph 4 below. We request that, in the event of a resignation, you give the Company at least four weeks' notice.

2. Compensation. The Company will pay you a salary at the rate of $35,000 per month payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding requirements. The first and last payment by the Company to you will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period. You will also be eligible to participate in a Company bonus plan, with a maximum bonus potential equal to 50% of your annualized salary, based on Company and/or individual performance targets determined by the Board of Directors.

3. Stock Options. As you may be aware, the Company's parent M/A-COM Technology Solutions Holdings, Inc. ("Parent") is in the process of setting up a stock option plan (the "Plan") to provide certain employees and other service providers of the Company with employment incentives. Subject to the adoption of the Plan and approval by Parent's Board of Directors in accordance with applicable law, you will be granted, as soon as practicable following the date both parties have executed this letter agreement:

(a) An option under the Plan to purchase a number of shares of Parent's Common Stock equal to two percent (2%) of the total number of shares of Parent Common Stock outstanding at the date of such option grant, measured on an undiluted primary shares basis (the "First Option"). One-third (1/3rd) of the shares subject to such First Option will vest and become exercisable on the first anniversary of the Effective Date and an additional one thirty-sixth ($^{1}/_{36^{th}}$) of the total number of such shares will vest on the corresponding day of each month thereafter, or to the extent such a month does not have the corresponding day, on the last day of any such month, until all the shares are vested, subject to your continued employment with Parent or any of its subsidiaries at each such date.

(b) An additional option under the Plan to purchase a number of shares of Parent's Common Stock equal to one percent (1%) of the total number of shares of Parent Common Stock outstanding at the date of such option grant, measured on an undiluted primary shares basis (the "Second Option"). One-half of the shares subject to the Second Option shall vest and become exercisable if the consolidated annual revenue of Parent and all Parent's subsidiaries ("Group Revenue") (less any such revenue attributable to any products, technologies, assets or organizations acquired by Parent or its subsidiaries after the date hereof) meets or exceeds $280,000,000 (the "First Threshold") for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012, and the remaining one-half of the shares subject to the Second Option shall vest and become exercisable if Group Revenue (less any such revenue attributable to any products, technologies, assets or organizations acquired by Parent or its subsidiaries after the date hereof) meets or exceeds $295,000,000 (the "Second Threshold") for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012. In the event that Parent divests any line of business between the date hereof and December 31, 2012, then for purposes of this Paragraph 3(b) only, for each fiscal year of Parent ending after the effective date of such divestment and on or before December 31, 2012: (i) from and after the effective date of such divestment, the otherwise applicable First Threshold and Second Threshold shall be deemed to be reduced, dollar for dollar, by the amount of revenue such business line contributed to Group Revenue for its most recently completed fiscal year prior to the effective date of such divestiture, and (ii) from and after the effective date of such divestment, in measuring the Group Revenue for any such fiscal year for purposes of determining whether a vesting event occurs hereunder, the parties agree to exclude from such calculation (and reduce the otherwise applicable Group Revenue by the amount of) any and all revenue attributable to the line of business so divested.

(c) An additional option under the Plan to purchase a number of shares of Parent's Common Stock equal to one percent (1%) of the total number of shares of Parent Common Stock outstanding at the date of such option grant, measured on an undiluted primary shares basis (the "Third Option"). One-half of the shares subject to the Third Option shall vest and become exercisable if the consolidated annual earnings before income tax of Parent and all Parent's subsidiaries, calculated to exclude any (x) gains or losses from the sale, exchange, transfer or other disposition of property or assets not in the ordinary course of business of Parent and such subsidiaries, and (y) other extraordinary gains or losses of Parent and such subsidiaries ("Group EBIT") exceeds twenty-two percent (22%) of Group Revenue for any fiscal year of Parent ending after the date hereof and on or

before December 31, 2012, and the remaining one-half of the shares subject to the Third Option shall vest and become exercisable if Group EBIT exceeds twenty-five percent (25%) of Group Revenue for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012.

The First Option, Second Option and Third Option (collectively, the "Options") shall each have a per share exercise price equal to the fair market value of a share of Parent common stock as of their grant date, as determined by the Board of Directors in good faith. The Options shall, subject to applicable law, be incentive stock options and shall have a net exercise mechanism, and all Options vested as of the termination of your employment shall be exercisable for a period of 90 days thereafter.

The Options shall otherwise be subject to the terms and conditions of the Plan and related stock option agreement; provided, however, that the Plan and the stock option agreements shall not have any provisions which prevent the issuance of options conforming to the provisions of this letter agreement. No right to any stock is earned or accrued under any such option until such time as vesting occurs, nor does any such grant confer any right to continued vesting or employment. You will be eligible for an additional grant of incentive stock options two years following the effective date of this letter agreement.

4. Severance.

(a) Our at-will relationship notwithstanding, if the Company terminates your employment with the Company other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below) (each an "Involuntary Termination") and in either case you sign and deliver to the Company a general release of claims substantially in the form attached as Exhibit A hereto (the "Release") within 21 days following your termination, and do not revoke the Release, then on the eighth (8th) day following your execution and delivery of such Release you shall be entitled only to the following:

(i)(A) Any and all accrued but unpaid wages earned by you, any Company-approved but unpaid expense reimbursements owed to you, and the cash value of any vacation days accrued by you during the fiscal year your employment terminated (but not any prior fiscal year) and not used by you, and (B) any Company bonus amount earned by you in the fiscal year immediately prior to the fiscal year in which your employment with the Company terminated but not yet paid to you as of the date of such termination (you hereby acknowledge and agree that no such bonus exists with respect to any fiscal year ending on or before the date of this letter agreement), in each of case (A) or (B) as calculated through the date your employment with the Company terminated in accordance with the Company's standard policies and subject to any applicable withholding and deductions ("Accrued Compensation").

(ii) Your monthly salary, at the rate then in effect and payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding, for a period of twelve (12) months following the date your employment with the Company terminated (the "Severance Period").

(iii) To the extent that you or any of your dependents may be covered under the terms of any medical and dental plans of the Company immediately prior to the termination of your employment, the Company will provide you with reimbursement for premiums paid for the continuation of such benefits for you and those dependents for the same or equivalent coverages through the end of the Severance Period. The Company is under no obligation to provide reimbursement for special coverages for you that would not be covered by the plans applicable to employees generally. The reimbursement payable to you pursuant to this paragraph shall be reduced by the amount equal to the contributions required from time to time from other employees for equivalent coverages under the Company's medical or dental plans. If and to the extent that you or any of your dependents is or becomes eligible to participate in a medical, dental or other health insurance plan of another employer during the Severance Period, then the reimbursement benefit provided by this paragraph shall be eliminated or commensurately diminished.

(iv) To the extent that, during any Severance Period, the Company pays a bonus pursuant to a Company bonus plan in which you participated as of the date your employment terminated, then, if and when such bonus is paid to other bonus plan participants generally, you shall be entitled to receive a payment equal to the product of the following calculation: (x) the full amount of any bonus payment you would have earned under such bonus plan based on actual results during the full bonus plan measurement period had you remained employed throughout the full bonus plan measurement period, *multiplied by* (y) a fraction, the numerator of which shall be the number of full calendar months of the bonus plan measurement period that preceded the date that your employment with the Company terminated, and the denominator of which shall be the total number of calendar months comprising the bonus plan measurement period as a whole (such bonus, the "Termination Bonus").

(v) If such Involuntary Termination occurs within six (6) months following a Change in Control (as defined below), then effective as of immediately prior to the effectiveness of such Involuntary Termination, you shall be given six (6) months' accelerated vesting credit against your First Option only (meaning that your final total of vested shares as to this First Option shall be equivalent to the number of such shares that would have been vested under the normal vesting schedule of the First Option had you remained employed with the Company through the date that is six (6) months following the effective date of such Involuntary Termination).

(b) In the event of your death or termination of your employment on account of your Disability, you or your estate shall be entitled only to (i) Accrued Compensation, (ii) benefit continuation as set forth in Paragraph 4(a)(iii) above, and (iii) the Termination Bonus. For purposes of this letter agreement, "Disability" shall mean any illness or physical or mental disability or incapacity that has resulted in your eligibility for commencement of long-term disability benefits under the long-term disability plan of the Company applicable to you or, if there is no such long-term disability plan applicable to you, your inability, by virtue of illness or physical or mental disability or incapacity to perform your essential job functions hereunder, whether with or without reasonable accommodations, in substantially the manner and to the extent required hereunder prior to the commencement of such disability for 180 consecutive days.

(c) In the event that you terminate your employment without Good Reason or the Company terminates your employment for Cause, you shall be entitled only to Accrued Compensation.

(d) You hereby agree that the severance benefits provided for in this Paragraph 4 are the only severance benefits from the Company or its Parent, subsidiaries or affiliates to which you may be entitled in the event of the termination of your employment with the Company or its Parent, subsidiaries or affiliates, and that such benefits will be reduced dollar for dollar by any amount the Company or its Parent, subsidiaries or affiliates are required to pay you by law or statute in connection with the termination of your employment that would otherwise duplicate any portion of the severance benefits provided herein. You acknowledge that you are not entitled to any payment by the Company or its Parent, subsidiaries or affiliates by reason of the Tyco Electronics Corporation Employee Severance Pay Plan, as amended, or any written or unwritten policy of honoring such plan (or any similar plan in place) at the Company or any of its predecessors or affiliates. It is acknowledged that this paragraph is not intended by you to operate as a waiver or release of any rights you may have against Tyco Electronics Corporation ("Tyco") or Cobham Defense Electronics Systems Corporation ("Cobham") by reason of your participation in any benefit plan or program currently provided to you by such entities following the termination of your employment with those entities.

(e) As used herein, "Cause" shall mean (i) a material act of dishonesty or involving dishonest misrepresentation intended in either case to enrich you at the expense of the Company, (ii) your conviction of, or plea of nolo contendere to, a felony; (iii) your gross misconduct or fraud that materially and adversely affects the Company (monetarily or otherwise); or (iv) your (a) willful and material failure to discharge your employment duties or (b) a willful and material breach of this letter agreement or the ECIA (as defined below), in each case after you have received a written demand for performance from the Company (or notice of misconduct, where applicable) specifying the breach of employment duties and your failure to cure such breach (where such breach is curable) within thirty (30) days of the date of such notice from the Company.

(f) As used herein, "Good Reason" shall mean your resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without your written consent: (i) the assignment to you of any duties or responsibilities, or the reduction of your duties, responsibilities or authority, if any one or more of such events results in the aggregate in a material diminution of your authority, duties, or responsibilities with the Company in effect on the date of this Agreement, or your removal from the position of CEO; (ii) a material reduction of your base salary, unless such a reduction is part of, and proportionate to, an across the board reduction in the base salary of all Company executives and such reduction does not exceed 20% of your initial base salary hereunder; (iii) a material change in the geographic location at which you must perform services (in other words, as the relocation of your principal place of employment to a facility that is more than fifty (50) miles from your current work location); (iv) the failure of the Company to obtain assumption of this agreement by any successor at or prior to the succession event; or (v) a willful and material breach of this letter agreement by the Company. You agree that, except for subsection (iv) above, you will not resign for Good Reason without first (A) providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within thirty (30) days of your initial knowledge or discovery of the grounds for "Good Reason" and (B) the Company failing to remedy such acts or

omissions within thirty (30) days following the date of delivery to the Company of such notice. For the avoidance of doubt, a change in control of the Company shall not, by itself, give rise to Good Reason, unless it is accompanied by one or more of the occurrences above. Notwithstanding the foregoing, you agree that (x) no fact in existence as of the date we execute this letter agreement or occurrence prior to such date shall constitute or give rise to Good Reason (provided that nothing in this clause shall bar a claim of "Good Reason" that is based solely on events occurring after the date of this letter agreement which in and of themselves constitute "Good Reason"), and (y) no occurrence noted above will constitute or give rise to Good Reason to the extent that it is required by applicable state or federal securities, employee benefits or employment law.

(g) As used herein, a "Change in Control" shall be deemed to occur if any of the following occur with respect to Parent following the date we each execute this Agreement:

(1) Any person or entity first acquires securities of Parent representing more than 50% of the combined voting power of Parent's then outstanding securities entitled to vote generally in the election of directors ("Voting Securities"), provided, however, that the following shall not constitute a Change in Control pursuant to this paragraph (g)(1):

(A) any acquisition or beneficial ownership by Parent or a subsidiary or affiliate,

(B) any acquisition or beneficial ownership by any employee benefit plan (or related trust) sponsored or maintained by Parent or one or more of its subsidiaries or affiliates,

(C) any acquisition or beneficial ownership by any person or entity with respect to which, immediately following such acquisition, more than 50% of the combined voting power of Parent's then outstanding Voting Securities is then beneficially owned, directly or indirectly, by persons who beneficially owned more than 50% of the Voting Securities immediately prior to such acquisition, or

(D) any sale of stock by Parent for capital raising purposes (i.e. a sale of stock by Parent that is not accompanied either by a distribution to the shareholders of Parent, or a reduction in the number of shares held by shareholders of Parent);

(2) A majority of the members of the Board of Directors of Parent shall not be Continuing Directors. "Continuing Directors" shall mean: (A) individuals who, on the date hereof, are directors of Parent, (B) individuals elected as directors of Parent subsequent to the date hereof for whose election proxies shall have been solicited by the Board or who shall have been recommended for election by the Board, (C) individuals elected as directors of Parent subsequent to the date hereof pursuant to a nomination or board representation right of preferred shareholders of Parent, or (D) any individual elected or appointed by the Board or stockholders to fill vacancies on the Board caused by death or resignation (but not by removal) or to fill newly created directorships;

(3) Consummation of a reorganization, merger or consolidation of Parent or a statutory exchange of outstanding Voting Securities, unless, immediately following such transaction,

more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of Parent or the corporation that is the issuer of the securities held by the shareholders of Parent after such transaction is beneficially owned, directly or indirectly, by persons who beneficially owned more than 50% of the Voting Securities of Parent immediately prior to such transaction; or

(4) Consummation of (x) a complete liquidation or dissolution of Parent or (y) the sale or other disposition of all or substantially all of the assets of Parent (in one or a series of related transactions), other than to a subsidiary, affiliate or another entity with respect to which, immediately following such sale or other disposition, more than 50% of the combined voting power of the then outstanding voting securities of such entity entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by persons who were the beneficial owners of more than 50% of the Voting Securities of Parent immediately prior to such sale or other disposition.

5. Benefits. During the term of your employment, you will be eligible, provided that you meet the eligibility requirements of the relevant plans and policies, for the Company's standard employee benefits applicable to employees at your level, including health, dental, vision, life, and short and long-term disability insurance. The Company is currently exploring the cost and related legal and accounting requirements associated with establishing a salary deferral program, and expects that if one is offered you would be eligible to participate in it. Program particulars and enrollment information will be communicated to you if and when the program is adopted. The Company reserves the right to change the benefits it offers or the terms of such benefits from time to time. You shall be entitled to a minimum of 5 weeks paid vacation and 6 paid personal days per year.

6. Immigration Laws. This offer of employment is contingent on your providing proper documentation of your identity and authorization to work in the United States under applicable immigration laws, as required by Form I-9 of the US Department of Homeland Security.

7. Employee Confidentiality and Invention Assignment Agreement. As a condition of this offer of employment, you will be required to promptly complete, sign and return the Company's standard form of employee confidentiality and invention assignment agreement (the "ECIA").

8. No Conflicts. In this position, you will be expected to devote your full business time, attention and energies to the performance of your duties with the Company. We also ask that, before signing this letter, you disclose to the Company any and all agreements relating to your prior employment that may affect your eligibility to be employed by the Company or limit the manner in which you may be employed. It is the Company's understanding that any such agreements will not prevent you from performing the duties of your position, and you represent that such is the case. Notwithstanding the above, the Company acknowledges and agrees that your position as a director of the MA/COM Federal Credit Union shall not be deemed to be a breach of this agreement.

9. General.

(a) This letter agreement and the ECIA, when signed by you, set forth the terms of your employment with the Company and supersede any and all prior representations and agreements made to or with you by the Company, any of its predecessors or affiliates, or any of their respective employees or agents, whether written or oral. As a Company employee, you will also be expected to abide by written Company rules and regulations, whether set forth in a Company-approved employee handbook or otherwise, that may be modified in writing from time to time. In the event of a conflict between the terms and provisions of this letter agreement and the ECIA, the terms and provisions of the ECIA will control. Any amendment of this letter agreement or any waiver of a right under this letter agreement must be set forth in a writing signed by you and an authorized agent of the Board of Directors of the Company to be effective. The law of the state in which you are employed, namely the Commonwealth of Massachusetts, will govern this letter agreement without regard to its conflicts of laws provisions.

(b) In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that we are both waiving any and all rights to a jury trial in connection with such dispute or claim. In the event of any dispute or controversy between the parties to this Agreement, the parties shall try to resolve the dispute in a fair and reasonable way. If the parties are unable to resolve such dispute or controversy within thirty (30) days after the complaining party's written notice to the other party of such dispute or controversy, the parties shall first seek to resolve the dispute or controversy pursuant to non-binding mediation conducted in Boston, Massachusetts. Each party shall bear its own expenses in connection with the mediation.

10. Access to Advisors. You acknowledge that you have had opportunity to consult with any tax, legal or other advisors you have deemed necessary prior to entering into this letter agreement and understand your rights and obligations thereunder, and that you are not relying on the Company or any of its affiliates or employees for related advice. The Company and Parent make no warranty to you with respect to tax treatment of any compensation to be paid to you in connection with your employment, and you shall be solely responsible for the payment of all taxes due and owing with respect to wages, benefits, and other compensation provided to you by Parent or the Company.

11. Section 409A.

(a) To the extent applicable, it is intended that this letter agreement comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the Code"). This letter agreement shall be administered and interpreted in a manner consistent with this intent, and any provision that would cause this letter agreement to fail to satisfy Section 409A of the Code will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Section 409A of the Code).

(b) If a termination of your employment does not result in a "separation from service" within the meaning of Section 409A of the Code for purposes of determining the timing of any payment provided for by this letter agreement, termination shall not be considered to occur until you have incurred such a separation from service. This paragraph shall not affect the determination of your entitlement to any payment or benefit, but only the timing thereof.

(c) For purposes of this letter agreement, each amount to be paid or benefit to be provided to you pursuant to this letter agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code.

(d) With respect to expenses eligible for reimbursement under the terms of this letter agreement, (i) the amount of such expenses eligible for reimbursement in any taxable year shall not affect the expenses eligible for reimbursement in another taxable year and (ii) any reimbursements of such expenses shall be made no later than the end of the calendar year following the calendar year in which the related expenses were incurred, except, in each case, to the extent that the right to reimbursement does not provide for a "deferral of compensation" within the meaning of Section 409A of the Code.

(e) To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A(a)(2)(B)(i) of the Code, in the event that (i) any stock of the Company or an affiliate thereof is publicly traded on an established securities market or otherwise (as defined for purposes of Section 409A(a)(2)(B)(i) of the Code), and (ii) you are a "key employee" with respect thereto (as defined for purposes of Section 409A(a)(2)(B)(i) of the Code), any amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following termination of employment shall instead be paid on the first business day after the date that is six months following your termination of employment (or upon death, if earlier).

12. Notices. Any notice or other communication required or permitted under this letter agreement shall be in writing and deemed to have been duly given (i) five (5) Business Days following deposit in the mails if sent by registered or certified mail, postage prepaid, (ii) when delivered, if delivered personally to the intended recipient and (iii) two (2) Business Days following deposit with a nationally recognized overnight courier service, in each case addressed as follows:

To Joseph Thomas:

At the address listed on the first page of this letter agreement

with a copy (which shall not constitute notice) to:

Stephan G. Bachelder, Esq.
Bachelder & Dowling, P.A.
120 Exchange Street, 4th Floor
Portland, ME 04112

To the Company:

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01854
Attn: Board of Directors and General Counsel

or such other address as such party may hereafter specify for the purpose by notice to the other parties. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a business day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding business day in the place of receipt.

We look forward to you joining the Company. If the foregoing terms are agreeable, please indicate your acceptance by signing this letter agreement in the space provided below and returning it to me, along with your completed and signed ECIA and the attached Indemnification Agreement.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

Sincerely,

M/A-COM Technology Solutions Inc.

By: /s/ John Ocampo
Its Chairman

Date: 9th, July 2009

AGREED TO AND ACCEPTED:

"Employee"

/s/ Joseph Thomas
Joseph Thomas
CEO

Date: 7/16/09

AGREED TO AND ACCEPTED, SOLELY AS TO PARAGRAPHS 3 and 4(a)(v) HEREOF:

"Parent"

By: /s/John Ocampo
Its Chairman

Date: 9th, July 2009

Enclosures:
ECIA
Form of Release Form of Indemnification Agreement

EXHIBIT A

FORM OF RELEASE

This agreement is entered into between M/A-COM Technology Solutions Inc. (the "Company") and Joseph Thomas as of the date set forth below.

1. I understand and acknowledge that I have had sufficient time to review this Release ("Release") and to decide whether to enter into it. I also understand that I could have at least three weeks to make this decision if I so desire. I also understand that I have seven (7) days after I sign this Release to change my mind and revoke in writing the Release.

2. I acknowledge that the Company has advised me in writing through this Release that I should consult an attorney prior to signing this Release.

3. I understand that by signing this Release, in addition to releasing any and all claims against the Company, I am specifically releasing any and all rights and claims up to the date of my signature which I have for alleged age discrimination under the Age Discrimination in Employment Act of 1967, as amended ("ADEA"), against the Company, its directors, officers, employees and others released in this Release.

4. I acknowledge that the Company's obligation to pay me the severance payments (less any withholding obligations) contemplated by Paragraph 4 of that certain letter agreement, dated as of June [_____], 2009, between the Company and me concerning my employment by the Company (the "Employment Agreement"), in accordance with the terms and conditions thereof (including the timing of such payment), is conditioned upon, among other things, my execution of this Release without subsequent revocation.

5. Except for the Company's obligations pursuant to Paragraph 4 of the Employment Agreement, to the broadest extent permitted by law, I hereby release and discharge the Company and its parents and subsidiaries, and each of its and their past, present and future officers, directors, members, servants, employees, attorneys, insurers, shareholders, successors, independent contractors, consultants and assigns (collectively, "Releasees") from any and all claims, expenses, contracts, demands, obligations, liabilities, actions, costs, debts and causes of action of every nature, known or unknown, which have existed or now exist whether in law or equity which I have or had or may claim to have by reason of any and all matters from the beginning of time through the effective date of this Release. These include, but are not limited to, claims or causes of action based on, or arising out of, any alleged wrongful termination, retaliation, breach of contract, breach of implied covenant of good faith and fair dealing, common law torts, breach of public policy, misrepresentation, fraud, fraudulent inducement, infliction of emotional distress, failure to pay wages or other compensation and/or discrimination or harassment based on race, national origin, marital status, sex, religion, age, sexual orientation and/or disability. I specifically understand that I am releasing all claims or rights I may have against any Releasee as of the date of my signature under the Age Discrimination in Employment Act of 1967, as amended (the "ADEA"). This Release shall not, however, constitute a waiver of: (a) my rights under Paragraph 4 of the

Employment Agreement intended to survive my termination of employment; (b) any rights I may have under the Company's certificate of incorporation, By-Laws, insurance policies or other written agreements with respect to indemnification; or (c) any claims to enforce rights arising under the ADEA or other civil rights statute after the effective date of this Agreement.

6. I represent that there has been no filing on my behalf through the date hereof with any government agency or court of any claim, charge, or complaint against the Company or any other Releasee. I agree that I know of no bases for any claim described in the immediately preceding paragraph, and that, to the extent consistent with applicable law, I shall not hereafter pursue any individual claim against any of the Releasees by filing a claim, complaint or charge with any federal, state or local court, arbitration panel or administrative agency, for or on account of anything that is the subject of this Release, and that I shall indemnify the Releasees and hold them harmless for any such claim, including, without limitation, their reasonable legal fees incurred in respect of any such claim. To the extent consistent with applicable law, I hereby waive any right that I may have to recover any compensation or damages in any action against any of the Releasees brought by any governmental entity on my behalf or on behalf of any class of which I may be a member for or on account of anything that is the subject of this Release. Notwithstanding anything to the contrary in this paragraph, this paragraph shall not apply to claims in respect of, and shall not prevent me from seeking to enforce, any of my rights described in the last sentence of the immediately preceding paragraph.

7. I acknowledge that the purpose of this Release is to release claims, if any, I may have against any Releasee, and to the extent that any alleged claim is not or cannot be released under current law, the payments provided by the Company in this Release shall be an offset against any such unreleased claim, if any.

8. I will preserve the confidentiality of all of the Company's proprietary information as provided in the ECIA (as defined in the Employment Agreement) and will otherwise comply with the ECIA in all respects.

9. I will keep the terms of this Release confidential and will not disclose such terms (other than as required by law) to any other person or entity, other than to my spouse, counsel and tax advisors; it being understood that I am responsible for directing such authorized recipients to preserve the confidentiality of all such information.

10. I understand that neither this Release nor anything in it shall be considered as any admission by the Company or any Releasee of any preexisting obligation or improper conduct whatsoever. I understand that the Company and each Releasee denies any such obligations or improper conduct.

11. I have read this Release and understand its contents. I am signing this Release voluntarily and without any coercion. I am of sound mind and competent to manage my legal, personal and business affairs and enter into a binding agreement in this regard, and am not currently prevented from doing so by the effects of any intoxicant, drug, medication, health condition or other influence.

12. I acknowledge that the making, execution and delivery of this Release has been induced by no promises, representations, statements, warranties or agreements other than those expressed herein. I understand it supersedes all prior discussions and agreements between me and the Company or any representative or affiliate of the Company, whether oral or in writing[, other than _____, which remains in full force and effect]. I also agree that if any provision of this Release is deemed invalid, the remaining provisions will still be given full force and effect. This Release cannot be orally modified, orally revised, or orally rescinded, and can only be amended in a written instrument signed by both me and an authorized representative of the Company.

Dated: _____

_____
Joseph Thomas

ACCEPTED AND ACKNOWLEDGED:

M/A-COM Technology Solutions Inc.

By: _____
Name:
Title:

SEPARATION AGREEMENT
AND
RELEASE OF CLAIMS

This Separation Agreement and Release of Claims (hereinafter "Agreement") is entered into by and between Joseph Thomas (hereinafter "Employee," "I" or "me") and M/A-COM Technology Solutions Inc. (hereinafter "Company"). Company's parent, M/A-COM Technology Solutions Holdings, Inc., a Delaware corporation ("Parent"), has also executed this Agreement and the Offer Letter (as defined below) and is a beneficiary of the promises of Employee contained herein and therein. For the consideration described herein, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

A. Employee has made the determination to retire from service to the Company, and to provide for a rapid and orderly succession of his prior duties has resigned, effective February 7, 2011, from any and all positions with the Company and its affiliates pursuant to the written resignation letter attached hereto as Exhibit A.

B. Employee will remain on the Company's payroll at his current salary through February 18, 2011, which shall be the effective date of his retirement from service to the Company (the "Termination Date"). During this transitional period his duties shall be limited to complying with this Agreement, the ECIA (as defined below), and the Company's written policies, and assisting with the transition of his former duties and authority as and to the extent requested by Charles Bland of the Company.

C. Employee and Company have previously entered into a letter agreement dated as of July 16, 2009, setting forth the terms and conditions of Employee's employment with the Company ("Offer Letter"), Paragraph 4 of which makes provision in certain circumstances for severance benefits to be provided to Employee in exchange for a release of claims. Company and Employee hereby agree that Section D of this Agreement amends, supersedes, terminates and replaces in its entirety Paragraph 4 of the Offer Letter, and that in the event of any inconsistency or conflict between the terms of this Agreement and the terms of the Offer Letter, the terms of this Agreement shall be controlling.

D. In the event that Employee (i) signs and delivers the resignation letter attached hereto as Exhibit A as of February 7, 2011 and (ii) signs and delivers to the Company this Agreement within 21 days following the Termination Date, and does not revoke this Agreement, then on the eighth (8th) day following Employee's execution and delivery of this Agreement, Employee shall be entitled only to the following (pursuant to this Agreement, the Offer Letter, or otherwise):

1. The accrued and unpaid salary, expense reimbursement and vacation amounts through the Termination Date described in Paragraph 4(a)(i)(A) of the Offer Letter, it being agreed and acknowledged that no unpaid amounts of the type described in Paragraph 4(a)(1)(B) of the Offer Letter are or will be owed to Employee through the Termination Date (Company and Employee acknowledge that the amounts set forth in this subsection D(1) (and only this subsection D(1)) will be paid to Employee regardless of whether Employee executes this agreement or not);

2. The salary continuation for the Severance Period as described in Paragraph 4(a)(ii) of the Offer Letter, it being noted that the Severance Period shall mean the twelve (12) month period beginning on the day following the Termination Date and ending on the date that is one year thereafter;

3. The reimbursement for premiums paid by Employee for the continuation of medical and dental benefits as described in Paragraph 4(a)(iii) of the Offer Letter, provided that: (i) this benefit and any related terms and conditions shall be extended for a maximum period of twenty-eight (28) months following the Termination Date, rather than for the Severance Period, subject to the conditions and limitations therein stated, (ii) the reimbursement shall only be applicable to the extent that Employee or any of his dependents were covered under the terms of any medical and dental plans of the Company as of February 7, 2011, and (iii) in no case shall the Company be obligated to pay Employee more than $513 per month in the aggregate pursuant to this subsection D(3), subject to any applicable tax withholding;

4. The potential opportunity for a partial bonus payout as described in Paragraph 4(a)(iv) of the Offer Letter, which Employee and Company agree shall only apply if, when and to the extent an incentive payout is earned generally under the Company's First Half 2011 Cash Incentive Plan, under which Employee shall have the opportunity to earn up to seventy-five percent (75%) of the total bonus, if any, Employee otherwise would have earned had he remained employed by the Company and in good standing through the end of the applicable plan period and through the payment date of any cash incentive amounts earned under such plan;

5. Effective as of the Termination Date, an additional one hundred sixty-six thousand six hundred sixty-five (166,665) unvested options to purchase shares of common stock of Parent currently held by Employee pursuant to that certain Incentive Stock Option Agreement for an initial option grant amount of 2,000,000 options between Employee and Parent dated September 29, 2009 (the "Time-vested Option") shall immediately vest and become exercisable;

6. To the extent that Employee was covered under the terms of any Company-provided life insurance policy as of February 7, 2011, the Company will provide Employee with reimbursement for premiums paid for the continuation of such benefits for Employee for a period of up to twenty-eight (28) months following the Termination Date, provided, however, in no case shall the Company be obligated to pay Employee more than $83 per month hereunder, subject to any applicable tax withholding. The Company is under no obligation to provide reimbursement for special or additional coverages for Employee that would not be covered by the plans applicable to employees generally. If and to the extent that Employee becomes eligible to participate in a life insurance plan of another employer during this period, then the reimbursement benefit provided by this paragraph shall be eliminated or commensurately diminished; and

7. Subject to Employee first delivering his Company-issued computer and mobile phone to Phil Stathas so that they can be "wiped" of Company confidential information to the Company IT Department's reasonable satisfaction as of the Termination Date, (i) Employee will be allowed to retain his Company-issued computer following the Termination Date, and (ii) Employee will be

allowed to retain his Company-issued mobile phone, the Company will not object to Employee arranging for transfer of the same telephone number to a new account set up by him at his cost, and the Company will pay the monthly service charge for such phone through April 30, 2011 or if sooner, the date he transfers the number.

E. Company and Employee agree and acknowledge that (a) as of February 1, 2011, Employee had exercised an aggregate of 1,166,667 vested options and held an aggregate of 55,556 vested and exercisable options to purchase Common Stock of Parent pursuant to the Time-vested Option, and no other vested and exercisable options to purchase Parent common stock, (b) concurrently with any accelerated vesting of a portion of the Time-vested Option provided for by Section D(5) above, all remaining 611,112 unvested options to purchase Parent common stock represented by the Time-vested Option and all 2,000,000 options represented by those two certain Incentive Stock Option Agreements, each for an initial option grant amount of 1,000,000 options, between Employee and Parent dated September 29, 2009 and featuring certain performance-based vesting terms, shall immediately terminate and thereafter be null, void, and without legal effect.

F. Except as noted in Section D(7) above, Employee agrees to return all Company property in his possession to Charles Bland or Phil Stathas no later than the Termination Date. Company property includes, but is not limited to: building I.D., company credit cards or purchasing cards, office keys and company car keys, company computers and/or laptops, all computer files and software, diskettes, storage media, papers, notes and other documents, and all copies, relating to its business, and its customers, that Employee has acquired by virtue of his employment. Employee further agrees to execute documents reasonably requested by the Company to relinquish or transfer any bank signature and similar authorities to others within the Company.

G. Employee hereby represents and warrants to the Company and Parent, and acknowledges, covenants and agrees with the Company and Parent, as follows:

1. I understand and acknowledge that I have had sufficient time to review Agreement and to decide whether to enter into it. I also understand that I could have at least three weeks to make this decision if I so desire. I also understand that I have seven (7) days after I sign this Agreement to change my mind and revoke in writing the Agreement.

2. I acknowledge that the Company has advised me in writing through this Agreement that I should consult an attorney prior to signing this Agreement.

3. I understand that by signing this Agreement, in addition to releasing any and all claims against the Company, I am specifically releasing any and all rights and claims up to the date of my signature which I have for alleged age discrimination under the Age Discrimination in Employment Act of 1967, as amended (“ADEA”), against the Company, Parent, their directors, officers, employees, stockholders, affiliates and others released in this Agreement.

4. I acknowledge that the Company is hereby fully and forever released of any and all obligation to provide me any severance benefits whatsoever pursuant Paragraph 4 of the Offer Letter, and further acknowledge that any obligations of the Company to pay me severance benefits (less any applicable withholding obligations) contemplated by this Agreement, is conditioned upon, among other things, my execution of this Agreement without subsequent revocation.

5. Except for the Company's obligations pursuant to Section D of this Agreement, to the broadest extent permitted by law, I hereby release and discharge the Company, Parent, their, respective parents and subsidiaries, and each of their past, present and future officers, directors, members, servants, employees, attorneys, insurers, shareholders, successors, independent contractors, consultants and assigns (collectively, "Releasees") from any and all claims, expenses, contracts, demands, obligations, liabilities, actions, costs, debts and causes of action of every nature, known or unknown, which have existed or now exist whether in law or equity which I have or had or may claim to have by reason of any and all matters from the beginning of time through the effective date of this Agreement. These include, but are not limited to, claims or causes of action based on, or arising out of, any alleged wrongful termination, retaliation, breach of contract, breach of implied covenant of good faith and fair dealing, common law torts, breach of public policy, misrepresentation, fraud, fraudulent inducement, infliction of emotional distress, failure to pay wages or other compensation, failure to issue or deliver equity securities or otherwise related to actual or potential securities issuances, and/or discrimination or harassment based on race, national origin, marital status, sex, religion, age, sexual orientation and/or disability. I specifically understand that I am releasing all claims or rights I may have against any Releasee as of the date of my signature under the Age Discrimination in Employment Act of 1967, as amended (the "ADEA"). This Agreement shall not, however, constitute a waiver of: (a) my rights under Section D of this Agreement intended to survive my termination of employment; (b) any rights I may have under the Company's certificate of incorporation, By-Laws, insurance policies or other written agreements with respect to indemnification; or (c) any claims to enforce rights arising under the ADEA or other civil rights statute after the effective date of this Agreement.

6. I represent that there has been no filing on my behalf through the date hereof with any government agency or court of any claim, charge, or complaint against the Company or any other Releasee. I agree that I know of no bases for any claim described in the immediately preceding paragraph, and that, to the extent consistent with applicable law, I shall not hereafter pursue any individual claim against any of the Releasees by filing a claim, complaint or charge with any federal, state or local court, arbitration panel or administrative agency, for or on account of anything that is the subject of this Agreement, and that I shall indemnify the Releasees and hold them harmless for any such claim, including, without limitation, their reasonable legal fees incurred in respect of any such claim. To the extent consistent with applicable law, I hereby waive any right that I may have to recover any compensation or damages in any action against any of the Releasees brought by any governmental entity on my behalf or on behalf of any class of which I may be a member for or on account of anything that is the subject of this Agreement. Notwithstanding anything to the contrary in this paragraph, this paragraph shall not apply to claims in respect of, and shall not prevent me from seeking to enforce, any of my rights described in the last sentence of the immediately preceding paragraph.

7. I acknowledge that the purpose of this Agreement is to release claims, if any, I may have against any Releasee, and to the extent that any alleged claim is not or cannot be released under current law, the payments provided by the Company in this Agreement shall be an offset against any such unreleased claim, if any.

8. I will preserve the confidentiality of all of the Company's proprietary information as provided in the ECIA (as defined below) and will otherwise comply with the ECIA in all respects.

9. I will keep the terms of this Agreement confidential and will not disclose such terms (other than as required by law) to any other person or entity, other than to my spouse, counsel and tax advisors; it being understood that I am responsible for directing such authorized recipients to preserve the confidentiality of all such information.

10. I understand that neither this Agreement nor anything in it shall be considered as any admission by the Company or any Releasee of any preexisting obligation or improper conduct whatsoever. I understand that the Company and each Releasee denies any such obligations or improper conduct. I agree that I will not in any way disparage the Company or the Releasees, my employment experience with the Company, or the Company's products, services, agents, representatives, directors, officers, stockholders, attorneys, employees, or affiliates.

11. I have read this Agreement and understand its contents. I am signing this Agreement voluntarily and without any coercion. I am of sound mind and competent to manage my legal, personal and business affairs and enter into a binding agreement in this regard, and am not currently prevented from doing so by the effects of any intoxicant, drug, medication, health condition or other influence.

12. I acknowledge that the making, execution and delivery of this Agreement has been induced by no promises, representations, statements, warranties or agreements other than those expressed herein. I understand this Agreement supersedes all prior discussions and agreements between me and the Company or any representative or affiliate of the Company, whether oral or in writing, other than that certain Employee Confidentiality and Invention Assignment Agreement between me and the Company dated as of July 16, 2009 (the "ECIA"), which remains in full force and effect. I also agree that if any provision of this Agreement is deemed invalid, the remaining provisions will still be given full force and effect. This Agreement cannot be orally modified, orally revised, or orally rescinded, and can only be amended in a written instrument signed by both me and an authorized representative of the Company.

H. The law of the Commonwealth of Massachusetts, will govern this Agreement without regard to its conflicts of laws provisions.

I. In the event of any dispute or claim relating to or arising out of this Agreement or the subject matter thereof, the parties hereby waive any and all rights to a jury trial in connection with such dispute or claim. In the event of any dispute or controversy between the parties to this Agreement, the parties shall try to resolve the dispute in a fair and reasonable way. If the parties are unable to resolve such dispute or controversy within thirty (30) days after the complaining party's written notice to the other party of such dispute or controversy, the parties shall first seek to resolve the dispute or controversy pursuant to non-binding mediation conducted in Boston, Massachusetts. Each party shall bear its own expenses in connection with the mediation. Notwithstanding the

foregoing, Employee agrees that the Company and the Releasees have the right to enforce this Agreement and any of its provisions by injunction, specific performance or other equitable relief without prejudice to any other rights or remedies they may have at law or in equity for breach of this Agreement, and that they may seek such relief without going through the above administrative procedures in order to address or prevent any breach by Employee of this Agreement.

J. Employee has had opportunity to consult with any tax, legal or other advisors Employee has deemed necessary prior to entering into this letter agreement and understands his rights and obligations hereunder, and is not relying on the Company, Parent or any of their affiliates or employees for related advice. The Company and Parent make no warranty to Employee with respect to tax treatment of any compensation or severance benefit paid or to be paid to Employee in connection with his employment or this Agreement, and Employee shall be solely responsible for the payment of all taxes due and owing with respect to any wages, benefits, and other compensation or payments provided to Employee by Parent or the Company.

K. To the extent applicable, it is intended that this Agreement comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the Code"). This Agreement shall be administered and interpreted in a manner consistent with this intent, and any provision that would cause this Agreement to fail to satisfy Section 409A of the Code will have no force and effect until amended to comply therewith (which amendment may be retroactive to the extent permitted by Section 409A of the Code). For purposes of this letter agreement, each amount to be paid or benefit to be provided to Employee pursuant to this letter agreement shall be construed as a separate identified payment for purposes of Section 409A of the Code. With respect to expenses eligible for reimbursement under the terms of this letter agreement, (i) the amount of such expenses eligible for reimbursement in any taxable year shall not affect the expenses eligible for reimbursement in another taxable year and (ii) any reimbursements of such expenses shall be made no later than the end of the calendar year following the calendar year in which the related expenses were incurred, except, in each case, to the extent that the right to reimbursement does not provide for a "deferral of compensation" within the meaning of Section 409A of the Code. To the extent required in order to avoid accelerated taxation and/or tax penalties under Section 409A(a)(2)(B)(i) of the Code, in the event that (i) any stock of the Company or an affiliate thereof is publicly traded on an established securities market or otherwise (as defined for purposes of Section 409A(a)(2)(B)(i) of the Code), and (ii) you are a "key employee" with respect thereto (as defined for purposes of Section 409A(a)(2)(B)(i) of the Code), any amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to this Agreement during the six-month period immediately following termination of employment shall instead be paid on the first business day after the date that is six months following your termination of employment (or upon death, if earlier).

L. This Agreement may be executed in multiple counterparts, all of which together shall constitute a single agreement. Facsimile copies of the signatures of any party hereto shall be deemed binding originals.

In witness whereof, the parties have executed this Agreement on the respective dates set forth below.

Dated: 2-8-2011

/s/ Joseph Thomas
Joseph Thomas

ACCEPTED AND ACKNOWLEDGED:

M/A-COM Technology Solutions Inc.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

M/A-COM Technology Solutions Holdings, Inc.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

Exhibit 10.10

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01851

February 8, 2011

Mr. Charles Bland

Re: Terms of your promotion to CEO

Dear Chuck:

On behalf of M/A-COM Technology Solutions Inc., a Delaware corporation (the "Company"), I am pleased to invite you to accept our offered promotion and assume the role of the Company's Chief Executive Officer, reporting to the Board, effective immediately on the terms and conditions set forth in this letter. This is an exempt position and you will be working out of our Lowell, MA office.

The terms of this offer of employment are as follows:

1. At-Will Employment. You should be aware that your employment with the Company remains for no specified period and continues to constitute "at-will" employment. As a result, you are free to terminate your employment at any time, for any reason or for no reason. Similarly, the Company is free to terminate your employment at any time, for any reason or for no reason. We request that, in the event of a resignation, you give the Company at least two weeks' notice.

2. Compensation. The Company will pay you a salary at the bi-weekly rate of $18,269.23 ("Base Salary"), which equals approximately $475,000.00 annually if fifty-two (52) weeks of employment are completed, payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding. The first and last payment of your Base Salary by the Company to you will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period. You will also be eligible to participate in a Company bonus plan, based on Company and/or individual performance targets determined by the Board of Directors from time to time, with a maximum annual bonus participation potential up to 100% of your annual Base Salary.

3. Restricted Stock Award. As you are aware, the Company's parent, M/A-COM Technology Solutions Holdings, Inc. ("Parent"), has implemented a 2009 Omnibus Stock Plan (the "Plan") to provide certain employees and other service providers with employment incentives. Subject to the approval by the Parent's Board of Directors in accordance with applicable law, following your agreement to the terms contained in this letter, you will be granted 440,000 restricted

shares of Parent's Common Stock. Such shares shall be subject to a forfeiture restriction in favor of Parent in the event that your continuous employment with the Company ceases prior to the lapse of said forfeiture restriction pursuant to a time-based vesting schedule as follows: 200,000 of the shares subject to such award shall vest and no longer be subject to the forfeiture restriction on February 1, 2012, and an additional 60,000 such shares shall vest and no longer be subject to the forfeiture restriction on each of May 1, 2012, August 1, 2012, November 1, 2012 and February 1, 2013, in each case subject to your continued employment with the Company through such date. The vesting commencement date for such award shall be February 1, 2011. Notwithstanding the foregoing, in the event that the Company involuntarily terminates your employment other than for Cause (as defined below): (i) prior to February 1, 2012, then, subject to your execution, delivery and non-revocation of a general release of claims in favor of Parent and its affiliates on Parent's standard form, a number of shares of your restricted stock award equal to the Year One Amount (as defined below) shall vest and no longer be subject to the forfeiture restriction without need of further action by any party; or (ii) on or after February 1, 2012 but before February 1, 2013, then, subject to your execution, delivery and non-revocation of a general release of claims in favor of Parent and its affiliates on Parent's standard form, a number of shares of your restricted stock award equal to the Year Two Amount (as defined below) shall vest and no longer be subject to the forfeiture restriction without need of further action by any party. Any acceleration of vesting under (i) or (ii) above shall be effective on the third (3rd) business day following the first date at which both (x) you have executed, delivered and not revoked the above-described general release of claims, and (y) all revocation periods provided to you by applicable law in respect of such release have run. For the avoidance of doubt: (A) this is the only form of severance benefit the Company is agreeing to provide to you in the event of termination other than for Cause or otherwise, and (B) no acceleration of the vesting of your restricted stock award shall occur in any other circumstance, including, termination by the Company of your employment for Cause or upon your resignation, except as may otherwise be determined by the Board of Directors at some future date. This award shall be subject to the terms and conditions of the Plan and restricted stock agreement. No right to any stock is earned or accrued until such time as vesting occurs, nor does the grant confer any right to continued vesting or employment.

As used in this letter agreement:

(i) "Cause" means: (i) a material act of dishonesty or involving dishonest misrepresentation intended in either case to enrich you at the expense of the Company, (ii) your conviction of, or plea of nolo contendere to, a felony; (iii) your gross misconduct or fraud that materially and adversely affects the Company (monetarily or otherwise); or (iv) your (a) willful and material failure to discharge your employment duties or (b) a willful and material breach of this letter agreement or the ECIA (as defined below), in each case after you have received a written demand for performance from the Company (or notice of misconduct, where applicable) specifying the breach of employment duties and your failure to cure such breach (where such breach is curable) within thirty (30) days of the date of such notice from the Company.

(ii) "Year One Amount" means: the product of 16,666 multiplied by the aggregate number of whole and partial calendar months for which you remained continuously employed by the Company between February 1, 2011 and the date your employment with the Company terminated. For example: if your employment is terminated by the Company other than for Cause on June 15, 2011, the Year One Amount will be equal to 16,666 multiplied by 4.5 months, or 74,997 shares.

(iii) “Year Two Amount” means: the product of 20,000 multiplied by the aggregate number of whole and partial calendar months following the most recently-completed time-based vesting event applicable to your restricted stock award for which you remained continuously employed by the Company through the date your employment with the Company terminated. For example: if your employment is terminated by the Company other than for Cause on June 15, 2012, the Year Two Amount will be equal to 20,000 multiplied by 1.5 months, or 30,000 shares.

4. Relocation Assistance. If you accept this offer, the Company will require you and your spouse to move your primary residence from Traveler’s Rest, SC to the Boston, MA area, and in consideration of that move is prepared to offer you the following relocation terms. The Company will pay you a lump sum of $10,000, subject to applicable withholding, to cover general relocation expenses you may incur in moving to the Boston area. Three professional appraisals will be obtained for your South Carolina home (the Company will pick one appraiser, you will pick one and we will mutually agree on the third one), and the average of the three appraised values is hereinafter referred to as the “Average Price”. You will offer the house for sale at a price based on the Average Price. If you are able to sell the house within 60 days thereafter at or above the Average Price, you will do so, and the Company will pay your costs associated with the sale (realtor fee, closing costs, etc.). If, after 60 days on the market, you have been unable to arrange for a third-party sale of the home at or above the Average Price, then (i) the house will remain on the market until sold, (ii) the Company will pay you (or arrange for a relocation assistance intermediary to pay you) the amount of any excess of the Average Price over the then-current amount of your mortgage at that time (the “Net Payment”), which you will provide reasonable supporting documentation specifying, (iii) the Company will provide for any remaining mortgage payments, upkeep costs and any seller’s realtor costs and closing costs associated with the ultimate sale of the home, and (iv) you agree to support the sale of the home at any price the Company deems agreeable, and direct the realtor or otherwise take reasonable actions as requested by the Company to facilitate the expeditious sale of the home (without incurring any out-of-pocket cost). You will leave your existing home furnishings in the home to support the sale process throughout this period, and once the home is sold, the Company will pay to have the furnishings professionally packed and moved to a mutually agreeable storage facility. As you are aware, in connection with your service to date as the Company’s COO, the Company has been reimbursing your expenses for the cost of an apartment in the Boston area and your commuting costs back and forth from South Carolina. Upon the earlier of the date the home is sold and the date the Net Payment is made, the Company will discontinue this reimbursement.

5. Benefits. During the term of your employment, you will be eligible, provided that you meet the eligibility requirements of the relevant plans and policies, for the Company’s standard employee benefits applicable to employees at your level, including health, dental, vision, life, short and long-term disability insurance. The Company reserves the right to change the benefits it offers or the terms of such benefits from time to time. You shall maintain your current paid time off accrual rate of up to 25 days per year of employment in accordance with the Company’s standard policies.

6. Employee Confidentiality and Invention Assignment Agreement. You agree that the employee confidentiality and invention assignment agreement on the Company's standard form when you previously began your employment with the Company (the "ECIA") continues to bind you and applies to your employment as CEO.

7. No Conflicts. In this position, you will be expected to devote your full business time, attention and energies to the performance of your duties with the Company. You hereby represent to the Company that there are no agreements relating to your prior employment that may affect your eligibility to be employed by the Company, limit the manner in which you may be employed, or prevent you from performing the duties of your position.

8. Taxes. The Company may withhold from any amounts payable under this offer letter such federal, state and local income and employment taxes as the Company shall determine are required or authorized to be withheld pursuant to any applicable law or regulation. This offer letter is intended to be exempt from, or to satisfy, the requirements of Sections 409A(a)(2), (3) and (4) of the Internal Revenue Code of 1986, as amended, including current and future guidance and regulations interpreting such provisions, and should be interpreted accordingly.

9. General. This offer letter and the ECIA set forth the terms of your employment with the Company and supersede any and all prior representations and agreements made to or with you by the Company, any of its predecessors or affiliates, or any of their respective employees or agents, whether written or oral. As a Company employee, you will also be expected to abide by Company rules and regulations, whether set forth in a Company-approved employee handbook or otherwise, that may be modified from time to time. In the event of a conflict between the terms and provisions of this offer letter and the ECIA, the terms and provisions of the ECIA will control. Any amendment of this offer letter or any waiver of a right under this offer letter must be set forth in a writing signed by you and an authorized officer of the Company to be effective. The law of the state in which you are employed will govern this offer letter. In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that we are both waiving any and all rights to a jury trial in connection with such dispute or claim.

[remainder of page intentionally left blank]

We look forward to you joining the Company. If the foregoing terms are agreeable, please indicate your acceptance by signing this offer letter in the space provided below and returning it to me.

Sincerely,

M/A-COM Technology Solutions Inc.

By: /s/ Clay Simpson
Clay Simpson
General Counsel

AGREED TO AND ACCEPTED:

"Employee"

/s/ Charles R. Bland
Chuck Bland

Exhibit 10.11

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01851

May 1, 2009

Mr. Conrad Gagnon

Re: Offer of Employment with M/A-COM Technology Solutions Inc.

Dear Conrad:

On behalf of M/A-COM Technology Solutions Inc., a Delaware corporation (the "Company"), I am pleased to invite you to join the Company as its Chief Financial Officer, reporting to Joe Thomas, CEO. This is an exempt position and you will be working out of our Lowell, MA offices. Subject to the terms and conditions set forth in this letter, the effective date of your employment will be April 1, 2009, or such other date as you and the Company mutually agree in writing.

The terms of this offer of employment are as follows:

1. At-Will Employment. You should be aware that your employment with the Company is for no specified period and constitutes "at-will" employment. As a result, you are free to terminate your employment at any time, for any reason or for no reason. Similarly, the Company is free to terminate your employment at any time, for any reason or for no reason. We request that, in the event of a resignation, you give the Company at least four weeks' notice.

2. Compensation. The Company will pay you a salary at the rate of $22,500 per month payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding. The first and last payment by the Company to you will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period. You will also be eligible to participate in a Company bonus plan, with a maximum bonus participation potential of up to 50% of your annualized salary per year, based on Company and/or individual performance targets determined by the Board of Directors from time to time.

3. Stock Options. As you may be aware, the Company is in the process of setting up a stock option plan to provide certain employees and other service providers with employment incentives. Subject to the adoption of such plan and approval by the Company's Board of Directors in accordance with applicable law, you will be granted an option under the plan to purchase a number of shares of the Company's Common Stock equal to six-tenths of one percent (0.6%) of the total number of shares of Company Common Stock outstanding at the date of such option grant,

measured on an undiluted primary shares basis. Such option will have a per share exercise price equal to the fair market value of a share of Company Common Stock on the date the option is granted, as determined by the Board of Directors. One-third (1/3rd) of the shares subject to such option will vest and become exercisable on the first anniversary of the option grant date and an additional one thirty-sixth (1/36th) of the total number of such shares will vest on the corresponding day of each month thereafter, or to the extent such a month does not have the corresponding day, on the last day of any such month, until all the shares are vested, subject to your continued employment with the Company at each such date. This option grant shall be subject to the terms and conditions of the Company's stock option plan and related stock option agreement. No right to any stock is earned or accrued until such time as vesting occurs, nor does the grant confer any right to continued vesting or employment. You will be eligible for an additional grant of incentive stock options two years following the effective date of this letter agreement.

4. Severance.

(a) Our at-will relationship notwithstanding, if on or prior to April 1, 2010 the Company terminates your employment with the Company other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below), (each an "Involuntary Termination") and in either case you sign, deliver to the Company and do not revoke a general release of claims in the Company's favor in a form and substance acceptable to the Company (the "Release"), then you shall be entitled to receive as severance pay continuation of your monthly salary, as then in effect and payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding, for a period of twelve (12) months following the date your employment with the Company terminated. In addition, our at-will relationship notwithstanding, if at any point after April 1, 2010 the Company terminates your employment with the Company other than for Cause or you resign for Good Reason, and in either case you sign, deliver to the Company and do not revoke the Release, then you shall be entitled to receive as severance pay continuation of your monthly salary, as then in effect and payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding, for a period of nine (9) months following the date your employment with the Company terminated. The alternative nine (9) or twelve (12) month period of severance pay provided for by this Section 4(a) in the circumstances described herein is hereinafter referred to as the "Severance Period".

(b) Subject to the same conditions applicable to the receipt of any severance payments otherwise payable during any Severance Period as set forth in Section 4(a), to the extent that you or any of your dependents may be covered under the terms of any medical and dental plans of the Company immediately prior to the termination of your employment, the Company will provide you with reimbursement for premiums paid for the continuation of such benefits for you and those dependents for the same or equivalent coverages through the end of the Severance Period. The Company is under no obligation to provide reimbursement for special coverages for you that would not be covered by the plans applicable to employees generally. The reimbursement payable to you pursuant to this paragraph shall be reduced by the amount equal to the contributions required from time to time from other employees for equivalent coverages under the Company's medical or dental plans. If and to the extent that you or any of your dependents is or becomes eligible to participate in a medical, dental or other health insurance plan of another employer during the Severance Period, then the reimbursement benefit provided by this paragraph shall be eliminated or commensurately diminished.

(c) Subject to the same conditions applicable to the receipt of any severance payments otherwise payable during any Severance Period as set forth in Section 4(a), to the extent that, during any Severance Period, the Company pays a bonus pursuant to a Company bonus plan in which you participated as of the date your employment terminated, then, if and when such bonus is paid to other bonus plan participants generally, you shall be entitled to receive a payment equal to the product of the following calculation: (x) the full amount of the bonus payment you would have earned under such bonus plan based on actual results during the full bonus plan measurement period had you remained employed throughout the full bonus plan measurement period, *multiplied by* (y) a fraction, the numerator of which shall be the number of full calendar months of the bonus plan measurement period during which you were actively employed by the Company, and the denominator of which shall be the total number of calendar months comprising the bonus plan measurement period as a whole.

(d) You hereby agree that the severance benefits provided for in this Section 4 are the only severance benefits to which you may be entitled in the event of the termination of your employment with the Company, and that (i) such benefits will be reduced dollar for dollar by any severance-related amount the Company is required to pay you by law or statute that would otherwise duplicate any portion of the severance benefits provided herein, and (ii) you hereby waive and release the Company from any payment that would otherwise be due to you by reason of the Tyco Electronics Corporation Employee Severance Pay Plan, as amended, or any written or unwritten policy of honoring such plan (or any similar plan in place) at the Company or any of its predecessors or affiliates.

As used herein, "Cause" shall mean (i) an act of dishonesty made by you in connection with your responsibilities as an employee; (ii) your conviction of, or plea of nolo contendere to, a felony, or commission of an act of moral turpitude; (iii) your gross misconduct; or (iv) your (a) material failure to discharge your employment duties or (b) a material breach of this offer letter or the ECIA (as defined below), in each case after you have received a written demand for performance from the Company (or notice of misconduct, where applicable) specifying the breach of employment duties and your failure to cure such breach (where such breach is curable) within thirty (30) days of the date of such notice from the Company.

As used herein, "Good Reason" shall mean your resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without your consent: (i) the assignment to you of any duties, or the reduction of your duties, either of which results in a material diminution of your authority, duties, or responsibilities with the Company in effect immediately prior to such assignment, or the removal of you from such position and responsibilities; provided, however, that a reduction in duties, position or responsibilities solely by virtue of the Company being acquired and made part of a larger entity, whether as a subsidiary, business unit or otherwise (as, for example, when the Chief Financial Officer of the Company remains the Chief Financial Officer of the Company following a Change in Control where the Company becomes a wholly owned subsidiary of the acquiror, but is not made the Chief Financial Officer of the acquiring corporation) will not constitute "Good Reason;" (ii) a

material reduction of your base salary (in other words, a reduction of more than twenty percent of your base salary in any one year); (iii) a material change in the geographic location at which you must perform services (in other words, the relocation of you to a facility that is more than fifty (50) miles from your current work location); and (iv) the failure of the Company to obtain assumption of this agreement by any successor. You agree you will not resign for Good Reason without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within thirty (30) days of the initial existence of the grounds for "Good Reason" and a reasonable cure period of not less than thirty (30) days following the date of such notice. You also agree that, notwithstanding the above, the acquisition of the Company by Kiwi Stone Acquisition Corp., including any related change in your title, duties, responsibilities or authority, does not constitute "Good Reason" and shall not be considered in determining whether grounds for "Good Reason" exist.

5. Benefits. During the term of your employment, you will be eligible, provided that you meet the eligibility requirements of the relevant plans and policies, for the Company's standard employee benefits applicable to employees at your level, including health, dental, vision, life, short and long-term disability insurance. The Company is currently exploring the cost and related legal and accounting requirements associated with establishing a salary deferral program, and expects that if one is offered you would be eligible to participate in it. Program particulars and enrollment information will be communicated to you if and when the program is adopted. The Company reserves the right to change the benefits it offers or the terms of such benefits from time to time.

6. Immigration Laws. This offer of employment is contingent on your providing proper documentation of your identity and authorization to work in the United States under applicable immigration laws, as required by Form I-9 of the US Department of Homeland Security.

7. Employee Confidentiality and Invention Assignment Agreement. As a condition of this offer of employment, you will be required to promptly complete, sign and return the Company's standard form of employee confidentiality and invention assignment agreement (the "ECIA").

8. No Conflicts. In this position, you will be expected to devote your full business time, attention and energies to the performance of your duties with the Company. We also ask that, before signing this letter, you disclose to the Company any and all agreements relating to your prior employment that may affect your eligibility to be employed by the Company or limit the manner in which you may be employed. It is the Company's understanding that any such agreements will not prevent you from performing the duties of your position and you represent that such is the case.

9. General. This offer letter and the ECIA, when signed by you, set forth the terms of your employment with the Company and supersede any and all prior representations and agreements made to or with you by the Company, any of its predecessors or affiliates, or any of their respective employees or agents, whether written or oral. As a Company employee, you will also be expected to abide by Company rules and regulations, whether set forth in a Company-approved employee handbook or otherwise, that may be modified from time to time. In the event of a conflict between the terms and provisions of this offer letter and the ECIA, the terms and provisions of the ECIA will control. Any amendment of this offer letter or any waiver of a right under this offer letter must be set forth in a writing signed by you and an authorized officer of the Company to be effective. The

law of the state in which you are employed will govern this offer letter. In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that we are both waiving any and all rights to a jury trial in connection with such dispute or claim.

We look forward to you joining the Company. If the foregoing terms are agreeable, please indicate your acceptance by signing this offer letter in the space provided below and returning it to me, along with your completed and signed ECIA.

Sincerely,

M/A-COM Technology Solutions Inc.

By: /s/ Charles R. Bland
Its President

AGREED TO AND ACCEPTED:

"Employee"

/s/ Conrad Gagnon
Signature of Employee

Enclosures:
ECIA

Exhibit 10.12

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01851

July 16, 2009

Robert S. Donahue

Re: Offer of Employment with M/A-COM Technology Solutions Inc.

Dear Bob:

On behalf of M/A-COM Technology Solutions Inc., a Delaware corporation (the "Company"), I am pleased to invite you to join the Company as its Chief Strategy Officer, reporting to me. This is an exempt position and you will be working out of our 100 Chelmsford St., Lowell MA Corporate Headquarters. Subject to the terms and conditions set forth in this letter, the effective date of your employment will be mutually agreed to in writing at a later date.

The terms of this offer of employment are as follows:

1. At-Will Employment. You should be aware that your employment with the Company is for no specified period and constitutes "at-will" employment. As a result, you are free to terminate your employment at any time, for any reason or for no reason. Similarly, the Company is free to terminate your employment at any time, for any reason or for no reason. We request that, in the event of a resignation, you give the Company at least two weeks' notice.

2. Compensation. The Company will pay you a salary at the rate of $26,041.67 per month payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding. The first and last payment by the Company to you will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period. You will also be eligible to participate in a Company bonus plan, with a maximum bonus participation potential of up to 50% of your annualized salary per year, based on Company and/or individual performance targets determined by the Board of Directors from time to time. In addition, as an incentive to join the Company, the Company is pleased to offer you a one-time signing bonus in the amount of $35,000, subject to applicable withholding and payable concurrently with your first regular paycheck following your start date with the Company in accordance with the Company's standard payroll policies (the "Signing Bonus"). The Signing Bonus is being paid to you with the expectation that you will be a long-term contributor to the Company's success. To the extent that your employment with the

Company terminates within twelve (12) months following your start date for any reason other than your death or the Company terminating your employment other than for "Cause" (as defined below), you agree to reimburse the Company for the full amount of the Signing Bonus within fifteen (15) days following the date your employment terminates, and further agree that the Company in its sole discretion may (but shall not be required to) elect to reduce the amount of any severance or other payment otherwise owed to you pursuant to this letter agreement on a dollar for dollar basis to offset in whole or in part the amount you are required to repay under this Section 2.

3. Stock Options. As you may be aware, the Company's parent, M/A-COM Technology Solutions Holdings, Inc. ("Parent"), is in the process of setting up a stock option plan to provide certain employees and other service providers with employment incentives. Subject to the adoption of such plan and approval by the Parent's Board of Directors in accordance with applicable law, you will be granted:

(a) An option under the plan to purchase six hundred thousand (600,000) shares of Parent's Common Stock (the "First Option"). One-fifth (1/5th) of the shares subject to the First Option will vest and become exercisable on the first anniversary of the option grant date and an additional one sixtieth ($1/60^{th}$) of the total number of such shares will vest on the corresponding day of each month thereafter, or to the extent such a month does not have the corresponding day, on the last day of any such month, until all the shares are vested, subject to your continued employment with the Company at each such date.

(b) An additional option under the plan to purchase four hundred and fifty thousand (450,000) shares of Parent's Common Stock (the "Second Option"). All of the shares subject to the Second Option shall vest and become exercisable if and only if the consolidated annual revenue of Parent and all Parent's subsidiaries ("Group Revenue") (less any such revenue attributable to any products, technologies, assets or organizations acquired by Parent or its subsidiaries after the date hereof, other than revenue attributable to any Included Acquisitions as defined below) meets or exceeds $370,000,000 (the "Revenue Threshold") for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012. In the event that Parent divests any line of business between the date hereof and December 31, 2012, then for purposes of this Paragraph 3(b) only, for each fiscal year of Parent ending after the effective date of such divestment and on or before December 31, 2012: (i) from and after the effective date of such divestment, the otherwise applicable Revenue Threshold shall be deemed to be reduced, dollar for dollar, by the amount of revenue such business line contributed to Group Revenue for its most recently completed fiscal year prior to the effective date of such divestiture, and (ii) from and after the effective date of such divestment, in measuring the Group Revenue for any such fiscal year for purposes of determining whether a vesting event occurs hereunder, the parties agree to exclude from such calculation (and reduce the otherwise applicable Group Revenue by the amount of) any and all revenue attributable to the line of business so divested. Included Acquisitions as used herein means the next $25,000,000 of revenue attributable to acquisitions made by Parent or its subsidiaries following the date of this letter agreement, as measured by the trailing twelve month revenues associated with each such acquired business or group of assets at the time each was acquired. In the event that the trailing twelve month revenue for any Included Acquisition, when aggregated with the trailing twelve month revenue for any prior Included Acquisitions, would exceed the $25,000,000 limit noted above, then the amount of post-

acquisition revenue attributable to that Included Acquisition that may be counted toward achievement of the Revenue Threshold in any period in accordance with this paragraph shall be limited to the percentage of such post-acquisition revenue attributable to such Included Acquisition that (A) the portion of the trailing twelve month revenue for such Included Acquisition which (considered together with the trailing twelve month revenue for any prior Included Acquisitions) is not in excess of the $25,000,000 limit represents of (B) the total trailing twelve month revenue for such Included Acquisition. For the avoidance of doubt, the trailing twelve month revenue of any prior Included Acquisitions shall not be included in the numerator of the above-described fraction, but rather used as a reference point for determining such numerator.

(c) An additional option under the plan to purchase four hundred and fifty thousand (450,000) shares of Parent's Common Stock (the "Third Option"). All of the shares subject to the Third Option shall vest and become exercisable if and only if the consolidated annual earnings before income tax of Parent and all Parent's subsidiaries, calculated to exclude any (x) gains or losses from the sale, exchange, transfer or other disposition of property or assets not in the ordinary course of business of Parent and such subsidiaries, and (y) other extraordinary gains or losses of Parent and such subsidiaries ("Group EBIT") exceeds the greater of (i) $70,000,000 (the "EBIT Dollar Threshold") and (ii) twenty-five percent (25%) of Group Revenue for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012. In the event that Parent divests any line of business between the date hereof and December 31, 2012, then for purposes of this Paragraph 3(c) only, from and after the effective date of such divestment, (A) the otherwise applicable EBIT Dollar Threshold shall be deemed to be, as applicable, either reduced, dollar for dollar, by any amount of Group EBIT such business line contributed to overall Group EBIT for Parent's most recently completed fiscal year prior to the effective date of such divestiture, or increased, dollar for dollar, by any amount of negative Group EBIT such business line contributed to overall Group EBIT for Parent's most recently completed fiscal year prior to the effective date of such divestiture, and (B) in measuring Parent's performance against the EBIT Dollar Threshold for any fiscal year ending on or after the date of such divestment, the parties agree to exclude from such calculation any positive or negative Group EBIT contributed by such business line during such fiscal year (and therefore to reduce the otherwise applicable Group EBIT for such purpose by the amount of any such positive contribution or increase the otherwise applicable Group EBIT by the amount of any such negative contribution, as applicable).

Each of the three options will have a per share exercise price equal to the fair market value of a share of Parent Common Stock on the date the option is granted, as determined by the Parent Board of Directors. Each option grant shall be subject to the terms and conditions of the Parent stock option plan and related stock option agreement. No right to any stock is earned or accrued under any such option until such time as vesting occurs, nor does the grant confer any right to continued vesting or employment.

4. Severance.

(a) Our at-will relationship notwithstanding, if the Company terminates your employment with the Company other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below) (each an "Involuntary Termination"), and in either case you

sign, deliver to the Company and do not revoke a general release of claims in the Company's favor in a form and substance acceptable to the Company (the "Release"), then you shall be entitled to receive as severance pay continuation of your monthly salary, as then in effect and payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding, for a period of six (6) months (or alternatively, if such Involuntary Termination occurs within six (6) months following a Change in Control (as defined below), for a period of twelve (12) months) following the date your employment with the Company terminated (either such period, as applicable, is hereinafter referred to as the "Severance Period").

(b) Subject to the same conditions applicable to the receipt of any severance payments otherwise payable during any Severance Period as set forth in Section 4(a), to the extent that you or any of your dependents may be covered under the terms of any medical and dental plans of the Company immediately prior to the termination of your employment, the Company will provide you with reimbursement for premiums paid for the continuation of such benefits for you and those dependents for the same or equivalent coverages through the end of the Severance Period. The Company is under no obligation to provide reimbursement for special coverages for you that would not be covered by the plans applicable to employees generally. The reimbursement payable to you pursuant to this paragraph shall be reduced by the amount equal to the contributions required from time to time from other employees for equivalent coverages under the Company's medical or dental plans. If and to the extent that you or any of your dependents is or becomes eligible to participate in a medical, dental or other health insurance plan of another employer during the Severance Period, then the reimbursement benefit provided by this paragraph shall be eliminated or commensurately diminished.

(c) Subject to the same conditions applicable to the receipt of any severance payments otherwise payable during any Severance Period as set forth in Section 4(a), if such Involuntary Termination occurs within six (6) months following a Change in Control (as defined below), then effective as of immediately prior to the effectiveness of such Involuntary Termination, you shall be given six (6) months' accelerated vesting credit against your First Option only (meaning that your final total of vested shares as to this First Option shall be equivalent to the number of such shares that would have been vested under the normal vesting schedule of the First Option had you remained employed with the Company through the date that is six (6) months following the effective date of such Involuntary Termination).

(d) You hereby agree that the severance benefits provided for in this Section 4 are the only severance benefits to which you may be entitled in the event of the termination of your employment with the Company, and that such benefits will be reduced dollar for dollar by any severance-related amount the Company is required to pay you by law, corporate policy or other source that would otherwise duplicate any portion of the severance benefits provided herein.

As used herein, "Cause" shall mean (i) an act of dishonesty made by you in connection with your responsibilities as an employee; (ii) your conviction of, or plea of nolo contendere to, a felony, or commission of an act of moral turpitude; (iii) your gross misconduct; or (iv) your (a) material failure to discharge your employment duties or (b) a material breach of this offer letter or the ECIA (as defined below), in each case after you have received a written demand for performance from the Company (or notice of misconduct, where applicable) specifying the breach of employment duties and your failure to cure such breach (where such breach is curable) within thirty (30) days of the date of such notice from the Company.

As used herein, "Good Reason" shall mean your resignation within thirty (30) days following the expiration of any Company cure period (discussed below) following the occurrence of one or more of the following, without your consent: (i) the assignment to you of any duties, or the reduction of your duties, either of which results in a material diminution of your authority, duties, or responsibilities with the Company in effect immediately prior to such assignment, or the removal of you from such position and responsibilities; provided, however, that a reduction in duties, position or responsibilities solely by virtue of the Company being acquired and made part of a larger entity, whether as a subsidiary, business unit or otherwise (as, for example, when the Chief Financial Officer of the Company remains the Chief Financial Officer of the Company following a Change in Control where the Company becomes a wholly owned subsidiary of the acquiror, but is not made the Chief Financial Officer of the acquiring corporation) will not constitute "Good Reason;" (ii) a material reduction of your base salary (in other words, a reduction of more than twenty percent of your base salary in any one year); (iii) a material change in the geographic location at which you must perform services (in other words, the relocation of you to a facility that is more than fifty (50) miles from your current work location); and (iv) the failure of the Company to obtain assumption of this agreement by any successor. You agree you will not resign for Good Reason without first providing the Company with written notice of the acts or omissions constituting the grounds for "Good Reason" within thirty (30) days of the initial existence of the grounds for "Good Reason" and a reasonable cure period of not less than thirty (30) days following the date of such notice.

As used herein, a "Change in Control" shall be deemed to occur if any of the following occur with respect to Parent following the date we each execute this Agreement:

(1) Any person or entity first acquires securities of Parent representing more than 50% of the combined voting power of Parent's then outstanding securities entitled to vote generally in the election of directors ("Voting Securities"), provided, however, that the following shall not constitute a Change in Control pursuant to this paragraph (g)(1):

(A) any acquisition or beneficial ownership by Parent or a subsidiary or affiliate,

(B) any acquisition or beneficial ownership by any employee benefit plan (or related trust) sponsored or maintained by Parent or one or more of its subsidiaries or affiliates,

(C) any acquisition or beneficial ownership by any person or entity with respect to which, immediately following such acquisition, more than 50% of the combined voting power of Parent's then outstanding Voting Securities is then beneficially owned, directly or indirectly, by persons who beneficially owned more than 50% of the Voting Securities immediately prior to such acquisition, or

(D) any sale of stock by Parent for capital raising purposes (including, without limitation, any initial public offering of Parent's securities);

(2) A majority of the members of the Board of Directors of Parent shall not be Continuing Directors. “Continuing Directors” shall mean: (A) individuals who, on the date hereof, are directors of Parent, (B) individuals elected as directors of Parent subsequent to the date hereof for whose election proxies shall have been solicited by the Board or who shall have been recommended for election by the Board, (C) individuals elected as directors of Parent subsequent to the date hereof pursuant to a nomination or board representation right of preferred shareholders of Parent, or (D) any individual elected or appointed by the Board or stockholders to fill vacancies on the Board caused by death or resignation (but not by removal) or to fill newly created directorships;

(3) Consummation of a reorganization, merger or consolidation of Parent or a statutory exchange of outstanding Voting Securities, unless, immediately following such transaction, more than 50% of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of Parent or the corporation that is the issuer of the securities held by the shareholders of Parent after such transaction is beneficially owned, directly or indirectly, by persons who beneficially owned more than 50% of the Voting Securities of Parent immediately prior to such transaction; or

(4) Consummation of (x) a complete liquidation or dissolution of Parent or (y) the sale or other disposition of all or substantially all of the assets of Parent (in one or a series of related transactions), other than to a subsidiary, affiliate or another entity with respect to which, immediately following such sale or other disposition, more than 50% of the combined voting power of the then outstanding voting securities of such entity entitled to vote generally in the election of directors is then beneficially owned, directly or indirectly, by persons who were the beneficial owners of more than 50% of the Voting Securities of Parent immediately prior to such sale or other disposition.

5. Post-Termination Restrictions.

(a) Non-Competition. You acknowledge that, as an employee of the Company, you will have access to valuable, proprietary trade secret and other confidential information of the Company in connection with this letter agreement. You acknowledge that such valuable proprietary and confidential information is developed and acquired by the Company on an ongoing basis and you will receive the benefit of access to new and unique information on a continuing basis, and that such information is worthy of protection. To further ensure the confidentiality of the Company’s trade secrets and other proprietary information, during the time you are employed by the Company and also during any Severance Period, you agree that you shall not directly or indirectly (whether for compensation or otherwise), alone or as a partner, associate, agent, principal, trustee, consultant, co-venturer, creditor, owner (excepting not more than 1% passive stockholdings for investment purposes in securities of publicly held and traded companies), representative, or in any other capacity, engage in, take any action constituting or in furtherance of, participate with or become interested in or associated with any person, firm, partnership, corporation or other entity which is or intends to be in competition with the Company in those portions of the Company’s business in which you were involved during your tenure of employment with the Company. You further understand and agree to be bound by the provisions of this Section 5 because you are employed in a position of trust and responsibility and have access and will have access to current as well as future confidential and proprietary information, and this covenant is necessary to prevent the inevitable disclosure of confidential and proprietary information should you accept employment in violation of such provisions.

(b) Non-Solicitation. During the time you are employed by the Company and also during any Severance Period, you agree that you shall not directly or indirectly (whether for compensation or otherwise), alone or together with others, influence or attempt to influence customers or suppliers of the Company or any of its present or future subsidiaries or affiliates, either directly or indirectly, to divert their business to any individual, partnership, firm, corporation or other entity then in competition with the business of the Company or any subsidiary or affiliate of the Company.

(c) Consideration; Tolling, Scope and Reasonableness. You agree that in addition to the other good and valuable consideration you are receiving for the covenants contained in this Section 5 as recited above, any severance amount payable to you by the Company in respect of any Severance Period hereunder constitutes further consideration for these covenants. You agree that the periods of time during which you are prohibited by Sections 5(b) and (c) hereof from engaging in such business practices shall be extended by any length of time during which you are in breach of any of such covenants. The covenants contained in this Section 5 shall apply in any country or jurisdiction where the Company and its affiliates had offices or shipped product during the term of your employment with the Company. You and the Company agree that the time, scope and geographic limitations and other particulars of the foregoing covenants are appropriate and reasonable when considered in light of the nature and extent of the business conducted by the Company and your role in the Company.

(d) Remedies. If you commit a breach, or threaten to commit a breach, of any of the provisions of this Section 5, the Company shall have the following rights and remedies, in addition to any and all others rights and remedies of law or in equity, each of which shall be independent of the other and severally enforceable: (i) the right to have the provisions of this letter agreement specifically enforced by any court having equity jurisdiction, including the right to a restraining order, an injunction or other equitable relief, it being acknowledged and agreed that any such breach or threatened breach will cause irreparable injury to the Company and that money damages will not provide an adequate remedy to it; and (ii) the right and remedy to require you to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits (hereinafter collectively the "Benefits") derived or received, directly or indirectly, by you as a result of any transactions constituting a breach of any of the provisions of this letter agreement, and you hereby agree to account for and pay over any such Benefits to the Company.

6. Benefits. During the term of your employment, you will be eligible, provided that you meet the eligibility requirements of the relevant plans and policies, for the Company's standard employee benefits applicable to employees at your level, including health, dental, vision, life, short and long-term disability insurance. The Company reserves the right to change the benefits it offers or the terms of such benefits from time to time. The Company will provide you with an initial vacation day accrual rate based on service comparable to that of an existing employee with 10 years of prior service to the Company.

7. Immigration Laws. This offer of employment is contingent on your providing proper documentation of your identity and authorization to work in the United States under applicable immigration laws, as required by Form I-9 of the US Department of Homeland Security.

8. Employee Confidentiality and Invention Assignment Agreement. As a condition of this offer of employment, you will be required to promptly complete, sign and return the Company's standard form of employee confidentiality and invention assignment agreement (the "ECIA").

9. No Conflicts. In this position, you will be expected to devote your full business time, attention and energies to the performance of your duties with the Company. We also ask that, before signing this letter, you disclose to the Company any and all agreements relating to your prior employment that may affect your eligibility to be employed by the Company or limit the manner in which you may be employed. It is the Company's understanding that any such agreements will not prevent you from performing the duties of your position and you represent that such is the case.

10. General. This offer letter and the ECIA, when signed by you, set forth the terms of your employment with the Company and supersede any and all prior representations and agreements made to or with you by the Company, any of its predecessors or affiliates, or any of their respective employees or agents, whether written or oral. As a Company employee, you will also be expected to abide by Company rules and regulations, whether set forth in a Company-approved employee handbook or otherwise, that may be modified from time to time. In the event of a conflict between the terms and provisions of this offer letter and the ECIA, the terms and provisions of the ECIA will control. Any amendment of this offer letter or any waiver of a right under this offer letter must be set forth in a writing signed by you and an authorized officer of the Company to be effective. The law of the state in which you are employed will govern this offer letter. In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that we are both waiving any and all rights to a jury trial in connection with such dispute or claim.

Lastly, this offer of employment is contingent on the satisfactory completion of a background check. It is also contingent in part on your submitting to a pre-employment drug-screening test for the presence of drugs. Human Resources will provide the necessary documents once you have returned your signed offer letter.

We look forward to you joining the Company. If the foregoing terms are agreeable, please indicate your acceptance by signing this offer letter in the space provided below and returning it to me, along with your completed and signed ECIA.

Sincerely,

M/A-COM Technology Solutions Inc.

By: /s/ Joe Thomas
Joe Thomas
CEO

AGREED TO AND ACCEPTED:

/s/ Robert S. Donahue
Signature of Employee

Enclosures:
ECIA

AMENDMENT TO OFFER OF EMPLOYMENT

This AMENDMENT ("***Amendment***") to that certain Offer Letter of Employment with M/A-COM Technology Solutions Inc. dated as of August 7, 2009 (the "***Original Employment Agreement***") is made as of December 21, 2010, by and between M/A-COM Technology Solutions Inc., a Delaware corporation (the "***Company***"), and Robert S. Donahue (the "***Employee***"). Capitalized terms used herein without definition shall have the respective meanings provided therefor in the Original Employment Agreement.

RECITALS

WHEREAS, the Company and the Employee entered into the Original Employment Agreement;

WHEREAS, the parties now desire to amend the Original Employment Agreement to reflect certain changes to the terms and conditions contained therein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Company and the Employee hereby agree as follows:

AGREEMENT

11. Section 4(a) of the Original Employment Agreement is hereby amended and restated in its entirety as follows:

"Our at-will relationship notwithstanding, if the Company terminates your employment with the Company for any reason other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below) (each an "Involuntary Termination"), and in either case you sign and deliver to the Company within 52 days after such termination of employment and do not revoke within any applicable 7-day revocation period (or other revocation period set forth by the Company ending prior to the 60th day after termination of employment) a general release of claims in the Company's favor in a form and substance acceptable to the Company (the "Release"), then you shall be entitled to receive as severance pay continuation of your monthly salary, as in effect and payable in accordance with the Company's standard payroll policies on the date of such termination (and in no event less frequently than monthly), including compliance with applicable withholding, for a period of six (6) months (or alternatively, if such Involuntary Termination occurs within six (6) months following a Change of Control (as defined below), for a period twelve (12) months) following your date of employment with the Company (such period is hereinafter referred to as the "Severance Period"). To the extent required to comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), any payments that would otherwise have been made during the 60-day period following your termination of employment shall not be made and shall be accumulated and paid in a single lump sum after such Release is signed and delivered to the Company and after the expiration of any applicable revocation period (as set forth in the preceding sentence) on or prior to the 60th day following your termination of employment; provided that if the period of 60 days following your termination of employment spans two calendar years, such accumulated payment to the extent required by Code Section 409A shall be paid in the second such calendar year."

12. A new Section 4(c) is hereby inserted into the Original Employment Agreement and the prior Section 4(c) is renumbered as Section 4(d) and all references amended as necessary. The new Section 4(c) is as follows:

"Optional Severance. If your employment terminates for any reason other than an Involuntary Termination the Company may elect, in its sole discretion, to pay you severance pay and benefit reimbursements in the amounts and on the terms set forth in Sections 4(a) and (b) for any period up to six (6) months if the Termination does not take place within six (6)months following a Change in Control and any period up to twelve (12) months if the Termination does take place within six months following a Change in Control. If the Company makes such an election, the duration elected by the Company shall be deemed to be the "Severance Period" for all purposes under this Agreement."

13. Section 5(c) of the Original Employment Agreement is hereby amended by replacing the phrase "prohibited by Sections 5(b) and (c)" in the second sentence with the phrase "prohibited by Sections 5(a) and (b)".

14. A new Section 11 is hereby added to the Original Employment Agreement as follows:

"This offer of employment is intended to be interpreted and operated to the fullest extent possible so that the payments and benefits under this offer of employment either shall be exempt from the requirements of Code Section 409A under Treasury Regulation section 1.409A-1(b)(9)(iii) or otherwise or shall comply with the requirements of Code Section 409A; provided, however, that notwithstanding anything to the contrary in this offer of employment in no event shall the Company be liable to you for or with respect to any taxes, penalties or interest which may be imposed upon you pursuant to Code Section 409A. In accordance with the preceding sentence, the date on which a "separation from service" pursuant to Code Section 409A occurs shall be treated as the termination of employment date for purposes of determining the timing of payments and benefits under this offer of employment to the extent necessary to have such payments and benefits under this offer of employment be exempt from the requirements of Code Section 409A or comply with the requirements of Code Section 409A."

15. Except as expressly amended hereby, the Original Employment Agreement shall remain in full force and effect. This Amendment shall not, except as expressly provided herein, be deemed to be a consent to any waiver or modification of any other terms or provisions of the Original Employment Agreement.

16. This Amendment may be signed in any number of counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[*Remainder of page intentionally left blank.*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

M/A-COM TECHNOLOGY SOLUTIONS INC.

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Its: CFO

ROBERT S. DONAHUE

/s/ Robert S. Donahue

Exhibit 10.13

M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, MA 01851

September 28, 2009

Michael Murphy

Re: Offer of Employment with M/A-COM Technology Solutions Inc.

Dear Mike:

On behalf of M/A-COM Technology Solutions Inc., a Delaware corporation (the "Company"), I am pleased to invite you to join the Company as its Vice President of Engineering, reporting to me. This is an exempt position and you will be working out of our 100 Chelmsford St., Lowell MA Corporate Headquarters. Subject to the terms and conditions set forth in this letter, the effective date of your employment will be mutually agreed to in writing at a later date.

The terms of this offer of employment are as follows:

1. At-Will Employment. You should be aware that your employment with the Company is for no specified period and constitutes "at-will" employment. As a result, you are free to terminate your employment at any time, for any reason or for no reason. Similarly, the Company is free to terminate your employment at any time, for any reason or for no reason. We request that, in the event of a resignation, you give the Company at least two weeks' notice.

2. Compensation. The Company will pay you a salary at the rate of $25,000 per month payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding. The first and last payment by the Company to you will be adjusted, if necessary, to reflect a commencement or termination date other than the first or last working day of a pay period. You will also be eligible to participate in a Company bonus plan, with a "target" bonus participation potential of 50% of your annualized salary per year and a maximum bonus participation potential of up to 80% of your annualized salary per year, based on Company and/or individual performance targets determined by the Board of Directors from time to time. In addition, as a further incentive to join the Company, the Company is pleased to offer you a one-time retention incentive payment in the amount of $150,000, subject to applicable withholding and payable concurrently with your first regular paycheck following your

start date with the Company in accordance with the Company's standard payroll policies (the "Retention Bonus"). The Retention Bonus is being paid to you with the expectation and requirement that you will be a long-term contributor to the Company's success. Accordingly, it is being paid to you subject to a "claw-back" forfeiture restriction, which will lapse as to twenty-five percent (25%) of the full Retention Bonus amount on each successive anniversary of the date the Retention Bonus is paid to you, so long as you provide continuous service as an employee of the Company through each such date. To the extent that your employment with the Company terminates for any reason other than your death or an Involuntary Termination (as defined in Section 4 below, and provided that you deliver and do not revoke the Release as described in Section 4 below), you agree to reimburse the Company for the full amount of the Retention Bonus as to which such forfeiture restriction has not yet lapsed as of the date of such termination, within fifteen (15) days following the date your employment terminates, and further agree that the Company in its sole discretion may (but shall not be required to) elect to reduce the amount of any payment otherwise owed to you pursuant to this letter agreement (including, without limitation, salary, severance, bonus or other amounts) on a dollar for dollar basis to offset in whole or in part the amount you are required to repay under this Section 2.

3. Stock Options. As you may be aware, the Company's parent, M/A-COM Technology Solutions Holdings, Inc. ("Parent"), is in the process of setting up a stock option plan to provide certain employees and other service providers with employment incentives. Subject to the adoption of such plan and approval by the Parent's Board of Directors in accordance with applicable law, you will be granted:

(a) An option under the plan (the "First Option") to purchase six hundred thousand (600,000) shares of Parent's Common Stock. One-fifth (1/5th) of the shares subject to the option will vest and become exercisable on the first anniversary of the option vesting commencement date (which will be the date you start work with the Company) and an additional one sixtieth ($1/60^{th}$) of the total number of such shares will vest on the corresponding day of each month thereafter, or to the extent such a month does not have the corresponding day, on the last day of any such month, until all the shares are vested, subject to your continued employment with the Company at each such date.

(b) An additional option under the plan to purchase two hundred thousand (200,000) shares of Parent's Common Stock (the "Second Option"). All of the shares subject to the Second Option shall vest and become exercisable if and only if either (i) the consolidated annual revenue of Parent and all Parent's subsidiaries ("Group Revenue") (less any such revenue attributable to any products, technologies, assets or organizations acquired by Parent or its subsidiaries after the date hereof, other than revenue attributable to any Included Acquisitions and Exempted Acquisitions as defined below) meets or exceeds $370,000,000 for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012 (the "Revenue Threshold"), or (ii) the consolidated annual earnings before income tax of Parent and all Parent's subsidiaries, calculated to exclude any (x) gains or losses from the sale, exchange, transfer or other disposition of property or assets not in the ordinary course of business of Parent and such subsidiaries, and (y) other extraordinary gains or losses of Parent and such subsidiaries exceeds the greater of (A) $70,000,000 and (B) twenty-five percent (25%) of Group Revenue for any fiscal year of Parent ending after the date hereof and on or before December 31, 2012. As used in this paragraph, "Included Acquisitions" shall mean products of Parent and its subsidiaries

developed as "works made for hire" for Parent or such subsidiaries by one or more unaffiliated third parties hired by Parent or such subsidiaries for such purpose. "Exempted Acquisitions" as used herein means the next $25,000,000 of revenue attributable to acquisitions of products, technologies, assets or organizations made by Parent or its subsidiaries following the date of this letter agreement, as measured by the trailing twelve month revenues associated with each such acquired business or group of assets at the time each was acquired. In the event that the trailing twelve month revenue for any Exempted Acquisition, when aggregated with the trailing twelve month revenue for any prior Exempted Acquisitions, would exceed the $25,000,000 limit noted above, then the amount of post-acquisition revenue attributable to that Exempted Acquisition that may be counted toward achievement of the Revenue Threshold in any period in accordance with this paragraph shall be limited to the percentage of such post-acquisition revenue attributable to such Exempted Acquisition that (A) the portion of the trailing twelve month revenue for such Exempted Acquisition which (considered together with the trailing twelve month revenue for any prior Exempted Acquisitions) is not in excess of the $25,000,000 limit represents of (B) the total trailing twelve month revenue for such Exempted Acquisition. For the avoidance of doubt, the trailing twelve-month revenue of any prior Exempted Acquisitions shall not be included in the numerator of the above-described fraction, but rather used as a reference point for determining such numerator.

(c) The First Option and Second Option will each have a per share exercise price equal to the fair market value of a share of Parent Common Stock on the date the option is granted, as determined by the Parent Board of Directors. Each option grant shall be subject to the terms and conditions of the Parent stock option plan and related stock option agreement. No right to any stock is earned or accrued under any such option until such time as vesting occurs, nor does the grant confer any right to continued vesting or employment.

4. Severance.

(a) Our at-will relationship notwithstanding, if the Company terminates your employment with the Company other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below) (each an "Involuntary Termination"), and in either case you sign, deliver to the Company and do not revoke a general release of claims in the Company's favor in a form and substance acceptable to the Company (the "Release"), then you shall be entitled to receive as severance pay continuation of your monthly salary, as then in effect and payable in accordance with the Company's standard payroll policies, including compliance with applicable withholding, for a period of six (6) months following the date your employment with the Company terminated (such period is hereinafter referred to as the "Severance Period").

(b) Subject to the same conditions applicable to the receipt of any severance payments otherwise payable during any Severance Period as set forth in Section 4(a), to the extent that you or any of your dependents may be covered under the terms of any medical and dental plans of the Company immediately prior to the termination of your employment, the Company will provide you with reimbursement for premiums paid for the continuation of such benefits for you and those dependents for the same or equivalent coverages through the end of the Severance Period. The Company is under no obligation to provide reimbursement for special coverages for you that

would not be covered by the plans applicable to employees generally. The reimbursement payable to you pursuant to this paragraph shall be reduced by the amount equal to the contributions required from time to time from other employees for equivalent coverages under the Company's medical or dental plans. If and to the extent that you or any of your dependents is or becomes eligible to participate in a medical, dental or other health insurance plan of another employer during the Severance Period, then the reimbursement benefit provided by this paragraph shall be eliminated or commensurately diminished.

(c) You hereby agree that the severance benefits provided for in this Section 4 are the only severance benefits to which you may be entitled in the event of the termination of your employment with the Company, and that such benefits will be reduced dollar for dollar by any severance-related amount the Company is required to pay you by law, corporate policy or other source that would otherwise duplicate any portion of the severance benefits provided herein.

As used herein, "Cause" shall mean (i) an act of dishonesty made by you in connection with your responsibilities as an employee; (ii) your conviction of, or plea of nolo contendere to, a felony, or commission of an act of moral turpitude; (iii) your gross misconduct; or (iv) your (a) material failure to discharge your employment duties or (b) a material breach of this offer letter or the ECIA (as defined below), in each case after you have received a written demand for performance from the Company (or notice of misconduct, where applicable) specifying the breach of employment duties and your failure to cure such breach (where such breach is curable) within thirty (30) days of the date of such notice from the Company.

As used herein, "Good Reason" shall mean your resignation within thirty (30) days following the expiration of any Company cure period without the Company providing a cure (discussed below) following the material reduction by the Company, without your consent, of your authority, duties, or responsibilities with the Company in effect immediately prior to such assignment, or the removal of you from such position and responsibilities; provided, however, that a reduction in duties, position or responsibilities solely by virtue of the Company being acquired and made part of a larger entity, whether as a subsidiary, business unit or otherwise (as, for example, when the Chief Financial Officer of the Company remains the Chief Financial Officer of the Company following an acquisition where the Company becomes a wholly owned subsidiary of the acquiror, but is not made the Chief Financial Officer of the acquiring corporation) will not constitute "Good Reason". You agree you will not resign for Good Reason without first providing the Company with written notice of the acts constituting the grounds for "Good Reason" within thirty (30) days of the initial existence of the grounds for "Good Reason" and a reasonable opportunity for the Company to cure such grounds of not less than thirty (30) days following the date of such notice.

5. Post-Termination Restrictions.

(a) Non-Competition. You acknowledge that, as an employee of the Company, you will have access to valuable, proprietary trade secret and other confidential information of the Company in connection with this letter agreement. You acknowledge that such valuable proprietary and confidential information is developed and acquired by the Company on an ongoing basis and you will receive the benefit of access to new and unique information on a continuing basis, and that such information is worthy of protection. To further

ensure the confidentiality of the Company's trade secrets and other proprietary information, during the time you are employed by the Company and also during any Severance Period, you agree that you shall not directly or indirectly (whether for compensation or otherwise), alone or as a partner, associate, agent, principal, trustee, consultant, co-venturer, creditor, owner (excepting not more than 1% passive stockholdings for investment purposes in securities of publicly held and traded companies), representative, or in any other capacity, engage in, take any action constituting or in furtherance of, participate with or become interested in or associated with any person, firm, partnership, corporation or other entity which is or intends to be in competition with the Company in those portions of the Company's business in which you were involved during your tenure of employment with the Company. You further understand and agree to be bound by the provisions of this Section 5 because you are employed in a position of trust and responsibility and have access and will have access to current as well as future confidential and proprietary information, and this covenant is necessary to prevent the inevitable disclosure of confidential and proprietary information should you accept employment in violation of such provisions.

(b) Non-Solicitation. During the time you are employed by the Company and also during any Severance Period, you agree that you shall not directly or indirectly (whether for compensation or otherwise), alone or together with others, influence or attempt to influence customers or suppliers of the Company or any of its present or future subsidiaries or affiliates, either directly or indirectly, to divert their business to any individual, partnership, firm, corporation or other entity then in competition with the business of the Company or any subsidiary or affiliate of the Company.

(c) Consideration; Tolling, Scope and Reasonableness. You agree that in addition to the other good and valuable consideration you are receiving for the covenants contained in this Section 5 as recited above, any severance amount payable to you by the Company in respect of any Severance Period hereunder constitutes further consideration for these covenants. You agree that the periods of time during which you are prohibited by Sections 5(b) and (c) hereof from engaging in such business practices shall be extended by any length of time during which you are in breach of any of such covenants. The covenants contained in this Section 5 shall apply in any country or jurisdiction where the Company and its affiliates had offices or shipped product during the term of your employment with the Company. You and the Company agree that the time, scope and geographic limitations and other particulars of the foregoing covenants are appropriate and reasonable when considered in light of the nature and extent of the business conducted by the Company and your role in the Company.

(d) Remedies. If you commit a breach, or threaten to commit a breach, of any of the provisions of this Section 5, the Company shall have the following rights and remedies, in addition to any and all others rights and remedies of law or in equity, each of which shall be independent of the other and severally enforceable: (i) the right to have the provisions of this letter agreement specifically enforced by any court having equity jurisdiction, including the right to a restraining order, an injunction or other equitable relief, it being acknowledged and agreed that any such breach or threatened breach will cause irreparable injury to the Company and that money damages will not provide an adequate remedy to it; and (ii) the right and remedy to require you to account for and pay over to the Company all compensation, profits, monies, accruals, increments or other benefits (hereinafter collectively the "Benefits") derived or

received, directly or indirectly, by you as a result of any transactions constituting a breach of any of the provisions of this letter agreement, and you hereby agree to account for and pay over any such Benefits to the Company.

6. Benefits. During the term of your employment, you will be eligible, provided that you meet the eligibility requirements of the relevant plans and policies, for the Company's standard employee benefits applicable to employees at your level, including health, dental, vision, life, short and long-term disability insurance. The Company reserves the right to change the benefits it offers or the terms of such benefits from time to time. The Company will provide you with an initial combined vacation and PTO day accrual rate equivalent to an employee with thirteen (13) years of prior service credit.

7. Immigration Laws. This offer of employment is contingent on your providing proper documentation of your identity and authorization to work in the United States under applicable immigration laws, as required by Form I-9 of the US Department of Homeland Security.

8. Employee Confidentiality and Invention Assignment Agreement. As a condition of this offer of employment, you will be required to promptly complete, sign and return the Company's standard form of employee confidentiality and invention assignment agreement (the "ECIA").

9. No Conflicts. In this position, you will be expected to devote your full business time, attention and energies to the performance of your duties with the Company. We also ask that, before signing this letter, you disclose to the Company any and all agreements relating to your prior employment that may affect your eligibility to be employed by the Company or limit the manner in which you may be employed. It is the Company's understanding that any such agreements will not prevent you from performing the duties of your position and you represent that such is the case.

10. General. This offer letter and the ECIA, when signed by you, set forth the terms of your employment with the Company and supersede any and all prior representations and agreements made to or with you by the Company, any of its predecessors or affiliates, or any of their respective employees or agents, whether written or oral. As a Company employee, you will also be expected to abide by Company rules and regulations, whether set forth in a Company-approved employee handbook or otherwise, that may be modified from time to time. In the event of a conflict between the terms and provisions of this offer letter and the ECIA, the terms and provisions of the ECIA will control. Any amendment of this offer letter or any waiver of a right under this offer letter must be set forth in a writing signed by you and an authorized officer of the Company to be effective. The law of the state in which you are employed will govern this offer letter. In the event of any dispute or claim relating to or arising out of our employment relationship, you and the Company agree that we are both waiving any and all rights to a jury trial in connection with such dispute or claim.

Lastly, this offer of employment is contingent on the satisfactory completion of a background check. It is also contingent in part on your submitting to a pre-employment drug-screening test for the presence of drugs. Human Resources will provide the necessary documents once you have returned your signed offer letter.

We look forward to you joining the Company. If the foregoing terms are agreeable, please indicate your acceptance by signing this offer letter in the space provided below and returning it to me, along with your completed and signed ECIA.

Sincerely,

M/A-COM Technology Solutions Inc.

By: /s/ Joe Thomas 10/9/09
Joe Thomas
CEO

AGREED TO AND ACCEPTED:

/s/ M. Murphy 9/28/09
Signature of Employee

Enclosures:
ECIA

AMENDMENT TO OFFER OF EMPLOYMENT

This AMENDMENT ("***Amendment***") to that certain Offer Letter of Employment with M/A-COM Technology Solutions Inc. dated as of October 9, 2009 (the "***Original Employment Agreement***") is made as of December 21, 2010, by and between M/A-COM Technology Solutions Inc., a Delaware corporation (the "***Company***"), and Michael Murphy (the "***Employee***"). Capitalized terms used herein without definition shall have the respective meanings provided therefor in the Original Employment Agreement.

RECITALS

WHEREAS, the Company and the Employee entered into the Original Employment Agreement;

WHEREAS, the parties now desire to amend the Original Employment Agreement to reflect certain changes to the terms and conditions contained therein;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the Company and the Employee hereby agree as follows:

AGREEMENT

11. Section 4(a) of the Original Employment Agreement is hereby amended and restated in its entirety as follows:

"Our at-will relationship notwithstanding, if the Company terminates your employment with the Company for any reason other than for "Cause" (as defined below) or you resign for "Good Reason" (as defined below) (each an "Involuntary Termination"), and in either case you sign and deliver to the Company within 52 days after such termination of employment and do not revoke within any applicable 7-day revocation period (or other revocation period set forth by the Company ending prior to the 60th day after termination of employment) a general release of claims in the Company's favor in a form and substance acceptable to the Company (the "Release"), then you shall be entitled to receive as severance pay continuation of your monthly salary, as in effect and payable in accordance with the Company's standard payroll policies on the date of such termination (and in no event less frequently than monthly), including compliance with applicable withholding, for a period of six (6) months following your date of employment with the Company (such period is hereinafter referred to as the "Severance Period"). To the extent required to comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended ("Code Section 409A"), any payments that would otherwise have been made during the 60-day period following your termination of employment shall not be made and shall be accumulated and paid in a single lump sum after such Release is signed and delivered to the Company and after the expiration of any applicable revocation period (as set forth in the preceding sentence) on or prior to the 60th day following your termination of employment; provided that if the period of 60 days following your termination of employment spans two calendar years, such accumulated payment to the extent required by Code Section 409A shall be paid in the second such calendar year."

12. A new Section 4(c) is hereby inserted into the Original Employment Agreement and the prior Section 4(c) is renumbered as Section 4(d) and all references amended as necessary. The new Section 4(c) is as follows:

"Optional Severance. If your employment terminates for any reason other than an Involuntary Termination the Company may elect, in its sole discretion, to pay you severance pay and benefit reimbursements in the amounts and on the terms set forth in Sections 4(a) and (b) for any period up to six (6) months following the date of termination. If the Company makes such an election, the duration elected by the Company shall be deemed to be the "Severance Period" for all purposes under this Agreement."

13. Section 5(c) of the Original Employment Agreement is hereby amended by replacing the phrase "prohibited by Sections 5(b) and (c)" in the second sentence with the phrase "prohibited by Sections 5(a) and (b)".

14. A new Section 11 is hereby added to the Original Employment Agreement as follows:

"This offer of employment is intended to be interpreted and operated to the fullest extent possible so that the payments and benefits under this offer of employment either shall be exempt from the requirements of Code Section 409A under Treasury Regulation section 1.409A-1(b)(9)(iii) or otherwise or shall comply with the requirements of Code Section 409A; provided, however, that notwithstanding anything to the contrary in this offer of employment in no event shall the Company be liable to you for or with respect to any taxes, penalties or interest which may be imposed upon you pursuant to Code Section 409A. In accordance with the preceding sentence, the date on which a "separation from service" pursuant to Code Section 409A occurs shall be treated as the termination of employment date for purposes of determining the timing of payments and benefits under this offer of employment to the extent necessary to have such payments and benefits under this offer of employment be exempt from the requirements of Code Section 409A or comply with the requirements of Code Section 409A."

15. Except as expressly amended hereby, the Original Employment Agreement shall remain in full force and effect. This Amendment shall not, except as expressly provided herein, be deemed to be a consent to any waiver or modification of any other terms or provisions of the Original Employment Agreement.

16. This Amendment may be signed in any number of counterparts, each of which shall be deemed an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

M/A-COM TECHNOLOGY SOLUTIONS INC.

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Its: CFO

MICHAEL MURPHY

/s/ Michael Murphy

Exhibit 10.14

[GAAS LABS, LLC LOGO]

October 15, 2008

Mimix Holdings, Inc.
10795 Rockley Road
Houston, TX 77099

Ladies and Gentlemen:

As you are aware, following its recent investment in the Series A Preferred Stock of Mimix Holdings, Inc., a Delaware corporation ("Company"), Gaas Labs, LLC, a California limited liability corporation ("Gaas Labs") beneficially owns in excess of fifty percent of the outstanding shares of capital stock of the Company and has the right to appoint a majority of the members of the Company's board of directors. As you are also aware, since the date of its investment, Gaas Labs has been actively engaged in the provision of financial and strategic consulting, advisory and other services to the Company (the "Services") with the aim of furthering the Company's growth and success.

In consideration of the Services rendered to date and to be rendered in connection with the ongoing operations of the Company in the future, the Company agrees to pay Gaas Labs a monthly amount of compensation equal to the Fee Amount (as defined below), which shall be billed to the Company by Gaas Labs, and shall be due and payable monthly on or before the fifth (5^{th}) day of each calendar month until the earlier of (i) such time as the Gaas Labs and/or its affiliates no longer hold an equity investment in the Company or representation on the Company's board of directors (after which time Gaas Labs will cease to provide the Services) and (ii) such time as Gaas Labs and the Company agree in writing to modify or terminate the arrangements contemplated hereby.

The "Fee Amount" shall be equal to the greater of (i) $60,000, and (ii) ten percent (10%) of the monthly consolidated operating income of the Company, calculated based on the unaudited consolidated monthly financial statements prepared by the Company internally in accordance with generally accepted accounting principles for each corresponding month of its fiscal year, which financial statements the Company hereby agrees to prepare and deliver to Gaas Labs in accordance with this agreement no later than fifteen (15) calendar days following the last day of the calendar month to which such financial statements relate. In addition, the Company will reimburse Gaas Labs for its expenses incurred in connection with the provision of the Services. Payments made by the Company pursuant to this agreement shall be made by wire transfer of immediately available funds to such account as Gaas Labs shall designate to the Company in writing from time to time.

Gaas Labs may assign its rights and obligations hereunder to any of its affiliates, and shall provide written notice to the Company of any such assignment.

The Company and Gaas Labs hereby agree to the provisions with respect to the Company's indemnity of Gaas Labs and other matters set forth in Schedule I attached to this letter agreement, the terms of which are incorporated herein in their entirety. Schedule I is an integral part of this letter agreement and shall survive any termination, assignment or expiration of this letter agreement.

This agreement (and any claim or dispute of any kind or nature whatsoever arising out of, or relating to, this letter agreement or Gaas Labs' engagement hereunder, directly or indirectly, including any claim concerning advice provided pursuant to this letter agreement) shall be governed by and construed and enforced in accordance with the laws of the State of California applicable to contracts made and to be performed entirely within that state. Any rights to trial by jury with respect to any claim, action or proceeding, directly or indirectly, arising out of, or relating to, this letter agreement or Gaas Labs' engagement hereunder are hereby waived by Gaas Labs and the Company.

In case any provision of this letter agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this letter agreement shall not in any way be affected or impaired thereby.

Please confirm that the foregoing is in accordance with your understandings and agreements with Gaas Labs by signing a copy of this agreement in the space provided below. This letter may be signed in one or more counterparts, which together shall form a binding original, and facsimile signatures shall be deemed binding originals hereunder.

Very truly yours,

GAAS LABS, LLC

By: /s/ John Ocampo
Name: John Ocampo
Title: President

ACCEPTED AND AGREED AS OF
THE DATE FIRST ABOVE WRITTEN:

MIMIX HOLDINGS, INC.

By: /s/ Rick Montgomery
Name: Rick Montgomery
Title: President and Chief Executive Officer

SCHEDULE I

INDEMNIFICATION AGREEMENT

The Company agrees to indemnify Gaas Labs, any controlling person of Gaas Labs and each of their respective directors, officers, employees, consultants, agents, affiliates and representatives (each, an "Indemnified Party") and hold each of them harmless against any and all losses, claims, damages, penalties, expenses, liabilities, whether joint or several (collectively, "Liabilities") to which the Indemnified Parties may become liable, directly or indirectly, arising out of, or relating to, the letter agreement to which this Schedule I is attached (the "Letter Agreement") or Gaas Labs' or any Indemnified Party's services thereunder, unless it is finally judicially determined without possibility of appeal that the Liabilities resulted from the gross negligence of Gaas Labs. The Company further agrees to reimburse each Indemnified Party promptly upon request for all expenses (including attorneys' fees and expenses) as they are incurred by such Indemnified Party in connection with the investigation of, preparation for, defense of, or providing evidence in, any action, claim, suit, proceeding, inquiry or investigation (each and collectively, an "Action"), directly or indirectly, arising out of, or relating to, the Letter Agreement or Gaas Labs' or any Indemnified Party's services thereunder, whether or not pending or threatened and whether or not any Indemnified Party is a party to such Action. The Company also agrees that no Indemnified Party shall have any Liability (whether direct or indirect, in contract or tort or otherwise) to the Company or any person asserting claims on behalf of or in right of the Company, directly or indirectly, arising out of, or relating to, the Letter Agreement or Gaas Labs' or any Indemnified Party's services thereunder, unless it is finally judicially determined that such Liability resulted from the gross negligence of Gaas Labs.

The Company agrees that, without Gaas Labs' prior written consent, it will not agree to any settlement of, compromise or consent to the entry of any judgment in or other termination of (each and collectively, a "Settlement") any Action in respect of which indemnification could be sought hereunder (whether or not Gaas Labs or any other Indemnified Party is an actual or potential party to such Action), unless (a) such Settlement includes an unconditional release of each Indemnified Party from any Liabilities arising out of such Action and (b) the parties agree that the terms of such Settlement shall remain confidential.

The Company and Gaas Labs agree that if any indemnification or reimbursement sought pursuant to the first paragraph of this Schedule I is for any reason unavailable or insufficient to hold any Indemnified Party harmless (except by reason of the gross negligence of Gaas Labs) then, whether or not Gaas Labs is the person entitled to indemnification or reimbursement, the Company and Gaas Labs shall contribute to the Liabilities for which such indemnification or reimbursement is held unavailable in such proportion as is appropriate to reflect (a) the relative benefits to the Company on the one hand and Gaas Labs on the other hand, in connection with the transaction to which such indemnification or reimbursement relates or (b) if the allocation provided by clause (a) above is not available, in such proportion as is appropriate to reflect not only the relative benefits referred to in such clause (a), but also the relative fault of the parties as well as any other relevant equitable considerations; provided, however, that in no event shall the amount to be contributed by Gaas Labs exceed the fees actually received by Gaas Labs under the Letter Agreement. The Company agrees that, for the purposes of this paragraph, the relative benefits to the Company and Gaas Labs of the contemplated transaction (whether or not such transaction is consummated) shall be deemed to be in the same proportion that the aggregate consideration payable, exchangeable or transferable (or contemplated to be payable, exchangeable or transferable) in such transaction bears to the fees paid or payable to Gaas Labs under the Letter Agreement.

The rights of the Indemnified Parties referred to above shall be in addition to any rights that any Indemnified Party may otherwise have at law, in equity, by contract or otherwise.

[GAAS LABS, LLC LOGO]

December 21, 2010

Mimix Holdings, Inc.
10795 Rockley Road
Houston, TX 77099

Subject: Amendment to GaAs Labs, LLC Services Agreement

Ladies and Gentlemen:

As you are aware, Mimix Holdings, Inc., a Delaware corporation (the "Company"), and GaAs Labs, LLC, a California limited liability corporation ("GaAs Labs"), entered into a services agreement dated October 15, 2008 (the "Original Agreement"), following an investment by GaAs Labs in the Company. The Company and GaAs Labs now desire to amend the Original Agreement as follows:

(i) The definition of "Fee Amount" is hereby deleted in its entirety and replaced with the following:

"The "Fee Amount" shall mean $60,000".

(ii) The second paragraph of the Original Agreement is hereby amended and restated in its entirety as follows:

"In consideration of the Services rendered to date and to be rendered in connection with the ongoing operations of the Company and/or its corporate parent, M/A-COM Technology Solutions Holdings, Inc. ("Parent") in the future, the Company agrees to pay GaAs Labs a monthly amount of compensation equal to the Fee Amount (as defined below), which shall be billed to the Company by GaAs Labs, and shall be due and payable monthly on or before the fifth (5th) day of each calendar month until the earlier of any of the following (after which time GaAs Labs will cease to provide the Services and no further Fee Amounts shall be due): (i) such time as GaAs Labs and/or its affiliates no longer hold any equity investment in the Company or Parent or any representation on the Company's or Parent's board of directors, (ii) Parent consummates a Public Offering (as defined in Parent's Second Amended and Restated Certificate of Incorporation in effect on the date of this Agreement), (iii) consummation of a Change in Ownership (as defined in Parent's Second Amended and Restated Certificate of Incorporation in effect on the date of this Agreement) of Parent and (iv) such time as GaAs Labs and the Company agree in writing to modify or terminate the arrangements contemplated hereby."

Except as specifically provided above, the Original Agreement shall remain in full force and effect and is hereby ratified and confirmed.

Please confirm that the foregoing is in accordance with your understandings and agreements with GaAs Labs by signing a copy of this agreement in the space provided below. This letter may be signed in one or more counterparts, which together shall form a binding original, and facsimile signatures shall be deemed binding originals hereunder.

Very truly yours,

GAAS LABS, LLC

By: /s/ John Ocampo
Name: John Ocampo
Title: President

ACCEPTED AND AGREED AS OF
THE DATE FIRST ABOVE WRITTEN:

MIMIX HOLDINGS, INC.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

Exhibit 10.15

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "Agreement") is dated as of December 3, 2010, among M/A-COM TECHNOLOGY SOLUTIONS INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology"), M/A-COM AUTO SOLUTIONS INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), LASER DIODE INCORPORATED ("Laser"), a corporation organized under the laws of the State of Nevada, and MIMIX BROADBAND, INC., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers"), M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC. ("Holdings"), the other Persons party to this Agreement that are designated as a "Guarantor" (together with Holdings, collectively, "Guarantors"), the financial institutions party to this Agreement from time to time as lenders (collectively, "Lenders"), and RBS BUSINESS CAPITAL, a division of RBS Asset Finance, Inc., a corporation organized under the laws of the State of New York, as agent for the Lenders ("Agent").

R E C I T A L S:

Borrowers have requested that Agent and Lenders make available a credit facility, to be used by Borrowers to finance their mutual and collective business enterprise. Agent and Lenders are willing to provide such credit facility on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION

1.1 Definitions.

As used herein, the following terms have the meanings set forth below:

Account - as defined in the UCC, including all rights to payment for goods sold or leased, or for services rendered.

Account Debtor - a Person who is obligated under an Account, chattel paper or general intangible.

Activation Event - as defined in Section 8.5.6.

Activation Notice - as defined in Section 8.5.6.

Administrative Borrower - as defined in Section 4.4(a).

Affiliate - with respect to any Person, another Person (a) who directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such first Person; (b) who beneficially owns ten (10%) percent or more of the voting securities or any class of Capital Stock of such first Person; (c) at least ten (10%) percent of whose voting securities or any

class of Capital Stock is beneficially owned, directly or indirectly, by such first Person; or (d) who is an officer, director, partner or managing member of such first Person. “Control” means the possession, directly or indirectly, of the power to direct or cause direction of the management and policies of a Person, whether through ownership of Capital Stock, by contract or otherwise.

Agent - as defined in the preamble to this Agreement and shall include its successors and assigns.

Agent Indemnitees - Agent and its officers, directors, employees, Affiliates, agents and attorneys.

Agent Payment Account - account no. 1130184266 of Agent at RBS, or such other account of Agent as Agent may from time to time designate to Administrative Borrower as Agent Payment Account for purposes of this Agreement and the other Loan Documents.

Agent Professionals - attorneys, accountants, appraisers, auditors, business valuation experts, environmental engineers or consultants, turnaround consultants, and other professionals and experts retained by Agent.

Anti-Terrorism Laws - any laws relating to terrorism or money laundering, including the Patriot Act.

Applicable Law - all laws, rules, regulations and governmental guidelines applicable to the Person, conduct, transaction, agreement or matter in question, including all applicable statutory law, common law and equitable principles, and all provisions of constitutions, treaties, statutes, rules, regulations, orders and decrees of Governmental Authorities.

Applicable Margin - with respect to Revolving Loans a percentage equal to (a) 0.50% per annum, if a Base Rate Revolving Loan and (b) 2.25% per annum, if a LIBOR Revolving Loan; provided, that if EBITDA of Holdings and its Subsidiaries is greater than or equal to $25,000,000 for the Fiscal Year ended October 1, 2010, then beginning on the date that is two (2) Business Days following Agent’s receipt of the audited financial statements for the Fiscal Year ended October 1, 2010 (the “Initial Adjustment Date”), and on April 1, 2011 and the first (1st) day of each Fiscal Quarter thereafter, adjustments in the Applicable Margins will be implemented quarterly, on a prospective basis in accordance with the pricing grid set forth below based upon the Quarterly Average Liquidity for the immediately preceding Fiscal Quarter (or, with respect to adjustments, if any, to be made on the Initial Adjustment Date, based upon the daily average of Liquidity for the period from the Closing Date up to the Initial Adjustment Date). Downward adjustments will only take effect (and only remain effective) provided no Default or Event of Default has occurred and is continuing.

Level	Quarterly Average Liquidity	Base Rate Revolving Loans	LIBOR Revolving Loans
I	Greater than or equal to $20,000,000	0.25%	2.00%
II	Less than $20,000,000 but greater than or equal to $10,000,000	0.50%	2.25%
III	Less than $10,000,000	0.75%	2.50%

The foregoing shall not be construed to limit the rights of Agent or Lenders with respect to the amount of interest payable after a Default or Event of Default whether based on such recalculated percentage or otherwise.

Approved Fund - any Person (other than a natural person) that is engaged in making, holding or investing in extensions of credit in its ordinary course of business and is administered or managed by a Lender, an entity that administers or manages a Lender, or an Affiliate of either.

Asset Disposition - a sale, lease, license, consignment, transfer or other disposition of Property of a Loan Party, including a disposition of Property in connection with a sale-leaseback transaction or synthetic lease but excluding, for the avoidance of doubt, issuances of Capital Stock.

Assignment and Acceptance - an assignment agreement between a Lender and Eligible Assignee, in the form of Exhibit A.

Availability – the result of (a) the lesser of (i) (A) the Revolving Loan Commitment minus (B) the Revolving Loan Commitment Reserve and (ii) the Borrowing Base minus (b) the principal balance of all Revolving Loans then outstanding.

Availability Reserve - the sum (without duplication) of (a) the Inventory Reserve; (b) the Rent, Charges and Insurance Reserve; (c) the LC Reserve; (d) the Bank Product Reserve; (e) the aggregate amount of liabilities secured by Liens (other than Permitted Liens) upon Collateral that are senior to Agent's Liens (but imposition of any such reserve shall not waive an Event of Default arising therefrom); (f) the amount, if any, of dilution with respect to the Accounts (based on the ratio of the aggregate amount of non-cash reductions in Accounts for any period to the aggregate dollar amount of the sales of Borrowers) as calculated by Agent that is or is reasonably likely to be greater than five (5%) percent; (g) amounts to reflect events, conditions, contingencies or risks which, as determined by Agent in its discretion, materially adversely affect, or would have a reasonable likelihood of materially adversely affecting, taken as a whole, either (i) the Collateral or any other property which is security for the Obligations or its value or (ii) the business of any Borrower or any other Loan Party; (h) amounts to reflect Agent's good faith belief that any collateral report or financial information furnished by or on behalf of any Borrower or Loan Party to Agent is or may have been incomplete, inaccurate or misleading in any material respect; or (i) amounts in respect of any state of facts which Agent determines in its discretion, constitutes a Default or an Event of Default. The amount of any Availability Reserve established by Agent shall have a reasonable relationship to the event, condition or other matter which is the basis for such reserve as determined by Agent in its good faith credit judgment, reasonably exercised. Agent shall provide Administrative Borrower with contemporaneous notice of any Availability Reserves (and any adjustments to any calculations made pursuant to Section 8.1) established by Agent at any time after the date hereof; provided, that, Agent's failure to provide such notice shall in no manner limit or otherwise affect the validity of any such Availability Reserve established by Agent with respect to which Agent neglected to provide such notice and Agent shall have no liability for the failure to provide such notice.

Average Utilization - for any month, sum of the daily average outstanding amount of Revolving Loans and stated amount of Letters of Credit during such month as calculated by Agent.

Bank Product - any of the following products, services or facilities extended to any Loan Party or Subsidiary by a Bank Product Provider: (a) Cash Management Services; (b) products under Hedging Agreements; (c) commercial credit card and merchant card services; and (d) other banking products or services as may be requested by any Loan Party or Subsidiary, other than Letters of Credit; provided, however, that, for any of the foregoing to be included as an "Obligation" for purposes of a distribution under Section 5.6.1, the applicable Secured Party and Loan Party must have previously provided written notice to Agent of (i) the existence of such Bank Product, (ii) the maximum dollar amount of obligations arising thereunder to be included as a Bank Product Reserve ("Bank Product Amount"), and (iii) the methodology to be used by such parties in determining the Bank Product Debt owing from time to time. The Bank Product Amount may be changed from time to time upon written notice to Agent by Secured Party and Loan Party. No Bank Product Amount may be established or increased at any time that a Default or Event of Default exists, or if a reserve in such amount would cause an Overadvance.

Bank Product Amount - as defined in the definition of Bank Product.

Bank Product Debt - Debt and other obligations of a Loan Party relating to Bank Products.

Bank Product Provider - RBS or any other Lender approved by Agent or any of their respective Affiliates that provides Bank Products to any Loan Party.

Bank Product Reserve - the aggregate amount of reserves established by Agent from time to time in its good faith credit judgment, reasonably exercised in respect of Bank Product Debt, which shall be at least equal to the sum of all Bank Product Amounts, in each case, except to the extent that such Bank Product Debt has been Cash Collateralized.

Bankruptcy Code - the United States Bankruptcy Code, being Title 11 of the United States Code, as the same now exists or may from time to time hereafter be amended, modified, recodified or supplemented.

Base Rate - for any day, a variable rate of interest per annum equal to the higher of (a) the "prime rate" as determined by Agent announced from time to time by RBS at its offices in Boston, Massachusetts (or any successor to the foregoing) as its "prime rate", subject to each increase or decrease in such prime rate, effective as of the day any such change occurs (with the understanding that any such rate may merely be a reference rate and may not necessarily represent the lowest or best rate actually charged to any customer by such bank), (b) the Federal Funds Effective Rate (as defined below) from time to time plus one-half of one (0.50%) percent, and (c) the LIBOR Rate for a one (1) month Interest Period on such day plus one and three-quarters (1.75%) percent. The term "Federal Funds Effective Rate" shall mean, for any period, a fluctuating interest rate per annum equal, for each day during such period, to the weighted average of the rates on overnight Federal Funds transactions with members of the Federal Reserve System arranged by Federal Funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not published for any day that is a Business Day, the average of the quotations for such day on such transactions received by Agent from three Federal Funds brokers of recognized standing selected by it.

Base Rate Loan - any Loan that bears interest based on the Base Rate.

Base Rate Revolving Loan - a Revolving Loan that bears interest based on the Base Rate.

Board of Governors - the Board of Governors of the Federal Reserve System.

Borrowed Money - with respect to any Loan Party, without duplication, its (a) Debt that (i) arises from the lending of money by any Person to such Loan Party, (ii) is evidenced by notes, drafts, bonds, debentures, credit documents or similar instruments, (iii) accrues interest or is a type upon which interest charges are customarily paid (excluding trade payables owing in the Ordinary Course of Business), or (iv) was issued or assumed as full or partial payment for Property; (b) Capital Leases; (c) reimbursement obligations with respect to letters of credit; and (d) guaranties of any Debt of the foregoing types owing by another Person.

Borrower or Borrowers - as defined in the preamble to this Agreement and any other Person that at any time after the date hereof becomes a Borrower (together with their respective successors and assigns).

Borrowing - a group of Loans of one Type that are made on the same day or are converted into Loans of one Type on the same day.

Borrowing Base - on any date of determination by Agent, from time to time, an amount equal to the sum at such time of, without duplication,

(a) 100% of cash in Borrowing Base Cash Accounts ("Borrowing Base Cash"), plus

(b) 85% of the Value of Eligible Accounts, plus

(c) if, for the most recent Fiscal Quarter then ended, for which Agent has received quarterly financial statements (and related Compliance Certificate) required to be delivered pursuant to Section 10.1.2(b), EBITDA of Holdings and its Subsidiaries is greater than or equal to $6,000,000, the lesser of (i) 85% of the Value of Eligible Foreign Accounts and (ii) $15,000,000, plus

(d) the lesser of (i) 85% of the Value of Eligible Unearned Revenue and (ii) $7,500,000, plus

(e) the lesser of (i) 70% of the Value of Eligible Inventory constituting M/A-COM semi sector, infrastructure, and auto solutions finished goods and (ii) 85% of the NOLV of Eligible Inventory constituting M/A-COM semi sector, infrastructure, and auto solutions finished goods; provided, that amounts included in the Borrowing Base under this clause (e) and clauses (f), (g) and (h) below shall not exceed $7,500,000 in the aggregate, plus

(f) the lesser of (i) 70% of the Value of Eligible Inventory constituting M/A-COM power hybrids finished goods and (ii) 85% of the NOLV of Eligible Inventory constituting M/A-COM power hybrids finished goods; provided, that amounts included in the Borrowing Base under this clause (f), clause (e) above, and clauses (g) and (h) below shall not exceed $7,500,000 in the aggregate, plus

(g) the lesser of (i) 70% of the Value of Eligible Inventory constituting Mimix finished goods and (ii) 85% of the NOLV of Eligible Inventory constituting Mimix finished goods; provided, that amounts included in the Borrowing Base under this clause (g), clauses (e) and (f) above, and clause (h) below shall not exceed $7,500,000 in the aggregate, plus

(h) the lesser of (A) 65% of the Value of Eligible Inventory constituting precious metals raw materials and (B) $750,000; provided, that amounts included in the Borrowing Base under this clause (h) and clauses (e), (f) and (g) above shall not exceed $7,500,000 in the aggregate, plus

(i) as of the Closing Date, $3,800,000, which amount shall be reduced by $63,333 each month thereafter; provided, that if, for any Fiscal Quarter, EBITDA of Holdings and its Subsidiaries is greater than or equal to $6,000,000, Borrowers shall have the option to have their Equipment reappraised once during the immediately following Fiscal Quarter and, subject to such reappraisal, reset eligibility under this clause (i) to the lesser of (i) 85% of the NOLV of Eligible Equipment and (ii) $7,500,000, which recalculated amount shall thereafter be reduced by 1/60th of such recalculated amount on a monthly basis ("M&E Borrowing Base Availability"); provided, further, that no more than one reappraisal per Fiscal Year shall be permitted under this clause (i), in each case minus the Availability Reserve established by Agent at such time in its good faith credit judgment, reasonably exercised.

Borrowing Base Cash - as defined in the definition of Borrowing Base.

Borrowing Base Cash Accounts - Deposit Accounts owned and established by Borrowers with RBS or an Affiliate thereof that are subject to one or more Control Agreements granting Agent full cash dominion over such accounts and subjecting such accounts to a hold on terms satisfactory to Agent pursuant to which Borrowers have no access to funds in such accounts.

Borrowing Base Cash Release - as defined in Section 8.5.8.

Borrowing Base Certificate - a certificate substantially in the form attached hereto as Exhibit B, as such form may be modified by Agent from time to time with the prior written consent of Administrative Borrower (such consent not to be unreasonably withheld or delayed), by which Administrative Borrower, on behalf of Borrowers, certifies calculation of the Borrowing Base.

Business Day - any day (a) which is neither a Saturday or Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in New York, New York; (b) when such term is used to describe a day on which a borrowing, payment, prepayment, or repayment is to be made in respect of any LIBOR Loan, any day which is: (i) neither a Saturday or Sunday nor a legal holiday on which commercial banks are authorized or required to be closed in New York, New York; and (ii) a London Banking Day; and (c) when such term is used to describe a day on which an interest rate determination is to be made in respect of any LIBOR Loan, any day which is a London Banking Day.

Capital Expenditures - all liabilities incurred, expenditures made or payments due (whether or not made) by a Loan Party or Subsidiary for the acquisition of any fixed assets, or any improvements, replacements, substitutions or additions thereto with a useful life of more than one year, including the principal portion of Capital Leases.

Capital Lease - any lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

Capital Stock - with respect to any Person, any and all shares, interests, participations or other equivalents (however designated) of such Person's capital stock or partnership, limited liability company or other equity interests at any time outstanding, and any and all rights, warrants or options exchangeable for or convertible into such capital stock or other interests (but excluding any debt security that is exchangeable for or convertible into such capital stock or other equity interests).

Cash Collateral - cash, and any interest or other income earned thereon, that is delivered to Agent to Cash Collateralize any Obligations.

Cash Collateral Account - a demand deposit, money market or other account established by Agent at such financial institution as Agent may select in its discretion, which account shall be subject to Agent's Liens for the benefit of Secured Parties.

Cash Collateralize - the delivery of cash to Agent, as security for the payment of Obligations, in an amount equal to (a) with respect to LC Obligations, one hundred five (105%) percent of the aggregate LC Obligations, and (b) with respect to any inchoate or Contingent Obligations (including Obligations arising under Bank Products), Agent's good faith estimate of the amount due or to become due, including all fees and other amounts relating to such Obligations. "Cash Collateralization" has a correlative meaning.

Cash Dominion Period - as defined in section 8.5.6.

Cash Equivalents - (a) marketable obligations issued or unconditionally guaranteed by, and backed by the full faith and credit of, the United States government, maturing within twelve (12) months of the date of acquisition; (b) certificates of deposit, time deposits and bankers' acceptances maturing within twelve (12) months of the date of acquisition, and overnight bank deposits, in each case which are issued by a commercial bank organized under the laws of the United States or any state or district thereof, rated A-1 (or better) by S&P or P-1 (or better) by Moody's at the time of acquisition, and (unless issued by a Lender) not subject to offset rights; (c) repurchase obligations with a term of not more than thirty (30) days for underlying investments of the types described in clauses (a) and (b) entered into with any bank meeting the qualifications specified in clause (b); (d) commercial paper rated A-1 (or better) by S&P or P-1 (or better) by Moody's, and maturing within nine (9) months of the date of acquisition; and (e) shares of any money market fund that has substantially all of its assets invested continuously in the types of investments referred to above, has net assets of at least $500,000,000 and has the highest rating obtainable from either Moody's or S&P.

Cash Interest Expense - for any period, without duplication, the following: interest expenses deducted in the determination of net income (excluding (a) the amortization of fees and costs with respect to the transactions contemplated by this Agreement which have been capitalized as transaction costs, and (b) interest paid in kind).

Cash Management Services - any services provided from time to time by RBS or any other Lender approved by Agent or any of its Affiliates to any Loan Party or Subsidiary in connection with operating, collections, payroll, trust, or other depository or disbursement accounts, including automatic clearinghouse, controlled disbursement, depository, electronic funds transfer, information reporting, lockbox, stop payment, overdraft and/or wire transfer services.

CERCLA - the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. § 9601 et seq.).

Change of Control - (a) prior to an IPO, the failure by the Permitted Investors to collectively own or control, legally and beneficially Capital Stock of Holdings representing at least 50% of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of Holdings that is then actually entitled to vote on matters submitted to the stockholders of Holdings; (b) after an IPO, the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Exchange Act and the rules of the SEC thereunder), other than any of the Permitted Investors, of Capital Stock of Holdings representing more than 30% of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of Holdings that is then actually entitled to vote on matters submitted to the stockholders of Holdings, (c) except as the result of a Permitted Asset Disposition, Holdings shall cease to own and control legally and beneficially all of the economic and voting rights (other than with respect to any Foreign Subsidiary, directors' qualifying shares, equity interests held by foreign nationals and other nominal amounts of Capital Stock that are required to be held by other Persons under Applicable Law) associated with ownership of all outstanding Capital Stock of each Loan Party (other than Holdings); (d) a change in the majority of directors of Holdings, unless approved by the then majority of directors; or (e) any "liquidation event" (or substantially similar term) shall occur under (and as defined in) the Amended and Restated Certificate of Incorporation of M/A-COM Technology Solutions Holdings, Inc., as in effect on the Closing Date. For the avoidance of doubt, a pledge of Capital Stock by any Permitted Investor to a Person shall not constitute a failure to own or control such Capital Stock unless and until such Person rightfully exercises its rights, if any, to obtain legal title to such Capital Stock.

Claims - all liabilities, obligations, losses, damages, penalties, judgments, proceedings, costs and expenses of any kind (including remedial response costs, reasonable attorneys' fees and Extraordinary Expenses) at any time (including after Full Payment of the Obligations, resignation or replacement of Agent, or replacement of any Lender) incurred by or asserted against any Indemnitee in any way relating to (a) any Loan Documents or transactions relating thereto, (b) any action taken or omitted to be taken by any Indemnitee in connection with any Loan Documents, (c) the existence or perfection of any Liens under the Loan Documents, or realization upon any Collateral, (d) exercise of any rights or remedies under any Loan Documents or under Applicable Law in connection with the Loan Documents, or (e) failure by any Loan Party to perform or observe any terms of any Loan Document, in each case including all costs and expenses relating to any investigation, litigation, arbitration or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnitee is a party thereto.

Closing Date - as defined in Section 6.1.

Cobham - Cobham Defense Electronic Systems Corporation and its successors and assigns.

Cobham Earn-Out Payments - earn-out payments required to be made by Loan Parties pursuant to Section 2.3 of the Cobham Purchase Agreement.

Cobham Liens - any Liens or other security interests in favor of Cobham securing any obligations of Holdings or any of its Subsidiaries under the Cobham Purchase Agreement, the Cobham Security Agreement or any other agreement among Cobham and Holdings or any of its Subsidiaries.

Cobham Purchase Agreement - Purchase Agreement dated as of March 30, 2009 among Cobham, Lockman Electronic Holdings Limited and Kiwi Stone Acquisition Corp., as in effect on the date hereof.

Cobham Security Agreement - Security Agreement made as of March 30, 2009 between Kiwi Stone Acquisition Corp. and Cobham, as in effect on the date hereof.

Code - the U.S. Internal Revenue Code of 1986.

Collateral - all Property and interests in Property and proceeds thereof now owned or hereafter acquired by any Loan Party in or upon which a Lien is granted or purported to be granted pursuant to any Loan Document.

Commitment - for any Lender, the aggregate amount of such Lender's Revolving Loan Commitment.

Commitment Termination Date - the earliest to occur of (a) the Revolving Commitment Termination Date; (b) the date on which Borrowers terminate the Revolving Loan Commitments pursuant to Section 2.1.4; or (c) the date on which the Revolving Loan Commitments are terminated pursuant to Section 11.2.

Compliance Certificate - a certificate substantially in the form attached hereto as Exhibit C, as such form may be modified by Agent from time to time with the prior written consent of Administrative Borrower (such consent not to be unreasonably withheld or delayed), by which Administrative Borrower, on behalf of Borrowers, certifies, among other things, whether Loan Parties are in compliance with Section 10.2.3 and Section 10.3.

Contractual Obligations - as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument, document or agreement to which such Person is a party or by which it or any of its Property is bound.

Control - the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person, whether through ownership of voting securities, by contract or otherwise, and the terms “Controlling” and “Controlled” shall have meanings correlative thereto.

Control Agreement - a tri-party deposit account, securities account or commodities account control agreement by and among the applicable Loan Party, Agent and the depository, securities intermediary or commodities intermediary, and each in form and substance satisfactory to Agent and in any event providing to Agent “control” of such deposit account, securities or commodities account within the meaning of Articles 8 and 9 of the UCC.

Controlled Investment Affiliate - as to any Person, any other Person which directly or indirectly is in Control of, is Controlled by, or is under common Control with, such Person and is organized by such Person (or any person Controlling such Person) primarily for making equity or debt investments in, or management or advisory services for, any Person (including without limitation any Loan Party or other portfolio companies of such Person).

Contingent Obligation - any obligation of a Person arising from a guaranty, indemnity or other assurance of payment or performance of any Debt, lease, dividend or other obligation (“primary obligations”) of another obligor (“primary obligor”) in any manner, whether directly or indirectly, including any obligation of such Person under any (a) guaranty, endorsement, co-making or sale with recourse of an obligation of a primary obligor; (b) obligation to make take-or-pay or similar payments regardless of nonperformance by any other party to an agreement; and (c) arrangement (i) to purchase any primary obligation or security therefor, (ii) to supply funds for the purchase or payment of any primary obligation, (iii) to maintain or assure working capital, equity capital, net worth or solvency of the primary obligor, (iv) to purchase Property or services for the purpose of assuring the ability of the primary obligor to perform a primary obligation, or (v) otherwise to assure or hold harmless the holder of any primary obligation against loss in respect thereof. The amount of any Contingent Obligation shall be deemed to be the stated or determinable amount of the primary obligation (or, if less, the maximum amount for which such Person may be liable under the instrument evidencing the Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability with respect thereto.

Controlled Accounts - Deposit Accounts, disbursement, operating, securities, commodity or similar accounts owned and established by Loan Parties that are subject to Control Agreements in favor of Agent.

Copyrights - as defined in the Guaranty and Security Agreement.

Cork - M/ACOM Technology Solutions (Cork) Limited, a corporation organized and existing under the laws of the Republic of Ireland.

CWA - the Clean Water Act (33 U.S.C. §§ 1251 et seq.).

Debt - as applied to any Person, without duplication, (a) Borrowed Money; (b) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the Ordinary Course of Business); (c) net obligations owing by such Person under any Hedging Agreements; (d) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional

sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse; (e) all Contingent Obligations to the extent that the "primary obligations" (as defined in the definition of Contingent Obligations) related thereto constitute Debt; (f) all reimbursement obligations in connection with letters of credit issued for the account of such Person; and (g) in the case of a Loan Party, the Obligations. The Debt of a Person shall include any recourse Debt of any partnership in which such Person is a general partner or joint venturer.

Default - an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

Defaulting Lender - as defined in Section 4.2.

Default Rate - for any Obligation (including, to the extent permitted by law, interest not paid when due), two (2%) percent plus the interest rate otherwise applicable thereto.

Delivery Period - (a) any period of time during which a Default or an Event of Default has occurred and is continuing; or (b) a period commencing on the date upon which Liquidity has been less than $15,000,000 for three (3) consecutive Business Days and ending on the date upon which Liquidity exceeds $15,000,000 for thirty (30) consecutive days.

Deposit Account - as defined in the UCC.

Distribution - (a) any declaration or payment of a distribution, interest or dividend with respect to any Capital Stock (other than payment-in-kind); or (b) any purchase, redemption, or other acquisition or retirement for value of any Capital Stock.

Dollars or $ - lawful money of the United States.

EBITDA - determined on a consolidated basis for Holdings and its Subsidiaries, net income, calculated before (a) interest expense, (b) provision for income taxes, (c) depreciation and amortization expense, (d) gains or losses arising from the sale of capital assets, (e) gains or losses arising from the write-up of assets or write-down of assets (including impairments of intangible assets and excluding the write-down of Inventory included in the Borrowing Base), (f) non-cash equity based and other compensation and/or option expense, (g) reasonable non-recurring transaction fees, charges and expenses; provided, that, such fees, charges and expenses that are billed after the Closing Date shall not exceed $250,000, (h) any extraordinary losses or gains (including in connection with discontinued operations), (i) other reasonable non-cash charges, losses or gains (including related to earnouts pursuant to the Cobham Purchase Agreement and including swap or other hedging agreements), (j) cash restructuring charges in an amount not to exceed $4,000,000 in the Fiscal Year ending October 1, 2010 or $2,000,000 in the Fiscal Year ending September 30, 2011, (k) IPO related expenses in an amount not to exceed $2,000,000 in the Fiscal Year ending October 1, 2010 and $3,000,000 in any Fiscal Year commencing with the Fiscal Year ending September 30, 2011 not to exceed $5,000,000 during the term of this Agreement, (l) other reasonable one-time or non-recurring (i) cash charges or losses (including transaction costs related to Permitted Acquisitions, Permitted Asset Dispositions or financings (other than an IPO) permitted under this Agreement) in an amount not to exceed $500,000 in any Fiscal Year and (ii) cash gains (in each case, to the extent included in determining net income), (m) accretion and dividends related to preferred stock and (n) other non-recurring cash charges or losses agreed to by Agent.

Eligible Account - an Account owing to a Borrower that arises in the Ordinary Course of Business from the sale of goods or rendition of services and is payable in Dollars; provided, that, no Account shall be an Eligible Account if (a) it is unpaid for more than sixty (60) days after the original due date, or more than one hundred twenty (120) days after the original invoice date; (b) fifty (50%) percent or more of the Accounts owing by the Account Debtor of such Account are not Eligible Accounts under the foregoing clause; (c) when aggregated with other Accounts owing by the Account Debtor, it exceeds twenty (20%) percent of the aggregate Eligible Accounts of Borrowers (or such higher percentage as Agent may establish for the Account Debtor from time to time); (d) it does not conform with a covenant or representation herein; (e) it is owing by a creditor or supplier, or is otherwise subject to a potential offset, counterclaim, dispute, deduction, discount, recoupment, reserve, defense, chargeback, credit or allowance (but ineligibility shall be limited to the amount thereof); (f) an Insolvency Proceeding has been commenced by or against the Account Debtor; or the Account Debtor has failed, has suspended or ceased doing business, is liquidating, dissolving or winding up its affairs, or is not Solvent; (g) the Account Debtor is organized or has its chief executive office outside the United States or Canada; except, that, at Agent's option, such Account owing by an Account Debtor that is organized or has its chief executive office outside the United States or Canada may be deemed an Eligible Account if either: (i) such Account is subject to credit insurance payable to Agent issued by an insurer and on terms and in an amount reasonably acceptable to Agent, or (ii) such Account is otherwise acceptable in all respects to Agent (subject to such lending formula with respect thereto as Agent may determine); (h) it is owing by a Governmental Authority, unless the Account Debtor is the United States or any department, agency or instrumentality thereof and the Account has been assigned to Agent in compliance with the Assignment of Claims Act; (i) it is not subject to a duly perfected, first priority Lien in favor of Agent, or is subject to any other Lien (other than Liens expressly permitted by clauses (c), (d) and (f) of Section 10.2.2); (j) the goods giving rise to it have not been delivered to and accepted by the Account Debtor, the services giving rise to it have not been accepted by the Account Debtor, or it otherwise does not represent a final sale (subject to warranty based return rights arising in the Ordinary Course of Business); (k) it is evidenced by chattel paper or an instrument of any kind, or has been reduced to judgment; (l) its payment has been extended, the Account Debtor has made a partial payment, or it arises from a sale on a cash-on-delivery basis; (m) it arises from a sale to an Affiliate, or from a sale on a bill-and-hold, guaranteed sale, sale or return, sale on approval, consignment, or other repurchase or return basis (subject to warranty based return rights arising in the Ordinary Course of Business); (n) it represents a progress billing or retainage; (o) it includes a billing for interest, fees or late charges, but ineligibility shall be limited to the extent thereof; or (p) it arises from a retail sale to a Person who is purchasing for personal, family or household purposes; or (q) such Accounts are owed by account debtors not deemed creditworthy at all times by Agent in its discretion. The criteria for Eligible Accounts set forth above may only be changed and any new criteria for Eligible Accounts may only be established by Agent in its good faith credit judgment, reasonably exercised, based on either: (i) an event, condition or other circumstance arising after the date hereof, or (ii) an event, condition or other circumstance existing on the date hereof to the extent Agent has no written notice thereof from or on behalf of a Borrower, prior to the date hereof, in either case under clause (i) or (ii), which materially adversely affects or could reasonably be expected to materially adversely affect the Accounts in Agent's good faith credit judgment, reasonably exercised; provided, that, without the approval of Required Lenders, no such change or new criteria shall be established by Agent if the effect thereof would be to increase the availability of credit under this Agreement. Any Accounts that are not Eligible Accounts shall nevertheless be part of the Collateral.

Eligible Assignee - a Person that is (a) a Lender, U.S.-based Affiliate of a Lender or Approved Fund; (b) prior to the occurrence of an Event of Default, any other financial institution approved by Agent and Administrative Borrower (which approval by Administrative Borrower shall not be unreasonably withheld or delayed, and shall be deemed given if no objection is made within five (5) Business Days after notice of the proposed assignment), that is organized under the laws of the United States or any state or district thereof, has total assets in excess of $5 billion, extends asset-based lending facilities in its ordinary course of business and whose becoming an assignee would not constitute a prohibited transaction under Section 4975 of ERISA or any other Applicable Law; and (c) during the continuance of any Event of Default, any Person acceptable to Agent in its discretion.

Eligible Equipment - Equipment owned by a Borrower; provided, that, Eligible Equipment shall not include any Equipment of any Borrower that: (a) is not owned by such Borrower free and clear of all Liens and rights of any other Person, except the Liens in favor of Agent, on behalf of itself and Lenders, and Liens expressly permitted by clauses (c), (d) and (f) of Section 10.2.2; (b) is not located in the United States; (c) fails to meet all of the following criteria: (i) is located on premises owned or leased by such Borrower and (ii) is stored with a bailee, warehouseman or similar Person, unless (x) Agent has given its prior consent thereto, (y) a satisfactory Lien Waiver has been delivered to Agent in accordance with Section 8.4.2, or (z) Availability Reserves reasonably satisfactory to Agent have been established with respect thereto; (d) is located at any site if the NOLV of Equipment at any such location is less than $250,000; (e) is subject to a document of title unless (i) such document has been delivered to Agent with all necessary endorsements and/or notations, free and clear of all Liens except those in favor of Agent and (ii) such Equipment covered by the document of title has not failed to take or pass inspections or tests, or failed to have any licenses, registrations or permits, necessary for its intended use over the road; (f) in Agent's good faith credit judgment, reasonably exercised, is not in good working order and condition or is otherwise unfit for sale or lease or materially damaged; (g) as to which any of the representations or warranties pertaining to Equipment set forth in this Agreement or in any other Loan Document is untrue or incorrect; (h) is not covered by casualty insurance required hereunder; (i) is not covered by an M&E Appraisal; or (j) that is otherwise unacceptable to Agent in its good faith credit judgment, reasonably exercised. The criteria for Eligible Equipment set forth above may only be changed and any new criteria for Eligible Equipment may only be established by Agent in its good faith credit judgment, reasonably exercised, based on either: (i) an event, condition or other circumstance arising after the date hereof, or (ii) an event, condition or other circumstance existing on the date hereof to the extent Agent has no written notice thereof from or on behalf of a Borrower, prior to the date hereof, in either case under clause (i) or (ii), which materially adversely affects or could reasonably be expected to materially adversely affect the Equipment in Agent's good faith credit judgment, reasonably exercised; provided, that, without the approval of Required Lenders, no such change or new criteria shall be established by Agent if the effect thereof would be to increase the availability of credit under this Agreement. Any Equipment that is not Eligible Equipment shall nevertheless be part of the Collateral.

Eligible Foreign Account - an Account owing to a Borrower by an Account Debtor located in a country other than the United States or Canada and which is excluded from constituting Eligible Accounts under clause (g) thereof (and which otherwise constitutes an Eligible Account) solely by reason that the Account Debtor is organized or has it chief executive office outside the United States or Canada.

Eligible Inventory - Inventory owned by any Borrower; provided, that, such Inventory (a) is finished goods or raw materials, and not work-in-process, packaging or shipping materials, labels, samples, display items, bags, replacement parts or manufacturing supplies; (b) is not held on consignment, nor subject to any deposit or down payment; (c) is in new and saleable condition and is not damaged, defective, shopworn or otherwise unfit for sale; (d) is not "non-saleable" as defined in the Inventory Appraisal most recently delivered as required pursuant to Section 10.1.1(b); (e) meets all standards imposed by any Governmental Authority, and does not constitute hazardous materials under any Environmental Law; (f) conforms with the covenants and representations herein; (g) is subject to Agent's duly perfected, first priority Lien, and no other Lien (other than Liens expressly permitted by clauses (c), (d) and (f) of Section 10.2.2); (h) is within the continental United States or Canada, is not in transit except between locations of Borrowers, and is not consigned to any Person; (i) is not subject to any warehouse receipt or negotiable document; (j) is not subject to any License or other arrangement that restricts such Borrower's or Agent's right to dispose of such Inventory, unless Agent has received an appropriate Lien Waiver; and (k) is not located on leased premises or in the possession of a warehouseman, processor, repairman, mechanic, shipper, freight forwarder or other Person, unless the lessor or such Person has delivered a Lien Waiver or an appropriate Rent, Charges and Insurance Reserve has been established. The criteria for Eligible Inventory set forth above may only be changed and any new criteria for Eligible Inventory may only be established by Agent in its good faith credit judgment, reasonably exercised, based on either: (i) an event, condition or other circumstance arising after the date hereof, or (ii) an event, condition or other circumstance existing on the date hereof to the extent Agent has no written notice thereof from Administrative Borrower, on behalf of Borrowers, prior to the date hereof, in either case under clause (i) or (ii), which materially adversely affects or could reasonably be expected to materially adversely affect the Inventory in Agent's good faith credit judgment, reasonably exercised; provided, that, without the approval of Required Lenders, no such change or new criteria shall be established by Agent if the effect thereof would be to increase the availability of credit under this Agreement. Any Inventory that is not Eligible Inventory shall nevertheless be part of the Collateral.

Eligible Unearned Revenue - Accounts owing to a Borrower arising from amounts billed for which revenue has not yet been recognized (a) for products shipped to distributors that have the right to return such products if such products are not sold or (b) for products shipped where title has not yet passed as the result of FOB (freight on board) destination selling terms, and which Accounts are excluded from constituting Eligible Accounts under clause (j) thereof (and which otherwise constitute Eligible Accounts).

Enforcement Action - any action to enforce any Obligations or Loan Documents or to realize upon any Collateral (whether by judicial action, self-help, notification of Account Debtors, exercise of setoff or recoupment, or otherwise).

Environmental Agreement - each agreement of Loan Parties with respect to any Real Estate subject to a Mortgage, pursuant to which the Loan Parties agrees to indemnify and hold harmless Agent and Lenders from liability under any Environmental Laws.

Environmental Laws - all Applicable Laws (including all programs, permits and guidance promulgated by regulatory agencies), relating to public health (but excluding occupational safety and health, to the extent regulated by OSHA) or the protection or pollution of the environment, including CERCLA, RCRA and CWA.

Environmental Notice - a notice (whether written or oral) from any Governmental Authority or other Person of any possible noncompliance with, investigation of a possible violation of, litigation relating to, or potential fine or liability under any Environmental Law, or with respect to any Environmental Release, environmental pollution or hazardous materials, including any complaint, summons, citation, order, claim, demand or request for correction, remediation or otherwise.

Environmental Release - a release as defined in CERCLA or under any other Environmental Law.

Equipment - as defined in the UCC, including all machinery, apparatus, equipment, fittings, furniture, fixtures, motor vehicles and other tangible personal Property (other than Inventory), and all parts, accessories and special tools therefor, and accessions thereto.

ERISA - the Employee Retirement Income Security Act of 1974.

Event of Default - as defined in Section 11.

Exchange Act - the Securities Exchange Act of 1934.

Excluded Foreign Subsidiary - any Foreign Subsidiary of Holdings (a) for which the failure to include such Subsidiary as an "Excluded Foreign Subsidiary" hereunder would or would be reasonably likely to result in materially adverse tax consequences to Borrowers, Guarantors and their subsidiaries (including such Subsidiary), taken as a whole and (b) that has not already guaranteed or pledged any of its assets or suffered a pledge of all of its stock with substantially similar tax consequences, to secure, directly or indirectly, any indebtedness of Borrowers or any Guarantor (excluding such Subsidiary).

Excluded Tax - Tax on the overall net income or gross receipts of a Lender imposed by the jurisdiction in which such Lender's principal executive office is located.

Extraordinary Expenses - all costs, expenses or advances that Agent may incur during a Default or Event of Default, or during the pendency of an Insolvency Proceeding of a Loan Party, including those relating to (a) any audit, inspection, repossession, storage, repair, appraisal, insurance, manufacture, preparation or advertising for sale, sale, collection, or other preservation of or realization upon any Collateral; (b) any action, arbitration or other proceeding (whether instituted by or against Agent, any Lender, any Loan Party, any representative of creditors of a Loan Party or any other Person) in any way relating to any Collateral (including the validity, perfection, priority or avoidability of Agent's Liens with respect to any Collateral), Loan Documents or Obligations, including any lender liability or other Claims; (c) the exercise, protection or enforcement of any rights or remedies of Agent in, or the monitoring of, any Insolvency Proceeding; (d) settlement or satisfaction of any taxes, charges or Liens with respect to any Collateral; (e) any Enforcement Action; (f) negotiation and documentation of any modification, waiver, workout, restructuring or

forbearance with respect to any Loan Documents or Obligations; or (g) Protective Advances. Such costs, expenses and advances include transfer fees, taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, reasonable legal fees, appraisal fees, brokers' fees and commissions, auctioneers' fees and commissions, accountants' fees, environmental study fees, wages and salaries paid to employees of any Loan Party or independent contractors in liquidating any Collateral, and travel expenses.

Fee Letter - the fee letter agreement between Agent and Borrowers.

Fiscal Quarter - each period of approximately three (3) months, commencing on the first (1st) day of a Fiscal Year.

Fiscal Year - the fiscal year of Borrowers and Subsidiaries for accounting and tax purposes, ending on the Friday closest to September 30th of each year.

Fixed Charge Coverage Ratio - the ratio, determined on a consolidated basis for Holdings and its Subsidiaries, for any period, of (a) EBITDA minus the sum of (i) Capital Expenditures (except those financed with proceeds from the issuance of Capital Stock or with Borrowed Money other than Revolving Loans), (ii) Distributions made and (iii) cash income taxes paid, to (b) Fixed Charges.

Fixed Charges - with respect to any Person for any fiscal period, the sum of (a) Cash Interest Expenses during such period, (b) scheduled principal payments made on Borrowed Money during such period, (c) scheduled amortization of the M&E Borrowing Base Availability during such period and (d) Cobham Earn-Out Payments made by Loan Parties during such period.

FLSA - the Fair Labor Standards Act of 1938.

Foreign Lender - any Lender that is organized under the laws of a jurisdiction other than the laws of the United States, or any state or district thereof.

Foreign Plan - any employee benefit plan or arrangement maintained or contributed to by any Loan Party or Subsidiary that is not subject to the laws of the United States, or any employee benefit plan or arrangement mandated by a government other than the United States for employees of any Loan Party or Subsidiary.

Foreign Subsidiary - any Subsidiary of a Person organized under the laws of a jurisdiction outside the United States of America, its territories or its possessions.

Full Payment - with respect to any Obligations, (a) the full and indefeasible cash payment thereof, including any interest, fees and other charges accruing during an Insolvency Proceeding (whether or not allowed in the proceeding), other than unasserted contingent Obligations; (b) if such Obligations are LC Obligations or inchoate or contingent in nature, Cash Collateralization thereof (or delivery of a standby letter of credit acceptable to Agent in its discretion, in the amount of required Cash Collateral); and (c) a release of any Claims of Loan Parties against Agent, Lenders and Issuing Bank arising on or before the payment date. No Loans shall be deemed to have been paid in full until all Commitments related to such Loans have expired or been terminated.

GAAP - generally accepted accounting principles in the United States in effect from time to time.

Governmental Approvals - with respect to any Person, all authorizations, consents, permits, approvals, registrations, certificates, concessions, grants, franchises, variances or permissions from, licenses and exemptions of, registrations and filings with, required reports to, and any other Contractual Obligations with, all Governmental Authorities, in each case whether or not having the force of law and applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

Governmental Authority - any federal, state, municipal, foreign or other governmental department, agency, commission, board, bureau, court, tribunal, instrumentality, political subdivision, or other entity or officer exercising executive, legislative, judicial, regulatory or administrative functions for or pertaining to any government or court, in each case whether associated with the United States, a state, district or territory thereof, or a foreign entity or government.

Guarantor or Guarantors - as defined in the preamble to this Agreement and any other Person that at any time after the date hereof becomes a Guarantor (together with their respective successors and assigns).

Guaranty and Security Agreement - means that certain Guaranty and Security Agreement, dated as of even date herewith, in form and substance reasonably acceptable to Agent, made by the Loan Parties in favor of Agent, for the benefit of Secured Parties, as the same may be amended, restated and/or modified from time to time.

Hedging Agreement - an agreement relating to any swap, cap, floor, collar, option, forward, cross right or obligation, or combination thereof or similar transaction, with respect to interest rate, foreign exchange, currency, commodity, credit or equity risk.

Holdings - as defined in the preamble to this Agreement.

Impacted Lender - any (a) Defaulting Lender, (b) Lender that has been deemed insolvent or has become subject to an Insolvency Proceeding or (c) Lender as to which (i) the Issuing Bank has a good faith belief that such Lender has defaulted in fulfilling its obligations under one or more other syndicated credit facilities or (ii) an entity that controls the Lender has been deemed insolvent or has become subject to a bankruptcy or other similar proceeding. “Control” means the possession, directly or indirectly, of the power to direct or cause direction of the management and policies of a Person, whether through ownership of Capital Stock, by contract or otherwise.

Indemnitees - Agent Indemnitees, Lender Indemnitees, and Issuing Bank Indemnitees.

Insolvency Proceeding - any case or proceeding commenced by or against a Person under any state, federal or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the Bankruptcy Code, or any other insolvency, debtor relief or debt adjustment law; (b) the appointment of a receiver, trustee, liquidator, administrator, conservator or other custodian for such Person or any part of its Property; or (c) an assignment or trust mortgage for the benefit of creditors.

Intellectual Property - as defined in the Guaranty and Security Agreement.

Intellectual Property Claim - any express claim or assertion (whether in writing, by suit or otherwise) that a Loan Party's or Subsidiary's ownership, use, marketing, sale or distribution of any Inventory, Equipment, Intellectual Property or other Property violates another Person's Intellectual Property.

Interest Period - relative to any LIBOR Loan:

(a) initially, the period beginning on (and including) the date on which such LIBOR Loan is made or continued as, or converted into, a LIBOR Loan pursuant to this Agreement and ending on (but excluding) the day which numerically corresponds to such date one, two or three months thereafter (or, if such month has no numerically corresponding day, on the last Business Day of such month), in each case as Administrative Borrower may select in its notice pursuant to this Agreement; and

(b) thereafter, each period commencing on the last day of the next preceding Interest Period applicable to such LIBOR Loan and ending one, two or three months thereafter, as selected by Administrative Borrower by irrevocable notice to Agent not less than two (2) Business Days prior to the last day of the then current Interest Period with respect thereto; provided, however, that,

(i) Administrative Borrower shall not be permitted to select Interest Periods to be in effect at any one time which have expiration dates occurring on more than six different dates;

(ii) Interest Periods commencing on the same date for LIBOR Loans comprising part of the same advance under this Agreement shall be of the same duration;

(iii) Interest Periods for LIBOR Loans in connection with which Administrative Borrower has or may incur obligations under Hedging Agreements with Bank Product Provider or any of its Affiliates shall be of the same duration as the relevant periods set under the applicable Hedging Agreements;

(iv) if such Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall end on the next following Business Day unless such day falls in the next calendar month, in which case such Interest Period shall end on the first preceding Business Day; and

(v) no Interest Period may end later than the Commitment Termination Date.

Inventory - as defined in the UCC, including all goods intended for sale, lease, display or demonstration; all work in process; and all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease or furnishing of such goods, or otherwise used or consumed in a Loan Party's business (but excluding Equipment).

Inventory Appraisal - any appraisal of Borrowers' Inventory performed by an appraiser and containing assumptions and appraisal methods reasonably satisfactory to Agent upon which Agent and Lenders are expressly permitted to rely.

Inventory Reserve - reserves established by Agent in its good faith credit judgment, reasonably exercised to reflect factors that may negatively impact the Value of Inventory, including change in salability, obsolescence, seasonality, theft, shrinkage, imbalance, change in composition or mix, markdowns and vendor chargebacks.

Investment - any acquisition of all or substantially all assets of a Person; any acquisition of record or beneficial ownership of any Capital Stock of a Person; or any advance, loan, extension of credit or capital contribution to or other investment in a Person.

IPO - means the initial underwritten public offering of common Capital Stock in Holdings pursuant to an effective registration statement filed with the SEC pursuant to the Securities Act.

Issuing Bank - RBS, an Affiliate of RBS, or any Lender or an Affiliate thereof or a bank or other legally authorized Person, in each case, reasonably acceptable to Agent, in such Person's capacity as an issuer of Letters of Credit hereunder.

Issuing Bank Indemnitees - Issuing Bank and its officers, directors, employees, Affiliates, agents and attorneys.

Liabilities - as defined in Section 13.6.

LC Application - an application by Administrative Borrower, on behalf of a Borrower, to Issuing Bank for issuance of a Letter of Credit, in form and substance reasonably satisfactory to Issuing Bank.

LC Conditions - the following conditions necessary for issuance of a Letter of Credit: (a) each of the conditions set forth in Section 6; (b) after giving effect to such issuance, total LC Obligations under clauses (a) and (b) of the definition thereof do not exceed the Letter of Credit Subline; (c) after giving effect to such issuance, the aggregate outstanding principal amount of the Revolving Loans shall not exceed an amount equal to the lesser of (A) the Borrowing Base and (B) (1) the Revolving Loan Commitment minus (2) the Revolving Loan Commitment Reserve; (d) the expiration date of such Letter of Credit is (i) no more than three hundred sixty-five (365) days from issuance, in the case of standby Letters of Credit, (ii) no more than one hundred twenty (120) days from issuance, in the case of documentary Letters of Credit, and (iii) at least twenty (20) Business Days prior to the Revolving Commitment Termination Date; (e) the Letter of Credit and payments thereunder are denominated in Dollars; and (f) the form of the proposed Letter of Credit is reasonably satisfactory to Agent and Issuing Bank in their discretion.

LC Documents - all documents, instruments and agreements (including LC Requests and LC Applications) delivered by Administrative Borrower, Borrowers or any other Person to Issuing Bank or Agent in connection with issuance, amendment or renewal of, or payment under, any Letter of Credit.

LC Obligations - the sum (without duplication) of (a) all amounts owing by Borrowers for any drawings under Letters of Credit, including, without limitation, reimbursement or indemnification obligations with respect thereto (irrespective of whether contingent); (b) the aggregate undrawn amount of all outstanding Letters of Credit; and (c) all fees and other amounts owing by Borrowers with respect to Letters of Credit.

LC Request - a request for issuance of a Letter of Credit, to be provided by Administrative Borrower, on behalf of a Borrower, to Issuing Bank, in form and substance reasonably satisfactory to Agent and Issuing Bank.

LC Reserve - the aggregate of all LC Obligations under clauses (a) and (b) of the definition thereof, other than (a) those that have been Cash Collateralized, and (b) if no Default or Event of Default exists, those constituting charges owing to the Issuing Bank.

Lender Indemnitees - Lenders and their officers, directors, employees, Affiliates, agents and attorneys.

Lenders - as defined in the preamble to this Agreement, including Agent in its capacity as a provider of Swingline Loans and any other Person who hereafter becomes a "Lender" pursuant to an Assignment and Acceptance.

Letter of Credit - any standby or documentary letter of credit issued by Issuing Bank for the account of a Borrower, or any indemnity, guarantee, exposure transmittal memorandum or similar form of credit support issued by Agent or Issuing Bank for the benefit of a Borrower.

Letter of Credit Subline - $1,000,000.

Liabilities - all claims, actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, taxes, commissions, charges, disbursements and expenses, in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

LIBOR Lending Rate - relative to any LIBOR Loan to be made, continued or maintained as, or converted into, a LIBOR Loan for any Interest Period, a rate per annum determined pursuant to the following formula:

$$\text{LIBOR Lending Rate} = \frac{\text{LIBOR Rate}}{(1.00 - \text{LIBOR Reserve Percentage})}$$

LIBOR Loan - any Loan that bears interest based on the LIBOR Lending Rate.

LIBOR Loan Prepayment Fee - as defined in Section 5.4.1.

LIBOR Rate - with respect to any LIBOR Loan for the Interest Period applicable thereto, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, or any successor to or substitute for such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by Agent from time to time for purposes of providing quotations of interest rates applicable to eurodollar deposits in dollars in the London interbank market) at approximately 11:00 a.m. (London time) two (2) Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period; provided, that, if more than one rate is specified on such Page for such comparable period, the applicable rate shall be the arithmetic mean of all such rates. In the event that such rate is not available at such time for

any reason, then the term "LIBOR Rate" shall mean, with respect to any LIBOR Loan for the Interest Period applicable thereto, the rate of interest per annum, as determined by Agent at which deposits of Dollars in immediately available funds are offered at 11:00 a.m. (London time) two (2) Business Days prior to the first day in such Interest Period by major financial institutions reasonably satisfactory to Agent in the London interbank market for such Interest Period for the applicable principal amount on such date of determination.

LIBOR Reserve Percentage - relative to any day of any Interest Period for LIBOR Loans, the maximum aggregate (without duplication) of the rates (expressed as a decimal fraction) of reserve requirements (including all basic, emergency, supplemental, marginal and other reserves and taking into account any transitional adjustments or other scheduled changes in reserve requirements) under any regulations of the Board of Governors or other Governmental Authority having jurisdiction with respect thereto as issued from time to time and then applicable to assets or liabilities consisting of "Eurocurrency Liabilities", as currently defined in Regulation D of the Board of Governors, having a term approximately equal or comparable to such Interest Period.

LIBOR Revolving Loan - a Revolving Loan that bears interest based on the LIBOR Lending Rate.

License - any license or agreement under which a Loan Party is authorized to use Intellectual Property in connection with any manufacture, marketing, distribution or disposition of Collateral, any use of Property or any other conduct of its business.

Licensor - any Person from whom a Loan Party obtains the right to use any Intellectual Property.

Lien - any Person's interest in Property securing an obligation owed to, or a claim by, such Person, whether such interest is based on common law, statute or contract, including liens, security interests, pledges, hypothecations, statutory trusts, reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases, and other title exceptions and encumbrances affecting Property.

Lien Waiver - an agreement, in form and substance reasonably satisfactory to Agent, by which (a) for any Collateral located on leased premises, the lessor waives or subordinates any Lien it may have on the Collateral, and agrees to permit Agent to enter upon the premises and remove the Collateral or to use the premises to store or dispose of the Collateral; (b) for any Collateral held by a warehouseman, processor, shipper or freight forwarder, such Person waives or subordinates any Lien it may have on the Collateral, agrees to hold any documents in its possession relating to the Collateral as agent for Agent, and agrees to deliver the Collateral to Agent upon request; (c) for any Collateral held by a repairman, mechanic or bailee, such Person acknowledges Agent's Lien, waives or subordinates any Lien it may have on the Collateral, and agrees to deliver the Collateral to Agent upon request; and (d) for any Collateral subject to a Licensor's Intellectual Property rights, the Licensor grants to Agent the right, vis-à-vis such Licensor, to enforce Agent's Liens with respect to the Collateral, including the right to dispose of it with the benefit of the Intellectual Property.

Liquidity - the sum of the following amounts as calculated by Agent (a) Availability and (b) unrestricted and available cash of Borrowers that (i) is on deposit to Controlled Accounts, owned and established by Borrowers with RBS or an Affiliate thereof, and (ii) does not constitute Borrowing Base Cash.

Loan - a Revolving Loan.

Loan Account - as defined in Section 5.8.1.

Loan Documents - this Agreement, Other Agreements and Security Documents.

Loan Party - Holdings, each Borrower, Guarantor, or other Person that is liable for payment of any Obligations or that has granted a Lien in favor of Agent on its Property to secure any Obligations.

Loan Year - each calendar year commencing on the Closing Date and on each anniversary of the Closing Date.

Lock Box - as defined in Section 8.5.3.

London Banking Day - a day on which dealings in US dollars deposits are transacted in the London interbank market.

M&E Appraisal - any appraisal of Borrowers' Equipment performed by an appraiser and containing assumptions and appraisal methods reasonably satisfactory to Agent upon which Agent and Lenders are expressly permitted to rely.

M&E Borrowing Base Availability - as defined in the definition of Borrowing Base.

Management Agreement - the letter agreement dated October 15, 2008 by and between Gaas Labs, LLC and Mimix Holdings, Inc., as may be amended to the extent permitted under the Management Fee Subordination Agreement.

Management Fee Subordination Agreement - the letter agreement, dated as of the Closing Date, among Gaas Labs, LLC, Agent, and each of the Loan Parties.

Margin Stock - as defined in Regulation U of the Board of Governors.

Material Adverse Effect - any act, condition, event or circumstance that, taken alone or in conjunction with other events or circumstances, has a material adverse effect on (a) the business, results of operations, Properties or financial condition of the Loan Parties, taken as a whole, on the value of the Collateral, taken as a whole, on the enforceability of any Loan Documents, or on the validity or priority of Agent's Liens on the Collateral, taken as a whole; (b) the ability of any Loan Party to perform any obligations under the Loan Documents when such performance is required thereunder, including repayment of any Obligations when due; or (c) the ability of Agent or any Lender to enforce or collect any Obligations or to realize upon the Collateral, taken as a whole, or the rights and remedies of Agent and Lenders under this Agreement or any of the other Loan Documents.

Material Contract - any agreement or arrangement to which a Loan Party or Subsidiary is party (other than the Loan Documents) (a) for which breach, termination, nonperformance or failure to renew could reasonably be expected to have a Material Adverse Effect, or (b) that relates to Subordinated Debt, or Debt in an aggregate amount of $500,000 or more, including each of the agreements set forth on Schedule 1.1(a) hereto.

Moody's - Moody's Investors Service, Inc., and its successors.

Mortgage - each mortgage, deed of trust, leasehold deed of trust, leasehold mortgage, deed to secure debt, leasehold deed to secure debt or other document pursuant to which a Loan Party grants to Agent, for the benefit of Secured Parties, Liens upon the Real Estate owned by such Loan Party, as security for the Obligations.

Multiemployer Plan - any employee benefit plan or arrangement described in Section 4001(a)(3) of ERISA that is maintained or contributed to by any Loan Party or Subsidiary.

Net Proceeds - with respect to an Asset Disposition, proceeds (including, when received, any deferred or escrowed payments) received by a Loan Party or Subsidiary in cash from such disposition, net of (a) costs and expenses actually incurred in connection therewith, including legal fees and sales commissions; (b) amounts applied to repayment of Debt secured by a Permitted Lien senior to Agent's Liens on Collateral sold; (c) transfer or similar taxes; and (d) reserves for indemnities, until such reserves are no longer needed.

NOLV - (a) with respect to Inventory, the orderly liquidation value (net of costs and expenses incurred in connection with the liquidation) of Inventory expressed as a percentage of the cost of such Inventory, which percentage shall be reasonably determined from time to time by reference to the most recent appraisal of such Inventory received by Agent and conducted by an independent third-party appraiser reasonably satisfactory to Agent and (b) with respect to Equipment, the orderly liquidation value (net of costs and expenses incurred in connection with the liquidation) of Equipment expressed as a dollar amount as set forth in the most recent appraisal of such Equipment received by Agent and conducted by an independent third-party appraiser reasonably satisfactory to Agent.

Notes - each Revolving Loan Note or other promissory note, if any, executed by a Borrower or Borrowers to evidence any Obligations.

Notice of Borrowing - a Notice of Borrowing to be provided by Administrative Borrower to request the funding of a Borrowing of Revolving Loans, in form and substance reasonably satisfactory to Agent.

Notice of Conversion/Continuation - a Notice of Conversion/Continuation to be provided by Administrative Borrower to request a conversion or continuation of any Loans as LIBOR Loans, in form and substance reasonably satisfactory to Agent.

Obligations - all (a) principal of and premium, if any, on the Loans, (b) LC Obligations and other obligations of Loan Parties with respect to Letters of Credit, (c) interest, expenses, fees and other sums payable by Loan Parties under Loan Documents, (d) obligations of Loan Parties under any indemnity for Claims, (e) Extraordinary Expenses, (f) Bank Product Debt, and (g) other Debts,

obligations and liabilities of any kind owing by Loan Parties pursuant to the Loan Documents, whether now existing or hereafter arising, whether evidenced by a note or other writing, whether allowed in any Insolvency Proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification or otherwise, and whether direct or indirect, absolute or contingent, due or to become due, primary or secondary, or joint or several.

Ordinary Course of Business - the ordinary course of business of any Loan Party or Subsidiary, consistent with past practices and undertaken in good faith.

Organic Documents - with respect to any Person, its charter, certificate or articles of incorporation, bylaws, articles of organization, limited liability agreement, operating agreement, members agreement, shareholders agreement, partnership agreement, certificate of partnership, certificate of formation, voting trust agreement, or similar agreement or instrument governing the formation or operation of such Person.

OSHA - the Occupational Safety and Health Act of 1970.

Other Agreement - each Note; LC Document; Fee Letter; Lien Waiver; Related Real Estate Document; Management Fee Subordination Agreement; Borrowing Base Certificate; Compliance Certificate; intercreditor agreement; subordination agreement; financial statement or report delivered hereunder; or other document, instrument or agreement (other than this Agreement or a Security Document) now or hereafter delivered by a Loan Party or other Person to Agent or a Lender in connection with any transactions relating hereto.

Overadvance - as defined in Section 2.1.5.

Overadvance Loan - a Base Rate Revolving Loan made when an Overadvance exists or is caused by the funding thereof.

Participant - as defined in Section 13.2.1.

Patents - as defined in the Guaranty and Security Agreement.

Patriot Act - the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001).

Payment Item - each check, draft or other item of payment payable to a Loan Party, including those constituting proceeds of any Collateral.

Permitted Acquisition - (a) the acquisition of all or a substantial part of the assets or property or Capital Stock of any Person or any business unit or division of any Person (the "Target") or (b) the merger of any Target with or into any Subsidiary of Holdings (and, in the case of a merger with any Borrower, with such Borrower being the surviving corporation), in each case, to the extent that each of the following conditions shall have been satisfied:

(a) Agent shall receive at least ten (10) Business Days' prior written notice of such proposed Permitted Acquisition, which notice shall include a reasonably detailed description of such proposed Permitted Acquisition;

(b) the Target's assets shall only comprise a business of the type engaged in by Loan Parties as of the date hereof or ancillary businesses reasonably related to the business engaged in by Loan Parties as of the date hereof, and Borrowers shall have provided evidence reasonably satisfactory to Agent that the proposed Permitted Acquisition will be accretive to Borrowers' earnings;

(c) the total cash and non-cash consideration (including, without limitation, assumption of Indebtedness) for all Permitted Acquisitions permitted under this Agreement shall not exceed $25,000,000 in the aggregate during each Fiscal Year;

(d) at or prior to the closing of any Permitted Acquisition, Agent will be granted a first priority perfected security interest and lien (subject to any Permitted Liens) in all assets (to the extent the same are acquired by a Loan Party as of the date of such Permitted Acquisition) or Capital Stock of the Target on the same terms and conditions set forth herein and in the Guaranty and Security Agreement, and the Collateral shall not be subject to any liens or encumbrances other than Permitted Liens, and the Target shall have executed such documents and taken such actions as may be reasonably required by Agent in connection therewith;

(e) concurrently with delivery of the notice referred to in clause (a) above, Administrative Borrower shall have delivered to Agent, in form and substance reasonably satisfactory to Agent, a pro forma consolidated balance sheet, income statement and cash flow statement of Holdings and its Subsidiaries, based on recent financial statements and assumptions believed by Loan Parties to be reasonable at the time made and which shall, among other things and without limitation, project continued compliance with all financial covenants set forth in this Agreement;

(f) on or prior to the date of such Permitted Acquisition, Agent shall have received, in form and substance reasonably satisfactory to Agent, copies of the acquisition agreement and related agreements and instruments, and all opinions, certificates, lien search results and other documents reasonably requested by Agent;

(g) concurrently with delivery of the notice referred to in clause (a) above, Administrative Borrower shall have delivered to Agent, in form and substance reasonably satisfactory to Agent, evidence that Borrowers' shall have Liquidity on a pro forma basis, of not less than $10,000,000 (i) on the date such acquisition is consummated, (ii) on a daily average basis for the 90-day period immediately prior to the consummation of such acquisition (assuming such acquisition was consummated on the first day thereof), and (iii) on a daily average basis for the 90-day period after giving effect thereto; and

(h) concurrently with consummation of such Permitted Acquisition, Administrative Borrower shall have delivered to Agent a certificate stating that the foregoing conditions have been satisfied.

Permitted Asset Disposition - (a) an Asset Disposition that is a sale of Inventory in the Ordinary Course of Business; (b) so long as no Event of Default has occurred and is continuing, (i) as long as all Net Proceeds are remitted to Agent to the extent necessary to repay the then current amount of Obligations outstanding, Asset Dispositions having a fair market or book value

(whichever is higher) not exceeding $1,000,000 in the aggregate over any 12-month period, (ii) as long as all Net Proceeds are remitted to Agent to the extent necessary to repay the then current amount of Obligations outstanding, Asset Dispositions having a fair market or book value (whichever is higher) not exceeding $10,000,000 in the aggregate over any 12-month period; provided that (A) after giving effect thereto, Borrowers shall be in pro forma compliance with all financial covenants set forth in this Agreement and (B) Borrowers shall have provided to Agent an updated Borrowing Base Certificate showing pro forma Availability of not less than $0 after giving effect thereto; (iii) an Asset Disposition that is a disposition of Inventory that is obsolete, unmerchantable or otherwise unsalable in the Ordinary Course of Business; (iv) an Asset Disposition that is a termination of a lease of real or personal Property that is not necessary for the Ordinary Course of Business, could not reasonably be expected to have a Material Adverse Effect and does not result from a Loan Party's default; (v) an Asset Disposition constituting the abandonment of a Patent in the Ordinary Course of Business, that is not necessary for the Ordinary Course of Business, and could not reasonably be expected to have a Material Adverse Effect, (vi) an Asset Disposition by Cork of all or a portion of the assets associated with its ferrite division; provided, that such Asset Disposition is consummated within ninety (90) days of the Closing Date, (vii) an Asset Disposition by M/A-COM Technology of the outstanding Capital Stock of, or all or a portion of the assets owned by, Laser; provided, that (A) Borrowers shall have provided to Agent an updated Borrowing Base Certificate showing pro forma Availability of not less than $0 after giving effect thereto and (B) such Asset Disposition is consummated within ninety (90) days of the Closing Date, and (viii) an Asset Disposition by Holdings of any registered Intellectual Property that is used in and primarily related to any of the Property or businesses the subject of an Asset Disposition permitted in clauses (b)(i) through (b)(vii) above; and (c) an Asset Disposition that is approved in writing by Agent and Required Lenders.

Permitted Contingent Obligations - Contingent Obligations (a) arising from endorsements of Payment Items for collection or deposit in the Ordinary Course of Business; (b) arising from Hedging Agreements permitted hereunder; (c) existing on the Closing Date, and any extension or renewal thereof that does not increase the amount of such Contingent Obligation when extended or renewed; (d) incurred in the Ordinary Course of Business with respect to surety, appeal or performance bonds, or other similar obligations; (e) arising from customary indemnification and warranty obligations in favor of purchasers in connection with acquisitions and dispositions permitted hereunder; and (f) arising under the Loan Documents

Permitted Discretion - Agent's judgment exercised in good faith, based upon its consideration of any factor that it believes (a) could adversely affect the quantity, quality, mix or value of Collateral (including any Applicable Law that may inhibit collection of an Account), the enforceability or priority of Agent's Liens, or the amount that Agent and Lenders could receive in liquidation of any Collateral; (b) suggests that any collateral report or financial information delivered by any Loan Party is incomplete, inaccurate or misleading in any material respect; (c) materially increases the likelihood of any Insolvency Proceeding involving a Loan Party; or (d) creates or could result in a Default or Event of Default. In exercising such judgment, Agent may consider any factors that could increase the credit risk of lending to Borrowers on the security of the Collateral.

Permitted Investors - (a) John Ocampo, (b) Susan Ocampo, (c) any trust or similar vehicle established and maintained by or for the benefit of either John Ocampo or Susan Ocampo or their respective descendants (natural or adopted), (d) any partnership or limited liability company whose

partners or members consist solely of John Ocampo, Susan Ocampo, their respective descendants (natural or adopted) and/or any trust or similar vehicle established and maintained by or for the benefit of any or all of them, provided that either John Ocampo or Susan Ocampo maintains Control over such partnership or limited liability company, and/or (e) any Controlled Investment Affiliates of any of the foregoing Persons listed in items (a) through (d) of this definition.

Permitted Lien - as defined in Section 10.2.2.

Permitted Purchase Money Debt - Purchase Money Debt of Loan Parties and Subsidiaries that is unsecured or secured only by a Purchase Money Lien, as long as the aggregate amount does not exceed $1,000,000 at any time and its incurrence does not violate Section 10.2.3.

Person - any individual, corporation, limited liability company, partnership, joint venture, joint stock company, land trust, business trust, unincorporated organization, Governmental Authority or other entity.

Plan - an employee pension benefit plan that is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code and that is either (a) maintained by a Loan Party or Subsidiary for employees or (b) maintained pursuant to a collective bargaining agreement, or other arrangement under which more than one employer makes contributions and to which a Loan Party or Subsidiary is making or accruing an obligation to make contributions or has within the preceding five years made or accrued such contributions.

Pro Rata - with respect to any Lender, a percentage (expressed as a decimal, rounded to the third (3rd) decimal place) determined (a) while Revolving Loan Commitments are outstanding, by dividing the amount of such Lender's Revolving Loan Commitment by the aggregate amount of all Revolving Loan Commitments; and (b) at any other time, by dividing the amount of such Lender's outstanding Loans and LC Obligations by the aggregate amount of all outstanding Loans and LC Obligations.

Properly Contested - with respect to any obligation of a Loan Party, (a) the obligation is subject to a bona fide dispute regarding amount or such Loan Party's liability to pay; (b) the obligation is being properly contested in good faith by appropriate proceedings promptly instituted and diligently pursued; (c) appropriate reserves have been established in accordance with GAAP; (d) non-payment could not reasonably be expected to have a Material Adverse Effect, nor result in forfeiture or sale of any assets of such Loan Party; (e) no Lien is imposed upon any of such Loan Party's assets with respect to such obligation unless such Lien is at all times junior and subordinate in priority to the Liens in favor of Agent and Secured Parties (except only with respect to property taxes that have priority as a matter of Applicable Law) and enforcement of such Lien is stayed during the period prior to the final resolution or disposition of such dispute; and (f) if the obligation results from entry of a judgment or other order, such judgment or order is stayed pending appeal or other judicial review.

Property - any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

Property Loss Event - with respect to any Property, any loss of or damage to such property or any taking of such Property or condemnation thereof.

Protective Advances - as defined in Section 2.1.6.

Purchase Money Debt - (a) Debt (other than the Obligations) for payment of any of the purchase price of fixed assets; (b) Debt (other than the Obligations) incurred within ten (10) days before or after acquisition of any fixed assets, for the purpose of financing any of the purchase price thereof; and (c) any renewals, extensions or refinancings (but not increases) thereof.

Purchase Money Lien - a Lien that secures Purchase Money Debt, encumbering only the fixed assets acquired with such Debt and constituting a Capital Lease or a purchase money security interest under the UCC.

Quarterly Average Liquidity - at any time, the daily average of Liquidity for the immediately preceding Fiscal Quarter as calculated by Agent.

Rating Agencies - as defined in Section 13.6.

RBS - RBS Business Capital, a division of RBS Asset Finance, Inc., a New York corporation, and its successors and assigns.

RCRA - the Resource Conservation and Recovery Act (42 U.S.C. §§ 6991-6991i).

Real Estate - all right, title and interest (whether as owner, lessor or lessee) in any real Property or any buildings, structures, parking areas or other improvements thereon.

Refinancing Conditions - the following conditions for Refinancing Debt: (a) it is in an aggregate principal amount that does not exceed the principal amount of the Debt being extended, renewed or refinanced; (b) it has a final maturity no sooner than, a weighted average life no less than, and an interest rate no greater than, the Debt being extended, renewed or refinanced; (c) it is subordinated to the Obligations at least to the same extent as the Debt being extended, renewed or refinanced; (d) the representations, covenants and defaults applicable to it are no less favorable to Borrowers and the other Loan Parties than those applicable to the Debt being extended, renewed or refinanced; (e) no additional Lien is granted to secure it (except for any replacement or substitute Lien; provided, that such replacement or substitute Lien (i) does not secure an aggregate amount of Debt, if any, greater than the Debt being refinanced and (ii) does not encumber any Property other than the Property subject of the Debt being refinanced); (f) no additional Person is obligated on such Debt; and (g) upon giving effect to it, no Default or Event of Default exists.

Refinancing Debt - Borrowed Money that is the result of an extension, renewal or refinancing of Debt permitted under Section 10.2.1(b), (d) or (f).

Reimbursement Date - as defined in Section 2.3.2(a).

Related Real Estate Documents - with respect to any Real Estate subject to a Mortgage, the following, in form and substance satisfactory to Agent and received by Agent for review at least fifteen (15) days prior to the effective date of the Mortgage: (a) a mortgagee title policy (or binder therefor) covering Agent's interest under the Mortgage, in a form and amount and by an insurer reasonably acceptable to Agent, which must be fully paid on such effective date; (b) such assignments of leases, estoppel letters, attornment agreements, consents, waivers and releases as

Agent may require with respect to other Persons having an interest in the Real Estate; (c) a current, as-built survey of the Real Estate, containing a metes-and-bounds property description and flood plain certification, and certified by a licensed surveyor reasonably acceptable to Agent; (d) flood insurance in an amount, with endorsements and by an insurer reasonably acceptable to Agent, if the Real Estate is within a flood plain; (e) a current appraisal of the Real Estate, prepared by an appraiser reasonably acceptable to Agent, and in form and substance satisfactory to Required Lenders; (f) an environmental assessment, prepared by environmental engineers reasonably acceptable to Agent, and accompanied by such reports, certificates, studies or data as Agent may reasonably require, which shall all be in form and substance satisfactory to Required Lenders; and (g) an Environmental Agreement and such other documents, instruments or agreements as Agent may reasonably require with respect to any environmental risks regarding the Real Estate.

Rent, Charges and Insurance Reserve - the aggregate of (a) all past due rent and other amounts owing by a Loan Party to any landlord, warehouseman, processor, repairman, mechanic, shipper, freight forwarder or other Person who possesses any Collateral or could rightfully assert a Lien on any Collateral; and (b) a reserve of up to three (3) months rent and other charges that could be payable to any such Person, unless any such Person has executed a Lien Waiver; and (c) a reserve for insurance premiums and payments due or which may become due, in each case, as determined by Agent in its good faith credit judgment, reasonably exercised.

Report - as defined in Section 12.2.3.

Reportable Event - any event set forth in Section 4043(b) of ERISA.

Required Lenders - Lenders (subject to Section 4.2) having Revolving Loan Commitments in excess of seventy (70%) percent of the aggregate Revolving Loan Commitments; provided, that, if there are two (2) Lenders or less, then Required Lenders shall mean all Lenders.

Restricted Investment - any Investment by a Loan Party or Subsidiary, other than (a) Investments in Subsidiaries to the extent such Subsidiary exists on the Closing Date or is created or acquired after the Closing Date to the extent permitted pursuant to the terms hereof; (b) Investments in other Loan Parties (except in Holdings); (c) cash and Cash Equivalents that are subject to Agent's Lien and control (except as permitted pursuant to Section 8.5), pursuant to documentation in form and substance reasonably satisfactory to Agent; (d) loans and advances permitted under Sections 10.2.5 and 10.2.7; and (e) Investments pursuant to Hedging Agreements permitted under this Agreement.

Restricted Payment - any dividend or other distribution (whether in cash, securities or other property) with respect to any Capital Stock of any Loan Party or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Capital Stock of any Loan Party or any Subsidiary or any option, warrant or other right to acquire any such Capital Stock in any Loan Party or any Subsidiary.

Restrictive Agreement - an agreement (other than a Loan Document) that conditions or restricts the right of any Loan Party or any Subsidiary of any Loan Party to incur or repay Borrowed Money, to grant Liens on any assets, to declare or make Distributions, to modify, extend or renew any agreement evidencing Borrowed Money, or to repay any intercompany Debt.

Revolving Commitment Termination Date - the date which is four (4) years from the date hereof.

Revolving Loan - a loan made pursuant to Section 2.1, and any Swingline Loan, Overadvance Loan or Protective Advance; collectively, Revolving Loans.

Revolving Loan Commitment - for any Lender, the commitment of such Lender to make Revolving Loans and to participate in LC Obligations which commitment is the amount set forth opposite such Lender's name Schedule 1.1 under the caption "Revolving Loan Commitment", or as specified hereafter in the most recent Assignment and Acceptance to which it is a party, and as such commitment may be reduced pursuant to this Agreement. "Revolving Loan Commitments" means the aggregate amount of such commitments of all Lenders. The aggregate Revolving Loan Commitments as of the date hereof equals $50,000,000.

Revolving Loan Commitment Reserve - the sum (without duplication) of the Availability Reserves set forth in clauses (b), (c) and (e) of the definition of Availability Reserves.

Revolving Loan Note - any promissory note to be executed by Borrowers in favor of a Lender, which shall be in the amount of such Lender's Revolving Loan Commitment and shall evidence the Revolving Loans made by such Lender.

Royalties - all royalties, fees, expense reimbursement and other amounts payable by a Loan Party under a License.

S&P - Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

SEC - the United States Securities and Exchange Commission, or any successor thereto.

Secured Parties - Agent, Issuing Bank, Lenders and providers of Bank Products.

Securitization - as defined in Section 13.6.

Securitization Party - as defined in Section 13.6.

Security Documents - the Guaranty and Security Agreement, the Mortgages, the Control Agreements, and all other security agreements, pledge agreements, patent and trademark security agreements, lease assignments, guarantees and other similar agreements, and all amendments, restatements, modifications or supplements thereof or thereto, by or between any one or more of any Loan Party and any Lender or Agent for the benefit of Agent, Lenders and other Secured Parties now or hereafter delivered to Lenders or Agent pursuant to or in connection with the transactions contemplated hereby.

Senior Officer - the chief executive officer, chief financial officer or treasurer of Administrative Borrower or any other Loan Party, as applicable.

Settlement Report - a report delivered by Agent to Lenders summarizing the Revolving Loans and participations in LC Obligations outstanding as of a given settlement date, allocated to Lenders on a Pro Rata basis in accordance with their Revolving Loan Commitments.

Solvent - as to any Person, such Person (a) owns Property and cash and Cash Equivalents whose fair salable value (as defined below) is greater than the amount required to pay all of its debts (including contingent, subordinated, unmatured and unliquidated liabilities); (b) owns Property whose present fair salable value (as defined below) is greater than the probable total liabilities (including contingent, subordinated, unmatured and unliquidated liabilities) of such Person as they become absolute and matured; (c) is able to pay all of its debts as they mature; (d) has capital that is not unreasonably small for its business and is sufficient to carry on its business and transactions and all business and transactions in which it is about to engage; and (e) is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code. "Fair salable value" means the amount that could be obtained for assets within a reasonable time, either through collection or through sale under ordinary selling conditions by a capable and diligent seller to an interested buyer who is willing (but under no compulsion) to purchase.

Subordinated Debt - Debt incurred by Holdings or any of its Subsidiaries that is expressly subordinate and junior in right of payment to Full Payment of all Obligations, and is on terms (including maturity, interest, fees, repayment, covenants and subordination) reasonably satisfactory to Agent.

Subsidiary - any entity at least fifty (50%) percent of whose voting securities or Capital Stock is owned by a Loan Party or any combination of Loan Parties (including indirect ownership by a Loan Party through other entities in which the Loan Party directly or indirectly owns fifty (50%) percent of the voting securities or Capital Stock).

Swingline Loan - any Borrowing of Base Rate Revolving Loans funded with Agent's funds, until such Borrowing is settled among Lenders pursuant to Section 4.1.3.

Target - as defined in the definition of Permitted Acquisition.

Taxes - any taxes, levies, imposts, duties, fees, assessments, deductions, withholdings or other charges of whatever nature, including income, receipts, excise, property, sales, use, transfer, license, payroll, withholding, social security, franchise, intangibles, stamp or recording taxes imposed by any Governmental Authority, and all interest, penalties and similar liabilities relating thereto.

Trademarks - as defined in the Guaranty and Security Agreement.

Transferee - any actual or potential Eligible Assignee, Participant or other Person acquiring an interest in any Obligations.

Type - any type of a Loan (i.e., Base Rate Loan or LIBOR Loan) that has the same interest option and, in the case of LIBOR Loans, the same Interest Period.

UCC - the Uniform Commercial Code as in effect in the State of New York or, when the laws of any other jurisdiction govern the perfection or enforcement of any Lien, the Uniform Commercial Code of such jurisdiction.

Value - (a) for Inventory, its value determined on the basis of the lower of cost or market, calculated on a first-in, first out basis; and (b) for an Account, its face amount, net of any returns, rebates, discounts (calculated on the shortest terms), credits, allowances or Taxes (including sales, excise or other taxes (but excluding income taxes)) that have been or could be claimed by the Account Debtor or any other Person.

1.2 Accounting Terms. Under the Loan Documents (except as otherwise specified herein), all accounting terms shall be interpreted, all accounting determinations shall be made, and all financial statements shall be prepared, in accordance with GAAP applied on a basis consistent with the most recent audited financial statements of Loan Parties delivered to Agent before the Closing Date and using the same inventory valuation method as used in such financial statements, except for any change required or permitted by GAAP if Loan Parties' certified public accountants concur in such change, the change is disclosed to Agent, and Section 10.3 and clauses (c) and (i) of the definition of Borrowing Base are amended in a manner reasonably satisfactory to Borrowers and Required Lenders to take into account the effects of the change.

1.3 Certain Matters of Construction. The definitions in Section 1.1 shall apply equally to both the singular and plural forms of the terms defined. The terms "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph or subdivision. Any pronoun used shall be deemed to cover all genders. In the computation of periods of time from a specified date to a later specified date, "from" means "from and including," and "to" and "until" each mean "to but excluding." The terms "including" and "include" shall mean "including, without limitation" and, for purposes of each Loan Document, the parties agree that the rule of ejusdem generis shall not be applicable to limit any provision. Section titles appear as a matter of convenience only and shall not affect the interpretation of any Loan Document. All references to (a) laws or statutes include all related rules, regulations, interpretations, amendments and successor provisions; (b) any document, instrument or agreement include any amendments, waivers and other modifications, extensions or renewals (to the extent permitted by the Loan Documents); (c) any section mean, unless the context otherwise requires, a section of this Agreement; (d) any exhibits or schedules mean, unless the context otherwise requires, exhibits and schedules attached hereto, which are hereby incorporated by reference; (e) any Person includes successors and assigns; (f) time of day means time of day at Agent's notice address under Section 15.3.1; or (g) discretion of Agent, Issuing Bank or any Lender means the sole and absolute discretion of such Person, unless the context or express terms of this Agreement requires otherwise. All calculations of Value, fundings of Loans, issuances of Letters of Credit and payments of Obligations shall be in Dollars and, unless the context otherwise requires, all determinations (including calculations of Borrowing Base and financial covenants) made from time to time under the Loan Documents shall be made in light of the circumstances existing at such time. Borrowing Base calculations shall be consistent with historical methods of valuation and calculation, and otherwise reasonably satisfactory to Agent in its discretion (and not necessarily calculated in

accordance with GAAP). Loan Parties shall have the burden of establishing any alleged negligence, misconduct or lack of good faith by Agent, Issuing Bank or any Lender under any Loan Documents. No provision of any Loan Documents shall be construed against any party by reason of such party having, or being deemed to have, drafted the provision. Whenever the phrase "to the best knowledge" of any Loan Party or words of similar import are used in any Loan Documents, it means actual knowledge of a Senior Officer, following a good faith inquiry to ascertain the matter to which such phrase relates. Terms (including uncapitalized terms) not otherwise defined herein and that are defined in the UCC shall have the meanings therein described. Any determination, redetermination, calculations or computations made by Agent hereunder with respect to the Availability Reserve, Average Utilization, Liquidity or Quarterly Average Liquidity shall be deemed to be final, conclusive and binding for all purposes, absent manifest error.

SECTION 2. CREDIT FACILITIES

2.1 Revolving Loan Commitment.

2.1.1 Revolving Loans. Each Lender agrees, severally, and not jointly, on a Pro Rata basis up to its Revolving Loan Commitment, on the terms set forth herein, to make Revolving Loans to Borrowers from time to time through the Commitment Termination Date. The Revolving Loans may be repaid and reborrowed as provided herein. In no event shall Lenders have any obligation to honor a request for a Revolving Loan if the unpaid balance of Revolving Loans outstanding at such time (including the requested Loan) would exceed an amount equal to the lesser of (a) the Borrowing Base and (b) (i) the Revolving Loan Commitments minus (ii) the Revolving Loan Commitment Reserve.

2.1.2 Revolving Loan Notes. The Revolving Loans made by each Lender and interest accruing thereon shall be evidenced by the records of Agent and such Lender. At the request of any Lender, Borrowers shall deliver a Revolving Loan Note to such Lender.

2.1.3 Use of Proceeds. The proceeds of Revolving Loans shall be used by Borrowers solely (a) to pay each of the Persons listed in the disbursement direction letter furnished by Borrowers to Agent on the Closing Date; (b) to pay fees and transaction expenses associated with the closing of this credit facility; (c) to repay existing Debt of Borrowers owing to the existing creditors listed in the disbursement direction letter furnished by Borrowers to Agent on the Closing Date; (d) to pay Obligations in accordance with this Agreement; and (e) for working capital, Permitted Acquisitions, Cobham Earn-Out Payments and other lawful corporate purposes of Borrowers, and to pay all other payments expressly permitted under this Agreement. None of the proceeds will be used, directly or indirectly, for the purpose of purchasing or carrying any margin security or for the purposes of reducing or retiring any Debt which was originally incurred to purchase or carry any margin security or for any other purpose which might cause any of the Loans to be considered a "purpose credit" within the meaning of Regulation U of the Board of Governors of the Federal Reserve System.

2.1.4 Voluntary Reduction or Termination of Revolving Loan Commitments.

(a) The Revolving Loan Commitments shall terminate on the Commitment Termination Date, unless sooner terminated in accordance with this Agreement.

(b) Borrowers may permanently reduce the Revolving Loan Commitments, on a Pro Rata basis for each Lender, from time to time upon written notice to Agent, which notice shall specify the amount of the reduction, shall be irrevocable once given, shall be given at least five (5) Business Days prior to the end of a month and shall be effective as of the first (1st) day of the next month; provided, that (i) each partial reduction shall be in a minimum amount of $5,000,000, or an increment of $1,000,000 in excess thereof and (ii) the Revolving Loan Commitment shall not be reduced to an amount less than $40,000,000. In addition, upon at least sixty (60) days prior written notice to Agent, Administrative Borrower, on behalf of Borrowers, may, at its option, terminate the Revolving Loan Commitments and this credit facility. Any notice of termination given by Administrative Borrower, on behalf of Borrowers, shall be irrevocable. On the termination date, Borrowers shall make Full Payment of all Obligations.

(c) Concurrently with any termination of all or any portion of the Revolving Loan Commitments during the first Loan Year, for whatever reason (including a termination under Section 11.2 hereof), Borrowers shall pay to Agent, for the Pro Rata benefit of Lenders and as liquidated damages for loss of bargain (and not as a penalty), an amount equal to one-half (0.50%) percent of the portion of the Revolving Loan Commitments being terminated.

2.1.5 Overadvances. If the aggregate principal amount of the Revolving Loans exceeds, at any time, the lesser of (a) the Borrowing Base and (b) (i) the Revolving Loan Commitments minus (ii) the Revolving Loan Commitment Reserve ("Overadvance"), the excess amount (which shall nevertheless constitute Obligations secured by the Collateral and entitled to all benefits of the Loan Documents) shall be payable by Borrowers on demand by Agent, unless such Overadvance is the sole and direct result of the establishment of an Availability Reserve by Agent and is not related to any other event, condition or other matter other than the establishment of such Availability Reserve, in which case, such Overadvance shall be payable by Borrowers within five (5) Business Days from the date of such demand. Unless its authority has been revoked in writing by Required Lenders, Agent may require Lenders to honor requests for Overadvance Loans and to forbear from requiring Borrowers to cure an Overadvance, (i) when no other Event of Default is known to Agent, as long as (A) the Overadvance does not continue for more than thirty (30) consecutive days (and no Overadvance may exist for at least five (5) consecutive days thereafter before further Overadvance Loans are required), and (B) the Overadvance is not known by Agent to exceed $5,000,000; and (ii) regardless of whether an Event of Default exists, if Agent discovers an Overadvance not previously known by it to exist, as long as from the date of such discovery the Overadvance (A) is not increased by more than $2,500,000, and (B) does not continue for more than thirty (30) consecutive days. In no event shall Overadvance Loans be required that would cause the outstanding principal amount of the Revolving Loans and LC Obligations described in clauses (a) and (b) of the definition thereof to exceed the aggregate Revolving Loan Commitments. Any funding of an Overadvance Loan or sufferance of an Overadvance shall not constitute a waiver by Agent or Lenders of the Event of Default caused thereby. In no event shall any Borrower or other Loan Party be deemed a beneficiary of this Section nor authorized to enforce any of its terms other than the first sentence of this Section.

2.1.6 Protective Advances. Agent shall be authorized, in its discretion, at any time that an Event of Default exists or any conditions in Section 6 are not satisfied to make Base Rate Revolving Loans ("Protective Advances") (a) up to an aggregate amount of $5,000,000 outstanding at any time, if Agent deems such Loans necessary or desirable to preserve or protect any Collateral, or to enhance the collectability or repayment of Obligations; or (b) to pay any other amounts chargeable to Loan

Parties under any Loan Documents, including costs, fees and expenses. All Protective Advances shall be Obligations, secured by the Collateral, and shall be treated for all purposes as Extraordinary Expenses. Each Lender shall participate in each Protective Advance on a Pro Rata basis. Required Lenders may at any time revoke Agent's authorization to make further Protective Advances by written notice to Agent. Absent such revocation, Agent's determination that funding of a Protective Advance is appropriate shall be conclusive.

2.2 [Intentionally Omitted]

2.3 Letter of Credit Facility.

2.3.1 Issuance of Letters of Credit. Issuing Bank agrees to issue Letters of Credit from time to time until thirty (30) days prior to the Revolving Commitment Termination Date (or until the Commitment Termination Date, if earlier), on the terms set forth herein, including the following:

(a) Each Borrower acknowledges that Issuing Bank's willingness to issue any Letter of Credit is conditioned upon Issuing Bank's receipt of a LC Application with respect to the requested Letter of Credit, as well as such other instruments and agreements as Issuing Bank may customarily require for issuance of a letter of credit of similar type and amount. Issuing Bank shall have no obligation to issue any Letter of Credit unless (i) Issuing Bank receives a LC Request and LC Application at least three (3) Business Days prior to the requested date of issuance; and (ii) each LC Condition is satisfied. If Issuing Bank receives written notice from Agent at least one (1) Business Day before issuance of a Letter of Credit that any LC Condition has not been satisfied, Issuing Bank shall have no obligation to issue the requested Letter of Credit (or any other) until such notice is withdrawn in writing by Agent or until Required Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, Issuing Bank shall not be deemed to have knowledge of any failure of LC Conditions.

(b) Letters of Credit may be requested by Administrative Borrower, for the benefit of a Borrower, only (i) to support obligations of such Borrower incurred in the Ordinary Course of Business; or (ii) for other purposes as Agent and Lenders may approve from time to time in writing. The renewal or extension of any Letter of Credit shall be treated as the issuance of a new Letter of Credit; except, that, delivery of a new LC Application shall be required at the discretion of Issuing Bank.

(c) Borrowers assume all risks of the acts, omissions or misuses of any Letter of Credit by the beneficiary. In connection with issuance of any Letter of Credit, none of Agent, Issuing Bank or any Lender shall be responsible for the existence, character, quality, quantity, condition, packing, value or delivery of any goods purported to be represented by any documents; any differences or variation in the character, quality, quantity, condition, packing, value or delivery of any goods from that expressed in any documents; the form, validity, sufficiency, accuracy, genuineness or legal effect of any documents or of any endorsements thereon; the time, place, manner or order in which shipment of goods is made; partial or incomplete shipment of, or failure to ship, any goods referred to in a Letter of Credit or documents; any deviation from instructions, delay, default or fraud by any shipper or other Person in connection with any goods, shipment or delivery; any breach of contract between a shipper or vendor and a Borrower; errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy,

e-mail, telephone or otherwise; errors in interpretation of technical terms; the misapplication by a beneficiary of any Letter of Credit or the proceeds thereof; or any consequences arising from causes beyond the control of Issuing Bank, Agent or any Lender, including any act or omission of a Governmental Authority. The rights and remedies of Issuing Bank under the Loan Documents shall be cumulative. Issuing Bank shall be fully subrogated to the rights and remedies of each beneficiary whose claims against Borrowers are discharged with proceeds of any Letter of Credit.

(d) In connection with its administration of and enforcement of rights or remedies under any Letters of Credit or LC Documents, Issuing Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, notice or other communication in whatever form believed by Issuing Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. Issuing Bank may consult with and employ legal counsel, accountants and other experts to advise it concerning its obligations, rights and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. Issuing Bank may employ agents and attorneys-in-fact in connection with any matter relating to Letters of Credit or LC Documents, and shall not be liable for the negligence or misconduct of any such agents or attorneys-in-fact selected with reasonable care.

(e) Notwithstanding anything contained herein to the contrary, the Issuing Bank shall not be under any obligation to issue any Letter of Credit if any Lender is at such time an Impacted Lender hereunder, unless Issuing Bank has entered into arrangements satisfactory to the Issuing Bank with Borrowers or such Impacted Lender to eliminate the Issuing Bank's risk with respect to such Impacted Lender (it being understood that the Issuing Bank would consider Borrowers providing Cash Collateral to Agent, for the benefit of the Issuing Bank, to secure the Impacted Lender's pro rata share of the Letter of Credit a satisfactory arrangement); provided, that, notwithstanding anything contained in any Loan Document to the contrary, each of the parties hereto hereby agree that any grant of collateral by any Person to Agent or the Issuing Bank in connection with such arrangements to eliminate such risks of the Issuing Bank shall be deemed to be permitted under the terms of the Loan Documents (and shall not result in any violation thereof) and neither Agent nor the Issuing Bank shall be required to share such collateral with any Lender.

2.3.2 Reimbursement; Participations.

(a) If Issuing Bank honors any request for payment under a Letter of Credit, Borrowers shall pay to Issuing Bank, on the same day ("Reimbursement Date"), the amount paid by Issuing Bank under such Letter of Credit, together with interest at the interest rate for Base Rate Revolving Loans from the Reimbursement Date until payment by Borrowers. The obligation of Borrowers to reimburse Issuing Bank for any payment made under a Letter of Credit shall be absolute, unconditional, irrevocable, and joint and several, and shall be paid without regard to any lack of validity or enforceability of any Letter of Credit or the existence of any claim, setoff, defense or other right that Borrowers may have at any time against the beneficiary. Whether or not Administrative Borrower submits a Notice of Borrowing, Borrowers shall be deemed to have requested a Borrowing of Base Rate Revolving Loans in an amount necessary to pay all amounts due Issuing Bank on any Reimbursement Date and each Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Letter of Credit, each Lender shall be deemed to have irrevocably and unconditionally purchased from Issuing Bank, without recourse or warranty, an undivided Pro Rata interest and participation in all LC Obligations relating to the Letter of Credit. If Issuing Bank makes any payment under a Letter of Credit and Borrowers do not reimburse such payment on the Reimbursement Date, Agent shall promptly notify Lenders and each Lender shall promptly (within one (1) Business Day) and unconditionally pay to Agent, for the benefit of Issuing Bank, the Lender's Pro Rata share of such payment. Upon request by a Lender, Issuing Bank shall furnish copies of any Letters of Credit and LC Documents in its possession at such time.

(c) The obligation of each Lender to make payments to Agent for the account of Issuing Bank in connection with Issuing Bank's payment under a Letter of Credit shall be absolute, unconditional and irrevocable, not subject to any counterclaim, setoff, qualification or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents; any draft, certificate or other document presented under a Letter of Credit having been determined to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or the existence of any setoff or defense that any Loan Party may have with respect to any Obligations. Issuing Bank does not assume any responsibility for any failure or delay in performance or any breach by any Borrower or other Person of any obligations under any LC Documents. Issuing Bank does not make to Lenders any express or implied warranty, representation or guaranty with respect to the Collateral, LC Documents or any Loan Party. Issuing Bank shall not be responsible to any Lender for any recitals, statements, information, representations or warranties contained in, or for the execution, validity, genuineness, effectiveness or enforceability of any LC Documents; the validity, genuineness, enforceability, collectibility, value or sufficiency of any Collateral or the perfection of any Lien therein; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Loan Party.

(d) No Issuing Bank Indemnitee shall be liable to any Lender or other Person for any action taken or omitted to be taken in connection with any LC Documents except as a result of its actual gross negligence or willful misconduct. Issuing Bank shall not have any liability to any Lender if Issuing Bank refrains from any action under any Letter of Credit or LC Documents until it receives written instructions from Required Lenders.

2.3.3 Cash Collateral. If any LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that Availability is less than zero, (c) after the Commitment Termination Date, or (d) within twenty (20) Business Days prior to the Revolving Commitment Termination Date, then Borrowers shall, at Issuing Bank's or Agent's request, pay to Issuing Bank the amount of all outstanding LC Obligations and Cash Collateralize all outstanding Letters of Credit. If Borrowers fail to Cash Collateralize outstanding Letters of Credit as required herein, Lenders may (and shall upon direction of Agent) advance, as Revolving Loans, the amount of the Cash Collateral required (whether or not the Commitments have terminated, an Overadvance exists, or the conditions in Section 6 are satisfied).

SECTION 3. INTEREST, FEES AND CHARGES

3.1 Interest.

3.1.1 Rates and Payment of Interest.

(a) The Obligations shall bear interest (i) if a Base Rate Loan, at the Base Rate in effect from time to time, plus the Applicable Margin; (ii) if a LIBOR Loan, at the LIBOR Lending Rate for the applicable Interest Period, plus the Applicable Margin; and (iii) if any other Obligation (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the Applicable Margin for Base Rate Revolving Loans. Interest shall accrue from the date the Loan is advanced or the Obligation is incurred or payable, until paid by Borrowers. If a Loan is repaid on the same day made, one (1) day's interest shall accrue.

(b) During an Insolvency Proceeding with respect to any Loan Party, or during any other Event of Default if Agent or Required Lenders in their discretion so elect, Obligations shall bear interest at the Default Rate. Each Loan Party acknowledges that the cost and expense to Agent and each Lender due to an Event of Default are difficult to ascertain and that the Default Rate is a fair and reasonable estimate to compensate Agent and Lenders for such added cost and expense.

(c) Interest accrued on the Loans shall be due and payable in arrears, (i) for any Base Rate Loan, on the first (1st) day of each month and, for any LIBOR Loan, the last day of its Interest Period; (ii) on any date of prepayment, with respect to the principal amount of Loans being prepaid; and (iii) on the Commitment Termination Date. Interest accrued on any other Obligations shall be due and payable as provided in the Loan Documents and, if no payment date is specified, shall be due and payable on demand. Notwithstanding the foregoing, interest accrued at the Default Rate shall be due and payable on demand.

3.1.2 Continuation and Conversion Elections. By delivering a Notice of Conversion/Continuation to Agent on or before 11:00 a.m. New York City time on a Business Day, Borrowers may from time to time irrevocably elect, on not less than two (2) nor more than five (5) Business Days' notice, that, subject to Section 4.3 below, (a) any Base Rate Loan be converted to a LIBOR Loan or (b) any LIBOR Loan be converted on the last day of an Interest Period into a LIBOR Loan with a different Interest Period, or continued on the last day of an Interest Period as a LIBOR Loan with a similar Interest Period; provided, however, that, no portion of the outstanding principal amount of any Loans may be converted to, or continued as, LIBOR Loans when any Default or Event of Default has occurred and is continuing, and no portion of the outstanding principal amount of any Loans may be converted to LIBOR Loans of a different duration if such Loans relate to obligations under any Hedging Agreement with a Bank Product Provider. In the absence of delivery of a Notice of Conversion/Continuation with respect to any LIBOR Loan at least two (2) Business Days before the last day of the then current Interest Period with respect thereto, such LIBOR Loan shall, on such last day, automatically convert to a Base Rate Loan.

3.1.3 Repayments, Continuations and Conversions of LIBOR Loans. LIBOR Loans shall mature and become payable in full on the last day of the Interest Period relating to such LIBOR Loan. Upon maturity, a LIBOR Loan may be continued for an additional Interest Period or may be converted to a Base Rate Loan, as set forth in Section 3.1.2.

3.1.4 Substitute Rate.

(a) If Agent shall have determined that:

(i) Dollar deposits in the relevant amount and for the relevant Interest Period are not available to Agent in the London interbank market; or

(ii) by reason of circumstances affecting Agent in the London interbank market, adequate means do not exist for ascertaining the LIBOR Rate applicable hereunder to LIBOR Loans of any duration,

then, upon notice from Agent to Administrative Borrower, the obligations of the Lenders hereunder to make or continue any Loans as, or to convert any Loans into, LIBOR Loans of such duration shall forthwith be suspended until Agent shall notify Administrative Borrower that the circumstances causing such suspension no longer exist.

(b) If any Lender shall have determined that the LIBOR Rate no longer adequately reflects such Lender's cost of funding loans, then, upon notice from such Lender to Administrative Borrower and Agent, the obligations of such Lender under this Section to make or continue any Loans as, or to convert any Loans into, LIBOR Loans of such duration shall forthwith be suspended until such Lender shall notify Administrative Borrower and the Agent that the circumstances causing such suspension no longer exist.

3.2 Fees.

3.2.1 Unused Line Fee. Borrowers shall pay to Agent, for the Pro Rata benefit of Lenders, in arrears, on the first (1st) day of each month and on the Commitment Termination Date (a) if Average Utilization for the immediately preceding month is equal to or greater than twenty (20%) percent of the Revolving Loan Commitment, a fee equal to (i) one-quarter (0.25%) percent per annum multiplied by (ii) the amount by which the Revolving Loan Commitments exceed the Average Utilization during such immediately preceding month or (b) if Average Utilization for the immediately preceding month is less than twenty (20%) percent of the Revolving Loan Commitment, a fee equal to (i) one-half (0.50%) percent per annum multiplied by (ii) the amount by which the Revolving Loan Commitments exceed the Average Utilization during such immediately preceding month.

3.2.2 LC Facility Fees. Borrowers shall pay (a) to Agent, for the Pro Rata benefit of Lenders, a fee equal to the Applicable Margin in effect for LIBOR Revolving Loans multiplied by the average daily stated amount of Letters of Credit, which fee shall be payable monthly in arrears, on the first (1st) day of each month; (b) to Agent, for the account of Issuing Bank, a fronting fee equal to one-eighth of one (.125%) percent of the stated amount of each Letter of Credit, which fee shall be payable upon issuance of the Letter of Credit and on each anniversary date of such issuance, and shall be payable on any increase in stated amount made between any such dates; and (c) to Issuing Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer and administration of Letters of Credit, which charges shall be paid as and when incurred. During an Event of Default, the fee payable under clause (a) shall be increased by two (2%) percent per annum.

3.2.3 Other Fees. Borrowers shall pay to Agent the other fees and amounts set forth in the Fee Letter in the amounts and at the times specified therein. To the extent payment in full of the applicable fee as set forth in the Fee Letter is received by Agent from Borrowers on or about the date hereof, Agent shall pay to each Lender its share of such fees in accordance with the terms of the arrangements of Agent with such Lender.

3.3 Computation of Interest, Fees, Yield Protection. All interest, as well as fees and other charges calculated on a per annum basis, shall be computed for the actual days elapsed, based on a year of three hundred sixty (360) days. Each determination by Agent of any interest, fees or interest rate hereunder shall be final, conclusive and binding for all purposes, absent manifest error. All fees shall be fully earned when due and shall not be subject to rebate or refund, nor subject to proration except as specifically provided herein. All fees payable under Section 3.2 are compensation for services and are not, and shall not be deemed to be, interest or any other charge for the use, forbearance or detention of money. A certificate as to amounts payable by Borrowers under Section 3.4, 3.6, 3.7, 3.9 or 5.9, submitted to Administrative Borrower by Agent or the affected Lender, as applicable, shall be final, conclusive and binding for all purposes, absent manifest error.

3.4 Reimbursement Obligations. Borrowers shall reimburse Agent for all Extraordinary Expenses. Borrowers shall also reimburse Agent for all reasonable and documented out-of-pocket legal, accounting, appraisal, consulting, and other fees, costs and expenses incurred by it in connection with (a) negotiation and preparation of any Loan Documents, including any amendment or other modification thereof; (b) administration of and actions relating to any Collateral, Loan Documents and transactions contemplated thereby, including any actions taken to perfect or maintain priority of Agent's Liens on any Collateral, to maintain any insurance required hereunder or to verify Collateral; and (c) subject to the limits of Section 10.1.1(b), each inspection, audit or appraisal with respect to any Loan Party or Collateral, whether prepared by Agent's personnel or a third party. Borrowers shall also reimburse Bridge Bank, National Association, as a Lender ("Bridge Bank"), for up to $15,000 in the aggregate of (i) Bridge Bank's out-of-pocket legal expenses incurred by it on or prior to the Closing Date in connection with its review and negotiation of this Agreement and any of the other Loan Documents and (ii) Bridge Bank's out-of-pocket costs and expenses incurred by it in connection with the discharge of obligations and releases of Liens granted under, and termination of, that certain Loan and Security Agreement, dated as of January 11, 2010, as amended by that certain First Amendment to Loan and Security Agreement, dated as of May 28, 2010, by and among certain of the Loan Parties and Bridge Bank, and that certain payoff letter dated on or about the date hereof executed and delivered in connection therewith. All amounts reimbursable by Borrowers under this Section shall constitute Obligations secured by the Collateral and shall be payable on demand.

3.5 Illegality. If a Lender shall determine (which determination shall, upon notice thereof to Administrative Borrower and Agent be conclusive and binding on Borrowers) that the introduction of or any change in or in the interpretation of any law, rule, regulation or guideline (whether or not having the force of law), makes it unlawful, or any central bank or other Governmental Authority asserts that it is

unlawful, for such Lender to make, continue or maintain any LIBOR Loan as, or to convert any Loan into, a LIBOR Loan of a certain duration, the obligations of such Lender to make, continue, maintain or convert into any such LIBOR Loans shall, upon such determination, forthwith be suspended until such Lender shall notify Borrower and Agent that the circumstances causing such suspension no longer exist, and all LIBOR Loans of such type shall automatically convert into Base Rate Loans at the end of the then current Interest Periods with respect thereto or sooner, if required by such law or assertion.

3.6 Increased Costs. If on or after the date hereof the adoption of any applicable law, rule or regulation or guideline (whether or not having the force of law), or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender with any request or directive (whether or not having the force of law) of any such authority, central bank or comparable agency:

(a) shall subject any Lender to any Tax with respect to its LIBOR Loans or its obligation to make LIBOR Loans, or shall change the basis of taxation of payments to such Lender of the principal of or interest on its LIBOR Loans or any other amounts due under this Agreement in respect of its LIBOR Loans or its obligation to make LIBOR Loans (except for Excluded Taxes); or

(b) shall impose, modify or deem applicable any reserve, special deposit or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors) against assets of, deposits with or for the account of, or credit extended by, such Lender or shall impose on such Lender or on the London interbank market any other condition affecting its LIBOR Loans or its obligation to make LIBOR Loans;

and the result of any of the foregoing is to increase the cost to such Lender of making or maintaining any LIBOR Loan, or to reduce the amount of any sum received or receivable by such Lender under this Agreement with respect thereto, by an amount deemed by such Lender to be material, then, within fifteen (15) days after demand by such Lender, Borrowers shall pay to such Lender such additional amount or amounts as will compensate such Lender for such increased cost or reduction; provided, that, Borrowers shall not be required to compensate a Lender pursuant to this Section 3.6 for any such increased cost or reduction incurred more than 90 days prior to the date that such Lender demands, or notifies Borrowers of its intention to demand, compensation therefor, provided, further, that, if the circumstance giving rise to such increased cost or reduction is retroactive, then such 90-day period referred to above shall be extended to include the period of retroactive effect thereof.

3.7 Increased Capital Costs. If any change in, or the introduction, adoption, effectiveness, interpretation, reinterpretation or phase-in of, any law or regulation, directive, guideline, decision or request (whether or not having the force of law) of any court, central bank, regulator or other Governmental Authority affects or would affect the amount of capital required or expected to be maintained by any Lender, or Person controlling such Lender, and such Lender determines (in its discretion) that the rate of return on its

or such controlling Person's capital as a consequence of its Commitments or the Loans made by such Lender is reduced to a level below that which such Lender or such controlling Person could have achieved but for the occurrence of any such circumstance, then, in any such case upon notice from time to time by such Lender to Borrower and Agent, Borrowers shall immediately pay directly to such Lender additional amounts sufficient to compensate such Lender or such controlling Person for such reduction in rate of return; provided, that, Borrowers shall not be required to compensate a Lender pursuant to this Section 3.7 for any such reduction incurred more than 90 days prior to the date that such Lender demands, or notifies Borrowers of its intention to demand, compensation therefor, provided, further, that, if the circumstance giving rise to such reduction is retroactive, then such 90-day period referred to above shall be extended to include the period of retroactive effect thereof. A statement of such Lender as to any such additional amount or amounts (including calculations thereof in reasonable detail) shall, in the absence of manifest error, be conclusive and binding on Borrowers. In determining such amount, such Lender may use any method of averaging and attribution that it (in its discretion) shall reasonably deem applicable.

3.8 Mitigation. Each Lender agrees that, upon becoming aware that it is subject to Section 3.5, 3.6, 3.7 or 5.9, it will take reasonable measures to reduce Borrowers' obligations under such Sections, including funding or maintaining its Commitments or Loans through another office, as long as use of such measures would not adversely affect the Lender's Commitments, Loans, business or interests, and would not be inconsistent with any internal policy or applicable legal or regulatory restriction.

3.9 Indemnities. In addition to the LIBOR Loan Prepayment Fee payable under Section 5.4.1, Borrowers agree to reimburse each Lender (without duplication) for any increase in the cost to such Lender, or reduction in the amount of any sum receivable by such Lender, in respect, or as a result of:

(a) any conversion or repayment or prepayment of the principal amount of any LIBOR Loans on a date other than the scheduled last day of the Interest Period applicable thereto;

(b) the failure of Borrowers to borrow any Loans to be made as LIBOR Loans in accordance with the Notice of Borrowing given (or deemed to have been given) by Administrative Borrower with respect thereto;

(c) the failure of Borrowers to continue or convert any Loans as or into LIBOR Loans in accordance with the Notice of Conversion/Continuation given (or deemed to have been given) by Administrative Borrower with respect thereto; or

(d) any costs associated with marking to market any obligations under any Hedging Agreement with a Bank Product Provider that (in the reasonable determination of Agent) are required to be terminated as a result of any conversion, repayment or prepayment of the principal amount of any LIBOR Loan on a date other than the scheduled last day of the Interest Period applicable thereto.

Such Lender shall promptly notify Administrative Borrower and Agent in writing of the occurrence of any such event, such notice to state, in reasonable detail, the reasons therefor and the additional amount required to fully compensate such Lender for such increased cost or reduced amount. Such additional amounts shall be payable by Borrowers to such Lender within five (5) days of its receipt of such notice, and such notice shall, in the absence of manifest error, be conclusive and binding on Borrowers. Borrowers understand, agree and acknowledge the following: (i) no Lender has any obligation to purchase, sell and/or match funds in connection with the use of LIBOR Rate as a basis for calculating the rate of interest on a LIBOR Loan, (ii) the LIBOR Rate may be used merely as a reference in determining such rate, and (iii) each Borrower has accepted the LIBOR Rate as a reasonable and fair basis for calculating such rate, the LIBOR Loan Prepayment Fee, and other funding losses incurred by the Lenders. Borrowers further agree to pay the LIBOR Loan Prepayment Fee and other funding losses, if any, whether or not the applicable Lender elects to purchase, sell and/or match funds.

3.10 Maximum Interest. In no event shall interest, charges or other amounts that are contracted for, charged or received by Agent and Lenders pursuant to any Loan Documents and that are deemed interest under Applicable Law ("interest") exceed the highest rate permissible under Applicable Law ("maximum rate"). If, in any month, any interest rate, absent the foregoing limitation, would have exceeded the maximum rate, then the interest rate for that month shall be the maximum rate and, if in a future month, that interest rate would otherwise be less than the maximum rate, then the rate shall remain at the maximum rate until the amount of interest actually paid equals the amount of interest which would have accrued if it had not been limited by the maximum rate. If, upon Full Payment of the Obligations, the total amount of interest actually paid under the Loan Documents is less than the total amount of interest that would, but for this Section, have accrued under the Loan Documents, then Borrowers shall, to the extent permitted by Applicable Law, pay to Agent, for the account of Lenders, (a) the lesser of (i) the amount of interest that would have been charged if the maximum rate had been in effect at all times, or (ii) the amount of interest that would have accrued had the interest rate otherwise set forth in the Loan Documents been in effect, minus (b) the amount of interest actually paid under the Loan Documents. If a court of competent jurisdiction determines that Agent or any Lender has received interest in excess of the maximum amount allowed under Applicable Law, such excess shall be deemed received on account of, and shall automatically be applied to reduce, Obligations other than interest (regardless of any erroneous application thereof by Agent or any Lender), and upon Full Payment of the Obligations, any balance shall be refunded to Borrowers. In determining whether any excess interest has been charged or received by Agent or any Lender, all interest at any time charged or received from Borrowers in connection with the Loan Documents shall, to the extent permitted by Applicable Law, be amortized, prorated, allocated and spread in equal parts throughout the full term of the Obligations.

SECTION 4. LOAN ADMINISTRATION

4.1 Manner of Borrowing and Funding Revolving Loans.

4.1.1 Notice of Borrowing.

(a) Whenever Borrowers desire funding of a Borrowing of Revolving Loans, Administrative Borrower shall give Agent a Notice of Borrowing. Such notice must be received by Agent no later than 11:00 a.m. New York City time (i) on the Business Day of the requested funding

date, in the case of Base Rate Loans, and (ii) at least two (2) Business Days prior to the requested funding date, in the case of LIBOR Loans. Notices received after 11:00 a.m. New York City time shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (A) the principal amount of the Borrowing, (B) the requested funding date (which must be a Business Day), (C) whether the Borrowing is to be made as Base Rate Loans or LIBOR Loans, and (D) in the case of LIBOR Loans, the duration of the applicable Interest Period (which shall be deemed to be one (1) month if not specified).

(b) Unless payment is otherwise timely made by Borrowers, the becoming due of any Obligations (whether principal, interest, fees or other charges, including Extraordinary Expenses, LC Obligations, Cash Collateral and Bank Product Debt) shall be deemed to be a request for Base Rate Revolving Loans on the due date, in the amount of such Obligations. The proceeds of such Revolving Loans shall be disbursed as direct payment of the relevant Obligation.

(c) Borrowers shall establish and maintain controlled disbursement accounts with Agent or Agent's Affiliate. The parties agree that the presentation for payment of any check or other item of payment drawn on, or other transfer made from, such account at a time when there are insufficient funds to cover it shall be deemed to be a request for Base Rate Loans on the date of such presentation, in the amount of the check and items presented for payment. The proceeds of such Loans may be disbursed directly to the controlled disbursement accounts or other appropriate account.

4.1.2 Fundings by Lenders. Each Lender shall timely honor its Revolving Loan Commitment by funding its Pro Rata share of each Borrowing of Revolving Loans that is properly requested hereunder. Except for Borrowings to be made as Swingline Loans, Agent shall endeavor to notify Lenders of each Notice of Borrowing (or deemed request for a Borrowing) by 12:00 noon New York City time on the proposed funding date for Base Rate Loans or by 3:00 p.m. New York City time at least two (2) Business Days before any proposed funding of LIBOR Loans. Each Lender shall fund to Agent such Lender's Pro Rata share of the Borrowing to the account specified by Agent in immediately available funds not later than 2:00 p.m. New York City time on the requested funding date, unless Agent's notice is received after the times provided above, in which event Lender shall fund its Pro Rata share by 11:00 a.m. New York City time on the next Business Day. Subject to its receipt of such amounts from Lenders, Agent shall disburse the proceeds of the Revolving Loans as directed by Administrative Borrower. Unless Agent shall have received (in sufficient time to act) written notice from a Lender that it does not intend to fund its Pro Rata share of a Borrowing, Agent may assume that such Lender has deposited or promptly will deposit its share with Agent, and Agent may disburse a corresponding amount to Borrowers. If a Lender's share of any Borrowing is not in fact received by Agent, then Borrowers agree to repay to Agent on demand the amount of such share, together with interest thereon from the date disbursed until repaid, at the rate applicable to such Borrowing.

4.1.3 Swingline Loans; Settlement.

(a) Agent may in its sole discretion, but shall not be obligated to, advance Swingline Loans to Borrowers out of Agent's own funds, up to an aggregate outstanding amount of $5,000,000, unless the funding is specifically required to be made by all Lenders hereunder. Each Swingline Loan shall constitute a Revolving Loan for all purposes; except, that, payments thereon shall be made to Agent for its own account. The obligation of Borrowers to repay Swingline Loans shall be evidenced by the records of Agent and need not be evidenced by any promissory note.

(b) To facilitate administration of the Revolving Loans, Lenders and Agent agree (which agreement is solely among them, and not for the benefit of or enforceable by any Borrower) that settlement among them with respect to Swingline Loans and other Revolving Loans may take place periodically on a date determined from time to time by Agent, which shall occur at least once every five (5) Business Days. On each settlement date, settlement shall be made with each Lender in accordance with the Settlement Report delivered by Agent to Lenders. Between settlement dates, Agent may in its discretion apply payments on Revolving Loans to Swingline Loans, regardless of any designation by Borrowers or any provision herein to the contrary. Each Lender's obligation to make settlements with Agent is absolute and unconditional, without offset, counterclaim or other defense, and whether or not the Commitments have terminated, an Overadvance exists, or the conditions in Section 6 are satisfied. If, due to an Insolvency Proceeding with respect to a Loan Party or otherwise, any Swingline Loan may not be settled among Lenders hereunder, then each Lender shall be deemed to have purchased from Agent a Pro Rata participation in each unpaid Swingline Loan and shall transfer the amount of such participation to Agent, in immediately available funds, within one (1) Business Day after Agent's request therefor. Each Lender shall only be entitled to receive interest on its Pro Rata share of the Loans to the extent such Loans have been funded by such Lender. Because Agent on behalf of Lenders may be advancing and/or may be repaid Loans prior to the time when Lenders will actually advance and/or be repaid such Loans, interest with respect to Loans shall be allocated by Agent in accordance with the amount of Loans actually advanced by and repaid to each Lender and Agent and shall accrue from and including the date such Loans are so advanced to but excluding the date such Loans are either repaid by Borrowers or actually settled with the applicable Lender as described in this Section.

4.1.4 Notices. Each Loan Party authorizes Agent and Lenders to extend, convert or continue Loans, effect selections of interest rates, and transfer funds to or on behalf of Borrowers based on telephonic or e-mailed instructions. Administrative Borrower, for the account of Borrowers, shall confirm each such request by prompt delivery to Agent of a Notice of Borrowing or Notice of Conversion/Continuation, if applicable, but if it differs in any material respect from the action taken by Agent or Lenders, the records of Agent and Lenders shall govern. Neither Agent nor any Lender shall have any liability for any loss suffered by a Loan Party as a result of Agent or any Lender acting upon its understanding of telephonic or e-mailed instructions from a person believed in good faith by Agent or any Lender to be a person authorized to give such instructions on a Loan Party's behalf.

4.2 Defaulting Lender. If a Lender fails to make any payment to Agent that is required hereunder (a "Defaulting Lender"), Agent shall not be obligated to transfer to a Defaulting Lender any payments received by Agent for the Defaulting Lender's benefit, nor shall a Defaulting Lender be entitled to the sharing of any payments hereunder (including any principal, interest or fees and whether in respect of Revolving Loans, participation interests or otherwise). For purposes of voting or consenting to matters with respect to this Agreement and the other Loan Documents and determining Pro Rata, such Defaulting Lender shall be deemed not to be a "Lender" and such Lender's Revolving Loan Commitment shall be deemed to be zero (0). At any time that there is a Defaulting Lender, payments received for

application to the Obligations payable to Lenders (other than the Defaulting Lender) in accordance with the terms of this Agreement shall be distributed to such non-defaulting Lenders on a Pro Rata basis calculated after giving effect to the reduction of the Defaulting Lender's Revolving Loan Commitment to zero (0) as provided herein or at Agent's option, Agent may instead receive and retain such amounts that would be otherwise attributable to the Pro Rata share of the Defaulting Lender. To the extent that Agent elects to receive and retain such amounts, Agent may hold them and, in its reasonable discretion, relend such amounts to Borrowers. To the extent that Agent exercises its option to relend such amounts, such amounts shall be treated as Revolving Loans for the account of Agent in addition to the Revolving Loans that are made by the Lenders, other than Defaulting Lenders, on a Pro Rata basis as calculated after giving effect to the reduction of the Defaulting Lender's Commitment to zero (0) as provided herein but shall be repaid in the same order of priority as Protective Advances for purposes of Section 5.6.1 hereof, except as Agent may otherwise elect. Agent shall determine whether any Revolving Loans requested shall be made from relending such amounts or from Revolving Loans from the Lenders other than the Defaulting Lenders and any allocation of requested Revolving Loans between them. The rights of a Defaulting Lender shall be limited as provided herein until such time as the Defaulting Lender (a) has made all payments to Agent of the amounts that it had failed to pay causing it to become a Defaulting Lender, (b) has made any other payments as it would have been required to make as a Lender during the period that it was a Defaulting Lender other than in respect of the principal amount of Revolving Loans, which payments as to the principal amount of Revolving Loans shall be settled and funded based on the outstanding principal balance of the Revolving Loans on the date that Defaulting Lender makes all of the payments required to be made under Section 4.2(a) above or shall be settled and funded by such Lender at such other time thereafter as Agent may specify, and (c) is otherwise in compliance with the terms of this Agreement. Upon the making such payment or payments by Defaulting Lender with respect to the event that is the basis for it having become a Defaulting Lender, such Lender shall (i) cease to be a Defaulting Lender, (ii) only be entitled to receive the payment of interest (and no other amounts) accrued during the period that such Lender was a Defaulting Lender to the extent previously received and retained by Agent from or for the account of Borrowers relating to the funds constituting Loans funded by such Lender prior to the date that such Lender became a Defaulting Lender (and not previously paid to such Lender), (iii) have its Commitment reinstated for all purposes and (iv) fund Loans and settle in respect of the Loans and other Obligations in accordance with the terms hereof. The existence of a Defaulting Lender and the operation of this Section shall not be construed to increase or otherwise affect the Commitment of any Lender, or relieve or excuse the performance by any Borrower or Guarantor of its duties and obligations hereunder.

4.3 Number and Amount of LIBOR Loans; Determination of Rate. For ease of administration, all LIBOR Revolving Loans having the same length and beginning date of their Interest Periods shall be aggregated together, and such Loans shall be allocated among Lenders on a Pro Rata basis. No more than five (5) aggregated LIBOR Loans may be outstanding at any time, and each aggregate LIBOR Loan when made, continued or converted shall be in a minimum amount of $5,000,000, or an increment of $1,000,000 in excess thereof.

Upon determining the LIBOR Lending Rate for any Interest Period requested by Borrowers, Agent shall promptly notify Administrative Borrower thereof by telephone or electronically and, if requested by Administrative Borrower, shall confirm any telephonic notice in writing.

4.4 Administrative Borrower.

(a) Each Borrower hereby irrevocably appoints and constitutes M/A-COM Technology Solutions Inc. ("Administrative Borrower") as its agent to request and receive Loans and Letters of Credit pursuant to this Agreement and the Loan Documents from Agent or any Lender in the name or on behalf of such Borrower. Agent and Lenders may disburse the Loans to such bank account of Administrative Borrower or a Borrower or otherwise make such Loans to a Borrower and provide such Letters of Credit to a Borrower as Administrative Borrower may designate or direct, without notice to any other Borrower or Loan Party. Notwithstanding anything to the contrary contained herein, Agent may at any time and from time to time require that Loans to or for the account of any Borrower be disbursed directly to an operating account of such Borrower.

(b) Administrative Borrower hereby accepts the appointment by Borrowers to act as the agent of Borrowers pursuant to this Section 4.4. Administrative Borrower shall ensure that the disbursement of any Revolving Loans to each Borrower requested by or paid to or for the account of Borrowers, or the issuance of any Letters of Credit for a Borrower hereunder, shall be paid to or for the account of such Borrower.

(c) Each Borrower and Guarantor hereby irrevocably appoints and constitutes Administrative Borrower as its agent to receive statements on account and all other notices from Agent and Lenders with respect to the Obligations or otherwise under or in connection with this Agreement and the Loan Documents.

(d) Any notice, election, representation, warranty, agreement or undertaking by or on behalf of any other Borrower or any Guarantor by Administrative Borrower shall be deemed for all purposes to have been made by such Borrower or Guarantor, as the case may be, and shall be binding upon and enforceable against such Borrower or Guarantor to the same extent as if made directly by such Borrower or Guarantor.

(e) No purported termination of the appointment of Administrative Borrower as agent as aforesaid shall be effective, except after ten (10) days' prior written notice to Agent.

4.5 One Obligation. The Loans, LC Obligations and other Obligations shall constitute one general obligation of Borrowers and (unless otherwise expressly provided in any Loan Document) shall be secured by Agent's Lien upon all Collateral; provided, however, that, Agent and each Lender shall be deemed to be a creditor of, and the holder of a separate claim against, each Borrower to the extent of any Obligations jointly or severally owed by such Borrower.

4.6 Effect of Termination. On the effective date of any termination of the Commitments, all Obligations shall be immediately due and payable, and any Lender may terminate its and its Affiliates' Bank Products (including, with the consent of Agent, any Cash Management Services). All undertakings of Loan Parties contained in the Loan Documents shall survive any termination of the Commitments, and Agent shall retain its Liens in the Collateral and all of its rights and remedies under the Loan Documents, in each case, until Full Payment of the Obligations. Notwithstanding Full Payment of the Obligations, Agent shall

not be required to terminate its Liens in any Collateral unless, with respect to any damages Agent may incur as a result of the dishonor or return of Payment Items applied to Obligations, Agent receives (a) a written agreement, executed by Borrowers and any Person whose advances are used in whole or in part to satisfy the Obligations, indemnifying Agent and Lenders from any such damages; or (b) such Cash Collateral as Agent, in its discretion, deems necessary to protect against any such damages. The provisions of Sections 2.3, 3.4, 3.6, 3.7, 3.9, 5.5, 5.9, 12, 15.2, 15.11 and this Section, and the obligation of each Loan Party and Lender with respect to each indemnity given by it in any Loan Document, shall survive Full Payment of the Obligations and any release relating to this credit facility.

SECTION 5. PAYMENTS

5.1 General Payment Provisions. All payments of Obligations shall be made in Dollars, without offset, counterclaim or defense of any kind, free of (and without deduction for) any Taxes, and in immediately available funds, not later than 12:00 noon New York City time on the due date. Any payment after such time shall be deemed made on the next Business Day. Administrative Borrower, on behalf of Borrowers, may, at the time of payment, specify to Agent the Obligations to which such payment is to be applied, but Agent shall in all events retain the right to apply such payment in such manner as Agent, subject to the provisions hereof, may determine to be appropriate. If any payment under the Loan Documents shall be stated to be due on a day other than a Business Day, the due date shall be extended to the next Business Day and such extension of time shall be included in any computation of interest and fees. Any payment of a LIBOR Loan prior to the end of its Interest Period shall be accompanied by the LIBOR Loan Prepayment Fee and all amounts due under Section 3.9. Subject to Section 5.6.1, any payment or prepayment of Loans shall be applied to each Lender's Loans on a Pro Rata basis. Subject to the immediately preceding sentence, any prepayment of Loans shall be applied first to Base Rate Loans and then to LIBOR Loans.

5.2 Repayment of Revolving Loans. Revolving Loans shall be due and payable in full on the Commitment Termination Date, unless payment is sooner required hereunder. Revolving Loans may be prepaid from time to time, without penalty or premium (other than as applicable under Sections 2.1.4 or 5.4). Notwithstanding anything herein to the contrary, if an Overadvance exists, Borrowers shall, on the sooner of Agent's demand or the first (1st) Business Day after any Borrower has knowledge thereof, repay the outstanding Revolving Loans and/or Cash Collateralize LC Obligations in an amount sufficient to reduce the principal balance of Revolving Loans to the lesser of (a) the Borrowing Base and (b) (i) the Revolving Loan Commitments minus (ii) the Revolving Loan Commitment Reserve.

5.3 Mandatory Prepayments. Immediately upon receipt by any Loan Party of Net Proceeds arising from (a) any Asset Disposition or (b) any Property Loss Event with respect to any Property of any Loan Party, Borrowers shall immediately pay or cause to be paid to Agent an amount equal to 100% of such Net Proceeds for application to the outstanding Revolving Loans (without a permanent reduction of the Revolving Loan Commitment). Notwithstanding anything to the contrary contained herein, such prepayment shall not be required to the extent a Borrower reinvests the Net Proceeds of such Asset Disposition or Property Loss Event in productive assets

(other than Inventory) of a kind then used or usable in the business of a Borrower, within one hundred eighty (180) days after the date of such Asset Disposition or Property Loss Event; provided that (i) no Default of Event of Default then exists or would arise therefrom, (ii) the applicable Borrower delivers to Agent a certificate executed by its chief financial officer on or prior to the date prepayment would otherwise be required pursuant to the terms hereof stating that such proceeds shall be reinvested in accordance herewith within one hundred and eighty (180) days following the date of the Asset Disposition or Property Loss Event (which certificate shall set forth the estimates of the proceeds to be so expended) and (iii) all such proceeds shall be deposited into a Controlled Account. To the extent not so reinvested within the applicable 180 day time period, Borrowers shall prepay the Revolving Loans with such proceeds (without a permanent reduction of the Revolving Loan Commitment).

5.4 Payment of LIBOR Loans and Other Obligations.

5.4.1 LIBOR Loans. LIBOR Loans may be prepaid upon the terms and conditions set forth herein. For LIBOR Loans in connection with which Borrowers have or may incur obligations under any Hedging Agreement with a Bank Product Provider, additional obligations may be associated with prepayment in accordance with the terms and conditions of the applicable Hedging Agreements. Administrative Borrower shall give Agent, no later than 11:00 a.m. New York City time at least three (3) Business Days notice of any proposed prepayment of any LIBOR Loans, specifying the proposed date of payment of such LIBOR Loans, and the principal amount to be paid. Each partial prepayment of the principal amount of LIBOR Loans shall be in an integral multiple of $1,000,000 and accompanied by the payment of all charges outstanding on such LIBOR Loans and of all accrued interest on the principal repaid to the date of payment. Borrowers acknowledge that prepayment or acceleration of a LIBOR Loan during an Interest Period shall result in the Lenders incurring additional costs, expenses and/or liabilities and that it is extremely difficult and impractical to ascertain the extent of such costs, expenses and/or liabilities. Therefore, all full or partial prepayments of LIBOR Loans on any date other than on the last day of an Interest Period shall be accompanied by, and Borrowers hereby promise to pay to Agent for the Pro Rata benefit of the Lenders, on each such date or the date all sums payable hereunder become due and payable, by acceleration or otherwise, in addition to all other sums then owing, an amount ("LIBOR Loan Prepayment Fee") determined by Agent pursuant to the following formula:

(a) the then current LIBOR Rate applicable to an Interest Period with a maturity date closest to the end of the Interest Period with respect to the LIBOR Loans being prepaid as to which prepayment is made, subtracted from

(b) the LIBOR Lending Rate applicable to the LIBOR Loan being prepaid.

If the result of this calculation is zero (0) or a negative number, then there shall be no LIBOR Loan Prepayment Fee. If the result of this calculation is a positive number, then the resulting percentage shall be multiplied by:

(i) the amount of the LIBOR Loan being prepaid.

The resulting amount shall be divided by:

(ii) 360

and multiplied by:

(iii) the number of days remaining in the Interest Period as to which the prepayment is being made.

The resulting amount of these calculations shall be the LIBOR Loan Prepayment Fee.

5.4.2 Other Obligations. Obligations other than Loans, including LC Obligations and Extraordinary Expenses, shall be paid by Borrowers as provided in the Loan Documents or, if no payment date is specified, on demand.

5.5 Marshaling; Payments Set Aside. None of Agent or Lenders shall be under any obligation to marshal any assets in favor of any Loan Party or against any Obligations. If any Loan Party makes a payment to Agent or Lenders, or if Agent or any Lender receives payment from the proceeds of Collateral, exercise of setoff or otherwise, and such payment is subsequently invalidated or required to be repaid to a trustee, receiver or any other Person, then the Obligations originally intended to be satisfied, and all Liens, rights and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been received and any enforcement or setoff had not occurred.

5.6 Post-Default Allocation of Payments.

5.6.1 Allocation. Notwithstanding anything herein to the contrary, during an Event of Default, monies to be applied to the Obligations, whether arising from payments by Loan Party, realization on Collateral, setoff or otherwise, shall be allocated as follows:

(a) first, to all costs and expenses, including Extraordinary Expenses, owing to Agent;

(b) second, to interest and all other amounts owing to Agent on Swingline Loans or Protective Advances;

(c) third, to all Obligations constituting fees (excluding amounts relating to Bank Products);

(d) fourth, to all Obligations constituting interest (excluding amounts relating to Bank Products);

(e) fifth, to all other Obligations or to Cash Collateralize LC Obligations (but not including any Obligations in connection with any Bank Product Debt); and

(f) last, to Bank Product Debt.

Amounts shall be applied to each category of Obligations set forth above until Full Payment thereof and then to the next category. If amounts are insufficient to satisfy a category, they shall be applied on a pro rata basis among the Obligations in the category. Amounts distributed with respect to any Bank Product Debt shall be the lesser of the applicable Bank Product Amount last reported to Agent

or the actual Bank Product Debt as calculated by the methodology reported to Agent for determining the amount due. Agent shall have no obligation to calculate the amount to be distributed with respect to any Bank Product Debt, but may rely upon written notice of the amount (setting forth a reasonably detailed calculation) from the relevant Bank Product Provider. In the absence of such notice, Agent may assume the amount to be distributed is the Bank Product Amount last reported to it. The allocations set forth in this Section are solely to determine the rights and priorities of Agent and Lenders as among themselves, and may be changed by agreement among them without the consent of any Loan Party. This Section is not for the benefit of or enforceable by any Loan Party.

5.6.2 Erroneous Application. Agent shall not be liable for any application of amounts made by it in good faith and, if any such application is subsequently determined to have been made in error, the sole recourse of any Lender or other Person to which such amount should have been made shall be to recover the amount from the Person that actually received it (and, if such amount was received by any Lender, such Lender hereby agrees to return it).

5.7 Application of Payments. During a Cash Dominion Period, the ledger balance (including both (a) collected funds and (b) payments conditional upon final collection) in each Controlled Account as of the end of a Business Day shall be applied to the Obligations at the beginning of the next Business Day; provided, that, for the purposes of calculating interest on the Obligations during a Cash Dominion Period, all payments that are conditional upon final collection, and only such payments, will be applied to the Obligations two (2) Business Days following the date of receipt of such payments in each such Controlled Account. Each Loan Party irrevocably waives the right to direct the application of any payments or Collateral proceeds, and agrees that Agent shall have the continuing, exclusive right to apply and reapply same against the Obligations, in such manner as Agent deems advisable, notwithstanding any entry by Agent in its records. If, as a result of Agent's receipt of Payment Items or proceeds of Collateral, a credit balance exists, the balance shall not accrue interest in favor of any Loan Party and shall be made available to Borrowers as long as no Default or Event of Default exists.

5.8 Loan Account; Account Stated.

5.8.1 Loan Account. Agent shall maintain in accordance with its usual and customary practices an account or accounts ("Loan Account") evidencing the Debt of Borrowers resulting from each Loan or issuance of a Letter of Credit from time to time. Any failure of Agent to record anything in the Loan Account, or any error in doing so, shall not limit or otherwise affect the obligation of Loan Parties to pay any amount owing hereunder. Agent may maintain a single Loan Account in the name of Administrative Borrower, and each Borrower confirms that such arrangement shall have no effect on the joint and several character of its liability for the Obligations.

5.8.2 Entries Binding. Entries made in the Loan Account shall constitute presumptive evidence of the information contained therein. If any information contained in the Loan Account is provided to or inspected by any Person, then such information shall be conclusive and binding on such Person for all purposes absent manifest error, except to the extent such Person notifies Agent in writing within thirty (30) days after receipt or inspection that specific information is subject to dispute.

5.9 Taxes. If any Taxes (except Excluded Taxes) shall be payable by any party due to the execution, delivery, issuance or recording of any Loan Documents, or the creation or repayment of any Obligations, Borrowers shall pay (and shall promptly reimburse Agent and Lenders for their payment of) all such Taxes, including any interest and penalties thereon, and will indemnify and hold harmless Indemnitees against all liability in connection therewith. If Borrowers shall be required by Applicable Law to withhold or deduct any Taxes (except Excluded Taxes) with respect to any sum payable under any Loan Documents, (a) the sum payable to Agent or such Lender shall be increased as may be necessary so that, after making all required withholding or deductions, Agent or such Lender (as the case may be) receives an amount equal to the sum it would have received had no such withholding or deductions been made; (b) Borrowers shall make such withholding or deductions; and (c) Borrowers shall pay the full amount withheld or deducted to the relevant taxing or other authority in accordance with Applicable Law.

5.10 Withholding Tax Exemption. At least five (5) Business Days prior to the first date for payment of interest or fees hereunder to a Foreign Lender, the Foreign Lender shall deliver to Administrative Borrower and Agent two duly completed copies of IRS Form W-8BEN or W-8ECI (or any subsequent replacement or substitute form therefor), certifying that such Lender can receive payment of Obligations without deduction or withholding of any United States federal income taxes. Each Foreign Lender shall deliver to Administrative Borrower and Agent two additional copies of such form before the preceding form expires or becomes obsolete or after the occurrence of any event requiring a change in the form, as well as any amendments, extensions or renewals thereof as may be reasonably requested by Administrative Borrower or Agent, in each case, certifying that the Foreign Lender can receive payment of Obligations without deduction or withholding of any such taxes, unless an event (including any change in treaty or law) has occurred that renders such forms inapplicable or prevents the Foreign Lender from certifying that it can receive payments without deduction or withholding of such taxes. During any period that a Foreign Lender does not or is unable to establish that it can receive payments without deduction or withholding of such taxes, other than by reason of an event (including any change in treaty or law) that occurs after it becomes a Lender, Agent may withhold taxes from payments to such Foreign Lender at the applicable statutory and treaty rates, and Borrowers shall not be required to pay any additional amounts under this Section as a result of such withholding.

5.11 Nature and Extent of Each Borrower's Liability.

5.11.1 Joint and Several Liability.

(a) All Borrowers shall be liable for all amounts due to Agent and Lenders under this Agreement, regardless of which Borrower actually receives the Loans or Letters of Credit hereunder or the amount of such Loans received or the manner in which Agent and Lenders account for such Loans, Letters of Credit or other extensions of credit on its books and records. The Obligations with respect to Loans made to a Borrower, and the Obligations arising as a result of the joint and several liability of a Borrower hereunder, with respect to Loans made to the other Borrowers hereunder, shall be separate and distinct obligations, but all such Obligations shall be

primary obligations of all Borrowers. The Obligations arising as a result of the joint and several liability of a Borrower hereunder with respect to Loans, Letters of Credit or other extensions of credit made to the other Borrowers hereunder shall, to the fullest extent permitted by law, be unconditional irrespective of (i) the validity or enforceability, avoidance or subordination of the Obligations of the other Borrowers or of any promissory note or other document evidencing all or any part of the Obligations of the other Borrowers, (ii) the absence of any attempt to collect the Obligations from the other Borrowers or any other security therefor, or the absence of any other action to enforce the same, (iii) the waiver, consent, extension, forbearance or granting of any indulgence by Agent or Lenders with respect to any provisions of any instrument evidencing the Obligations of the other Borrowers, or any part thereof, or any other agreement now or hereafter executed by the other Borrowers and delivered to Agent, for itself and on behalf of Lenders, (iv) the failure by Agent or Lenders to take any steps to perfect and maintain its security interest in, or to preserve its rights and maintain its security or collateral for the Obligations of the other Borrowers, (v) the election of Agent or Lenders in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code, (vi) the disallowance of all or any portion of the claim(s) of Agent or Lenders for the repayment of the Obligations of the other Borrowers under Section 502 of the Bankruptcy Code, or (vii) any other circumstances which might constitute a legal or equitable discharge or defense of the other Borrowers. With respect to the Obligations arising as a result of the joint and several liability of a Borrower hereunder with respect to Loans, Letters of Credit or other extensions of credit made to the other Borrowers hereunder, each Borrower waives, until Full Payment of the Obligations and this Agreement shall have been terminated, any right to enforce any right of subrogation or any remedy which Agent or Lenders now has or may hereafter have against Borrowers, any endorser or any guarantor of all or any part of the Obligations, and any benefit of, and any right to participate in, any security or collateral given to Agent and Lenders. Upon any Event of Default and for so long as the same is continuing, Agent and Lenders may proceed directly and at once, without notice, against any Borrower to collect and recover the full amount, or any portion of the Obligations, without first proceeding against the other Borrowers or any other Person, or against any security or collateral for the Obligations. Each Borrower consents and agrees that Agent and Lenders shall be under no obligation to marshal any assets in favor of Borrower(s) or against or in payment of any or all of the Obligations.

(b) Each Borrower expressly waives any and all rights of subrogation, reimbursement, indemnity, exoneration, contribution of any other claim which such Borrower may now or hereafter have against the other Borrowers or other Person directly or contingently liable for the Obligations hereunder, or against or with respect to the other Borrowers' property (including, without limitation, any property which is Collateral for the Obligations), arising from the existence or performance of this Agreement.

5.11.2 Waivers.

(a) Each Borrower expressly waives all rights that it may have now or in the future under any statute, at common law, in equity or otherwise, to compel Agent or Lenders to marshal assets or to proceed against any Loan Party, other Person or security for the payment or performance of any Obligations before, or as a condition to, proceeding against such Borrower. It is agreed among each Borrower, Agent and Lenders that the provisions of this Section are of the essence of the transaction contemplated by the Loan Documents and that, but for such provisions, Agent and Lenders would decline to make Loans and issue Letters of Credit. Notwithstanding

anything to the contrary in any Loan Document, each Borrower expressly waives all rights at law or in equity to subrogation, reimbursement, exoneration, contribution, indemnification or set off, as well as all defenses available to a surety, guarantor or accommodation co-obligor.

(b) Agent and Lenders may, in their discretion, pursue such rights and remedies as they deem appropriate, including realization upon Collateral or any Real Estate by judicial foreclosure or non judicial sale or enforcement, without affecting any rights and remedies under this Section 5.11. If, in the exercise of any rights or remedies, Agent or any Lender shall forfeit any of its rights or remedies, including its right to enter a deficiency judgment against any Borrower or any other Loan Party, whether because of any applicable laws pertaining to "election of remedies" or otherwise, each Borrower consents to such action by Agent or such Lender and waives any claim based upon such action, even if the action may result in loss of any rights of subrogation that any Borrower might otherwise have had but for such action. Any election of remedies that results in denial or impairment of the right of Agent or any Lender to seek a deficiency judgment against any Borrower shall not impair any other Borrower's obligation to pay the full amount of the Obligations. Each Borrower waives all rights and defenses arising out of an election of remedies, such as nonjudicial foreclosure with respect to any security for the Obligations, even though that election of remedies destroys such Borrower's rights of subrogation against any other Person. If Agent bids at any foreclosure or trustee's sale or at any private sale, Agent may bid all or a portion of the Obligations and the amount of such bid need not be paid by Agent but shall be credited against the Obligations. The amount of the successful bid at any such sale, whether Agent or any other Person is the successful bidder, shall be conclusively deemed to be the fair market value of the Collateral, and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of such Borrower's Obligations to Agent and Lenders, notwithstanding that any present or future law or court decision may have the effect of reducing the amount of any deficiency claim to which Agent or any Lender might otherwise be entitled but for such bidding at any such sale.

5.11.3 Joint Enterprise. Each Borrower has requested that Agent and Lenders make this credit facility available to Borrowers on a combined basis, in order to finance Borrowers' business most efficiently and economically. Borrowers hereby represent and warrant to Agent and Lenders that (a) Borrowers' business is a mutual and collective enterprise, (b) Borrowers make up a related organization of various entities constituting a single economic and business enterprise in which Borrowers share an identity of interests such that any benefit received by any one of them benefits the other Borrowers; and (c) certain of Borrowers render services to or for the benefit of other Borrowers, as the case may be, purchase or sell and supply goods to or from or for the benefit of the others, make loans, advances and provide other financial accommodations to or for the benefit of the other Borrowers (including, inter alia, the payment by Borrowers of creditors of the other Borrowers and guarantees by Borrowers of indebtedness of the other Borrowers and the provision of administrative, marketing, payroll and management services to or for the benefit of the other Borrowers). Borrowers believe that consolidation of their credit facility will enhance the borrowing power of each Borrower and ease the administration of their relationship with Lenders, all to the mutual advantage of Borrowers. Borrowers acknowledge and agree that Agent's and Lenders' willingness to extend credit to Borrowers and to administer the Collateral on a combined basis, as set forth herein, is done solely as an accommodation to Borrowers and at Borrowers' request.

5.11.4 Subordination. Each Borrower hereby subordinates any claims, including any right of payment, subrogation, contribution and indemnity, that it may have at any time against any other Loan Party, howsoever arising, to the Full Payment of all Obligations.

SECTION 6. CONDITIONS PRECEDENT

6.1 Conditions Precedent to Initial Loans. In addition to the conditions set forth in Section 6.2, Lenders shall not be required to fund any requested Loan, issue any Letter of Credit, or otherwise extend credit to Borrowers hereunder, until the date ("Closing Date") that each of the following conditions has been satisfied:

6.1.1 Loan Documents. This Agreement, the Guaranty and Security Agreement and the other Loan Documents, which shall be in form and substance satisfactory to Agent, shall have been duly executed by each Loan Party that is to be a party thereto, each Loan Party shall be in compliance with all terms thereof and each of the Loan Documents shall be in full force and effect on the Closing Date. Agent on behalf of Secured Parties shall, upon the filing of the applicable documentation, have a Lien in the Collateral of the type and priority described in each Loan Document. Agent shall have received such other documents and information as Agent or any Lender may reasonably request.

6.1.2 UCC Filings. Agent shall have received acknowledgments of all filings or recordations necessary to perfect its Liens in the Collateral, as well as UCC and Lien searches and other evidence satisfactory to Agent that such Liens are the only Liens upon the Collateral, except Permitted Liens.

6.1.3 **[**Intentionally Omitted**]**.

6.1.4 Cash Management. Borrowers shall have established the cash management systems described in Section 8.5, including, without limitation, providing to Agent duly executed Control Agreements with respect to each Deposit Account, disbursement, operating, securities, commodity or similar account maintained by any Loan Party (other than accounts specifically and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Loan Parties' salaried employees), in each case, in form and substance reasonably satisfactory to Agent.

6.1.5 Officer's Certificate. Agent shall have received certificates, in form and substance satisfactory to it, from a knowledgeable Senior Officer of Administrative Borrower certifying that, after giving effect to the initial Loans and transactions hereunder, (a) Holdings and its Subsidiaries, on a consolidated basis, and each Borrower, on an individual basis, are Solvent; (b) no Default or Event of Default exists; (c) the representations and warranties set forth in Section 9 are true and correct; and (d) each Loan Party has complied with all agreements and conditions to be satisfied by it under the Loan Documents to which it is a party.

6.1.6 Resolutions, Organizational Documents, Incumbency Certificate. Agent shall have received a certificate of a Senior Officer of each Loan Party, certifying (a) that attached copies of such Loan Party's Organic Documents are true and complete, and in full force and effect, without amendment except as shown, (b) that an attached copy of resolutions authorizing execution and

delivery of the Loan Documents is true and complete, and that such resolutions are in full force and effect, were duly adopted, have not been amended, modified or revoked, and constitute all resolutions adopted with respect to this credit facility, and (c) to the title, name and signature of each Person authorized to sign the Loan Documents. Agent may conclusively rely on this certificate until it is otherwise notified by the applicable Loan Party in writing.

6.1.7 Opinions. Agent shall have received (i) a written opinion of Perkins Coie LLP and (ii) a written opinion of Holland & Hart LLP, special Nevada counsel to Laser, each in form and substance reasonably satisfactory to Agent.

6.1.8 Good Standing Certificates. Agent shall have received copies of the charter documents of each Loan Party, certified as appropriate by the Secretary of State or another official of such Loan Party's jurisdiction of organization. Agent shall have received good standing certificates for each Loan Party, issued by the Secretary of State or other appropriate official of (a) such Loan Party's jurisdiction of organization and (b) each jurisdiction where such Loan Party's conduct of business or ownership of Property necessitates qualification.

6.1.9 Insurance. Agent shall have received evidence of insurance and loss payee endorsements required hereunder and under the other Loan Documents, in form and substance reasonably satisfactory to Agent, and certificates of insurance policies and/or endorsements naming Agent as loss payee and an additional insured.

6.1.10 Unaudited Financials. Agent shall have received, in form and substance reasonably satisfactory to Agent, unaudited balance sheets as of the end of the month most recent ended immediately prior to the Closing Date and the related statements of income and cash flow for such month, for Holdings and its Subsidiaries (on consolidated basis), prepared in accordance with GAAP, subject to normal period end adjustments (including income tax-related adjustments) and the absence of footnotes, and fairly presenting the financial position and results of operations for such month.

6.1.11 Due Diligence.

(a) Agent shall have completed its business, financial and legal due diligence of Loan Parties, including a roll-forward of its previous field examination, with results satisfactory to Agent. No event shall have occurred or circumstance exist that has or could reasonably be expected to have a Material Adverse Effect since December 31, 2009.

(b) Agent shall have received, in form and substance reasonably satisfactory to Agent and Lenders, a pro-forma balance sheet of Loan Parties reflecting the initial transactions contemplated hereunder, including, but not limited to, the Loans and Letters of Credit provided by Agent and Lenders to Borrowers on the date hereof and the use of the proceeds of the initial Loans as provided herein.

6.1.12 Payment of Fees. Loan Parties shall have paid all fees and expenses to be paid to Agent and Lenders on the Closing Date.

6.1.13 Borrowing Base Certificate. Agent shall have received a Borrowing Base Certificate prepared as of the Closing Date or as of such other date as Agent may elect.

6.1.14 Payoff of Existing Credit Agreements. (a) All Debt (other than Debt permitted under Section 10.2.1), including, without limitation, all principal, premium, if any, interest, fees and other amounts, due or outstanding under the existing financing arrangements of each Loan Party shall have been (or shall simultaneously be) paid in full and the commitments thereunder, if any, terminated, and (b) all the Liens (other than Permitted Liens), including, without limitation, the Cobham Liens, upon any of the Property of Holdings or any of its Subsidiaries shall have been terminated and released, in each case, as evidenced by (i) payoff letters, (ii) UCC termination statements for all UCC financing statements previously filed by Cobham or such existing lenders or their predecessors, as secured parties, and Loan Parties, as debtors, (iii) satisfactions and discharges of any mortgages, deeds of trust or deeds to secure debt by Loan Parties in favor of such existing lenders, in form acceptable for recording with the appropriate Governmental Authority, and (iv) other documentation satisfactory to Agent duly executed and delivered by Cobham or such existing lenders or an agent or trustee thereof or otherwise satisfactory to Agent.

6.1.15 Liquidity. After giving effect to the initial Revolving Loans (including such Loans made to finance the fees, costs, and expenses then payable under this Agreement), the incurrence of any LC Obligations and the consummation of the transactions contemplated hereunder on the Closing Date (on a pro forma basis, with trade payables being paid currently, and expenses and liabilities being paid in the ordinary course of business and without acceleration of sales), Liquidity not be less than $20,000,000.

6.1.16 Notices Pursuant to Loan Documents. Agent shall have received a copy of all notices required to be sent and other documents required to be executed under the Loan Documents, in each case, as of the Closing Date.

6.1.17 Searches/Discharge of Liens. Agent shall have received and reviewed UCC, tax lien and judgment search results for the jurisdiction of organization of each Loan Party, the jurisdiction of the chief executive office of each Loan Party and all jurisdictions in which assets of each Loan Party is located, which search results shall be in form and substance reasonably satisfactory to Agent. Agent shall have received evidence that all Liens (other than Permitted Liens) affecting the assets of Loan Parties have been or will be discharged on or before the Closing Date.

6.1.18 Possessory Collateral. Agent shall have received all possessory collateral required to be delivered to Agent pursuant to the Loan Documents, duly endorsed in a manner satisfactory to Agent indicating Agent's security interest therein.

6.1.19 Third Party Waivers and Consents. Agent shall have received, in form and substance reasonably satisfactory to Agent, all consents, waivers, acknowledgments and other agreements from third persons which Agent may deem necessary in order to permit, protect and perfect its Lien upon the Collateral or to effectuate the provisions or purposes of this Agreement and the other Loan Documents.

6.1.20 Audits and Appraisals.

(a) Agent or its Affiliates shall have conducted a field examination of Borrowers' assets, liabilities, cash management systems, books and records, and the results of such field examination shall be reasonably satisfactory to Agent in all respects; and

(b) The Agent shall have received appraisals conducted on certain Inventory and Equipment of the Loan Parties, and the results of such appraisals shall be reasonably satisfactory to Agent in all respects.

6.1.21 USA PATRIOT Act. The Lenders shall have received all documentation and other information required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

6.1.22 Governmental and Third Party Approvals. All governmental and third party approvals necessary in connection with this Agreement shall have been obtained and be in full force and effect, and all waiting periods shall have expired without any action being taken or threatened by any Governmental Authority that would restrain or otherwise impose adverse conditions on this Agreement.

6.1.23 Management Fee Subordination Agreement. Agent shall have received the Management Fee Subordination Agreement, in form and substance satisfactory to Agent, executed by each of Gaas Labs, LLC, Agent, Borrower and Guarantors.

6.1.24 Minimum EBITDA. Holdings will have had a minimum EBITDA, for the trailing twelve (12) month period preceding the Closing Date, of not less than $20,000,000.

6.1.25 No Defaults. (a) No Default or Event of Default shall have occurred and be continuing on the Closing Date or would result from the making of the initial Revolving Loans and (b) no Loan Party or Subsidiary shall be in default, and no event or circumstance has occurred or exists that with the passage of time or giving of notice would constitute a default by any Loan Party, under any Material Contract or in the payment of any Borrowed Money.

6.1.26 Litigation. There shall be no proceedings or investigations pending or, to any Loan Party's knowledge, threatened against any Loan Party or Subsidiary, or any of their businesses, operations, Properties, prospects or conditions, that (a) relate to any Loan Documents or transactions contemplated thereby; or (b) could reasonably be expected to have a Material Adverse Effect if determined adversely to any Loan Party or Subsidiary.

The acceptance by Borrowers of any Loans made or Letters of Credit issued on the Closing Date shall be deemed to be a representation and warranty made by Borrowers to the effect that all of the conditions precedent to the making of such Loans or the issuance of such Letters of Credit have been satisfied (other than such conditions that are subject to the satisfaction of Lenders or Agent), with the same effect as delivery to Agent, for itself and on behalf of Lenders, of a certificate signed by a Senior Officer of Borrowers, dated the Closing Date, to such effect. Execution and delivery to Agent by a Lender of a counterpart of this Agreement shall be deemed confirmation by such Lender that (i) all conditions precedent in this Section 6.1 have been fulfilled to the satisfaction of such Lender, (ii) the decision of such Lender to execute and deliver to Agent an executed counterpart of this Agreement was made by such Lender independently and without reliance on an Agent or any other Lender as to the satisfaction of any condition precedent set forth in this Section 6.1, and (iii) all documents sent to such Lender for approval, consent, or satisfaction were acceptable to such Lender.

6.2 Conditions Precedent to All Credit Extensions. Agent, Issuing Bank and Lenders shall not be required to fund any Loans or arrange for issuance of any Letters of Credit to or for the benefit of Borrowers, unless the following conditions are satisfied:

6.2.1 No Default or Event of Default. No Default or Event of Default shall exist at the time of, or result from, such funding, issuance or grant;

6.2.2 Representations and Warranties. The representations and warranties of each Loan Party in the Loan Documents shall be true and correct in all material respects on the date of, and upon giving effect to, such funding, issuance or grant (except for representations and warranties that expressly relate to an earlier date);

6.2.3 Other Conditions Precedent. All conditions precedent in any other Loan Document shall be satisfied;

6.2.4 No Material Adverse Effect. No event shall have occurred or circumstance exist that has or could reasonably be expected to have a Material Adverse Effect since the Closing Date; and

6.2.5 LC Conditions. With respect to issuance of a Letter of Credit, the LC Conditions shall be satisfied.

Each request (or deemed request) by Administrative Borrower, on behalf of Borrowers, for funding of a Loan or issuance of a Letter of Credit to or for the benefit of Borrowers shall constitute a representation by Borrowers that the foregoing conditions are satisfied on the date of such request and on the date of such funding or issuance.

6.3 Limited Waiver of Conditions Precedent. If Agent, Issuing Bank or Lenders fund any Loans or arrange for issuance of any Letters of Credit to or for the benefit of Borrowers when any conditions precedent are not satisfied (regardless of whether the lack of satisfaction was known or unknown at the time), it shall not operate as a waiver of (a) the right of Agent, Issuing Bank and Lenders to insist upon satisfaction of all conditions precedent with respect to any subsequent funding or issuance; or (b) any Default or Event of Default due to such failure of conditions or otherwise.

SECTION 7. [Intentionally Omitted]

SECTION 8. COLLATERAL ADMINISTRATION

8.1 Borrowing Base Certificates. By the twentieth (20th) day of each month (or, during a Delivery Period, more frequently in the sole discretion of Agent), Administrative Borrower, on behalf of Borrowers, shall deliver to Agent (and Agent shall promptly deliver same to Lenders) a Borrowing Base Certificate prepared as of the close of business of the previous month (or period, if required to be delivered more frequently). All calculations of Availability in any Borrowing Base Certificate shall originally be made by Administrative Borrower, on behalf of Borrowers, and certified by a Senior Officer of Administrative Borrower; provided, that, Agent may from time to time review and adjust any such calculation in its good faith credit judgment, reasonably exercised (a) to reflect its reasonable

estimate of declines in value of any Collateral included in the Borrowing Base, due to collections received in any Controlled Account or otherwise; and (b) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect the Availability Reserve or the past due trade payables or other past due Debt of any Loan Party.

8.2 Administration of Accounts.

8.2.1 Records and Schedules of Accounts. Each Loan Party shall keep accurate and complete records of its Accounts, including all payments and collections thereon, and shall submit to Agent, on such periodic basis as Agent may reasonably request, a sales and collections report, in form and substance reasonably satisfactory to Agent. Each Borrower shall also provide to Agent, on or before the twentieth (20th) day of each month (or, during a Delivery Period, more frequently in the sole discretion of Agent), (a) a detailed aged trial balance of all Accounts as of the end of the preceding month (or period, if required to be delivered more frequently), specifying each Account's Account Debtor name and address, amount, invoice date and due date, showing any discount, allowance, credit, authorized return or dispute, and including such proof of delivery, copies of invoices and invoice registers, copies of related documents, repayment histories, status reports and other information as Agent may reasonably request and (b) a reconciliation of the Accounts trial balance of Borrowers to the most recent Borrowing Base Certificate, general ledger and monthly financial statements delivered pursuant to Section 10.1.2(c), in each case accompanied by such supporting detail and documentation as shall be requested by Agent in its reasonable discretion. If Accounts in an aggregate face amount of $500,000 or more cease to be Eligible Accounts, each Loan Party shall notify Agent of such occurrence promptly (and in any event within one (1) Business Day) after such Loan Party has knowledge thereof.

8.2.2 Taxes. If an Account of any Loan Party includes a charge for any Taxes, Agent is authorized, in its discretion, to pay the amount thereof to the proper taxing authority for the account of such Loan Party and to charge such Loan Party therefor; provided, however, that, neither Agent nor Lenders shall be liable for any Taxes that may be due from any Loan Party or with respect to any Collateral.

8.2.3 Account Verification. Whether or not a Default or Event of Default exists, Agent shall have the right at any time, in the name of Agent, any designee of Agent or any Loan Party to verify the validity, amount or any other matter relating to any Accounts of Loan Party by mail, telephone or otherwise. Loan Parties shall cooperate fully with Agent in an effort to facilitate and promptly conclude any such verification process.

8.2.4 Accounts Payable. Each Borrower shall provide to Agent, on or before the twentieth (20th) day of each month (or, during a Delivery Period, more frequently in the sole discretion of Agent), an aging of accounts payable and reconciliation of accounts payable aging to each Borrower to the most recent Borrowing Base Certificate, general ledger and monthly financial statements delivered pursuant to Section 10.1.2(c), in each case accompanied by such supporting detail and documentation as shall be requested by Agent in its reasonable discretion. Upon written request by Agent, Loan Parties shall provide Agent with a listing of all material Royalty payments then past due.

8.2.5 Proceeds of Collateral. Except as set forth in Section 8.5, Loan Parties shall request in writing and otherwise take all reasonable steps to ensure that all payments on Accounts or otherwise relating to Collateral are made directly to a Controlled Account. If any Loan Party or Subsidiary receives cash or Payment Items with respect to any Collateral, it shall hold same in trust for Agent and promptly (not later than the next Business Day) deposit same into a Controlled Account or remitted to Agent Payment Account.

8.3 Administration of Inventory.

8.3.1 Records and Reports of Inventory. Each Loan Party shall keep accurate and complete records of its Inventory, including costs and daily withdrawals and additions, and shall submit to Agent Inventory reports in form and substance reasonably satisfactory to Agent, on such periodic basis as Agent may request (but in any event no more frequently than once per month). Each Loan Party shall (a) conduct periodic cycle counts consistent with historical practices, and shall provide to Agent a report based on each such Inventory and count promptly upon completion thereof, together with such supporting information as Agent may request and (b) on or before the twentieth (20th) day of each month (or, during a Delivery Period, more frequently in the sole discretion of Agent), provide Agent a reconciliation of the perpetual Inventory by location of Borrowers to the most recent Borrowing Base Certificate, general ledger and monthly financial statements delivered pursuant to Section 10.1.2(c), in each case accompanied by such supporting detail and documentation as shall be requested by Agent in its reasonable discretion. Agent may participate in and observe each inventory or physical count at Agent's sole cost and expense.

8.3.2 Returns of Inventory. No Loan Party shall return any Inventory to a supplier, vendor or other Person, whether for cash, credit or otherwise, unless (a) such return is in the Ordinary Course of Business; (b) no Default, Event of Default or Overadvance exists or would result therefrom; (c) Agent is promptly notified if the aggregate Value of all Inventory returned in any month exceeds $500,000; and (d) any payment received by a Loan Party for a return is promptly remitted to Agent for application to the Obligations.

8.3.3 Acquisition, Sale and Maintenance. Each Loan Party shall use, store and maintain all Inventory with reasonable care and caution, in accordance with applicable standards of any insurance and in conformity with all Applicable Law, and shall make current rent payments (within applicable grace periods provided for in leases) at all locations where any Collateral is located.

8.4 Administration of Equipment.

8.4.1 Records and Schedules of Equipment. Each Loan Party shall keep accurate and complete records of its Equipment, including kind, quality, quantity, cost, acquisitions and dispositions thereof, and shall submit to Agent, on such periodic basis as Agent may request (but in any event no more frequently than once per month), a current schedule thereof, in form and substance reasonably satisfactory to Agent. Promptly upon request, each Loan Party shall deliver to Agent evidence of their ownership or interests in any Equipment.

8.4.2 Condition of Equipment. The Equipment is in good operating condition and repair, and all necessary replacements and repairs have been made so that the value and operating efficiency of the Equipment is preserved at all times in all material respects, reasonable wear and tear excepted.

Each Loan Party shall ensure that the Equipment is mechanically and structurally sound in all material respects, and capable of performing the functions for which it was designed in all material respects, in accordance with the manufacturer's published and recommended specifications in all material respects. No Loan Party shall permit any Equipment representing a material portion of the aggregate value of the Collateral to become affixed to real Property unless any landlord or mortgagee delivers a Lien Waiver or similar instrument.

8.5 Cash Management. Loan Parties shall maintain cash management systems pursuant to arrangements reasonably acceptable to Agent, including, without limitation, the cash management systems described below.

8.5.1 Each Loan Party authorizes and directs each bank or other depository to deliver to the Agent Payment Account during a Cash Dominion Period, on a daily basis, all balances in each Controlled Account maintained by such Loan Party with such depository for application to the Obligations then outstanding. Each Loan Party irrevocably appoints Agent as such Loan Party's attorney-in-fact to collect such balances to the extent any such delivery is not so made.

8.5.2 Schedule 8.5 sets forth all Deposit Accounts, disbursement, operating, securities, commodity or similar accounts owned and established by Loan Parties. Each Loan Party shall be the sole account holder of each account and shall not allow any other Person (other than Agent) to have control over an account or any Property deposited therein.

8.5.3 On or prior to the Closing Date, Borrowers and Guarantors shall have (a) opened Deposit Accounts, disbursement accounts and operating accounts with RBS or its Affiliates, which accounts (other than accounts specifically and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Loan Parties' salaried employees) shall be subject to Control Agreements and (b) established lock boxes ("Lock Boxes") maintained with RBS or its Affiliates and subject to Control Agreements.

8.5.4 Promptly after the Closing Date, Borrowers shall (a) request in writing and otherwise take such steps reasonably necessary to ensure that all Account Debtors forward payment directly to such Lock Boxes, and (b) deposit and cause Loan Parties to deposit or cause to be deposited promptly, and in any event no later than the first Business Day after the date of receipt thereof, all cash, checks, drafts or other similar items of payment relating to or constituting payments made in respect of any and all Collateral (whether or not otherwise delivered to a Lock Box) into one or more Controlled Accounts.

8.5.5 Loan Parties shall not be required to obtain Control Agreements with respect to any deposit accounts maintained, as of the Closing Date, with Bank of America; provided, that, the Loan Parties shall not maintain at any time a daily balance in excess of $2,500,000 in the aggregate in any deposit accounts that are not subject to Control Agreements.

8.5.6 Each Control Agreement shall provide, among other things, that (a) all items of payment deposited in such account and proceeds thereof deposited in the applicable account are held by such bank as agent or bailee-in-possession for Agent, on behalf of itself and Secured Parties, (b) the bank executing such agreement has no rights of setoff or recoupment or any other claim against such account, as the case may be, other than for payment of its service fees and other charges

directly related to the administration of such account and for returned checks or other items of payment, and (c) that such bank agrees, from and after the receipt of a notice (an "Activation Notice") from Agent (which Activation Notice may be given by Agent at any time at which (A) an Event of Default has occurred and is continuing or (B) Liquidity is less than $15,000,000 (any of the foregoing being referred to herein as an "Activation Event")), to forward immediately all amounts in each account to Agent Payment Account. An Activation Event shall terminate at the time at which Liquidity exceeds $15,000,000 for thirty (30) consecutive days or such Event of Default has been waived or cured in accordance with this Agreement (any such period, a "Cash Dominion Period"). During any Cash Dominion Period, no Loan Party shall, or shall cause or permit any Subsidiary thereof to, accumulate or maintain cash in disbursement accounts or payroll accounts as of any date of determination in excess of checks outstanding against such accounts as of that date and amounts necessary to meet minimum balance requirements. Upon the termination (or waiver) of any Cash Dominion Period, Agent shall terminate such Activation Notice unless and until a subsequent Activation Event shall occur.

8.5.7 Agent shall invest Cash Collateral in such investments which are cash or Cash Equivalents as may be directed by Borrowers in writing (so long as no Default or Event of Default shall have occurred and be continuing); provided, however, that Agent shall not be liable for any losses relating to the investment or reinvestment of the Cash Collateral, or any liquidation of such investment or reinvestment, made in accordance with the terms of this Agreement, including, without limitation, any liability for any delays in the investment or reinvestment of the Cash Collateral, any loss of interest incident to any such delays, or any loss or penalty as a result of the liquidation of any investment before its stated maturity date. Each Loan Party hereby grants to Agent, for the benefit of Secured Parties, a security interest in all Cash Collateral held from time to time and all proceeds thereof, as security for the Obligations, whether such Cash Collateral is held in the Cash Collateral Account or elsewhere. Agent may apply Cash Collateral to the payment of any Obligations, in such order as Agent may elect, as they become due and payable. The Cash Collateral Account and all Cash Collateral shall be under the sole dominion and control of Agent. No Loan Party or other Person claiming through or on behalf of any Loan Party shall have any right to any Cash Collateral, until Full Payment of all Obligations or the termination or cancellation of such Obligations that are Cash Collateralized.

8.5.8 Upon the written request of Administrative Borrower, Agent shall release Borrowing Base Cash (a "Borrowing Base Cash Release") from the Borrowing Base Cash Accounts; provided, that (a) no Default or Event of Default shall have occurred and be continuing, (b) each Borrowing Base Cash Release shall be in a minimum amount of $1,000,000, (c) no more than one Borrowing Base Cash Release per month (or more frequently as may be agreed to by Agent in its discretion) shall be permitted under this Section 8.5.8, (d) Borrowers shall have provided to Agent an updated Borrowing Base Certificate showing pro forma Availability of not less than $0 after giving effect to such Borrowing Base Cash Release and (e) after giving effect to any Borrowing Base Cash Release, the aggregate outstanding principal amount of the Revolving Loans shall not exceed the lesser of (i) the Borrowing Base and (ii) (A) the Revolving Loan Commitments minus (B) the Revolving Loan Commitment Reserve.

8.6 General Provisions.

8.6.1 Location of Collateral. All tangible items of Collateral, other than Inventory in transit, shall at all times be kept by Loan Parties at the business locations set forth in Schedule 8.6.1; except, that, Loan Parties may (a) make sales or other dispositions of Collateral in accordance with Section 10.2.6 and (b) move Collateral to another location in the United States, upon thirty (30) Business Days prior written notice to Agent.

8.6.2 Insurance of Collateral; Condemnation Proceeds.

(a) Each Loan Party shall maintain insurance with respect to the Collateral, covering casualty, hazard, public liability, theft, malicious mischief, and such other risks, in such amounts, with such endorsements, and with such insurers as are reasonably satisfactory to Agent. All net proceeds under each policy shall be payable to Agent to the extent necessary to repay the then current amount of Obligations outstanding. From time to time upon request, Loan Parties shall deliver to Agent certificates, policies or endorsements as Agent shall reasonably require as proof of such insurance and any updated flood plain searches. Unless Agent shall agree otherwise, each policy shall include satisfactory endorsements (i) showing Agent as sole loss payee or additional insured, as appropriate; (ii) requiring thirty (30) days prior written notice to Agent in the event of cancellation of the policy for any reason whatsoever; and (iii) specifying that the interest of Agent shall not be impaired or invalidated by any act or neglect of any Loan Party or the owner of the Property, nor by the occupation of the premises for purposes more hazardous than are permitted by the policy. If any Loan Party fails to provide and pay for such insurance, Agent may, at its option, but shall not be required to, procure the insurance and charge Borrowers therefor. Each Loan Party agrees to deliver to Agent, promptly as rendered, copies of all claim reports made to insurance companies. While no Event of Default exists, Loan Parties may settle, adjust or compromise any insurance claim, as long as the net proceeds are delivered to Agent to the extent necessary to repay the then current amount of Obligations outstanding. If an Event of Default exists, only Agent shall be authorized to settle, adjust and compromise such claims.

(b) Any net proceeds of insurance (other than proceeds from workers' compensation or D&O insurance) and any awards arising from condemnation of any Collateral shall be paid to Agent to the extent necessary to repay the then current amount of Obligations outstanding. Any such proceeds or awards that relate to Inventory shall be applied to payment of the Revolving Loans, and then to any other Obligations outstanding. Subject to clause (c) below, any net proceeds or awards that relate to Equipment shall be applied first to Revolving Loans and then to other Obligations.

(c) If requested by Loan Parties in writing within fifteen (15) days after Agent's receipt of any insurance proceeds or condemnation awards relating to any loss or destruction of Equipment or other Collateral, Loan Parties may use such proceeds or awards to repair or replace such Equipment or other Collateral (and until so used, the proceeds shall be held by Agent as Cash Collateral) as long as (i) no Default or Event of Default exists; (ii) such repair or replacement is promptly undertaken and concluded, in accordance with plans reasonably satisfactory to Agent; (iii) replacement buildings are constructed on the sites of the original casualties and are of comparable size, quality and utility to the destroyed buildings; (iv) the repaired or replaced Property is free of Liens, other than Permitted Liens that are not Purchase Money Liens; (v) Loan Parties comply with disbursement procedures for such repair or replacement as Agent may reasonably require; and (vi) the aggregate amount of such proceeds or awards from any single casualty or condemnation does not exceed $500,000.

8.6.3 Protection of Collateral. All expenses of protecting, storing, warehousing, insuring, handling, maintaining and shipping any Collateral, all Taxes payable with respect to any Collateral (including any sale thereof), and all other payments required to be made by Agent to any Person to realize upon any Collateral, shall be borne and paid by Loan Parties. Agent shall not be liable or responsible in any way for the safekeeping of any Collateral, for any loss or damage thereto (except for reasonable care in its custody while Collateral is in Agent's actual possession), for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency or other Person whatsoever, but the same shall be at Loan Parties' sole risk.

8.6.4 Defense of Title to Collateral. Each Loan Party shall at all times defend its title to Collateral and Agent's Liens therein against all Persons, claims and demands whatsoever, except Permitted Liens.

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1 General Representations and Warranties. To induce Agent and Lenders to enter into this Agreement and to make available the Commitments, Loans and Letters of Credit, each Loan Party represents and warrants that:

9.1.1 Organization and Qualification. Each Loan Party and Subsidiary is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, except to the extent expressly permitted under Section 10.2.9 hereof. Each Loan Party and Subsidiary is duly qualified, authorized to do business and in good standing as a foreign corporation, limited liability company, or partnership (as applicable) in each jurisdiction where failure to be so qualified could reasonably be expected to have a Material Adverse Effect.

9.1.2 Power and Authority. Each Loan Party is duly authorized to execute, deliver and perform the Loan Documents to which it is a party. The execution, delivery and performance of the Loan Documents have been duly authorized by all necessary corporate, limited liability company or partnership action (as applicable), and do not (a) require any consent or approval of any holders of Capital Stock of any Loan Party, other than those already obtained; (b) contravene the Organic Documents of any Loan Party; (c) violate or cause a default under any Applicable Law or Material Contract; or (d) result in or require the imposition of any Lien (other than Permitted Liens) on any Property of any Loan Party.

9.1.3 Enforceability. Each Loan Document is a legal, valid and binding obligation of each Loan Party party thereto, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

9.1.4 Capital Structure. Schedule 9.1.4 shows, for each Loan Party and Subsidiary, its name, its jurisdiction of organization, its authorized and issued Capital Stock, the holders of its Capital Stock, and all agreements binding on such holders with respect to their Capital Stock. Each

Loan Party has good title to its Capital Stock in its Subsidiaries, subject only to Agent's Lien, and all such Capital Stock is duly issued, fully paid and non-assessable. Except as listed on Schedule 9.1.4, there are no outstanding options to purchase, warrants, subscription rights, agreements to issue or sell, convertible interests, phantom rights or powers of attorney relating to any Capital Stock of any Loan Party or Subsidiary.

9.1.5 Corporate Names; Locations. Since March 30, 2009, except as shown on Schedule 9.1.5, no Loan Party or Subsidiary has been known as or used any corporate, fictitious or trade names, has been the surviving corporation of a merger or combination, or has acquired any substantial part of the assets of any Person. The chief executive offices and other places of business of Loan Parties and Subsidiaries are shown on Schedule 8.6.1.

9.1.6 Title to Properties; Priority of Liens. Each Loan Party and Subsidiary has good and marketable title to (or valid leasehold interests in) all of its Real Estate, and good title to all of its material personal Property, including all Property reflected in any financial statements delivered to Agent, in each case, necessary or used in the ordinary conduct of its business and free of Liens except Permitted Liens. Each Loan Party and Subsidiary has paid and discharged all material lawful claims that, if unpaid, could become a Lien on its Properties, other than Permitted Liens. All Liens of Agent in the Collateral are (or upon the filing, recording or registering of appropriate financing statements or analogous documents in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the UCC in the relevant jurisdiction, will be) duly perfected, first priority Liens, subject only to Permitted Liens that are expressly allowed to have priority over Agent's Liens.

9.1.7 Accounts. Agent may rely, in determining which Accounts are Eligible Accounts, on all statements and representations made by Loan Parties with respect thereto. Loan Parties warrant, with respect to each Account at the time it is shown as an Eligible Account in a Borrowing Base Certificate, that:

(a) it is genuine and in all respects what it purports to be, and is not evidenced by an instrument or a judgment;

(b) it arises out of a completed, bona fide sale and delivery of goods or rendition of services in the Ordinary Course of Business, and substantially in accordance with any purchase order, contract or other document relating thereto;

(c) it is for a sum certain, maturing as stated in the invoice covering such sale or rendition of services, a copy of which has been furnished or is available to Agent on request;

(d) it is not subject to any offset, Lien (other than Agent's Lien), deduction, defense, dispute, counterclaim or other adverse condition except as arising in the Ordinary Course of Business and, except with respect to refund and return rights arising in the Ordinary Course of Business, disclosed to Agent; and it is absolutely owing by the Account Debtor, without contingency in any respect;

(e) no purchase order, agreement, document or Applicable Law (other than the U.S. Assignment of Claims Act) restricts assignment of the Account to Agent (regardless of whether, under the UCC, the restriction is ineffective);

(f) no extension, compromise, settlement, modification, credit, deduction or return has been authorized with respect to the Account, except discounts or allowances granted in the Ordinary Course of Business for prompt payment that are reflected on the face of the invoice related thereto and in the reports submitted to Agent hereunder and refund and return rights arising in the Ordinary Course of Business; and

(g) to the best of Loan Parties' knowledge, (i) there are no facts or circumstances that are reasonably likely to impair the enforceability or collectability of such Account in any material respect; (ii) the Account Debtor had the capacity to contract when the Account arose, continues to meet the applicable Loan Party's customary credit standards, is Solvent, is not contemplating or subject to an Insolvency Proceeding, and has not failed, or suspended or ceased doing business; and (iii) there are no proceedings or actions threatened or pending against any Account Debtor that could reasonably be expected to have a material adverse effect on the Account Debtor's financial condition.

9.1.8 Financial Statements. The consolidated balance sheets, and related statements of income, cash flow and shareholder's equity, of Holdings and its Subsidiaries that have been and are hereafter delivered to Agent, for itself and on behalf of Lenders, are prepared in accordance with GAAP, subject, in the case of interim and unaudited financial statements, to normal period end adjustments (including income tax-related adjustments) and the absence of footnotes, and fairly present the financial positions and results of operations of Holdings and its Subsidiaries at the dates and for the periods indicated. All projections delivered from time to time to Agent, for itself and on behalf of Lenders, have been prepared in good faith, based on reasonable assumptions in light of the circumstances at such time. Since December 31, 2009, there has been no change in the condition, financial or otherwise, of Holdings, Borrowers, or Borrowers and their Subsidiaries that could reasonably be expected to have a Material Adverse Effect. Holdings and its Subsidiaries, on a consolidated basis, and each Borrower, on an individual basis, are Solvent.

9.1.9 Contingent Obligations. No Loan Party or Subsidiary has any Contingent Obligations other than Contingent Obligations permitted pursuant to Section 10.2.1.

9.1.10 Taxes. Each Loan Party and Subsidiary has filed all federal, state and local tax returns and other reports that it is required by law to file (taking into account any valid extensions of the required filing time in respect of the same), and has paid, or made provision for the payment of, all Taxes upon it, its income and its Properties that are due and payable, except to the extent being Properly Contested. The provision for Taxes on the books of each Loan Party and Subsidiary is adequate for all years not closed by applicable statutes, and for its current Fiscal Year.

9.1.11 Brokers. There are no brokerage commissions, finder's fees or investment banking fees payable in connection with any transactions contemplated by the Loan Documents, except for the fees payable pursuant to this Agreement and the Fee Letter.

9.1.12 Intellectual Property. Each Loan Party and Subsidiary owns or has the lawful right to use all Intellectual Property necessary for the conduct of its business, without conflict with any rights of others, except where the failure to own or have the lawful right to use such Intellectual Property could not reasonably be expected to have a Material Adverse Effect. There is no pending or, to any Loan Party's knowledge, threatened Intellectual Property Claim with respect to any Loan Party, any

Subsidiary or any of their Property (including any Intellectual Property). Except as disclosed on Schedule 9.1.12, and other than Royalties in an aggregate amount equal to $250,000 per Fiscal Year, no Loan Party or Subsidiary pays or owes any Royalties or other compensation to any Person with respect to any Intellectual Property. All registered Trademarks, Copyrights and Patents owned, used or licensed by, or otherwise subject to any interests of, any Loan Party or Subsidiary is shown on Schedule 9.1.12.

9.1.13 Governmental Approvals. Each Loan Party and Subsidiary has, is in compliance with, and is in good standing with respect to, all Governmental Approvals necessary to conduct its business and to own, lease and operate its Properties, except as could not reasonably be expected to have a Material Adverse Effect. All necessary import, export or other licenses, permits or certificates for the import or handling of any goods or other Collateral have been procured and are in effect, and Loan Parties and Subsidiaries have complied with all foreign and domestic laws with respect to the shipment and importation of any goods or Collateral, except where such noncompliance, or the failure to obtain and maintain in effect any such license, permit or certificate, could not reasonably be expected to have a Material Adverse Effect.

9.1.14 Compliance with Laws. Each Loan Party and Subsidiary has duly complied, and its Properties and business operations are in compliance, in all material respects with all Applicable Law, except where noncompliance could not reasonably be expected to have a Material Adverse Effect. There have been no citations, notices or orders of material noncompliance issued to any Loan Party or Subsidiary under any Applicable Law that could reasonably be expected to have a Material Adverse Effect. No Inventory has been produced in violation of the FLSA in any material respect.

9.1.15 Compliance with Environmental Laws. Except as disclosed on Schedule 9.1.15 or as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, no Loan Party's or Subsidiary's past or present operations, Real Estate or other Properties are subject to any federal, state or local investigation to determine whether any remedial action is needed to address any environmental pollution, hazardous material or environmental clean-up. No Loan Party or Subsidiary has received any Environmental Notice that could reasonably be expected to have a Material Adverse Effect. No Loan Party or Subsidiary has any contingent liability with respect to any Environmental Release, environmental pollution or hazardous material on any Real Estate now or previously owned, leased or operated by it that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

9.1.16 Burdensome Contracts. No Loan Party or Subsidiary is a party or subject to any charter restriction that could reasonably be expected to have a Material Adverse Effect. No Loan Party or Subsidiary is party or subject to any Restrictive Agreement, except as shown on Schedule 9.1.16, or as expressly permitted under this Agreement, none of which prohibit the execution or delivery of any Loan Documents by a Loan Party nor the performance by a Loan Party of any obligations thereunder.

9.1.17 Litigation. There are no proceedings or investigations pending or, to any Loan Party's knowledge, threatened against any Loan Party or Subsidiary, or any of their businesses, operations, Properties, prospects or conditions, that (a) relate to any Loan Documents or transactions contemplated thereby; or (b) could reasonably be expected to have a Material Adverse Effect if determined adversely to any Loan Party or Subsidiary. No Loan Party or Subsidiary is in default with respect to any order, injunction or judgment of any Governmental Authority specifically applicable to such Loan Party or Subsidiary.

9.1.18 No Defaults. No event or circumstance has occurred or exists that constitutes an Event of Default. No Loan Party or Subsidiary is in default, and no event or circumstance has occurred or exists that with the passage of time or giving of notice would constitute a default by any Loan Party, under any Material Contract or in the payment of any Borrowed Money.

9.1.19 ERISA. Except as disclosed on Schedule 9.1.19, no Loan Party or Subsidiary has any (a) Multiemployer Plan or (b) Foreign Plan the liability under which, individually or in the aggregate, could reasonably be expected to be in excess of $1,000,000. Each Loan Party and Subsidiary is in full compliance with the requirements of all Applicable Law, including ERISA, relating to each Multiemployer Plan, other than such non-compliance which, individually or in the aggregate, could not reasonably be expected to result in liability in excess of $1,000,000. No fact or situation exists that could reasonably be expected to result in a Material Adverse Effect in connection with any Multiemployer Plan or Foreign Plan. No Loan Party or Subsidiary has any withdrawal liability in connection with a Multiemployer Plan that, individually or in the aggregate, could reasonably be expected to be in excess of $1,000,000. Except to the extent that, individually or in the aggregate, could not reasonably be expected to result in liability in excess of $1,000,000, (i) no Loan Party or Subsidiary has any withdrawal liability in connection with a Foreign Plan, (ii) all employer and employee contributions to Foreign Plans, to the extent required by law or the terms of such plans, have been made or accrued in accordance with normal accounting principles, (iii) the fair market value of the assets of each funded Foreign Plan, the liability of each insurer for any Foreign Plan funded through insurance and/or the book reserve established for each Foreign Plan, together with any accrued contributions, are sufficient to provide the accrued benefit obligations of all participants in such plans according to the actuarial assumptions and valuations most recently used to account for such obligations in accordance with applicable generally accepted accounting principles and (iv) each Foreign Plan required to be registered has been registered and is maintained in good standing with all applicable regulatory authorities.

9.1.20 Trade Relations. There exists no actual or threatened termination, limitation or modification of any business relationship between any Loan Party or Subsidiary and any customer or supplier, or any group of customers or suppliers, that could reasonably be expected to have a Material Adverse Effect.

9.1.21 Labor Relations. Except as described on Schedule 9.1.21, no Loan Party or domestic Subsidiary is party to or bound by any collective bargaining agreement. There are no material grievances, disputes or controversies with any union or other organization of any Loan Party's or Subsidiary's employees, or, to any Loan Party's knowledge, any asserted or threatened strikes, work stoppages or demands for collective bargaining by any Loan Party's or any Subsidiary's employees.

9.1.22 Payable Practices. No Loan Party or Subsidiary has made any material change in its historical accounts payable practices from those in effect on the Closing Date.

9.1.23 Not a Regulated Entity. No Loan Party is (a) an "investment company" or a "person directly or indirectly controlled by or acting on behalf of an investment company" within the meaning of the Investment Company Act of 1940; or (b) subject to regulation under the Federal Power Act, the Interstate Commerce Act, any public utilities code or any other Applicable Law regarding its authority to incur Debt.

9.1.24 Margin Stock. No Loan Party or Subsidiary is engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No Loan proceeds or Letters of Credit will be used by Loan Parties to purchase or carry, or to reduce or refinance any Debt incurred to purchase or carry, any Margin Stock or for any related purpose governed by Regulations T, U or X of the Board of Governors.

9.1.25 Plan Assets. No Loan Party is an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. §2510.3-101 of any "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA or any "plan" (within the meaning of Section 4975 of the Code), and neither the execution of this Agreement nor the funding of any Loans gives rise to a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Code.

9.2 Complete Disclosure. No Loan Document, and none of the statements contained in each exhibit, report, statement or certificate (other than the financial statements described in Section 9.1.8) furnished by or on behalf of any Loan Party or any of their Subsidiaries in connection with the Loan Documents contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make the statements contained therein not materially misleading when taken as a whole. There is no fact or circumstance that any Loan Party has failed to disclose to Agent in writing that could reasonably be expected to have a Material Adverse Effect.

SECTION 10. COVENANTS AND CONTINUING AGREEMENTS

10.1 Affirmative Covenants. Until Full Payment of the Obligations, each Loan Party shall, and shall cause each Subsidiary to:

10.1.1 Inspections; Appraisals.

(a) Permit Agent from time to time, subject (except when a Default or Event of Default exists) to reasonable notice and normal business hours and the provisions of Section 10.1.1(b), to visit and inspect the Properties of any Loan Party or Subsidiary, inspect, audit and make extracts from any Loan Party's or Subsidiary's books and records, and discuss with its officers, employees, agents, advisors and independent accountants such Loan Party's or Subsidiary's business, financial condition, assets, prospects and results of operations. Lenders may participate in any such visit or inspection, at their own expense. Neither Agent nor any Lender shall have any duty to any Loan Party to make any inspection, nor to share any results of any inspection, appraisal or report with any Loan Party. To the extent any appraisal or other information is shared by Agent or a Lender with any Loan Parties, such Loan Party acknowledges that it was prepared by Agent and Lenders for their purposes and Loan Parties shall not be entitled to rely upon it.

(b) Reimburse Agent for all charges, costs and expenses of Agent in connection with (i) examinations of any Loan Party's books and records or any other financial or Collateral matters as Agent deems appropriate, up to two (2) times per Loan Year, provided that, during a Delivery Period, Agent shall be entitled to three (3) examinations per year at Borrowers' expense; and (ii) Inventory Appraisals up to one (1) time per Loan Year; provided that, during a Delivery Period, Agent shall be entitled to two (2) Inventory Appraisals per year at Borrowers' expense. If an examination or appraisal is initiated during a Default or Event of Default, all charges, costs and expenses therefor shall be reimbursed by Loan Parties without regard to such limits. Subject to the foregoing, Loan Parties shall pay Agent's then standard charges for each day that an employee of Agent or its Affiliates is engaged in any examination activities, and shall pay the standard charges of Agent's internal appraisal group. This Section shall not be construed to limit Agent's right to conduct examinations or to obtain appraisals at any time in its discretion, nor to use third parties for such purposes, subject in each case to the provisions of Section 10.1.1(a).

10.1.2 Financial and Other Information. Keep adequate records and books of account with respect to its business activities, in which proper entries are made in accordance with GAAP reflecting all financial transactions, and furnish to Agent, for itself and on behalf of Lenders:

(a) as soon as available, and in any event within one-hundred twenty (120) days after the close of each Fiscal Year (other than the Fiscal Year ending October 1, 2010, for which delivery shall be made within one-hundred fifty (150) days after the close of such Fiscal Year), audited consolidated balance sheet as of the end of such Fiscal Year and the related statements of income, cash flow and shareholders' equity for such Fiscal Year, on a consolidated basis for Holdings and its Subsidiaries, which consolidated statements shall be audited and certified (without qualification as to scope, "going concern" or similar items) by a firm of independent certified public accountants of recognized standing selected by Loan Parties and reasonably acceptable to Agent, and shall set forth in comparative form corresponding figures for the preceding Fiscal Year;

(b) as soon as available, and in any event within forty-five (45) days after the end of each Fiscal Quarter, unaudited balance sheets as of the end of such Fiscal Quarter and the related statements of income and cash flow for such Fiscal Quarter and for the portion of the Fiscal Year then elapsed, on a consolidated basis for Holdings and its Subsidiaries, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by a Senior Officer of Holdings, as prepared in accordance with GAAP and fairly presenting the financial position and results of operations for such month and period, subject to normal period end adjustments and the absence of footnotes;

(c) as soon as available, and in any event within thirty (30) days after the end of each month (but within sixty (60) days after the last month in a Fiscal Year), unaudited balance sheets as of the end of such month and the related statements of income and cash flow for such month and for the portion of the Fiscal Year then elapsed, on a consolidated basis for Holdings and its Subsidiaries, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by a Senior Officer of Holdings, as prepared in accordance with GAAP and fairly presenting the financial position and results of operations for such month and period, subject to normal period end adjustments and the absence of footnotes;

(d) concurrently with delivery of financial statements under Section 10.1.2(a) and Section 10.1.2(b) above, or more frequently if requested by Agent while a Default or Event of Default exists, a Compliance Certificate executed by a Senior Officer of Administrative Borrower, on behalf of Borrowers and the other Loan Parties;

(e) concurrently with delivery of financial statements under clause (a) above, copies of any management letters and other material reports submitted to Loan Parties by their accountants in connection with such financial statements, if any;

(f) concurrently with delivery of financial statements under clause (c) above, copies of monthly backlog reports in form reasonably satisfactory to Agent;

(g) concurrently with the delivery thereof to Cobham, any certificates, statements or other written information setting forth the calculations of any Cobham Earn-Out Payments made or to be made under the Cobham Purchase Agreement;

(h) as soon as available, and in any event within thirty (30) days after the commencement of each Fiscal Year, a detailed budget for Holdings by Fiscal Quarter for such Fiscal Year (including projections of Holdings' and its Subsidiaries' consolidated balance sheets, results of operations, cash flow and Availability for the then current Fiscal Year, month by month) and, promptly when available, any significant revisions of such budgets;

(i) promptly after the sending or filing thereof, copies of any proxy statements, financial statements or reports that any Loan Party has made generally available to its shareholders; copies of any regular, periodic and special reports or registration statements or prospectuses that any Loan Party files with the SEC or any other Governmental Authority, or any securities exchange; and copies of any press releases or other statements made available by a Loan Party to the public concerning material changes to or developments in the business of such Loan Party; provided, that documents required to be delivered pursuant to this clause (i) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (A) on which Borrowers post such documents, or provide a link thereto, on Borrowers' website on the internet or (B) on which such documents are posted on Borrowers' behalf on the SEC's EDGAR database or website; provided, further, that Administrative Borrower shall notify Agent of the posting of any such documents referred to in clauses (A) or (B);

(j) promptly after the sending or filing thereof, copies of any annual report to be filed in connection with each Plan or Foreign Plan; and

(k) such other reports and information (financial or otherwise) as Agent may reasonably request from time to time in connection with any Collateral or any Loan Party's, Subsidiary's or other Loan Party's financial condition or business;

Simultaneously with retaining accountants for their annual audit, Loan Parties shall send a letter to the accountants, with a copy to Agent, for itself and on behalf of Lenders, notifying the accountants that one of the primary purposes for retaining their services and obtaining audited financial statements is for use by Agent and Lenders. Agent is authorized to send such notice if Loan Parties fail to do so for any reason.

10.1.3 Notices. Notify Agent, for itself and on behalf of Lenders, in writing, promptly after a Loan Party's obtaining knowledge thereof, of any of the following that affects a Loan Party: (a) the threat or commencement of any proceeding or investigation, whether or not covered by insurance, if an adverse determination could reasonably be expected to have a Material Adverse Effect; (b) any pending or threatened material labor dispute, strike or walkout, or the expiration of any material labor contract; (c) any default by any Loan Party under or termination of a Material Contract; (d) the existence of any Default or Event of Default; (e) any judgment in an amount exceeding $750,000; (f) the assertion of any Intellectual Property Claim, if an adverse resolution could reasonably be expected to have a Material Adverse Effect; (g) any violation or asserted violation of any Applicable Law (including ERISA, OSHA, FLSA, or any Environmental Laws), if an adverse resolution could have a Material Adverse Effect; (h) any Environmental Release by a Loan Party or on any Property owned, leased or occupied by a Loan Party; or receipt of any Environmental Notice; (i) the discharge of or any withdrawal or resignation by Loan Parties' independent accountants; or (j) any opening of a new office or place of business, at least ten (10) days prior to such opening.

10.1.4 Landlord and Storage Agreements. In each case, upon written request by Agent, provide Agent with (a) copies of all existing agreements, and (b) promptly after execution thereof, copies of all future agreements, between a Loan Party and any landlord, warehouseman, processor, shipper, bailee or other Person that owns any premises at which any Collateral is kept or that otherwise possess or handle any Collateral.

10.1.5 Compliance with Laws. Comply with all Applicable Laws, including ERISA, Environmental Laws, FLSA, OSHA, Anti-Terrorism Laws, and laws regarding collection and payment of Taxes, and maintain all Governmental Approvals necessary to the ownership of its Properties or conduct of its business, unless failure to comply (other than failure to comply with Anti-Terrorism Laws) or maintain could not reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, if any Environmental Release occurs at or on any Properties of any Loan Party or Subsidiary, it shall act promptly and diligently to investigate and report to Agent and all appropriate Governmental Authorities the extent of, and to make appropriate remedial action to eliminate, such Environmental Release, whether or not directed to do so by any Governmental Authority.

10.1.6 Taxes. Pay and discharge all Taxes prior to the date on which they become delinquent or penalties attach, unless such Taxes are being Properly Contested.

10.1.7 Insurance. In addition to the insurance required hereunder with respect to Collateral, maintain insurance with insurers reasonably satisfactory to Agent, (a) with respect to the Properties and business of Loan Parties and Subsidiaries of such type (including product liability, workers' compensation, larceny, embezzlement, or other criminal misappropriation insurance), in such amounts, and with such coverages and deductibles as are customary for companies similarly situated, and (b) if requested by Agent, business interruption insurance in an amount and with deductibles reasonably satisfactory to Agent.

10.1.8 Licenses. (a) Keep each License affecting any Collateral (including the manufacture, distribution or disposition of Inventory) or any other material Property of Loan Parties and Subsidiaries in full force and effect, except as could not reasonably be expected to have a Material Adverse Effect; and (b) notify Agent of any default or breach of any License which would adversely affect Agent's ability to realize upon the Collateral.

10.1.9 Further Assurances.

(a) Each Loan Party shall ensure that all written information, exhibits and reports furnished to Agent or Lenders do not and will not contain any untrue statement of a material fact and do not and will not omit to state any material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances in which made, and will promptly disclose to Agent and Lenders and correct any defect or error that may be discovered therein or in any Loan Document or in the execution, acknowledgement or recordation thereof.

(b) Promptly upon request by Agent, Loan Parties shall (and subject to the limitations hereinafter set forth, shall cause each of their Subsidiaries to) execute and deliver such instruments, assignments, title certificates, or Loan Documents or other agreements, and shall take such actions, as Agent may reasonably require from time to time in order (i) to carry out more effectively the purposes of this Agreement or any other Loan Document, (ii) to subject to the Liens credited by any of the Security Documents any of the Property, rights or interests of Loan Parties covered by any of the Security Documents, (iii) to perfect or maintain the validity, effectiveness and priority of any of the Security Documents and the Liens intended to be created thereby, and (iv) to better assure, convey, grant, assign, transfer, preserve, protect and confirm to Secured Parties the rights granted or now or hereafter intended to be granted to Secured Parties under any Loan Document.

(c) Except as otherwise provided in Section 10.1.11, without limiting the generality of the foregoing, Loan Parties shall cause each of their Subsidiaries (other than Excluded Foreign Subsidiaries) to guaranty the Obligations and to cause each such Subsidiary to grant to Agent, for the benefit of Secured Parties, a security interest in, subject to the limitations hereinafter set forth, all of such Subsidiary's Property to secure such guaranty. Furthermore, each Loan Party shall, and shall cause each of its Subsidiaries to, pledge one (i) hundred (100%) percent of the Capital Stock of each of its Subsidiaries (other than Excluded Foreign Subsidiaries) and (ii) sixty-five (65%) percent of each of its Excluded Foreign Subsidiary's outstanding voting Capital Stock and one hundred (100%) percent of each of its Excluded Foreign Subsidiary's outstanding non-voting Capital Stock, in each case, to Agent, for the benefit of Secured Parties, to secure the Obligations; provided, however, that with respect to the pledge of the Capital Stock of any Foreign Subsidiaries, such pledges shall not be required to be granted or perfected under foreign laws and no foreign law opinions shall be required, except that Agent may require such foreign law pledges and legal opinions (i) at any time, for any Foreign Subsidiary which accounts for greater than twenty (20%) percent of Holdings' annual consolidated revenues and (ii) at any time a Default or an Event of Default has occurred and is continuing, for any Foreign Subsidiary which accounts for greater than ten (10%) percent of Holdings' annual consolidated revenues. In connection with each pledge of Capital Stock, Loan Parties shall deliver, or cause to be delivered, to Agent, irrevocable proxies and stock powers and/or assignments, as applicable, duly executed in blank. Loan Parties shall promptly notify Agent upon any Person becoming a Subsidiary and, in accordance with and to the extent required by this Section 10.1.9(c), cause it to execute and deliver such documents, instruments and agreements and to take such other actions as Agent shall reasonably require to evidence and perfect a Lien in favor of Agent (for the benefit of Secured Parties) on all Property of such Person, including, if requested by Agent, delivery of such legal opinions, in form and substance reasonably satisfactory to Agent, as it shall deem appropriate.

(d) Each Loan Party authorizes Agent to file any financing statement that indicates the Collateral as "all assets" or "all personal property" of such Loan Party, or words to similar effect, and ratifies any action taken by Agent before the Closing Date to effect or perfect its Lien on any Collateral.

(e) In the event any Loan Party or any Subsidiary (other than Excluded Foreign Subsidiaries) of any Loan Party acquires any Real Estate, Loan Parties shall, within thirty (30) days of such acquisition, execute, deliver and record a Mortgage sufficient to create a first priority Lien in favor of Agent on such Real Estate, and shall deliver all Related Real Estate Documents.

10.1.10 Payment of Obligations. Each Loan Party shall, and shall cause each of its Subsidiaries to, pay, discharge and perform all lawful claims which, if unpaid, would by law become a Lien upon its Property unless being Properly Contested.

10.1.11 Post-Closing Obligations.

(a) Loan Parties shall deliver to Agent, each in form and substance reasonably satisfactory to Agent, the items (or undertake the efforts) described on Schedule 10.1.11, as soon as possible, but in any event within the time periods specified with respect to such items and efforts on Schedule 10.1.11 (or such longer time periods as may be agreed to by Agent in its discretion).

(b) Promptly upon request by Agent, Loan Parties shall take any action requested by Agent to enforce or otherwise exercise any right of the Loan Parties under that certain Payoff Letter dated as of the date hereof among Cobham and the Loan Parties, including, without limitation, requiring Cobham to comply with its obligations thereunder to take all reasonable additional steps requested by Loan Parties or their designees as may be necessary to release any Cobham Liens.

10.2 Negative Covenants. Until Full Payment of the Obligations, each Loan Party shall not, and shall cause each Subsidiary not to:

10.2.1 Permitted Debt. Create, incur, guarantee or suffer to exist any Debt or Contingent Obligations, except:

(a) the Obligations (including any Swingline Loan);

(b) Subordinated Debt;

(c) Permitted Purchase Money Debt;

(d) Borrowed Money (other than the Obligations, Subordinated Debt and Permitted Purchase Money Debt), but only to the extent outstanding on the Closing Date and not satisfied with proceeds of the initial Loans;

(e) Bank Product Debt;

(f) Debt that is in existence when a Person becomes a Subsidiary or that is secured by an asset when acquired by a Loan Party or Subsidiary, as long as such Debt was not incurred in contemplation of such Person becoming a Subsidiary or such acquisition, and does not exceed $2,000,000 in the aggregate at any time;

(g) Permitted Contingent Obligations;

(h) Refinancing Debt as long as each Refinancing Condition is satisfied;

(i) Debt that is not included in any of the preceding clauses of this Section, is not secured by a Lien and does not exceed $1,000,000 in the aggregate at any time;

(j) Debt of any Loan Party to any other Loan Party and guaranty obligations of any Loan Party in respect of Debt otherwise permitted hereunder of any Loan Party;

(k) an unsecured guaranty of up to $600,000 incurred by Holdings for the benefit of Cork guarantying Cork's obligations in connection with a research and development grant with the Republic of Ireland;

(l) obligations in an aggregate outstanding principal amount not exceeding $2,000,000 at any time for payment of rent under real property operating leases if and to the extent that such leases are required to be treated as Capital Leases;

(m) Debt of Foreign Subsidiaries of Holdings in an aggregate outstanding principal amount not exceeding $5,000,000 at any time; provided, that (i) none of Holdings or any other Loan Party (A) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Debt) or (B) is directly or indirectly liable (as a guarantor or otherwise), and (ii) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against a Foreign Subsidiary) would permit (upon notice, lapse of time or both) any holder of any other Debt (other than this Agreement) of any of Holdings or any other Loan Party to declare a default on such other Debt or cause the payment thereof to be accelerated or payable prior to its stated maturity; and

(n) unsecured intercompany Indebtedness permitted pursuant to Section 10.2.7(e).

10.2.2 Permitted Liens. Create or suffer to exist any Lien upon any of its Property, except the following (collectively, "Permitted Liens"):

(a) Liens in favor of Agent;

(b) Purchase Money Liens securing Permitted Purchase Money Debt;

(c) Liens for Taxes not yet due or being Properly Contested;

(d) statutory Liens (other than Liens for Taxes or imposed under ERISA) arising in the Ordinary Course of Business, but only if (i) payment of the obligations secured thereby is not yet due or is being Properly Contested, and (ii) such Liens do not materially impair the value or use of the Property or materially impair operation of the business of any Loan Party or Subsidiary;

(e) Liens incurred or deposits made in the Ordinary Course of Business to secure the performance of tenders, bids, leases, contracts (except those relating to Borrowed Money), statutory obligations and other similar obligations, or arising as a result of progress payments under government contracts, as long as such Liens at all times junior to Agent's Liens;

(f) Liens arising by virtue of a judgment or judicial order against any Loan Party or Subsidiary, or any Property of a Loan Party or Subsidiary, as long as such Liens are (i) in existence for less than twenty (20) consecutive days or being Properly Contested, and (ii) at all times junior to Agent's Liens;

(g) easements, rights-of-way, restrictions, covenants or other agreements of record, and other similar charges or encumbrances on Real Estate, that do not secure any monetary obligation and do not interfere with the Ordinary Course of Business;

(h) normal and customary rights of setoff upon deposits in favor of depository institutions, and Liens of a collecting bank on Payment Items in the course of collection;

(i) existing Liens shown on Schedule 10.2.2 and Liens securing Refinancing Debt; provided, that, any Liens relating to such Refinancing Debt shall only attach to the Property which was subject to the Liens so refinanced;

(j) Liens securing Debt permitted under Section 10.2.1(f);

(k) pledges or deposits in the Ordinary Course of Business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA; and

(l) Liens on Property of any Foreign Subsidiary that does not constitute Collateral, which Liens secure Debt of the applicable Foreign Subsidiary permitted under Section 10.2.1(k).

10.2.3 Capital Expenditures. Make Capital Expenditures in excess of $10,000,000 in the aggregate during any Fiscal Year.

10.2.4 Dividends and Distributions. Declare, pay or make any Restricted Payment; except,

(a) Restricted Payments in an aggregate amount not to exceed $500,000 in any Fiscal Year to purchase, retire or acquire for value Capital Stock of Holdings from any former employee of any Loan Party in connection with the termination of such Person's employment,

(b) Restricted Payments made solely in the form of Capital Stock and Capital Stock appreciation rights of any Loan Party in connection with the compensation of employees, directors, advisors and board members of such Loan Party pursuant to an equity plan, stock option plan or any other benefit plan or any agreement (including any stock subscription or shareholder agreement) with any employee, director, advisor or board member,

(c) any Loan Party may make a Restricted Payment with respect to its Capital Stock payable solely in additional shares of its common stock,

(d) any Loan Party (other than Holdings) and wholly-owned Subsidiaries of any Loan Party may make a Restricted Payment with respect to their Capital Stock to any Loan Party (other than Holdings) or any wholly-owned subsidiary of a Loan Party,

(e) Borrowers may make cash Restricted Payments to Holdings so long as (i) no Default or Event of Default shall have occurred and be continuing, (ii) Borrowers' shall have Liquidity on a pro forma basis, of not less than $10,000,000 (A) on the date such Restricted Payment is made and after giving effect thereto, (B) on a daily average basis for the 90-day period immediately prior to the making of such Restricted Payment (assuming such Restricted Payment was made on the first day thereof), and (C) on a daily average basis for the 90-day period after giving effect thereto; and (iii) after giving effect thereto, Borrowers shall be in pro forma compliance with all financial covenants set forth in this Agreement,

(f) Holdings may make cash Restricted Payments to its shareholders with the proceeds of the Restricted Payments permitted to be made pursuant to Section 10.2.4(e),

(g) Restricted Payments made to Holdings for the purpose of making the Cobham Earn-Out Payments, and

(h) Restricted Payments made to Holdings in an amount not to exceed $720,000 in the aggregate in any Fiscal Year for the purpose of paying management fees or other compensation to Gaas Labs, LLC pursuant to the Management Agreement and in accordance with the terms of the Management Fee Subordination Agreement.

10.2.5 Restricted Investments. Make any Restricted Investment; except, that, so long as no Default or Event of Default has occurred and is continuing and shall not have occurred after giving effect thereto, any Loan Party may make a Permitted Acquisition. Notwithstanding the foregoing, the Accounts, Inventory and Equipment of the Target shall not be included in the Borrowing Base without the prior written consent of Agent and Required Lenders.

10.2.6 Disposition of Assets. Make any Asset Disposition, except (a) a Permitted Asset Disposition, or (b) a transfer of Property by (i) a Subsidiary of any Loan Party to a Loan Party (except Holdings) or (ii) any Loan Party to another Loan Party (except Holdings).

10.2.7 Loans. Make any loans or other advances of money to any Person, except (a) advances to an officer or employee for salary, travel expenses, commissions and similar items in the Ordinary Course of Business; (b) prepaid expenses and extensions of trade credit made in the Ordinary Course of Business; (c) deposits with financial institutions permitted hereunder; (d) as long as no Default or Event of Default exists, intercompany loans by a Loan Party to another Loan Party; and (e) intercompany loans by a Loan Party to a material Foreign Subsidiary of Holdings; provided that (i) no Default or Event of Default exists or would result therefrom, (ii) the aggregate amount of such intercompany loans made after the Closing Date (net of repayments of intercompany loans) shall not exceed $10,000,000, and (iii) Borrowers' shall have Liquidity on a pro forma basis, of not less than $10,000,000 (A) on the date such intercompany loan is made, (B) on a daily average basis for the 90-day period immediately prior to the making of such intercompany loan (assuming such intercompany loan was made on the first day thereof), and (C) on a daily average basis for the 90-day period after giving effect thereto.

10.2.8 Restrictions on Payment of Certain Debt. Make any payments (whether voluntary or mandatory, or a prepayment, redemption, retirement, defeasance or acquisition) with respect to any:

(a) Subordinated Debt, except regularly scheduled payments of principal, interest and fees, but only to the extent permitted under any subordination agreement, in form and substance satisfactory to Agent, relating to such Debt (and a Senior Officer of Administrative Borrower, on behalf of Borrowers and the other Loan Parties, shall certify to Agent, not less than five (5) Business Days prior to the date of payment, that all conditions under such agreement have been satisfied);

(b) Borrowed Money (other than the Obligations) prior to its due date under the agreements evidencing such Debt as in effect on the Closing Date (or as amended thereafter with the consent of Agent); or

(c) obligations under the Cobham Purchase Agreement, except that, so long as no Default or Event of Default has occurred and is continuing, Loan Parties may make the Cobham Earn-Out Payments and any indemnity payments in connection with the Cobham Purchase Agreement, in each case, when due and to the extent required under the Cobham Purchase Agreement.

10.2.9 Fundamental Changes. (a) Merge, combine or consolidate with any Person, or liquidate, wind up its affairs or dissolve itself, in each case whether in a single transaction or in a series of related transactions; except, that, with respect to this Section 10.2.9(a), (i) any wholly-owned Subsidiary of any Loan Party (other than any such Subsidiary which is a Borrower) may merge with and into or consolidate with any other wholly-owned Subsidiary of any Loan Party (other than any such Subsidiary which is a Borrower) and (ii) any Borrower may merge with and into or consolidate with any other Borrower and any Guarantor may merge with and into or consolidate with any other Guarantor; provided, that, each of the following conditions is satisfied as determined by Agent in its discretion: (A) Agent shall have received not less than ten (10) Business Days' prior written notice of the intention of such Subsidiaries to so merge or consolidate, which notice shall set forth in reasonable detail satisfactory to Agent, the Persons that are merging or consolidating, which Person will be the surviving entity, the locations of the assets of the persons that are merging or consolidating, and the material agreements and documents relating to such merger or consolidation, (B) Agent shall have received such other information with respect to such merger or consolidation as Agent may reasonably request, (C) as of the effective date of the merger or consolidation and after giving effect thereto, no Event of Default shall exist, (D) Agent shall have received, true, correct and complete copies of all agreements, documents and instruments relating to such merger or consolidation, including, but not limited to, the certificate or certificates of merger to be filed with each appropriate Secretary of State (with a copy as filed promptly after such filing), and (E) the surviving corporation shall expressly confirm, ratify and assume the Obligations and the Loan Documents to which it is a party in writing, in form and substance satisfactory to Agent, and Borrowers and Guarantors shall execute and deliver such other agreements, documents and instruments as Agent may reasonably request in connection therewith; or (b) change its tax, charter or other organizational identification number; or (c) change its name or conduct business under any fictitious name; or (d) change its form or state of organization; except, that, with respect to any change under Section 10.2.9(c) and (d) above, any Loan Party may make such change so long as (i) Agent shall have received, at least thirty (30) days prior to the filing thereof, written notice and drafts of all documentation to be filed with the appropriate Governmental Authority evidencing such change, and (ii) promptly after the filing thereof, Agent shall have received certified copies of all documentation filed with the appropriate Governmental Authority evidencing such change.

10.2.10 Subsidiaries. (a) Form or acquire any Subsidiary after the Closing Date, except in accordance with Sections 10.1.9 and 10.2.5; or (b) permit any existing Subsidiary to issue any additional Capital Stock except director's qualifying shares or Capital Stock issued to a Loan Party; provided, that, any such Capital Stock issued to a Loan Party shall be promptly pledged by such Loan Party to Agent and Secured Parties.

10.2.11 Organic Documents. Amend, modify or otherwise change any of its Organic Documents as in effect on the Closing Date, except as could not be reasonably expected to have a Material Adverse Effect.

10.2.12 Tax Consolidation. File or consent to the filing of any consolidated income tax return with any Person other than Holdings and its Subsidiaries.

10.2.13 Accounting Changes. Make any material change in accounting treatment or reporting practices, except as required by GAAP and in accordance with Section 1.2; or change its Fiscal Year, in each case, without providing notice to Agent promptly following the effective date of such change.

10.2.14 Restrictive Agreements. Become a party to any Restrictive Agreement, except (a) a Restrictive Agreement as in effect on the Closing Date and shown on Schedule 9.1.16; (b) a Restrictive Agreement relating to secured Debt permitted hereunder, if such restrictions apply only to the collateral for such Debt; (c) a Restrictive Agreement relating to Subordinated Debt permitted hereunder; (d) customary provisions in leases, Licenses and other contracts restricting assignment thereof; and (e) customary provisions in purchase and sale agreements to be executed by Loan Parties in connection with a Permitted Asset Disposition or a Permitted Acquisition.

10.2.15 Hedging Agreements. Enter into any Hedging Agreement, except to hedge risks arising in the Ordinary Course of Business and not for speculative purposes.

10.2.16 Conduct of Business. Engage in any business, other than the business of any Loan Party as conducted on the Closing Date and any business reasonably related, ancillary or complementary to the business in which any Loan Party is engaged on the date hereof. Holdings shall not engage in any business activities or own any Property other than (i) ownership of the Capital Stock of Loan Parties, (ii) activities and contractual rights incidental to maintenance of its corporate existence, (iii) owning and licensing of Intellectual Property, (iv) engaging in any Permitted Asset Dispositions, (v) providing administrative and operational services to its Subsidiaries, (vi) engaging in the businesses and conducting the activities of the type and to the extent that it has engaged in and conducted prior to the date hereof, (vii) making any Permitted Acquisitions, and (viii) performance of its obligations, if any, under the Cobham Purchase Agreement.

10.2.17 Affiliate Transactions. Enter into or be party to any transaction with an Affiliate, except:

(a) transactions contemplated by the Loan Documents;

(b) payment of reasonable compensation, benefits and perquisites to officers and employees for services actually rendered;

(c) payment of customary directors' fees, benefits, perquisites and indemnities;

(d) transactions solely among Loan Parties;

(e) transactions with Affiliates that were consummated prior to the Closing Date, as shown on Schedule 10.2.17;

(f) payments of management fees pursuant to the Management Agreement to the extent permitted under the Management Fee Subordination Agreement;

(g) transactions with Affiliates in the Ordinary Course of Business, upon fair and reasonable terms fully disclosed to Agent and no less favorable than would be obtained in a comparable arm's-length transaction with a non-Affiliate; and

(h) sales of Capital Stock of Holdings to any of its Affiliates.

10.2.18 Plans. Become party to any Multiemployer Plan or Foreign Plan, other than any in existence on the Closing Date.

10.2.19 Amendments to Subordinated Debt. Amend, supplement or otherwise modify any document, instrument or agreement relating to any Subordinated Debt, if such modification (a) increases the principal balance of such Debt, or increases any required payment of principal or interest; (b) accelerates the date on which any installment of principal or any interest is due, or adds any additional redemption, put or prepayment provisions; (c) shortens the final maturity date or otherwise accelerates amortization; (d) increases the interest rate; (e) increases or adds any fees or charges; (f) modifies any covenant in a manner or adds any representation, covenant or default that is more onerous or restrictive in any material respect for any Loan Party or Subsidiary, or that is otherwise materially adverse to any Loan Party, any Subsidiary or Lenders; or (g) results in the Obligations not being fully benefited by the subordination provisions thereof.

10.3 Financial Covenants. Until Full Payment of the Obligations, Holdings and its Subsidiaries shall on a consolidated basis:

10.3.1 Minimum EBITDA. Have achieved EBITDA of at least $25,000,000 for the 12-month period ended October 1, 2010.

10.3.2 Fixed Charge Coverage Ratio. Have at the end of each Fiscal Quarter a Fixed Charge Coverage Ratio for the 12-month period then ended (or with respect to the Fiscal Quarters ending on or before the one year anniversary of the Closing Date, the period commencing on November 27, 2010 and ending on the last day of such Fiscal Quarter) of not less than 1.25 to 1.0.

10.3.3 Liquidity. Maintain Liquidity at all times of not less than $10,000,000; provided, that, if EBITDA for the Fiscal Year ending October 1, 2010 (as set forth in the annual financial statements required to be delivered pursuant to Section 10.1.2(a) for such Fiscal Year) is greater than or equal to $25,000,000, then Holdings and its Subsidiaries shall on a consolidated basis maintain Liquidity at all times of not less than $5,000,000.

SECTION 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT

11.1 Events of Default. Each of the following shall be an "Event of Default" hereunder, if the same shall occur for any reason whatsoever, whether voluntary or involuntary, by operation of law or otherwise:

(a) Any Loan Party fails (i) to pay any principal of, or interest on, the Revolving Loans, or to pay any LC Obligations or fees payable hereunder or under any other Loan Document (in each case, whether at stated maturity, on demand, upon acceleration or otherwise) and (ii) to pay any other Obligation under any Loan Documents (other than those Obligations set forth in clause (i) above) within three (3) Business Days following Agent's or any Lender's, as applicable, demand therefor;

(b) Any representation, warranty or other written statement of any Loan Party made in connection with any Loan Documents or transactions contemplated thereby is incorrect or misleading in any material respect when given;

(c) Any Loan Party breaches or fails to perform any covenant contained in Sections 8.1, 8.2.5, 8.5, 8.6.2, 10.1.1, 10.1.2, 10.1.9, 10.1.11, 10.2 or 10.3;

(d) Any Loan Party breaches or fails to perform any other covenant contained in any Loan Documents, and such breach or failure is not cured within fifteen (15) days after a Senior Officer of such Loan Party has knowledge thereof or receives notice thereof from Agent, whichever is sooner; provided, however, that, such notice and opportunity to cure shall not apply if the breach or failure to perform is not capable of being cured within such period or is a willful breach by a Loan Party;

(e) Any Guarantor repudiates, revokes or attempts to revoke its Guaranty; any Loan Party denies or contests the validity or enforceability of any Loan Documents or Obligations, or the perfection or priority of any Lien granted to Agent; or any Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by Agent and Lenders);

(f) Any breach or default of a Loan Party occurs under any document, instrument or agreement (including any Material Contract) to which it is a party or by which it or any of its Properties is bound, relating to any Debt (other than the Obligations) in excess of $1,000,000, if the maturity of or any payment with respect to such Debt may be accelerated or demanded due to such breach;

(g) Any judgment or order for the payment of money is entered against a Loan Party in an amount that exceeds, individually or cumulatively with all unsatisfied judgments or orders against all Loan Party, $1,000,000 (net of any insurance coverage therefor acknowledged in writing by the insurer) and that remains unsatisfied for more than thirty (30) days, unless a stay of enforcement of such judgment or order is in effect, by reason of a pending appeal or otherwise;

(h) Any loss, theft, damage or destruction occurs with respect to any Collateral if the amount not covered by insurance exceeds $1,000,000;

(i) Any Loan Party is enjoined, restrained or in any way prevented by any Governmental Authority from conducting any part of its business and such action would have a Material Adverse Effect on the Loan Parties; any Loan Party suffers the loss, revocation or termination of any license, permit, lease or agreement necessary to its business and such action would have a Material Adverse Effect on the Loan Parties; there is a cessation of any part of a Loan Party's business for a period of time and such action would have a Material Adverse Effect on the Loan Parties; any Collateral or Property of a Loan Party is taken or impaired through condemnation without receipt of sufficient consideration which is subject to Agent's Liens or such action would have a Material Adverse Effect on the Loan Parties; any Loan Party agrees to or commences any liquidation, dissolution or winding up of its affairs; or any Loan Party ceases to be Solvent;

(j)(i) Any Insolvency Proceeding is commenced by any Loan Party; (ii) an Insolvency Proceeding is commenced against any Loan Party and such Loan Party consents to the institution of the proceeding against it, the petition commencing the proceeding is not timely controverted by such Loan Party, such petition is not dismissed within thirty (30) days after its filing, or an order for relief is entered in the proceeding; (iii) a trustee (including an interim trustee) is appointed to take possession of any substantial Property of or to operate any of the business of any Loan Party; or (iv) any Loan Party makes an offer of settlement, extension or composition to its unsecured creditors generally;

(k) A Reportable Event occurs that constitutes grounds for termination by the Pension Benefit Guaranty Corporation of any Multiemployer Plan or appointment of a trustee for any Multiemployer Plan. any Multiemployer Plan is terminated or any such trustee is requested or appointed; any Loan Party is in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan resulting from any withdrawal therefrom, or any event similar to the foregoing occurs or exists with respect to a Foreign Plan, and, in each case, such event has a Material Adverse Effect on the Loan Parties;

(l) Any Loan Party or any of its Senior Officers is criminally indicted or convicted for (i) a felony committed in the conduct of such Loan Party's business, or (ii) any state or federal law (including the Controlled Substances Act, Money Laundering Control Act of 1986 and Illegal Exportation of War Materials Act) that could lead to forfeiture of any material Property or any Collateral;

(m) A Change of Control occurs; or

(n) Any event occurs or condition exists that has a Material Adverse Effect.

11.2 Remedies upon Default. If an Event of Default described in Section 11.1(j) occurs with respect to any Loan Party, then to the extent permitted by Applicable Law, all Obligations shall become automatically due and payable and all Commitments shall terminate, without any action by Agent or notice of any kind. In addition, if any Event of Default exists, Agent may in its discretion (and shall upon written direction of Required Lenders) do any one or more of the following from time to time:

(a) declare any Obligations immediately due and payable, whereupon they shall be due and payable without diligence, presentment, demand, protest or notice of any kind, all of which are hereby waived by Loan Parties to the fullest extent permitted by law;

(b) terminate, reduce or condition any Commitment, or make any adjustment to the Borrowing Base;

(c) require Loan Parties to Cash Collateralize LC Obligations, Bank Product Debt and other Obligations that are contingent or not yet due and payable, and, if Loan Parties fail promptly to deposit such Cash Collateral, Agent may (and shall upon the direction of Required Lenders) advance the required Cash Collateral as Revolving Loans (whether or not an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied); and

(d) exercise on behalf of itself and Lenders all rights and remedies available to it and Lenders under the Loan Documents or Applicable Law.

SECTION 12. AGENT

12.1 Appointment, Authority and Duties of Agent.

12.1.1 Appointment and Authority. Each Lender appoints and designates RBS as Agent hereunder. Agent may, and each Lender authorizes Agent to, enter into all Loan Documents to which Agent is intended to be a party and accept all Security Documents, for Agent's benefit and the Pro Rata benefit of Lenders. Each Lender agrees that any action taken by Agent or Required Lenders in accordance with the provisions of the Loan Documents, and the exercise by Agent or Required Lenders of any rights or remedies set forth therein, together with all other powers reasonably incidental thereto, shall be authorized and binding upon all Lenders. Without limiting the generality of the foregoing, Agent shall have the sole and exclusive authority to (a) act as the disbursing and collecting agent for Lenders with respect to all payments and collections arising in connection with the Loan Documents; (b) execute and deliver as Agent each Loan Document, including any intercreditor or subordination agreement, and accept delivery of each Loan Document from any Loan Party or other Person; (c) act as collateral agent for Secured Parties for purposes of perfecting and administering Liens under the Loan Documents, and for all other purposes stated therein; (d) manage, supervise or otherwise deal with Collateral; and (e) exercise all rights and remedies given to Agent with respect to any Collateral under the Loan Documents, Applicable Law or otherwise. The duties of Agent shall be ministerial and administrative in nature, and Agent shall not have a fiduciary relationship with any Lender, Secured Party, Participant or other Person, by reason of any Loan Document or any transaction relating thereto. Lenders authorize Agent to make, from time to time, any determination as to whether any Accounts or Inventory constitute Eligible Accounts or Eligible Inventory, or whether to impose or release any Availability Reserve, and to exercise its Permitted Discretion in connection therewith, which determinations and judgments, if exercised in good faith, shall exonerate Agent from liability to any Lender or other Person for any error in judgment.

12.1.2 Duties. Agent shall not have any duties except those expressly set forth in the Loan Documents, nor be required to initiate or conduct any Enforcement Action except to the extent directed to do so by Required Lenders while an Event of Default exists. The conferral upon Agent of any right shall not imply a duty on Agent's part to exercise such right, unless instructed to do so by Required Lenders in accordance with this Agreement.

12.1.3 Agent Professionals. Agent may perform its duties through agents and employees. Agent may consult with and employ Agent Professionals, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by an Agent Professional. Agent shall not be responsible for the negligence or misconduct of any agents, employees or Agent Professionals selected by it with reasonable care.

12.1.4 Instructions of Required Lenders. The rights and remedies conferred upon Agent under the Loan Documents may be exercised without the necessity of joinder of any other party, unless required by Applicable Law. Agent may request instructions from Required Lenders with respect to any act (including the failure to act) in connection with any Loan Documents, and may seek assurances to its satisfaction from Lenders of their indemnification obligations under Section 12.6 against all Claims that could be incurred by Agent in connection with any act. Agent shall be entitled to refrain from any act until it has received such instructions or assurances, and Agent shall not incur liability to any Person by reason of so refraining. Instructions of Required Lenders shall be binding upon all Lenders, and no Lender shall have any right of action whatsoever against Agent as a result of Agent acting or refraining from acting in accordance with the instructions of Required Lenders. Notwithstanding the foregoing, instructions by and consent of all Lenders shall be required in the circumstances described in Section 15.1.1, and in no event shall Required Lenders, without the prior written consent of each Lender, direct Agent to accelerate and demand payment of Loans held by one Lender without accelerating and demanding payment of all other Loans, nor to terminate the Commitments of one Lender without terminating the Commitments of all Lenders. In no event shall Agent be required to take any action that, in its opinion, is contrary to Applicable Law or any Loan Documents or could subject any Agent Indemnitee to personal liability.

12.2 Agreements Regarding Collateral and Field Examination Reports.

12.2.1 Lien Releases; Care of Collateral. Lenders authorize Agent to (a) release any Lien with respect to any Collateral (i) upon Full Payment of the Obligations, (ii) that is the subject of an Asset Disposition which Loan Parties certify in writing to Agent is a Permitted Asset Disposition or a Lien which Loan Parties certify is a Permitted Lien entitled to priority over Agent's Liens (and Agent may rely conclusively on any such certificate without further inquiry), (iii) that does not constitute a material part of the Collateral, or (iv) in all other cases, with the written consent of all Lenders and (b) release any Subsidiary of a Borrower from its guaranty of any Obligation if all of the Capital Stock of such Subsidiary owned by any Loan Party is sold or transferred in a transaction permitted under the Loan Documents (including pursuant to a waiver or consent). Agent shall have no obligation whatsoever to any Lenders to assure that any Collateral exists or is owned by a Loan Party, or is cared for, protected, insured or encumbered, nor to assure that Agent's Liens have been properly created, perfected or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral.

12.2.2 Possession of Collateral. Agent and Lenders appoint each other Lender as agent for the purpose of perfecting Liens (for the benefit of Secured Parties) in any Collateral that, under the UCC or other Applicable Law, can be perfected by possession. If any Lender obtains possession of any such Collateral, it shall notify Agent thereof and, promptly upon Agent's request, deliver such Collateral to Agent or otherwise deal with such Collateral in accordance with Agent's instructions.

12.2.3 Reports. Agent shall promptly, upon receipt thereof, forward to each Lender copies of the results of any field audit or other examination or any appraisal prepared by or on behalf of Agent with respect to any Loan Party or Collateral ("Report"). Each Lender agrees (a) that neither RBS nor Agent makes any representation or warranty as to the accuracy or completeness of any Report, and shall not be liable for any information contained in or omitted from any Report; (b) that the Reports are not intended to be comprehensive audits or examinations, and that Agent or any other Person performing any audit or examination will inspect only specific information regarding Obligations or the Collateral and will rely significantly upon Loan Parties' books and records as well as upon representations of Loan Parties' officers and employees; and (c) to keep all Reports confidential and strictly for such Lender's internal use, and not to distribute any Report (or the contents thereof) to any Person (except to such Lender's Participants, attorneys and accountants) or use any Report in any manner other than administration of the Loans and other Obligations. Each Lender agrees to indemnify and hold harmless Agent and any other Person preparing a Report from any action such Lender may take as a result of or any conclusion it may draw from any Report, as well as any Claims arising in connection with any third parties that obtain all or any part of a Report through such Lender.

12.3 Reliance By Agent. Agent shall be entitled to rely, and shall be fully protected in relying, upon any certification, notice or other communication (including those by telephone, telex, telegram, telecopy or e-mail) believed by it to be genuine and correct and to have been signed, sent or made by the proper Person, and upon the advice and statements of Agent Professionals.

12.4 Action Upon Default. Agent shall not be deemed to have knowledge of any Default or Event of Default unless it has received written notice from a Lender or a Loan Party specifying the occurrence and nature thereof. If any Lender acquires knowledge of a Default or Event of Default, it shall promptly notify Agent and the other Lenders thereof in writing. Each Lender agrees that, except as otherwise provided in any Loan Documents or with the written consent of Agent and Required Lenders, it will not take any Enforcement Action, accelerate its Obligations, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral. Notwithstanding the foregoing, however, a Lender may take action to preserve or enforce its rights against a Loan Party where a deadline or limitation period is applicable that would, absent such action, bar enforcement of Obligations held by such Lender, including the filing of proofs of claim in an Insolvency Proceeding.

12.5 Ratable Sharing. If any Lender shall obtain any payment or reduction of any Obligation, whether through set-off or otherwise, in excess of its share of such Obligation, determined on a Pro Rata basis or in accordance with Section 5.6.1, as applicable, such Lender shall forthwith purchase from Agent, Issuing Bank and the other Lenders such participations in the affected Obligation as are necessary to cause the

purchasing Lender to share the excess payment or reduction on a Pro Rata basis or in accordance with Section 5.6.1, as applicable. If any of such payment or reduction is thereafter recovered from the purchasing Lender, the purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

12.6 Indemnification of Agent Indemnitees.

12.6.1 Indemnification. EACH LENDER SHALL INDEMNIFY AND HOLD HARMLESS AGENT INDEMNITEES, TO THE EXTENT NOT REIMBURSED BY LOAN PARTIES (BUT WITHOUT LIMITING THE INDEMNIFICATION OBLIGATIONS OF LOAN PARTIES UNDER ANY LOAN DOCUMENTS), ON A PRO RATA BASIS, AGAINST ALL CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY AGENT INDEMNITEE. If Agent is sued by any receiver, trustee in bankruptcy, debtor-in-possession or other Person for any alleged preference from a Loan Party or fraudulent transfer, then any monies paid by Agent in settlement or satisfaction of such proceeding, together with all interest, costs and expenses (including attorneys' fees) incurred in the defense of same, shall be promptly reimbursed to Agent by Lenders to the extent of each Lender's Pro Rata share.

12.6.2 Proceedings. Without limiting the generality of the foregoing, if at any time (whether prior to or after the Commitment Termination Date) any proceeding is brought against any Agent Indemnitees by a Loan Party, or any Person claiming through a Loan Party, to recover damages for any act taken or omitted by Agent in connection with any Obligations, Collateral, Loan Documents or matters relating thereto, or otherwise to obtain any other relief of any kind on account of any transaction relating to any Loan Documents, each Lender agrees to indemnify and hold harmless Agent Indemnitees with respect thereto and to pay to Agent Indemnitees such Lender's Pro Rata share of any amount that any Agent Indemnitee is required to pay under any judgment or other order entered in such proceeding or by reason of any settlement, including all interest, costs and expenses (including attorneys' fees) incurred in defending same. In Agent's discretion, Agent may reserve for any such proceeding, and may satisfy any judgment, order or settlement, from proceeds of Collateral prior to making any distributions of Collateral proceeds to Lenders.

12.7 Limitation on Responsibilities of Agent. Agent shall not be liable to Lenders for any action taken or omitted to be taken under the Loan Documents, except for losses directly and solely caused by Agent's gross negligence or willful misconduct. Agent does not assume any responsibility for any failure or delay in performance or any breach by any Loan Party or Lender of any obligations under the Loan Documents. Agent does not make to Lenders any express or implied warranty, representation or guarantee with respect to any Obligations, Collateral, Loan Documents or Loan Party. No Agent Indemnitee shall be responsible to Lenders for any recitals, statements, information, representations or warranties contained in any Loan Documents; the execution, validity, genuineness, effectiveness or enforceability of any Loan Documents; the genuineness, enforceability, collectibility, value, sufficiency, location or existence of any Collateral, or the validity, extent, perfection or priority of any Lien therein; the validity, enforceability or collectibility of any Obligations; or the assets, liabilities, financial condition, results of operations, business, creditworthiness or legal status of any Loan Party or Account Debtor. No Agent Indemnitee shall have any obligation to any Lender to ascertain or inquire into the existence of any Default or Event of Default, the observance or performance by any Loan Party of any terms of the Loan Documents, or the satisfaction of any conditions precedent contained in any Loan Documents.

12.8 Successor Agent and Co-Agents.

12.8.1 Resignation; Successor Agent. Agent may resign at any time by giving at least thirty (30) days written notice of resignation to Lenders and Administrative Borrower. Upon receipt of such notice of resignation, Required Lenders shall have the right to appoint a successor Agent which shall be (a) a Lender or an Affiliate of a Lender; or (b) a commercial bank that is organized under the laws of the United States or any state or district thereof, has a combined capital surplus of at least $200,000,000 and (provided no Default or Event of Default exists) is reasonably acceptable to Administrative Borrower. If no successor agent is appointed prior to the effective date of the resignation of Agent, then Agent may appoint a successor agent from among Lenders, which (provided no Default or Event of Default exists) is reasonably acceptable to Administrative Borrower. Upon acceptance by a successor Agent of an appointment to serve as Agent hereunder, such successor Agent shall thereupon succeed to and become vested with all the powers and duties of the retiring Agent without further act, and the retiring Agent shall be discharged from its duties and obligations hereunder but shall continue to have the benefits of the indemnification set forth in Sections 12.6 and 15.2. Notwithstanding anything to the contrary contained herein, if no successor agent has been appointed or accepted prior to the effective date of the resignation of Agent, the retiring Agent's resignation shall nevertheless thereupon become effective, the retiring Agent shall be discharged from its duties and obligations hereunder (but shall continue to have the benefits of the indemnification set forth in Sections 12.6 and 15.2.), and Lenders shall assume and perform all of the duties of Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. Notwithstanding any Agent's resignation, the provisions of this Section 12 shall continue in effect for its benefit with respect to any actions taken or omitted to be taken by it while Agent. Any successor by merger or acquisition of the stock or assets of RBS shall continue to be Agent hereunder without further act on the part of the parties hereto, unless such successor resigns as provided above.

12.8.2 Separate Collateral Agent. It is the intent of the parties that there shall be no violation of any Applicable Law denying or restricting the right of financial institutions to transact business in any jurisdiction. If Agent believes that it may be limited in the exercise of any rights or remedies under the Loan Documents due to any Applicable Law, Agent may appoint an additional Person who is not so limited, as a separate collateral agent or co-collateral agent. If Agent so appoints a collateral agent or co-collateral agent, each right and remedy intended to be available to Agent under the Loan Documents shall also be vested in such separate agent. Every covenant and obligation necessary to the exercise thereof by such agent shall run to and be enforceable by it as well as Agent. Lenders shall execute and deliver such documents as Agent deems appropriate to vest any rights or remedies in such agent. If any collateral agent or co-collateral agent shall die or dissolve, become incapable of acting, resign or be removed, then all the rights and remedies of such agent, to the extent permitted by Applicable Law, shall vest in and be exercised by Agent until appointment of a new agent.

12.9 Due Diligence and Non-Reliance. Each Lender acknowledges and agrees that it has, independently and without reliance upon Agent or any other Lenders, and based upon such documents, information and analyses as it has deemed appropriate, made its own credit analysis of each Loan Party and its own decision to enter into this Agreement and to fund Loans and participate in LC Obligations hereunder. Each Lender has made such inquiries concerning the Loan Documents, the Collateral and each Loan Party as such Lender feels necessary. Each Lender further acknowledges and agrees that the other Lenders and Agent have made no representations or warranties concerning any Loan Party, any Collateral or the legality, validity, sufficiency or enforceability of any Loan Documents or Obligations. Each Lender will, independently and without reliance upon the other Lenders or Agent, and based upon such financial statements, documents and information as it deems appropriate at the time, continue to make and rely upon its own credit decisions in making Loans and participating in LC Obligations, and in taking or refraining from any action under any Loan Documents. Except for notices, reports and other information expressly requested by a Lender, Agent shall have no duty or responsibility to provide any Lender with any notices, reports or certificates furnished to Agent by any Loan Party or any credit or other information concerning the affairs, financial condition, business or Properties of any Loan Party (or any of its Affiliates) which may come into possession of Agent or any of Agent's Affiliates.

12.10 Replacement of Certain Lenders. In the event that any Lender (a) fails to fund its Pro Rata share of any Loan or LC Obligation hereunder, and such failure is not cured within two (2) Business Days, (b) defaults in performing any of its obligations under the Loan Documents, or (c) fails to give its consent to any amendment, waiver or action for which consent of all Lenders was required and Required Lenders consented, then, in addition to any other rights and remedies that any Person may have, Agent may, by notice to such Lender within one hundred twenty (120) days after such event, require such Lender to assign all of its rights and obligations under the Loan Documents to Eligible Assignee(s) specified by Agent, pursuant to appropriate Assignment and Acceptance(s) and within twenty (20) days after Agent's notice. Agent is irrevocably appointed as attorney-in-fact to execute any such Assignment and Acceptance if the Lender fails to execute same. Such Lender shall be entitled to receive, in cash, concurrently with such assignment, all amounts owed to it under the Loan Documents, including all principal, interest and fees through the date of assignment (but excluding any prepayment charge).

12.11 Remittance of Payments and Collections.

12.11.1 Remittances Generally. All payments by any Lender to Agent shall be made by the time and on the day set forth in this Agreement, in immediately available funds. If no time for payment is specified or if payment is due on demand by Agent and request for payment is made by Agent by 11:00 a.m. New York City time on a Business Day, payment shall be made by Lender not later than 2:00 p.m. New York City time on such day, and if request is made after 11:00 a.m. New York City time, then payment shall be made by 11:00 a.m. New York City time on the next Business Day. Payment by Agent to any Lender shall be made by wire transfer, in the type of funds received by Agent. Any such payment shall be subject to Agent's right of offset for any amounts due from such Lender under the Loan Documents.

12.11.2 Failure to Pay. If any Lender fails to pay any amount when due by it to Agent pursuant to the terms hereof, such amount shall bear interest from the due date until paid at the rate determined by Agent as customary in the banking industry for interbank compensation. In no event shall Loan Parties be entitled to receive credit for any interest paid by a Lender to Agent.

12.11.3 Recovery of Payments. If Agent pays any amount to a Lender in the expectation that a related payment will be received by Agent from a Loan Party and such related payment is not received, then Agent may recover such amount from each Lender that received it. If Agent determines at any time that an amount received under any Loan Document must be returned to a Loan Party or paid to any other Person pursuant to Applicable Law or otherwise, then, notwithstanding any other term of any Loan Document, Agent shall not be required to distribute such amount to any Lender. If any amounts received and applied by Agent to any Obligations are later required to be returned by Agent pursuant to Applicable Law, Lenders shall pay to Agent, on demand, such Lender's Pro Rata share of the amounts required to be returned.

12.12 Agent in its Individual Capacity. As a Lender, RBS shall have the same rights and remedies under the other Loan Documents as any other Lender, and the terms "Lenders," "Required Lenders" or any similar term shall include RBS in its capacity as a Lender. Each of RBS and its Affiliates may accept deposits from, maintain deposits or credit balances for, invest in, lend money to, provide Bank Products to, act as trustee under indentures of, serve as financial or other advisor to, and generally engage in any kind of business with, Loan Parties and their Affiliates, as if RBS were any other bank, without any duty to account therefor (including any fees or other consideration received in connection therewith) to the other Lenders. In their individual capacity, RBS and its Affiliates may receive information regarding Loan Parties, their Affiliates and their Account Debtors (including information subject to confidentiality obligations), and each Lender agrees that RBS and its Affiliates shall be under no obligation to provide such information to Lenders, if acquired in such individual capacity and not as Agent hereunder.

12.13 Agent Titles. Each Lender, other than RBS, that is designated (on the cover page of this Agreement or otherwise) by RBS as an "Agent" or "Arranger" of any type shall not have any right, power, responsibility or duty under any Loan Documents other than those applicable to all Lenders, and shall in no event be deemed to have any fiduciary relationship with any other Lender.

12.14 No Third Party Beneficiaries. This Section 12 is an agreement solely among Lenders and Agent, and does not confer any rights or benefits upon Loan Parties or any other Person. As between Loan Parties and Agent, any action that Agent may take under any Loan Documents shall be conclusively presumed to have been authorized and directed by Lenders as herein provided.

SECTION 13. BENEFIT OF AGREEMENT; ASSIGNMENTS AND PARTICIPATIONS

13.1 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Loan Parties, Agent and Lenders and their respective successors and assigns, except, that, (a) no Loan Party shall have the right to assign its rights or delegate its obligations under any Loan Documents, and (b) any assignment by a Lender must be made in compliance with Section 13.3. Agent may treat the Person which made any Loan as the owner thereof for all purposes until such Person makes an assignment in accordance with Section 13.3. Any authorization or consent of a Lender shall be conclusive and binding on any subsequent transferee or assignee of such Lender.

13.2 Participations.

13.2.1 Permitted Participants; Effect. Any Lender may, in the ordinary course of its business and in accordance with Applicable Law, at any time sell to a financial institution ("Participant") a participating interest in the rights and obligations of such Lender under any Loan Documents. Despite any sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for performance of such obligations, such Lender shall remain the holder of its Loans and Commitments for all purposes, all amounts payable by Loan Parties shall be determined as if such Lender had not sold such participating interests, and Loan Parties and Agent shall continue to deal solely and directly with such Lender in connection with the Loan Documents. Each Lender shall be solely responsible for notifying its Participants of any matters under the Loan Documents, and Agent and the other Lenders shall not have any obligation or liability to any such Participant. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 5.9 unless Administrative Borrower agrees otherwise in writing.

13.2.2 Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, waiver or other modification of any Loan Documents other than that which forgives principal, interest or fees, reduces the stated interest rate or fees payable with respect to any Loan or Commitment in which such Participant has an interest, postpones the Commitment Termination Date or any date fixed for any regularly scheduled payment of principal, interest or fees on such Loan or Commitment, or releases any Loan Party or substantial portion of the Collateral.

13.2.3 Benefit of Set-Off. Loan Parties agree that each Participant shall have a right of set-off in respect of its participating interest to the same extent as if such interest were owing directly to a Lender, and each Lender shall also retain the right of set-off with respect to any participating interests sold by it. By exercising any right of set-off, a Participant agrees to share with Lenders all amounts received through its set-off, in accordance with Section 12.5 as if such Participant were a Lender.

13.3 Assignments.

13.3.1 Permitted Assignments. A Lender may assign to any Eligible Assignee any of its rights and obligations under the Loan Documents, as long as (a) each assignment is of a constant, and not a varying, percentage of the transferor Lender's rights and obligations under the Loan Documents and, in the case of a partial assignment, is in a minimum principal amount of $10,000,000 (unless otherwise agreed by Agent in its discretion) and integral multiples of $1,000,000 in excess of that amount; (b) except in the case of an assignment in whole of a Lender's

rights and obligations, the aggregate amount of the Commitments retained by the transferor Lender be at least $10,000,000 (unless otherwise agreed by Agent in its discretion); (c) each of the Agent and, so long as no Default or Event of Default has occurred and is continuing, Holdings otherwise consent (each such consent not to be unreasonably withheld or delayed); and (d) the parties to each such assignment shall execute and deliver to Agent, for its acceptance and recording, an Assignment and Acceptance; provided that, if such assignment is to a Lender or any Affiliate of a Lender, the consent of Holdings shall not be required. Nothing herein shall limit the right of a Lender to pledge or assign any rights under the Loan Documents to (i) any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors and any Operating Circular issued by such Federal Reserve Bank, or (ii) counterparties to swap agreements relating to any Loans; provided, however, that, any payment by Loan Parties to the assigning Lender in respect of any Obligations assigned as described in this sentence shall satisfy such Loan Parties' obligations hereunder to the extent of such payment, and no such assignment shall release the assigning Lender from its obligations hereunder.

13.3.2 Effect; Effective Date. Upon delivery to Agent of an assignment notice in the form of Exhibit D and a processing fee of $5,000, such assignment shall become effective as specified in the notice, if it complies with this Section 13.3. From the effective date of such assignment, the Eligible Assignee shall for all purposes be a Lender under the Loan Documents, and shall have all rights and obligations of a Lender thereunder. Upon consummation of an assignment, the transferor Lender, Agent and Borrowers shall make appropriate arrangements for issuance of replacement and/or new Notes, as appropriate.

13.4 Tax Treatment. If any interest in a Loan Document is transferred to a Transferee that is organized under the laws of any jurisdiction other than the United States or any state or district thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 5.10.

13.5 Representation of Lenders. Each Lender represents and warrants to each Loan Party, Agent and other Lenders that none of the consideration used by it to fund its Loans or to participate in any other transactions under this Agreement constitutes for any purpose of ERISA or Section 4975 of the Code assets of any "plan" as defined in Section 3(3) of ERISA or Section 4975 of the Code and the interests of such Lender in and under the Loan Documents shall not constitute plan assets under ERISA.

13.6 Securitization. Subject to receiving written consent from Agent and Holdings, any or all of the Lenders and their Affiliates may sell, pledge or otherwise securitize all or any part of the Loans (each, a "Securitization"), through the pledge of Loans as collateral security for loans to any such Lender or its Affiliates, or through the direct sale of Loans or the issuance of direct or indirect interests in Loans, which loans to any Lender or its Affiliates or direct or indirect interests will be rated by Moody's, Standard & Poor's or one or more other rating agencies (the "Rating Agencies"). Loan Parties agree to cooperate with each of the Lenders and their Affiliates to effect each such

Securitization, including, without limitation, by: (a) amending this Agreement and the other Loan Documents, and executing such additional documents, as shall be reasonably requested by any Lender in connection with any such Securitization; provided, that, (i) any such amendment or additional documentation shall be undertaken by Loan Parties at such Lender's expense, and (ii) any such amendment or additional documentation shall not materially and adversely affect the rights, or materially increase the obligations, of Loan Parties under the Loan Documents, or change or affect in a manner adverse to Loan Parties the financial terms of the Loans; (b) providing such financial and other information as may be reasonably requested by the Lenders in connection with the rating of the Loans or any such Securitization; and (c) providing in connection with any rating of the Loans a certificate (i) agreeing to indemnify the Lenders and their Affiliates, the Rating Agencies and each party providing credit support or otherwise participating in such Securitization (each, a "Securitization Party") for any and all Liabilities to which any such Securitization Party may become subject insofar as the Liabilities arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any Loan Document or in any writing delivered by or on behalf of any Loan Party to Agent or any Lender in connection with any Loan Document, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein, or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and such indemnity shall survive any transfer by any Lender or their successors or assigns of any Loans, and (ii) agreeing to reimburse each Lender and its Affiliates for any legal or other expenses reasonably incurred by such Persons in connection with defending the Liabilities.

SECTION 14. [Intentionally Omitted]

SECTION 15. MISCELLANEOUS

15.1 Consents, Amendments and Waivers.

15.1.1 Amendment. No modification of any Loan Document, including any extension or amendment of a Loan Document or any waiver of a Default or Event of Default, shall be effective without the prior written agreement of Agent, the Required Lenders, and each Loan Party party to such Loan Document; provided, however, that:

(a) without the prior written consent of Agent, no modification shall be effective with respect to any provision in a Loan Document that relates to any rights, duties or discretion of Agent;

(b) without the prior written consent of Issuing Bank, no modification shall be effective with respect to any LC Obligations or Section 2.3;

(c) without the prior written consent of each affected Lender, no modification shall be effective that would (i) increase the Commitment of such Lender; or (ii) reduce the amount of, or waive or delay payment of, any principal, interest or fees payable to such Lender; and

(d) without the prior written consent of all Lenders (except a Defaulting Lender), no modification shall be effective that would (i) extend the Revolving Commitment Termination Date; (ii) alter Section 5.6 or 15.1.1; (iii) amend the definitions of Borrowing Base (and the defined terms used in such definition), Pro Rata or Required Lenders; (iv) increase any advance rate, or

increase total Commitments; (v) release Collateral with a book value greater than $10,000,000 during any calendar year, except as currently contemplated by the Loan Documents; or (vi) release any Loan Party from liability for any Obligations, if such Loan Party is Solvent at the time of the release, except as otherwise provided in this Agreement or the other Loan Documents.

15.1.2 Limitations. The agreement of Loan Parties shall not be necessary to the effectiveness of any modification of a Loan Document that deals solely with the rights and duties of Lenders, Agent and/or Issuing Bank as among themselves. Only the consent of the parties to the Fee Letter or any agreement relating to a Bank Product shall be required for any modification of such agreement, and no Affiliate of a Lender that is party to a Bank Product agreement shall have any other right to consent to or participate in any manner in modification of any other Loan Document. The making of any Loans during the existence of a Default or Event of Default shall not be deemed to constitute a waiver of such Default or Event of Default, nor to establish a course of dealing. Any waiver or consent granted by Lenders hereunder shall be effective only if in writing, and then only in the specific instance and for the specific purpose for which it is given.

15.1.3 Payment for Consents. No Loan Party will, directly or indirectly, pay any remuneration or other thing of value, whether by way of additional interest, fee or otherwise, to any Lender (in its capacity as a Lender hereunder) as consideration for agreement by such Lender with any modification of any Loan Documents, unless such remuneration or value is concurrently paid, on the same terms, on a Pro Rata basis to all Lenders providing their consent.

15.2 Indemnity. EACH LOAN PARTY SHALL INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST ANY CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEE, INCLUDING CLAIMS ARISING FROM THE NEGLIGENCE OF AN INDEMNITEE. In no event shall any Loan Party have any obligation hereunder to indemnify or hold harmless an Indemnitee with respect to a Claim that is determined in a final, non-appealable judgment by a court of competent jurisdiction to result from the gross negligence or willful misconduct of such Indemnitee.

15.3 Notices and Communications.

15.3.1 Notice Address. Any notice or request hereunder may be given to any Loan Party or to Agent or any Lender at their respective addresses set forth below or at such other address as may hereafter be specified in a notice designated as a notice of change of address under this Section 15.3.1:

If to Agent, Lenders or to Issuing Bank at:

RBS Business Capital,
a division of RBS Asset Finance, Inc.
28 State Street, 12th Floor
Boston, Massachusetts 02109
Attention: John Bobbin
Telephone: (617) 994-7357
Telecopier: (617) 227-7995

E-mail: John.Bobbin@rbsbusinesscapital.com

If to a Lender other than RBS, as specified on the signature pages hereof.

If to any Borrower
or any Loan Party
c/o Administrative Borrower: M/A-COM Technology Solutions Inc.
100 Chelmsford Street
Lowell, Massachusetts 01851
Attention: Chief Financial Officer
Telephone: (978) 656-2550
Telecopier: (978) 656-2678
E-mail: Conrad.gagnon@macomtech.com

Subject to Section 4.1.4, all notices, requests and other communications by or to a party hereto shall be in writing and shall be given to any Loan Party, at Administrative Borrower's address shown above, and to any other Person at its address shown above (or, in the case of a Person who becomes a Lender after the Closing Date, at the address shown on its Assignment and Acceptance), or at such other address as a party may hereafter specify by notice in accordance with this Section 15.3.1. Each such notice, request or other communication shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received; (b) if given by mail, three (3) Business Days after deposit in the U.S. mail, with first-class postage pre-paid, addressed to the applicable address; or (c) if given by personal delivery, when duly delivered to the notice address with receipt acknowledged. Any written notice, request or other communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by Administrative Borrower shall be deemed received by all Loan Parties.

15.3.2 Electronic Communications; Voice Mail. Electronic mail and internet websites may be used only for routine communications, such as financial statements, Borrowing Base Certificates and other information required by Section 10.1.2, administrative matters, distribution of Loan Documents for execution, and matters permitted under Section 4.1.4. Agent and Lenders make no assurances as to the privacy and security of electronic communications. Electronic and voice mail may not be used as effective notice under the Loan Documents.

15.3.3 Non-Conforming Communications. Agent and Lenders may rely upon any notices purportedly given by or on behalf of any Loan Party even if such notices were not made in a manner specified herein, were incomplete or were not confirmed, or if the terms thereof, as understood by the recipient, varied from a later confirmation. Each Loan Party shall indemnify and hold harmless each Indemnitee from any liabilities, losses, costs and expenses arising from any telephonic communication purportedly given by or on behalf of a Loan Party, other than any liabilities, losses, costs and expenses resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final, non-appealable judgment by a court of competent jurisdiction.

15.4 Performance of Loan Parties' Obligations. Upon the occurrence and during the continuance of an Event of Default, Agent may, in its discretion at any time and from time to time, at Loan Parties' expense, pay any amount or do any act required of a Loan Party under any Loan Documents or otherwise lawfully requested by Agent to (a) enforce any Loan Documents or collect any Obligations; (b) protect, insure, maintain or realize upon any Collateral; or (c) defend or maintain the validity or priority of Agent's Liens in any Collateral, including any payment of a judgment, insurance premium, warehouse charge, finishing or processing charge, or landlord claim, or any discharge of a Lien. All payments, costs and expenses (including Extraordinary Expenses) of Agent under this Section shall be reimbursed to Agent by Loan Parties, on demand, with interest from the date incurred to the date of payment thereof at the Default Rate applicable to Base Rate Revolving Loans. Any payment made or action taken by Agent under this Section shall be without prejudice to any right to assert an Event of Default or to exercise any other rights or remedies under the Loan Documents.

15.5 Credit Inquiries. Each Loan Party hereby authorizes Agent and Lenders (but they shall have no obligation) to respond to usual and customary credit inquiries from third parties concerning any Loan Party or Subsidiary.

15.6 Severability. Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be valid under Applicable Law. If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of the Loan Documents shall remain in full force and effect.

15.7 Cumulative Effect; Conflict of Terms. The provisions of the Loan Documents are cumulative. The parties acknowledge that the Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters, and they agree that these are cumulative and that each must be performed as provided. Except as otherwise specifically provided in another Loan Document (by specific reference to the applicable provision of this Agreement), if any provision contained herein is in direct conflict with any provision in another Loan Document, the provision herein shall govern and control.

15.8 Counterparts; Facsimile Signatures. Any Loan Document may be executed in counterparts, each of which taken together shall constitute one instrument. Loan Documents may be executed and delivered by facsimile, and they shall have the same force and effect as manually signed originals. Agent may require confirmation by a manually-signed original, but failure to request or deliver same shall not limit the effectiveness of any facsimile signature.

15.9 Entire Agreement. Time is of the essence of the Loan Documents. The Loan Documents embody the entire understanding of the parties with respect to the subject matter thereof and supersede all prior understandings regarding the same subject matter.

15.10 Obligations of Lenders. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or Commitments of any other Lender. Amounts payable hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled, to the extent not otherwise restricted hereunder, to protect and enforce its rights arising out of the Loan Documents. It shall not be necessary for Agent or any other Lender to be joined as an additional party in any proceeding for such purposes. Nothing in this Agreement and no action of Agent or Lenders pursuant to the Loan Documents shall be deemed to constitute Agent and Lenders to be a partnership, association, joint venture or any other kind of entity, nor to constitute control of any Loan Party. Each Loan Party acknowledges and agrees that in connection with all aspects of any transaction contemplated by the Loan Documents, Loan Parties, Agent, Issuing Bank and Lenders have an arms-length business relationship that creates no fiduciary duty on the part of Agent, Issuing Bank or any Lender, and each Loan Party, Agent, Issuing Bank and Lender expressly disclaims any fiduciary relationship.

15.11 Confidentiality. During the term of this Agreement and for twelve (12) months thereafter, Agent and Lenders agree to take reasonable precautions to maintain the confidentiality of any information that Loan Parties deliver to Agent and Lenders and identify as confidential at the time of delivery; except, that, Agent and any Lender may disclose such information (a) to their respective officers, directors, employees, Affiliates and agents, including legal counsel, auditors and other professional advisors; (b) to any party to the Loan Documents from time to time; (c) pursuant to the order of any court or administrative agency; (d) upon the request of any Governmental Authority exercising regulatory authority over Agent or such Lender; (e) which ceases to be confidential, other than by an act or omission of Agent or any Lender, or which becomes available to Agent or any Lender on a nonconfidential basis; (f) to the extent reasonably required in connection with any litigation relating to any Loan Documents or transactions contemplated thereby, or otherwise as required by Applicable Law; (g) to the extent reasonably required for the exercise of any rights or remedies under the Loan Documents; (h) to any actual or proposed party to a Bank Product or to any Transferee, as long as such Person agrees to be bound by the provisions of this Section; (i) to the National Association of Insurance Commissioners or any similar organization, or to any nationally recognized rating agency that requires access to information about a Lender's portfolio in connection with ratings issued with respect to such Lender; (j) to any investor or potential investor in an Approved Fund that is a Lender or Transferee, but solely for use by such investor to evaluate an investment in such Approved Fund, or to any manager, servicer or other Person in connection with its administration of any such Approved Fund (in each case, so long as such Person agrees to be bound by the provisions of this Section); or (k) with the consent of Loan Parties. Notwithstanding the foregoing, Agent and Lenders may, in consultation with Borrowers, make disclosures in customary "tombstone" or similar advertisements and promotional materials.

15.12 Right of Setoff; No Waiver; Cumulative Remedies.

15.12.1 Right of Setoff. Each of Agent, each Lender, each Issuing Bank and each Affiliate (including each branch office thereof) of any of them is hereby authorized, without notice or demand (each of which is hereby waived by each Loan Party), at any time and from time to time during the continuance of any Event of Default and to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (whether general or special, time or demand, provisional or final) at any time held and other Indebtedness, claims or other obligations at any time owing by Agent, such Lender, such Issuing Bank or any of their respective Affiliates to or for the credit or the account of Borrowers or any other Loan Party against any Obligation of any Loan Party now or hereafter existing, whether or not any demand was made under any Loan Document with respect to such Obligation and even though such Obligation may be unmatured. No Lender or Issuing Bank shall exercise any such right of setoff without the prior consent of Agent or Required Lenders. Each of Agent, each Lender and each Issuing Bank agrees promptly to notify the Administrative Borrower and Agent after any such setoff and application made by such Lender or its Affiliates; provided, however, that the failure to give such notice shall not affect the validity of such setoff and application. The rights under this Section 15.12.1 are in addition to any other rights and remedies (including other rights of setoff) that Agent, Lenders, Issuing Banks, their Affiliates and the other Secured Parties, may have.

15.12.2 No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of Agent or any Lender, any right, remedy, power or privilege hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. No course of dealing between any Loan Party, any Affiliate of any Loan Party, Agent or any Lender shall be effective to amend, modify or discharge any provision of this Agreement or any of the other Loan Documents.

15.13 GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO ANY PRINCIPLES OF CONFLICTS OF LAW OR OTHER RULE THAT WOULD CAUSE THE APPLICATION OF THE LAW OF ANY JURISDICTION OTHER THAN THE LAWS OF THE STATE OF NEW YORK (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS).

15.14 Consent to Forum. EACH LOAN PARTY HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER THE STATE OF NEW YORK, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY IT SOLELY IN ANY SUCH COURT. EACH LOAN PARTY IRREVOCABLY WAIVES ALL CLAIMS, OBJECTIONS AND DEFENSES THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER

JURISDICTION, VENUE OR INCONVENIENT FORUM. Nothing herein shall limit the right of Agent or any Lender to bring proceedings against any Loan Party in any other court. Nothing in this Agreement shall be deemed to preclude enforcement by Agent of any judgment or order obtained in any forum or jurisdiction.

15.15 Waivers by Loan Parties. To the fullest extent permitted by Applicable Law, each Loan Party waives (a) the right to trial by jury (which Agent and each Lender hereby also waives) in any proceeding, claim or counterclaim of any kind relating in any way to any Loan Documents, Obligations or Collateral; (b) presentment, demand, protest, notice of presentment, default, non-payment, maturity, release, compromise, settlement, extension or renewal of any commercial paper, accounts, contract rights, documents, instruments, chattel paper and guaranties at any time held by Agent on which a Loan Party may in any way be liable, and hereby ratifies anything Agent may do in this regard; (c) notice prior to taking possession or control of any Collateral; (d) any bond or security that might be required by a court prior to allowing Agent to exercise any rights or remedies; (e) the benefit of all valuation, appraisement and exemption laws; (f) any claim against Agent or any Lender, on any theory of liability, for special, indirect, consequential, exemplary or punitive damages (as opposed to direct or actual damages) in any way relating to any Enforcement Action, Obligations, Loan Documents or transactions relating thereto; and (g) notice of acceptance hereof. Each Loan Party acknowledges that the foregoing waivers are a material inducement to Agent and Lenders entering into this Agreement and that Agent and Lenders are relying upon the foregoing in their dealings with Loan Parties. Each Loan Party has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

15.16 Patriot Act Notice. Agent and Lenders hereby notify Loan Parties that pursuant to the requirements of the Patriot Act, Agent and Lenders are required to obtain, verify and record information that identifies each Loan Party, including its legal name, address, tax ID number and other information that will allow Agent and Lenders to identify it in accordance with the Patriot Act. Agent and Lenders will also require information regarding each personal guarantor, if any, and may require information regarding Loan Parties' management and owners, such as legal name, address, social security number and date of birth.

15.17 NO ORAL AGREEMENT. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN AGREEMENTS BETWEEN THE PARTIES.

[SIGNATURE PAGES FOLLOW**]**

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date set forth above.

BORROWERS:

M/A-COM TECHNOLOGY SOLUTIONS INC., a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

M/A-COM AUTO SOLUTIONS INC.,
a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

LASER DIODE INCORPORATED, a Nevada corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

MIMIX BROADBAND, INC, a Texas corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

GUARANTOR:

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

MIMIX HOLDINGS, INC., a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

AGENT AND LENDERS:

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc.,
as Agent and Lender

By: /s/ John D. Bobbin
Name: John D. Bobbin
Title: Vice President

BRIDGE BANK, NATIONAL ASSOCIATION
as Lender

By: /s/ Blake Reid
Name: Blake Reid
Title: Assistant Vice President

[SIGNATURES CONTINUED ON NEXT PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]

ISSUING BANK:

BRIDGE BANK, NATIONAL ASSOCIATION,
as Issuing Bank

By: /s/ Blake Reid
Name: Blake Reid
Title: Assistant Vice President

Schedule 1.1
to
Loan Agreement

Commitment of Lenders

Lender	Revolving Loan Commitment
RBS Business Capital	$35,000,000
Bridge Bank, National Association	$15,000,000
Total:	***$50,000,000***

Schedule 10.1.11
to
Loan Agreement

Post-Closing Obligations

1. Within ninety (90) days of the Closing Date, original share certificates of each of M/A-Com Technology Solutions (Holding) Company Ltd., M/A-COM Technology Solutions (UK) Limited, M/A-COM Tech Asia, Inc. and Mimix Broadband PTY Limited, in each case, representing all of the outstanding Capital Stock of each such entity required to be pledged pursuant to Section 10.1.9(c) of this Agreement and stock powers and/or assignments for such share certificates duly executed in blank.
2. Within thirty (30) days of the Closing Date, evidence that Borrowers and Guarantors have closed each of their disbursement accounts and any accounts used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Loan Parties' salaried employees, in each case, that are maintained with a depository bank or other financial institution other than RBS or an Affiliate thereof.
3. Within one hundred eighty (180) days of the Closing Date, evidence that Borrowers and Guarantors have closed each of their operating accounts, lock boxes and other Deposit Accounts (other than the accounts referred to in item 2 above), in each case, that are maintained with a depository bank or other financial institution other than RBS or an Affiliate thereof.
4. Within thirty (30) days of the Closing Date, one or more Control Agreements executed by Silicon Valley Bank and Mimix Broadband, Inc. with respect to accounts numbered 3300473422, 8800062545009, 8800062544003 and 486-04142-10 RR ZGC maintained by Mimix Broadband, Inc. with Silicon Valley Bank.

Exhibit A
to
Loan Agreement

Form of Assignment and Acceptance Agreement

This ASSIGNMENT AND ACCEPTANCE AGREEMENT (this "Assignment and Acceptance") dated as of [_____, 20__] is made between [_____] (the "Assignor") and [_____] (the "Assignee").

W I T N E S S E T H:

WHEREAS, RBS BUSINESS CAPITAL, a division of RBS Asset Finance, Inc., in its capacity as agent pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of the financial institutions which are parties thereto as lenders (in such capacity, "Agent"), and the financial institutions which are parties to the Loan Agreement as lenders (individually, each a "Lender" and collectively, "Lenders") have entered or are about to enter into financing arrangements pursuant to which Agent and Lenders may make loans and advances and provide other financial accommodations to M/A-COM TECHNOLOGY SOLUTIONS INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology"), M/A-COM AUTO SOLUTIONS, INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), LASER DIODE INCORPORATED ("Laser"), a corporation organized under the laws of the State of Nevada, and MIMIX BROADBAND, INC., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers") as set forth in the Loan Agreement, dated November [__], 2010, by and among Borrowers, M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., a corporation organized under the laws of the State of Delaware ("Holdings"), the other Persons party thereto that are designated as a "Guarantor" (together with Holdings, collectively, "Guarantors"), Agent and Lenders (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement"; capitalized terms used but not defined herein have the meanings ascribed thereto in the Loan Agreement), and the other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Loan Documents");

WHEREAS, as provided under the Loan Agreement, Assignor committed to making Loans (the "Committed Loans") to Borrowers in an aggregate amount not to exceed $[_____] (the "Commitment"); and

WHEREAS, Assignor wishes to assign to Assignee **[**part of the**] [**all**]** rights and obligations of Assignor under the Loan Agreement in respect of its Commitment in an amount equal to $[_____] (the "Assigned Commitment Amount") on the terms and subject to the conditions set forth herein and Assignee wishes to accept assignment of such rights and to assume such obligations from Assignor on such terms and subject to such conditions.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, the parties hereto agree as follows:

1. Assignment and Acceptance.

(a) Subject to the terms and conditions of this Assignment and Acceptance, Assignor hereby sells, transfers and assigns to Assignee, and Assignee hereby purchases, assumes and undertakes from Assignor, without recourse and without representation or warranty (except as provided in this Assignment and Acceptance) an interest in (i) the Commitment and each of the Committed Loans of Assignor and (ii) all related rights, benefits, obligations, liabilities and indemnities of the Assignor under and in connection with the Loan Agreement and the other Loan Documents, so that after giving effect thereto, the Commitment of Assignee shall be as set forth below and the Pro Rata share of Assignee shall be [_____(__%)] percent.

(b) With effect on and after the Effective Date (as defined in Section 5 hereof), Assignee shall be a party to the Loan Agreement and succeed to all of the rights and be obligated to perform all of the obligations of a Lender under the Loan Agreement, including the requirements concerning confidentiality and the payment of indemnification, with a Commitment in an amount equal to the Assigned Commitment Amount. Assignee agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Agreement are required to be performed by it as a Lender. It is the intent of the parties hereto that the Commitment of Assignor shall, as of the Effective Date, be reduced by an amount equal to the Assigned Commitment Amount and Assignor shall relinquish its rights and be released from its obligations under the Loan Agreement to the extent such obligations have been assumed by Assignee; provided, that, Assignor shall not relinquish its rights under Sections 2.3, 5.5, 12.6 and 15.2 of the Loan Agreement to the extent such rights relate to the time prior to the Effective Date.

(c) After giving effect to the assignment and assumption set forth herein, on the Effective Date Assignee's Commitment will be $[_____].

(d) After giving effect to the assignment and assumption set forth herein, on the Effective Date Assignor's Commitment will be $[_____] (as such amount may be further reduced by any other assignments by Assignor on or after the date hereof).

2. Payments.

(a) As consideration for the sale, assignment and transfer contemplated in Section 1 hereof, Assignee shall pay to Assignor on the Effective Date in immediately available funds an amount equal to $[_____], representing Assignee's Pro Rata Share of the principal amount of all Committed Loans.

(b) Assignee shall pay to Agent the processing fee in the amount specified in Section 13.3.2 of the Loan Agreement.

3. Reallocation of Payments. Any interest, fees and other payments accrued to the Effective Date with respect to the Commitment, Committed Loans and outstanding LC Obligations shall be for the account of Assignor. Any interest, fees and other payments accrued on and after the Effective Date with respect to the Assigned Commitment Amount shall be for the account of

Assignee. Each of Assignor and Assignee agrees that it will hold in trust for the other party any interest, fees and other amounts which it may receive to which the other party is entitled pursuant to the preceding sentence and pay to the other party any such amounts which it may receive promptly upon receipt.

4. Independent Credit Decision. Assignee acknowledges that it has received a copy of the Loan Agreement and the Schedules and Exhibits thereto, together with copies of the most recent financial statements of Holdings and its Subsidiaries, and such other documents and information as it has deemed appropriate to make its own credit and legal analysis and decision to enter into this Assignment and Acceptance and agrees that it will, independently and without reliance upon Assignor, Agent or any Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit and legal decisions in taking or not taking action under the Loan Agreement.

5. Effective Date; Notices.

(a) As between Assignor and Assignee, the effective date for this Assignment and Acceptance shall be [_____, 20__] (the "Effective Date"); provided, that, the following conditions precedent have been satisfied on or before the Effective Date:

(i) this Assignment and Acceptance shall be executed and delivered by Assignor and Assignee;

(ii) the consent of [(A)] Agent [and (B) Holdings][1] as required for an effective assignment of the Assigned Commitment Amount by Assignor to Assignee shall have been duly obtained and shall be in full force and effect as of the Effective Date;

(iii) written notice of such assignment, together with payment instructions, addresses and related information with respect to Assignee, shall have been given to Administrative Borrower and Agent;

(iv) Assignee shall pay to Assignor all amounts due to Assignor under this Assignment and Acceptance; and

(v) the processing fee referred to in Section 2(b) hereof shall have been paid to Agent.

(6) Promptly following the execution of this Assignment and Acceptance, Assignor shall deliver to Administrative Borrower and Agent for acknowledgment by Agent, a Notice of Assignment in the form attached as Exhibit D to the Loan Agreement.

[7. Agent. **[**INCLUDE ONLY IF ASSIGNOR IS AN AGENT**]**

(a) Assignee hereby appoints and authorizes Assignor in its capacity as Agent to take such action as agent on its behalf to exercise such powers under the Loan Agreement as are delegated to Agent by Lenders pursuant to the terms of the Loan Agreement.

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[1] The consent of Holdings shall not be required if (i) a Default or an Event of Default has occurred and is continuing or (ii) the Assignee is a Lender or an affiliate of a Lender.

(b) Assignee shall assume no duties or obligations held by Assignor in its capacity as Agent under the Loan Agreement.**]**

8. Withholding Tax. Assignee 5. represents and warrants to Assignor, Agent and Borrowers that under applicable law and treaties no tax will be required to be withheld by Assignee, Agent or Borrowers with respect to any payments to be made to Assignee hereunder or under any of the Loan Documents, 6. agrees to furnish (if it is not a "United States person" within the meaning of section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended) to Agent and Borrowers prior to the time that Agent or Borrowers are required to make any payment of principal, interest or fees hereunder, duplicate executed originals of either U.S. Internal Revenue Service Form W-8BEN or W-8ECI, as applicable (wherein Assignee claims entitlement to the benefits of a tax treaty that provides for a complete exemption from U.S. federal income withholding tax on all payments hereunder) and agrees to provide new such forms upon the expiration of any previously delivered form or comparable statements in accordance with applicable U.S. law and regulations and amendments thereto, duly executed and completed by Assignee, and 7. agrees to comply with all applicable U.S. laws and regulations with regard to such withholding tax exemption.

9. Representations and Warranties.

(a) Assignor represents and warrants that (i) it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any security interest, lien, encumbrance or other adverse claim, (ii) it is duly organized and existing and it has the full power and authority to take, and has taken, all action necessary to execute and deliver this Assignment and Acceptance and any other documents required or permitted to be executed or delivered by it in connection with this Assignment and Acceptance and to fulfill its obligations hereunder, (iii) no notices to, or consents, authorizations or approvals of, any Person are required (other than any already given or obtained) for its due execution, delivery and performance of this Assignment and Acceptance, and apart from any agreements or undertakings or filings required by the Loan Agreement, no further action by, or notice to, or filing with, any Person is required of it for such execution, delivery or performance, and (iv) this Assignment and Acceptance has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of Assignor, enforceable against Assignor in accordance with the terms hereof, subject, as to enforcement, to bankruptcy, insolvency, moratorium, reorganization and other laws of general application relating to or affecting creditors' rights and to general equitable principles.

(b) Assignor makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Loan Agreement or any of the other Loan Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Agreement or any other instrument or document furnished pursuant thereto. Assignor makes no representation or warranty in connection with, and assumes no responsibility with respect to, the solvency, financial condition or statements of Borrowers, Guarantors or any of their respective Affiliates, or the performance or observance by Borrowers, Guarantors or any other Person, of any of its respective obligations under the Loan Agreement or any other instrument or document furnished in connection therewith.

(c) Assignee represents and warrants that (i) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Assignment and Acceptance and any other documents required or permitted to be executed or delivered by it in connection with this Assignment and Acceptance, and to fulfill its obligations hereunder, (ii) no notices to, or consents, authorizations or approvals of, any Person are required (other than any already given or obtained) for its due execution, delivery and performance of this Assignment and Acceptance, and apart from any agreements or undertakings or filings required by the Loan Agreement, no further action by, or notice to, or filing with, any Person is required of it for such execution, delivery or performance; and (iii) this Assignment and Acceptance has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of Assignee, enforceable against Assignee in accordance with the terms hereof, subject, as to enforcement, to bankruptcy, insolvency, moratorium, reorganization and other laws of general application relating to or affecting creditors' rights to general equitable principles.

10. Further Assurances. Assignor and Assignee each hereby agree to execute and deliver such other instruments, and take such other action, as either party may reasonably request in connection with the transactions contemplated by this Assignment and Acceptance, including the delivery of any notices or other documents or instruments to Borrowers or Agent, which may be required in connection with the assignment and assumption contemplated hereby.

11. Miscellaneous.

(a) Any amendment or waiver of any provision of this Assignment and Acceptance shall be in writing and signed by the parties hereto. No failure or delay by either party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof and any waiver of any breach of the provisions of this Assignment and Acceptance shall be without prejudice to any rights with respect to any other for further breach thereof.

(b) All payments made hereunder shall be made without any set-off or counterclaim.

(c) Assignor and Assignee shall each pay its own costs and expenses incurred in connection with the negotiation, preparation, execution and performance of this Assignment and Acceptance.

(d) This Assignment and Acceptance may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

(e) THIS ASSIGNMENT AND ACCEPTANCE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK. Assignor and Assignee each irrevocably submits to the non-exclusive jurisdiction of any State or Federal court sitting in or with jurisdiction over New York, in any suit, action or proceeding arising out of or relating to this Assignment and Acceptance and irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such State of New York State or Federal court. Each party to this Assignment and Acceptance hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding.

(f) ASSIGNOR AND ASSIGNEE EACH HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN

CONNECTION WITH THIS ASSIGNMENT AND ACCEPTANCE, THE LOAN AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS OR ANY RELATED DOCUMENTS AND AGREEMENTS OR ANY COURSE OF CONDUCT, COURSE OF DEALING, OR STATEMENTS (WHETHER ORAL OR WRITTEN).

IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment and Acceptance to be executed and delivered by their duly authorized officers as of the date first above written.

ASSIGNOR:
[_____]

By:
Name:
Title:

ASSIGNEE:
[_____]

By:
Name:
Title:

AGENT:

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc.

By:
Name:
Title:

[HOLDINGS:
M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., a Delaware corporation

By:
Name:
Title:][2]

[2] The consent of Holdings shall not be required if (i) a Default or an Event of Default has occurred and is continuing or (ii) the Assignee is a Lender or an affiliate of a Lender.

Exhibit B

to

Loan Agreement

Form of Borrowing Base Certificate

Date: _____, 201__

This Borrowing Base Certificate (this "Certificate") is given by M/A-COM Technology Solutions Inc., a Delaware corporation ("Administrative Borrower"), pursuant to that certain Loan Agreement, dated as of November [__], 2010, among Administrative Borrower, M/A-COM Auto Solutions, Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), Laser Diode Incorporated, a corporation organized under the laws of the State of Nevada ("Laser"), Mimix Broadband, Inc., a corporation organized under the laws of the State of Texas ("Mimix", and together with Administrative Borrower, M/A-COM Auto and Laser, collectively, "Borrowers"), the other Loan Parties party thereto, RBS Business Capital, a division of RBS Asset Finance, Inc., a corporation organized under the laws of the State of New York, as agent for the Lenders (in such capacity, "Agent") and as a Lender, the additional Lenders party thereto and the Issuing Bank (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"). Capitalized terms used herein (including in Annex I hereto) without definition shall have the meanings set forth in the Loan Agreement.

I, the undersigned, hereby certify to you, in my capacity as an officer of the Administrative Borrower, and not in my individual capacity, pursuant to and in accordance with the Loan Agreement that as of the date of delivery (such date, the "Delivery Date") of this Certificate, that:

(a) I am a duly elected Senior Officer of Administrative Borrower;

(b) attached as Annex I hereto is a schedule of the Borrowing Base of Borrowers as of the Delivery Date and the calculations made with respect thereto, and such schedule is a true and correct statement thereof, and that the information contained therein is true and correct in all material respects regarding the status of Eligible Accounts, Eligible Inventory, Eligible Equipment, Eligible Foreign Accounts and Eligible Unearned Revenue and that the amounts reflected therein are in compliance with the provisions of the Loan Agreement and the Schedules and Exhibits attached thereto;

(c) no remittances have been received from or returns granted to any Account Debtors with respect to Accounts included as Eligible Accounts in this Certificate other than as previously reported;

(d) except as set forth in Schedule A hereto, no Default or Event of Default has occurred and is continuing; and

(e) each of the representations and warranties made by any Loan Party set forth in Section 9 of the Loan Agreement or in any other Loan Document is true and correct in all material respects as of the Delivery Date with the same effect as if made on the Delivery Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects as of such earlier date.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Certificate on behalf of Administrative Borrower, and has caused the same to be delivered as of the date first indicated above.

M/A-COM Technology Solutions Inc.,
as Administrative Borrower

By: _____
Name:
Title:

Schedule A

to

Borrowing Base Certificate

Exhibit C
to
Loan Agreement

Form of Compliance Certificate

To: RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc., as Agent
28 State Street, 12th Floor
Boston, Massachusetts 02109
Attention: _____

Re: _____

Ladies and Gentlemen:

I hereby certify to you in my capacity as an officer of M/A-COM Technology Solutions, Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology") and not in my individual capacity, pursuant to Section 10.1.2(d) of the Loan Agreement (as defined below) as follows:

1. I am the duly elected Senior Officer of M/A-COM Technology, as Administrative Borrower pursuant to that certain Loan Agreement, dated November [__], 2010 (as amended, modified or supplemented, from time to time, the "Loan Agreement"), by and among RBS BUSINESS CAPITAL, a division of RBS Asset Finance, Inc., a corporation organized under the laws of the State of New York, in its capacity as agent pursuant to the Loan Agreement acting for and on behalf of the parties thereto as lenders (in such capacity, "Agent"), certain financial institutions party to the Loan Agreement as lenders (individually, each a "Lender" and collectively, "Lenders"), M/A-COM Technology, M/A-COM AUTO SOLUTIONS, INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), LASER DIODE INCORPORATED ("Laser"), a corporation organized under the laws of the State of Nevada, and MIMIX BROADBAND, INC., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers") as set forth in the Loan Agreement, dated November [__], 2010, by and among Borrowers, M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., a corporation organized under the laws of the State of Delaware ("Holdings"), and the other Persons party thereto that are designated as a "Guarantor" (together with Holdings, collectively, "Guarantors"). Capitalized terms used herein without definition shall have the meanings given to such terms in the Loan Agreement.

2. I have reviewed the terms of the Loan Agreement, and have made, or have caused to be made under my supervision, a review in reasonable detail of the transactions and the financial condition of Holdings and its Subsidiaries (on a consolidated basis), during the immediately preceding [Fiscal Quarter][Fiscal Year].

3. The review described in Section 2 above did not disclose the existence during or at the end of such [Fiscal Quarter][Fiscal Year], and I have no knowledge of the existence and continuance on the date hereof, of any condition or event which constitutes a Default or an Event of Default, except as set forth on Schedule I attached hereto. Described on Schedule I attached hereto are the exceptions, if any, to this Section 3 listing, in detail, the nature of the condition or event, the period during which it has existed and the action which any Loan Party has taken, is taking, or proposes to take with respect to such condition or event.

4. Based on the review described in Section 2 above, no Loan Party has at any time during or at the end of such [Fiscal Quarter][Fiscal Year], except as specifically described on Schedule II attached hereto or as permitted by the Loan Agreement, done any of the following:

(a) Changed its respective corporate name or transacted business under any trade name;

(b) Changed the location of its chief executive office, changed its jurisdiction of incorporation, changed its type of organization, changed the location of any Collateral, made any Asset Disposition or established any new places of business;

(c) Permitted or suffered to exist any security interest in or liens upon any of its properties, whether real or personal, other than as specifically permitted in the Loan Documents; or

(d) Become aware of, obtained knowledge of, or received notification of, any breach or violation (i) of any material covenant contained in any Material Contract or (ii) in the payment of Borrowed Money in excess of $[_____].

5. As of the date hereof:

(a) No Loan Party has become aware of, obtained knowledge of, or received notification of, any breach or noncompliance of any lease of real property; and

(b) All rent and other amounts required to be paid under any lease of real property have been paid, except to the extent being Properly Contested.

6. Attached hereto as Schedule III are the calculations used in determining whether Loan Parties are in compliance with the covenants set forth in Section 10.2.3 and Section 10.3 of the Loan Agreement for such [Fiscal Quarter][Fiscal Year].

7. Holdings and its Subsidiaries (on a consolidated basis) have achieved EBITDA for the most recently ended Fiscal Quarter of $[_____]. Attached hereto as Schedule IV are the calculations used in determining EBITDA as of the end of such Fiscal Quarter.

[*Signature page follows*]

The foregoing certifications are made and delivered this day of _____, 20__.

Very truly yours,

M/A-COM TECHNOLOGY SOLUTIONS INC.,
as Administrative Borrower

By:
Name:
Title:

Exhibit D
to
Loan Agreement

Form of Assignment Notice

_____ __, 20__

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc., as Agent
28 State Street, 12th Floor
Boston, Massachusetts 02109
Attention: _____

Re: _____

Ladies and Gentlemen:

RBS BUSINESS CAPITAL, a division of RBS Asset Finance, Inc., in its capacity as agent pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of the financial institutions which are parties thereto as lenders (in such capacity, "Agent"), and the financial institutions which are parties to the Loan Agreement as lenders (individually, each a "Lender" and collectively, "Lenders") have entered or are about to enter into financing arrangements pursuant to which Agent and Lenders may make loans and advances and provide other financial accommodations to

M/A-COM TECHNOLOGY SOLUTIONS INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology"), M/A-COM AUTO SOLUTIONS, INC., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), LASER DIODE INCORPORATED ("Laser"), a corporation organized under the laws of the State of Nevada, and MIMIX BROADBAND, INC., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers") as set forth in the Loan Agreement, dated November [__], 2010, by and among Borrowers, M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC., a corporation organized under the laws of the State of Delaware ("Holdings"), the other Persons party thereto that are designated as a "Guarantor" (together with Holdings, collectively, "Guarantors"), Agent and Lenders (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement"), and the other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Loan Documents"). Capitalized terms used herein without definition shall have the meanings given to such terms in the Loan Agreement.

1. We hereby give you notice of, and request your consent to, the assignment by [_____] (the "Assignor") to [_____] (the "Assignee") such that after giving effect to the assignment Assignee shall have an interest equal to [_____(__%)] percent of the total Commitments pursuant to the Assignment and Acceptance Agreement attached hereto (the "Assignment and Acceptance"). We understand that the Assignor's Commitment shall be reduced by $[_____], as the same may be further reduced by other assignments on or after the date hereof.

2. Assignee agrees that, upon receiving the consent of Agent to such assignment, Assignee will be bound by the terms of the Loan Agreement as fully and to the same extent as if the Assignee were the Lender originally holding such interest under the Loan Agreement.

3. The following administrative details apply to Assignee:

(A) Notice address:

Assignee name: _____
Address: _____
Attention: _____
Telephone: _____
Telecopier: _____

(B) Payment instructions:

Account No.: _____
At: _____
Reference: _____
Attention: _____

4. You are entitled to rely upon the representations, warranties and covenants of each of Assignor and Assignee contained in the Assignment and Acceptance.

IN WITNESS WHEREOF, Assignor and Assignee have caused this Notice of Assignment and Acceptance to be executed by their respective duly authorized officials, officers or agents as of the date first above mentioned.

Very truly yours,

ASSIGNOR:

[_____]

By:
Name:
Title:

ASSIGNEE:

[_____]

By:
Name:
Title:

ACKNOWLEDGED AND ASSIGNMENT
CONSENTED TO:

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc., as Agent

By: _____
Name: _____
Title: _____

FIRST AMENDMENT AND CONSENT TO LOAN AGREEMENT

FIRST AMENDMENT AND CONSENT TO LOAN AGREEMENT, dated as of December 21, 2010 (this "Amendment") to the Loan Agreement referred to below, by and among M/A-COM Technology Solutions Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology"), M/A-COM Auto Solutions Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), Laser Diode Incorporated, a corporation organized under the laws of the State of Nevada ("Laser"), Mimix Broadband, Inc., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers"), M/A-COM Technology Solutions Holdings, Inc., a corporation organized under the laws of the State of Delaware ("Holdings"), the other Loan Parties signatory hereto, Lenders signatory hereto, and RBS Business Capital, a division of RBS Asset Finance, Inc., a corporation organized under the laws of the State of New York, as agent for Lenders ("Agent").

W I T N E S S E T H

WHEREAS, Borrowers, Holdings, the other Loan Parties signatory thereto, Agent and Lenders party thereto from time to time are parties to that certain Loan Agreement, dated as of December 3, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement");

WHEREAS, Borrowers have requested that Agent and Lenders amend the Loan Agreement, and Agent and Lenders have agreed to amend the Loan Agreement to, among other things, permit the payment of certain dividends from the proceeds of the issuance of preferred shares of Holdings, in the manner and on the terms and conditions provided for herein; and

WHEREAS, Borrowers have also requested that Agent and Lenders consent, and Agent and Lenders have agreed to consent, to an amendment to the Management Agreement in the manner and on the terms and conditions provided for herein.

NOW THEREFORE, in consideration of the promises and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein (including in the Recitals hereto) shall have the meanings ascribed to them in the Loan Agreement as amended by this Amendment (the "Amended Loan Agreement").

2. Consent. As of the First Amendment Effective Date (as defined below), Agent and Lenders hereby consent to the amendment of the Management Agreement pursuant to Amendment No. 1 to Management Agreement in the form attached hereto as Exhibit A.

3. Amendments to the Loan Agreement. The Loan Agreement is hereby amended as of the First Amendment Effective Date as follows:

(a) Clause (e) of the definition of "Change of Control" set forth in Section 1.1 of the Loan Agreement is amended and restated to read as follows:

"(e) any "Liquidation Event", "Fundamental Change", "Change in Ownership", or substantially similar term shall occur under (and as defined in) the Third Amended and Restated Certificate of Incorporation of M/A-COM Technology Solutions Holdings, Inc., as in effect on the First Amendment Effective Date."

(b) Section 1.1 of the Loan Agreement is amended by amending and restating the following definitions to read as follows:

"Management Agreement - the letter agreement dated October 15, 2008 by and between GaAs Labs, LLC and Mimix Holdings, Inc., as amended by Amendment No. 1 to Management Agreement and as may be further amended to the extent permitted under the Management Fee Subordination Agreement.

Fixed Charge Coverage Ratio - the ratio, determined on a consolidated basis for Holdings and its Subsidiaries, for any period, of (a) EBITDA minus the sum of (i) Capital Expenditures (except those financed with proceeds from the issuance of Capital Stock or with Borrowed Money other than Revolving Loans), (ii) Distributions (other than the December 2010 Dividend) made and (iii) cash income taxes paid, to (b) Fixed Charges.

Permitted Contingent Obligations - Contingent Obligations (a) arising from endorsements of Payment Items for collection or deposit in the Ordinary Course of Business; (b) arising from Hedging Agreements permitted hereunder; (c) existing on the Closing Date, and any extension or renewal thereof that does not increase the amount of such Contingent Obligation when extended or renewed; (d) incurred in the Ordinary Course of Business with respect to surety, appeal or performance bonds, or other similar obligations; (e) arising from customary indemnification and warranty obligations in favor of purchasers in connection with acquisitions and dispositions permitted hereunder; (f) arising under the Loan Documents; and (g) arising under the "Subsidiary Guaranty" made pursuant to Section 6F of the Summit Stock Purchase Agreement."

(c) Section 1.1 of the Loan Agreement is amended by adding the following new definitions in the appropriate alphabetical order:

"Amendment No. 1 to Management Agreement - that certain letter agreement dated December 21, 2010 between GaAs Labs, LLC and Mimix Holdings, Inc. amending the Management Agreement.

December 2010 Dividend - as defined in Section 10.2.4.

First Amendment Effective Date - December 21, 2010.

Summit Equity Proceeds - net proceeds arising from the issuance by Holdings of its Class B Convertible Preferred Stock and warrants to purchase common stock of Holdings to the Summit Investors on or about December 21, 2010, pursuant to and in accordance with the terms of the Summit Sale Documents.

Summit Investors - collectively, Summit Partners Private Equity Fund VII-A, L.P., Summit Partners Private Equity Fund VII-B, L.P., Summit Investors I, LLC, Summit Investors I (UK), L.P. and Mainsail Partners II L.P., or any of their respective Affiliates or transferees.

Summit Sale Documents - collectively, (i) the Summit Stock Purchase Agreement, (ii) the M/A-COM Technology Solutions Holdings, Inc. Class B Preferred Rights Agreement dated as of December 21, 2010 by and among Holdings and the Summit Investors, (iii) the

Amended and Restated Investor Rights Agreement dated as of December 21, 2010 by and among Holdings and the Persons party thereto that are designated as "Investors" therein and (iv) the Third Amended and Restated Certificate of Incorporation of M/A-COM Technology Solutions Holdings, Inc. dated as of December 21, 2010, (v) the Amended and Restated Bylaws of Holdings adopted as of December 21, 2010, (vi) each Management Rights Agreement (as defined in the Summit Stock Purchase Agreement), and (vii) each Indemnification Agreement (as defined in the Summit Stock Purchase Agreement).

Summit Stock Purchase Agreement - the Stock Purchase and Recapitalization Agreement dated as of December 21, 2010 by and among Holdings and the Summit Investors."

(d) Section 10.1.3 of the Loan Agreement is amended and restated to read as follows:

"10.1.3 Notices. Notify Agent, for itself and on behalf of Lenders, in writing, promptly after a Loan Party's obtaining knowledge thereof, of any of the following that affects a Loan Party: (a) the threat or commencement of any proceeding or investigation, whether or not covered by insurance, if an adverse determination could reasonably be expected to have a Material Adverse Effect; (b) any pending or threatened material labor dispute, strike or walkout, or the expiration of any material labor contract; (c) any default by any Loan Party under or termination of a Material Contract; (d) the existence of any Default or Event of Default; (e) any judgment in an amount exceeding $750,000; (f) the assertion of any Intellectual Property Claim, if an adverse resolution could reasonably be expected to have a Material Adverse Effect; (g) any violation or asserted violation of any Applicable Law (including ERISA, OSHA, FLSA, or any Environmental Laws), if an adverse resolution could have a Material Adverse Effect; (h) any Environmental Release by a Loan Party or on any Property owned, leased or occupied by a Loan Party; or receipt of any Environmental Notice; (i) the discharge of or any withdrawal or resignation by Loan Parties' independent accountants; (j) any opening of a new office or place of business, at least ten (10) days prior to such opening; or (k) the assertion of any litigation, claim, demand or other proceeding against or with respect to any Loan Party under the Summit Stock Purchase Agreement."

(e) Section 10.2.4(h) of the Loan Agreement is amended and restated to read as follows:

"(h) Restricted Payments made to Holdings in an amount not to exceed $60,000 in the aggregate per month for the purpose of paying management fees or other compensation to Gaas Labs, LLC pursuant to the Management Agreement and in accordance with the terms of the Management Fee Subordination Agreement."

(f) Section 10.2.4 of the Loan Agreement is amended by deleting the word "and" at the end of clause (g), replacing "." at the end of clause (h) with ",", and adding new clauses (i) and (j) immediately after clause (h) to read as follows:

"(i) Holdings may declare and make a dividend, in an aggregate amount not to exceed $80,000,000, to holders of its Capital Stock to the extent permitted under the Summit Sale Documents (the "December 2010 Dividend"); provided, that, (i) both before and after giving effect to the making of the December 2010 Dividend, no Default or Event of Default shall have occurred and be continuing, (ii) immediately after giving effect to the making of the December 2010 Dividend no Revolving Loans shall be outstanding, (iii) Holdings shall have received gross Summit Equity Proceeds (without deduction of transaction expenses) of not less than $120,000,000 and (iv) the December 2010 Dividend shall be paid (A) solely with Summit Equity Proceeds and (B) on or prior to January 31, 2011; and

(j) Each Loan Party may make payments to the Summit Investors in respect of breaches of representations, warranties, and covenants contained in the Summit Sale Documents to the extent required thereunder, including payments required under the "Subsidiary Guaranty" made pursuant to Section 6F of the Summit Stock Purchase Agreement (which payments shall constitute Restricted Payments under this Agreement), in each case, so long as (i) no Default or Event of Default shall have occurred and be continuing, (ii) Borrowers' shall have Liquidity on a pro forma basis, of not less than $10,000,000 (A) on the date such Restricted Payment is made and after giving effect thereto, (B) on a daily average basis for the 90-day period immediately prior to the making of such Restricted Payment (assuming such Restricted Payment was made on the first day thereof), and (C) on a daily average basis for the 90-day period after giving effect thereto; and (iii) after giving effect thereto, Borrowers shall be in pro forma compliance with all financial covenants set forth in this Agreement."

(g) Section 10.2.14 of the Loan Agreement is amended and restated to read as follows:

"10.2.14 Restrictive Agreements. Become a party to any Restrictive Agreement, except (a) a Restrictive Agreement as in effect on the Closing Date and shown on Schedule 9.1.16; (b) a Restrictive Agreement relating to secured Debt permitted hereunder, if such restrictions apply only to the collateral for such Debt; (c) a Restrictive Agreement relating to Subordinated Debt permitted hereunder; (d) customary provisions in leases, Licenses and other contracts restricting assignment thereof; (e) customary provisions in purchase and sale agreements to be executed by Loan Parties in connection with a Permitted Asset Disposition or a Permitted Acquisition; and (f) the Summit Sale Documents, as in effect on the First Amendment Effective Date or as amended in accordance with the terms of this Agreement."

(h) Section 10 of the Loan Agreement is amended by added a new Section 10.2.20 at the end thereof to read as follows:

"10.2.20 Amendments to Summit Sale Documents. Amend, supplement or otherwise modify any Summit Sale Document, other than amendments, supplements or other modifications that could not reasonably be expected to have a Material Adverse Effect or be adverse to Agent and Lenders in any way.

(i) Section 11.1 of the Loan Agreement is amended by deleting the word "or" at the end of clause (m), replacing "." at the end of clause (n) with "; or", and adding a new clause (o) immediately after clause (n) to read as follows:

"(o) Any action, suit, proceeding, claim, demand or dispute arises against or with respect to any Loan Party under the Summit Stock Purchase Agreement, which Agent reasonably determines could, individually or in the aggregate, result in obligations of, or liabilities against, one or more Loan Parties in excess of $1,000,000."

(j) Schedule 9.1.4 to the Loan Agreement is amended and restated by deleting such schedule in its entirety and inserting a new Schedule 9.1.4 attached hereto as Exhibit B in lieu thereof.

4. Remedies. This Amendment shall constitute a Loan Document. The breach by any Loan Party of any representation, warranty, covenant or agreement in this Amendment hereof shall constitute an immediate Event of Default hereunder and under the other Loan Documents.

5. Representations and Warranties. To induce Agent and Lenders to enter into this Amendment, each Loan Party hereby jointly and severally represents and warrants that:

(a) The execution, delivery and performance by each Loan Party of this Amendment and the performance of the Amended Loan Agreement (i) are within such Loan Party's corporate, limited liability or partnership, as applicable, power and, at the time of execution thereof, have been duly authorized by all necessary corporate, limited liability company or partnership action, as applicable (including, if applicable, consent of the holders of its Capital Stock), (ii) do not and will not (A) contravene such Loan Party's Organic Documents, (B) result in or require the imposition of any Lien (other than Permitted Liens) on any Property of such Loan Party, (C) conflict with or result in any breach or contravention of (1) any document evidencing any Contractual Obligation to which such Loan Party is a party except to the extent that any such breach or contravention of a document evidencing a Contractual Obligation would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect or (2) any order, injunction, writ or decree of any Governmental Authority to which such Loan Party or its Property is subject, or (D) violate or cause a default under any Applicable Law or Material Contract and (iii) do not require any Governmental Approval, except for filings required under Regulation D promulgated under the Securities Act of 1933, as amended, and state "blue sky" laws.

(b) This Amendment and the Amended Loan Agreement each constitute the legal, valid and binding obligation of each Loan Party, enforceable against such Loan Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(c) Both before and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

(d) There are no proceedings or investigations pending or, to any Loan Party's knowledge, threatened against any Loan Party or Subsidiary, or any of their businesses, operations, Properties, prospects or conditions, that (i) relate to any Loan Documents or transactions contemplated thereby; or (ii) could reasonably be expected to have a Material Adverse Effect if determined adversely to any Loan Party or Subsidiary. No Loan Party or Subsidiary is in default with respect to any order, injunction or judgment of any Governmental Authority specifically applicable to such Loan Party or Subsidiary.

(e) After giving effect to this Amendment, the representations and warranties of Borrowers and the other Loan Parties contained in the Amended Loan Agreement and each other Loan Document are true and correct in all material respects (provided, that if any representation or warranty is by its terms qualified by concepts of materiality, such representation shall be true and correct in all respects) on and as of the First Amendment Effective Date with the same effect as if such representations and warranties had been made on and as of such date, except that any such representation or warranty which is expressly made only as of a specified date need be true and correct only as of such date.

(f) The representations and warranties of Holdings set forth in Section 4 of the Summit Stock Purchase Agreement are true and correct in all material respects as of the First Amendment Effective Date (provided, that, if any such representation or warranty is by its terms qualified by concepts of materiality, such representation or warranty shall be true and correct in all respects).

(g) After giving effect to this Amendment, (i) Schedule 9.1.4 shows, for each Loan Party and Subsidiary, its name, its jurisdiction of organization, its authorized and issued Capital Stock, the holders of its Capital Stock, and all agreements binding on such holders with respect to their Capital Stock and (ii) except as listed on Schedule 9.1.4, there are no outstanding options to purchase, warrants, subscription rights, agreements to issue or sell, convertible interests, phantom rights or powers of attorney relating to any Capital Stock of any Loan Party or Subsidiary.

6. Full Force and Effect; No Other Amendment, Consent or Waiver. The Loan Agreement and the other Loan Documents shall continue to be in full force and effect in accordance with their respective terms and, except as expressly provided herein, shall be unmodified. In addition, except as expressly provided herein, this Amendment shall not be deemed an amendment, consent or waiver of any term or condition of any Loan Document or a forbearance by Agent or Lenders with respect to any right or remedy which Agent or Lenders may now or in the future have under the Loan Documents, at law or in equity or otherwise or be deemed to prejudice any rights or remedies which Agent or Lenders may now have or may have in the future under or in connection with any Loan Document or under or in connection with any Default or Event of Default which may now exist or which may occur after the date hereof.

7. Outstanding Indebtedness; Waiver of Claims. Each Borrower and each other Loan Party hereby acknowledges and agrees that as of December 21, 2010 (i) the aggregate amount of Revolving Loans outstanding is $30,000,000 and (ii) the aggregate amount of LC Obligations outstanding is $0, and that such principal amounts are payable pursuant to the Loan Agreement without defense, offset, withholding, counterclaim or deduction of any kind. Each Borrower and each other Loan Party hereby acknowledges it has no Claims arising out of or relating to the Loan Agreement or any other Loan Document (including, without limitation, as a result of credit having been extended thereunder) against any Indemnitee and hereby waives, releases, remises and forever discharges each Indemnitee from any and all Claims of any and every character, known or unknown, direct and/or indirect, at law or in equity, of whatsoever kind or nature, whether heretofore or hereafter arising, for or because of any matter or things done, omitted or suffered to be done by any Indemnitee prior to and including the date hereof, and in any way directly or indirectly arising out of or relating to the Loan Agreement or any other Loan Document.

8. Expenses. Each Borrower and each other Loan Party hereby reconfirms its respective obligations pursuant to Section 3.4 of the Loan Agreement and to pay and reimburse Agent for all reasonable costs and expenses (including, without limitation, reasonable fees of counsel) incurred in connection with the negotiation, preparation, execution and delivery of this Amendment and all other documents and instruments delivered in connection herewith.

9. Affirmation of Existing Loan Documents. After giving effect to this Amendment, each Borrower and each other Loan Party (a) confirms and agrees that its obligations under each of the Loan Documents to which it is a party shall continue without any diminution thereof and shall remain in full force and effect on and after the date hereof, and (b) confirms and agrees that the Liens granted pursuant to the Security Documents to which it is a party shall continue without any diminution thereof and shall remain in full force and effect on and after the date hereof.

10. Effectiveness. This Amendment shall become effective as of December 21, 2010 (the "First Amendment Effective Date") only upon satisfaction in full in the judgment of Agent of each of the following conditions:

(a) Amendment. Agent shall have received this Amendment duly executed and delivered by Agent, Required Lenders and each Loan Party.

(b) Payment of Fees and Expenses. Borrowers shall have paid to Agent all costs, fees and expenses owing in connection with this Amendment and the other Loan Documents and due to Agent (including, without limitation, reasonable legal fees and expenses).

(c) Amendment No. 1 to Management Agreement. Agent shall have a received a fully-executed copy of Amendment No. 1 to Management Agreement.

(d) Summit Sale Documents. Agent shall have received fully-executed copies of each of the Summit Sale Documents, together with all documents, certificates and opinions delivered pursuant to Sections 2 and 3 of the Summit Stock Purchase Agreement.

(e) Representations and Warranties. The representations and warranties of or on behalf of Loan Parties in this Amendment shall be true and correct on and as of the First Amendment Effective Date.

11. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

12. Counterparts. This Amendment may be executed by the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Amendment may be executed and delivered by telecopier or other method of electronic transmission with the same force and effect as if it were a manually executed and delivered counterpart.

[Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year first above written.

M/A-COM TECHNOLOGY SOLUTIONS INC.,
a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

M/A-COM AUTO SOLUTIONS INC.,
a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

LASER DIODE INCORPORATED,
a Nevada corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

MIMIX BROADBAND, INC.,
a Texas corporation.

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.,
a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

MIMIX HOLDINGS, INC.,
a Delaware corporation

By: /s/ Conrad R. Gagnon
Name: Conrad R. Gagnon
Title: Chief Financial Officer

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc.,
as Agent and a Lender

By: /s/ John D. Bobbin
Name: John D. Bobbin
Title: Vice President

BRIDGE BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Blake Reid
Name: Blake Reid
Title: Assistant Vice President

Exhibit A

Amendment No. 1 to Management Agreement
(see attached)

[GAAS LABS, LLC LOGO]

December 21, 2010

Mimix Holdings, Inc.
10795 Rockley Road
Houston, TX 77099

Subject: Amendment to GaAs Labs, LLC Services Agreement

Ladies and Gentlemen:

As you are aware, Mimix Holdings, Inc., a Delaware corporation (the "Company"), and GaAs Labs, LLC, a California limited liability corporation ("GaAs Labs"), entered into a services agreement dated October 15, 2008 (the "Original Agreement"), following an investment by GaAs Labs in the Company. The Company and GaAs Labs now desire to amend the Original Agreement as follows:

(i) The definition of "Fee Amount" is hereby deleted in its entirety and replaced with the following:

"The "Fee Amount" shall mean $60,000".

(ii) The second paragraph of the Original Agreement is hereby amended and restated in its entirety as follows:

"In consideration of the Services rendered to date and to be rendered in connection with the ongoing operations of the Company and/or its corporate parent, M/A-COM Technology Solutions Holdings, Inc. ("Parent") in the future, the Company agrees to pay GaAs Labs a monthly amount of compensation equal to the Fee Amount (as defined below), which shall be billed to the Company by GaAs Labs, and shall be due and payable monthly on or before the fifth (5th) day of each calendar month until the earlier of any of the following (after which time GaAs Labs will cease to provide the Services and no further Fee Amounts shall be due): (i) such time as GaAs Labs and/or its affiliates no longer hold any equity investment in the Company or Parent or any representation on the Company's or Parent's board of directors, (ii) Parent consummates a Public Offering (as defined in Parent's Second Amended and Restated Certificate of Incorporation in effect on the date of this Agreement), (iii) consummation of a Change in Ownership (as defined in Parent's Second Amended and Restated Certificate of Incorporation in effect on the date of this Agreement) of Parent and (iv) such time as GaAs Labs and the Company agree in writing to modify or terminate the arrangements contemplated hereby."

Except as specifically provided above, the Original Agreement shall remain in full force and effect and is hereby ratified and confirmed.

Please confirm that the foregoing is in accordance with your understandings and agreements with GaAs Labs by signing a copy of this agreement in the space provided below. This letter may be signed in one or more counterparts, which together shall form a binding original, and facsimile signatures shall be deemed binding originals hereunder.

Very truly yours,
GAAS LABS, LLC

By: /s/ John Ocampo
Name: John Ocampo
Title: President

ACCEPTED AND AGREED AS OF
THE DATE FIRST ABOVE WRITTEN:

MIMIX HOLDINGS, INC.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

SECOND AMENDMENT AND CONSENT TO LOAN AGREEMENT

SECOND AMENDMENT AND CONSENT TO LOAN AGREEMENT, dated as of February 22, 2011 (this "Amendment") to the Loan Agreement referred to below, by and among M/A-COM Technology Solutions Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Technology"), M/A-COM Auto Solutions Inc., a corporation organized under the laws of the State of Delaware ("M/A-COM Auto"), Laser Diode Incorporated, a corporation organized under the laws of the State of Nevada ("Laser"), Mimix Broadband, Inc., a corporation organized under the laws of the State of Texas ("Mimix", and together with M/A-COM Technology, M/A-COM Auto and Laser, each a "Borrower" and, collectively, "Borrowers"), M/A-COM Technology Solutions Holdings, Inc., a corporation organized under the laws of the State of Delaware ("Holdings"), the other Loan Parties signatory hereto, Lenders signatory hereto, and RBS Business Capital, a division of RBS Asset Finance, Inc., a corporation organized under the laws of the State of New York, as agent for Lenders ("Agent").

W I T N E S S E T H

WHEREAS, Borrowers, Holdings, the other Loan Parties signatory thereto, Agent and Lenders party thereto from time to time are parties to that certain Loan Agreement, dated as of December 3, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"); and

WHEREAS, (i) Agent and Lenders have agreed to consent to certain actions to be taken by the Loan Parties that would otherwise be in violation of the Loan Agreement and (ii) Borrowers, the other Loan Parties, Agent and Lenders have agreed to amend certain provisions of the Loan Agreement, in each case, in the manner and on the terms and conditions provided for herein.

NOW THEREFORE, in consideration of the promises and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. Capitalized terms not otherwise defined herein (including in the Recitals hereto) shall have the meanings ascribed to them in the Loan Agreement as amended by this Amendment (the "Amended Loan Agreement").

2. Consent. Notwithstanding anything to the contrary contained in Section 10.2.7 of the Loan Agreement, as of the Second Amendment Effective Date (as defined below), Agent and Lenders hereby consent to the making by the Guarantors of one or more interest-bearing loans to Optomai, Inc., a Delaware corporation ("Optomai") in an amount not to exceed $200,000 in principal amount in the aggregate across all such loans (each, individually, an "Optomai Loan"), each featuring a loan term of not more than one year from their initial funding date, and to be evidenced by one or more written promissory notes of Optomai in favor of the applicable Guarantor (each, individually, an "Optomai Note"); provided, that (a) each Optomai Loan is consummated pursuant to documentation (including the applicable Optomai Note) in form and substance satisfactory to Agent and (b) immediately following the making of any Optomai Note, the Loan Parties shall pledge and deliver to Agent the original Optomai Note executed in connection with such Optomai Loan.

3. Amendments to the Loan Agreement. The Loan Agreement is hereby amended as of the Second Amendment Effective Date as follows:

(a) Clauses (b)(vi) and (vii) of the definition of "Permitted Asset Disposition" set forth in Section 1.1 of the Loan Agreement are amended and restated to read as follows:

"(vi) an Asset Disposition by Cork of all or a portion of the assets associated with its ferrite division; provided, that such Asset Disposition is consummated within one hundred fifty (150) days of the Closing Date, (vii) an Asset Disposition by M/A-COM Technology of the outstanding Capital Stock of, or all or a portion of the assets owned by, Laser; provided, that (A) Borrowers shall have provided to Agent an updated Borrowing Base Certificate showing pro forma Availability of not less than $0 after giving effect thereto and (B) such Asset Disposition is consummated within one hundred fifty (150) days of the Closing Date, and"

(b) Clause 4 in Schedule 10.1.11 to the Loan Agreement is amended and restated to read as follows:

"4. Within ninety (90) days of the Closing Date, one or more Control Agreements executed by Silicon Valley Bank and Mimix Broadband, Inc. with respect to accounts numbered , , and maintained by Mimix Broadband, Inc. with Silicon Valley Bank."

4. Remedies. This Amendment shall constitute a Loan Document. The breach by any Loan Party of any representation, warranty, covenant or agreement in this Amendment hereof shall constitute an immediate Event of Default hereunder and under the other Loan Documents.

5. Representations and Warranties. To induce Agent and Lenders to enter into this Amendment, each Loan Party hereby jointly and severally represents and warrants that:

(a) The execution, delivery and performance by each Loan Party of this Amendment and the performance of the Amended Loan Agreement (i) are within such Loan Party's corporate, limited liability or partnership, as applicable, power and, at the time of execution thereof, have been duly authorized by all necessary corporate, limited liability company or partnership action, as applicable (including, if applicable, consent of the holders of its Capital Stock), (ii) do not and will not (A) contravene such Loan Party's Organic Documents, (B) result in or require the imposition of any Lien (other than Permitted Liens) on any Property of such Loan Party, (C) conflict with or result in any breach or contravention of (1) any document evidencing any Contractual Obligation to which such Loan Party is a party except to the extent that any such breach or contravention of a document evidencing a Contractual Obligation would not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect or (2) any order, injunction, writ or decree of any Governmental Authority to which such Loan Party or its Property is subject, or (D) violate or cause a default under any Applicable Law or Material Contract and (iii) do not require any Governmental Approval, except for filings required under Regulation D promulgated under the Securities Act of 1933, as amended, and state "blue sky" laws.

(b) This Amendment and the Amended Loan Agreement each constitute the legal, valid and binding obligation of each Loan Party, enforceable against such Loan Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally.

(c) Both before and after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

(d) There are no proceedings or investigations pending or, to any Loan Party's knowledge, threatened against any Loan Party or Subsidiary, or any of their businesses, operations, Properties, prospects or conditions, that (i) relate to any Loan Documents or transactions contemplated thereby; or (ii) could reasonably be expected to have a Material Adverse Effect if determined adversely to any Loan Party or Subsidiary. No Loan Party or Subsidiary is in default with respect to any order, injunction or judgment of any Governmental Authority specifically applicable to such Loan Party or Subsidiary.

(e) After giving effect to this Amendment, the representations and warranties of Borrowers and the other Loan Parties contained in the Amended Loan Agreement and each other Loan Document are true and correct in all material respects (provided, that if any representation or warranty is by its terms qualified by concepts of materiality, such representation shall be true and correct in all respects) on and as of the Second Amendment Effective Date with the same effect as if such representations and warranties had been made on and as of such date, except that any such representation or warranty which is expressly made only as of a specified date need be true and correct only as of such date.

6. Full Force and Effect; No Other Amendment, Consent or Waiver. The Loan Agreement and the other Loan Documents shall continue to be in full force and effect in accordance with their respective terms and, except as expressly provided herein, shall be unmodified. In addition, except as expressly provided herein, this Amendment shall not be deemed an amendment, consent or waiver of any term or condition of any Loan Document or a forbearance by Agent or Lenders with respect to any right or remedy which Agent or Lenders may now or in the future have under the Loan Documents, at law or in equity or otherwise or be deemed to prejudice any rights or remedies which Agent or Lenders may now have or may have in the future under or in connection with any Loan Document or under or in connection with any Default or Event of Default which may now exist or which may occur after the date hereof.

7. Outstanding Indebtedness; Waiver of Claims. Each Borrower and each other Loan Party hereby acknowledges and agrees that as of February 22, 2011 (i) the aggregate amount of Revolving Loans outstanding is $0 and (ii) the aggregate amount of LC Obligations outstanding is $0, and that such principal amounts are payable pursuant to the Loan Agreement without defense, offset, withholding, counterclaim or deduction of any kind. Each Borrower and each other Loan Party hereby acknowledges it has no Claims arising out of or relating to the Loan Agreement or any other Loan Document (including, without limitation, as a result of credit having been extended thereunder) against any Indemnitee and hereby waives, releases, remises and forever discharges each Indemnitee from any and all Claims of any and every character, known or unknown, direct and/or indirect, at law or in equity, of whatsoever kind or nature, whether heretofore or hereafter arising, for or because of any matter or things done, omitted or suffered to be done by any Indemnitee prior to and including the date hereof, and in any way directly or indirectly arising out of or relating to the Loan Agreement or any other Loan Document.

8. Expenses. Each Borrower and each other Loan Party hereby reconfirms its respective obligations pursuant to Section 3.4 of the Loan Agreement and to pay and reimburse Agent for all reasonable costs and expenses (including, without limitation, reasonable fees of counsel) incurred in connection with the negotiation, preparation, execution and delivery of this Amendment and all other documents and instruments delivered in connection herewith.

9. Affirmation of Existing Loan Documents. After giving effect to this Amendment, each Borrower and each other Loan Party (a) confirms and agrees that its obligations under each of the Loan Documents to which it is a party shall continue without any diminution thereof and shall remain in full force and effect on and after the date hereof, and (b) confirms and agrees that the Liens granted pursuant to the Security Documents to which it is a party shall continue without any diminution thereof and shall remain in full force and effect on and after the date hereof.

10. Effectiveness. This Amendment shall become effective as of February 22, 2011 (the "Second Amendment Effective Date") only upon satisfaction in full in the judgment of Agent of each of the following conditions:

(a) Amendment. Agent shall have received this Amendment duly executed and delivered by Agent, Required Lenders and each Loan Party.

(b) Payment of Fees and Expenses. Borrowers shall have paid to Agent all costs, fees and expenses owing in connection with this Amendment and the other Loan Documents and due to Agent (including, without limitation, reasonable legal fees and expenses).

(c) Representations and Warranties. The representations and warranties of or on behalf of Loan Parties in this Amendment shall be true and correct on and as of the Second Amendment Effective Date.

11. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED BY, AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

12. Counterparts. This Amendment may be executed by the parties hereto on any number of separate counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. This Amendment may be executed and delivered by telecopier or other method of electronic transmission with the same force and effect as if it were a manually executed and delivered counterpart.

[*Signature pages follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year first above written.

M/A-COM TECHNOLOGY SOLUTIONS INC.,
a Delaware corporation

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

M/A-COM AUTO SOLUTIONS INC.,
a Delaware corporation

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

LASER DIODE INCORPORATED,
a Nevada corporation

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

MIMIX BROADBAND, INC.,
a Texas corporation.

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

M/A-COM TECHNOLOGY SOLUTIONS HOLDINGS, INC.,
a Delaware corporation

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

MIMIX HOLDINGS, INC.,
a Delaware corporation

By: /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

RBS BUSINESS CAPITAL,
a division of RBS Asset Finance, Inc.,
as Agent and a Lender

By: /s/ John D. Bobbin
Name: John D. Bobbin
Title: Vice President

BRIDGE BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Paul B. Gibson
Name: Paul B. Gibson
Title: Senior Vice President

Exhibit 10.16

LEASE AGREEMENT

between

COBHAM PROPERTIES, INC.

as Lessor

and

M/A-COM TECHNOLOGY SOLUTIONS, INC.

as Lessee

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") dated as of September 26, 2008, is made and entered into between **COBHAM PROPERTIES, INC.,** a Delaware corporation ("Lessor"), and **M/A-COM TECHNOLOGY SOLUTIONS, INC**., a Delaware corporation ("Lessee").

ARTICLE I

Section 1.01 Lease of Premises; Title and Condition. Upon and subject to the terms and conditions herein specified, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the premises (the "Premises") consisting of the following:

(a) those parcels of land more particularly described in Exhibit A attached hereto and made a part hereof for all purposes having the following address: 100-144 Chelmsford, Lowell, MA 01851 together with all of Lessor's right, title and interest, if any, in and to all easements, rights-of-way, appurtenances and other rights and benefits associated with such parcel(s) of land and to all public or private streets, roads, avenues, alleys or pass ways, open or proposed, on or abutting such parcel(s) of land (collectively, the "Land"); and

(b) all of the buildings, structures, fixtures, facilities, installations and other improvements of every kind and description now or hereafter in, on, over and under the Land and all plumbing, gas, electrical, ventilating, lighting and other utility systems, ducts, hot water heaters, oil burners, domestic water systems, elevators, escalators, canopies, air conditioning systems and all other building systems and fixtures attached to or comprising a part of the buildings, including, but not limited to, all other building systems and fixtures necessary to the ownership, use, operation, repair and maintenance of the buildings, structures, fixtures, facilities, installations and other improvements of every kind, but excluding all Severable Property (as defined in Section 3.01 hereof) (collectively, the "Improvements").

The Premises are leased to Lessee in their present condition without representation or warranty by Lessor and subject to the rights of parties in possession, to the existing state of title, to all applicable Legal Requirements (as defined in Section 5.02(b)) now or hereafter in effect and to liens and encumbrances listed in Exhibit B attached hereto and made a part hereof (collectively, "Permitted Exceptions") for all purposes. Lessee has examined the Premises and title to the Premises and has found all of the same satisfactory for all purposes. LESSOR LEASES AND WILL LEASE AND LESSEE TAKES AND WILL TAKE THE PREMISES "AS IS", "WHERE-IS" and "WITH ALL FAULTS". LESSEE ACKNOWLEDGES THAT LESSOR (WHETHER ACTING AS LESSOR HEREUNDER OR IN ANY OTHER CAPACITY) HAS NOT MADE NOR SHALL LESSOR BE DEEMED TO HAVE MADE, ANY WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE PREMISES, INCLUDING ANY WARRANTY OR REPRESENTATION AS TO (i) ITS FITNESS, DESIGN OR CONDITION FOR ANY PARTICULAR USE OR PURPOSE, (ii) THE QUALITY OF THE MATERIAL OR WORKMANSHIP THEREIN, (iii) THE EXISTENCE OF ANY DEFECT, LATENT OR PATENT, (iv) LESSOR'S TITLE THERETO, (v) VALUE, (vi) COMPLIANCE WITH SPECIFICATIONS, (vii) LOCATION, (viii) USE, (ix) CONDITION, (x) MERCHANTABILITY, (xi) QUALITY, (xii) DESCRIPTION, (xiii) DURABILITY, (xiv)

OPERATION, (xv) THE EXISTENCE OF ANY HAZARDOUS SUBSTANCE, HAZARDOUS CONDITION OR HAZARDOUS ACTIVITY OR (xvi) COMPLIANCE OF THE PREMISES WITH ANY LAW; AND ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY LESSEE. LESSEE ACKNOWLEDGES THAT THE PREMISES ARE OF ITS SELECTION AND TO ITS SPECIFICATIONS AND THAT THE PREMISES HAVE BEEN INSPECTED BY LESSEE AND ARE SATISFACTORY TO LESSEE. IN THE EVENT OF ANY DEFECT OR DEFICIENCY IN ANY OF THE PREMISES OF ANY NATURE, WHETHER LATENT OR PATENT, LESSOR SHALL NOT HAVE ANY RESPONSIBILITY OR LIABILITY WITH RESPECT THERETO OR FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING STRICT LIABILITY IN TORT). The provisions of this paragraph have been negotiated and are intended to be a complete exclusion and negation of any warranty by Lessor, express or implied, with respect to any of the Premises, arising pursuant to the Uniform Commercial Code or any other law now or hereafter in effect or arising otherwise.

Section 1.02 Use. Lessee may use the Premises for any purpose allowed under current zoning requirements and for no other purpose. Lessee shall not knowingly use or occupy or permit any of the Premises to be used or occupied, nor knowingly do or permit anything to be done in or on any of the Premises, in a manner which would (i) make void or voidable or cause any insurer to cancel any insurance required by this Lease, or make it difficult or impossible to obtain any such insurance at commercially reasonable rates, (ii) make void or voidable, cancel or cause to be canceled or release any warranty, guaranty or indemnity running to the benefit of the Premises or Lessor, (iii) cause structural injury to any of the Improvements, (iv) constitute a public or private nuisance or waste, or (v) violate any Legal Requirements (as defined below).

Section 1.03 Term.

(a) This Lease shall be for an Interim Term, if any, beginning as of the date hereof and ending at 11:59 p.m. on the last day of the current month including the date hereof and a Primary Term of five (5) years beginning on October 1, 2008, and ending at 11:59 p.m. on September 30, 2013. The time period during which this Lease shall actually be in effect, including the Interim Term, the Primary Term and the Renewal Term, as hereinafter defined, as any of the same may be terminated prior to their scheduled expiration pursuant to the provisions hereof, is referred to herein as the "Term." The term "Lease Year" shall mean, with respect to the first Lease Year, the period commencing on the date hereof and ending at 11:59 p.m. on September 30, 2009, and each succeeding twelve (12) month period during the Term.

(b) Provided this Lease has not been terminated, and provided Lessee is not in default under the terms of this Lease, Lessor hereby grants to Lessee one (1) option to renew this Lease for an additional five (5) year term to be exercised by written notice to Landlord/Sublessor given at least six(6) months prior to the expiration of the Primary Term (the "Renewal Term"); said renewal shall be on the same terms and conditions as stated herein.

Section 1.04 Rent. In consideration of this Lease, during the Term, Lessee shall pay to Lessor the amounts set forth in Exhibit C as annual basic rent for the Premises ("Basic Rent"). Lessee shall pay Basic Rent and all other sums payable to Lessor hereunder to Lessor (or, upon Lessor's request, to any mortgagee(s) or beneficiary(ies) identified by Lessor (whether one or

more, the “Mortgagee”) under any mortgages, deeds of trust or similar security instruments creating a lien on the interest of Lessor in the Premises (whether one or more, the “Mortgage”)) by check or wire transfer, in immediately available funds, as directed from time to time by the Lessor, or at such other address or to such other person as Lessor from time to time may designate. Lessor shall give Lessee not less than fifteen (15) days prior written notice of any change in the address to which such payments are to be made. If the party entitled to receive Basic Rent or such party’s address shall change, Lessee may, until receipt of notice of such change from the party entitled to receive Basic Rent or other sums payable hereunder immediately preceding such change, continue to pay Basic Rent and other sums payable hereunder to the party to which, and in the manner in which, the preceding installment of Basic Rent or other sums payable hereunder, as the case may be, was paid. Such Basic Rent shall be paid in equal monthly installments in advance on the first day of each month, except for any Basic Rent due for the rental of the Premises during the Interim Term which shall be payable in advance on or before the date hereof. Any rental payment made in respect of a period which is less than one month shall be prorated by multiplying the then applicable monthly Basic Rent by a fraction the numerator of which is the number of days in such month with respect to which rent is being paid and the denominator of which is the total number of days in such month. Lessee shall perform all its obligations under this Lease at its sole cost and expense, and shall pay all Basic Rent, and other sums payable hereunder when due and payable, without notice or demand.

ARTICLE II

Section 2.01 Maintenance and Repair.

(a) Lessee, at its own expense, will maintain all parts of the Premises in good repair, appearance and condition and will take all action and will make all structural and nonstructural, foreseen and unforeseen and ordinary and extraordinary changes and repairs which may be required to keep all parts of the Premises in good repair and condition (including, but not limited to, all painting, glass, utilities, conduits, fixtures and equipment, foundation, roof, exterior walls, heating and air conditioning systems, wiring, plumbing, sprinkler systems and other utilities, and all paving, sidewalks, roads, parking areas, curbs and gutters and fences). Lessee, at its own expense, will retain an independent consultant reasonably approved by Lessor to conduct annual inspections of the roof and the heating and air conditioning systems of the Premises and to provide Lessee and Lessor with a written report of its findings. Lessee shall promptly cause a licensed contractor to perform any recommended or necessary repairs or maintenance measures reflected in such report. Lessor, its contractors, subcontractors, servants, employees and agents, shall have the right to enter upon the Premises with prior notice (except in the event of an emergency, in which case no notice shall be required) to inspect same to ensure that all parts of the Premises are maintained in as good repair and condition as when received, and Lessee shall not be entitled to any abatement or reduction in rent by reason thereof. Lessor shall not be required to maintain, repair or rebuild all or any part of the Premises. Lessee waives the right to require Lessor to maintain, repair or rebuild all or any part of the Premises or make repairs at the expense of Lessor pursuant to any Legal Requirements, agreement, contract, covenant, condition or restrictions at any time.

(b) If all or any part of the Improvements shall encroach upon any property, street or right-of-way adjoining or adjacent to the Premises, or shall violate the agreements or conditions affecting the Premises or any part thereof, or shall hinder, obstruct or impair any easement or right-of-way to which the Premises are subject, or any improvement located on an adjoining or adjacent property to the Premises shall encroach onto the Premises, then, promptly after written request of Lessor (unless such encroachment, violation, hindrance, obstruction or impairment is a Permitted Exception) or of any person so affected, Lessee shall, at its expense, either (i) obtain valid and effective waivers or settlements of all claims, liabilities and damages resulting therefrom or (ii) if Lessor consents thereto, make such changes, including alteration or removal, to the Improvements and take such other action as shall be necessary to remove or eliminate such encroachments, violations, hindrances, obstructions or impairments. To the extent any easements are, in Lessor's good faith judgment, necessary for Lessee's use and occupancy of the Premises as contemplated by this Lease, upon Lessee's written request, Lessor will execute such easements.

Section 2.02 Alterations, Replacements and Additions. Lessee may, at its expense, make additions to and alterations of the Improvements, and construct additional Improvements, provided that (i) the fair market value, the utility, the square footage or the useful life of the Premises shall not be lessened thereby, (ii) such work shall be expeditiously completed in a good and workmanlike manner and in compliance with all applicable Legal Requirements and the requirements of all insurance policies required to be maintained by Lessee hereunder, (iii) no structural alterations shall be made to the Improvements or structural demolitions conducted in connection therewith unless Lessee shall have obtained Lessor's consent and furnished Lessor with such surety bonds or other security acceptable to Lessor as shall be reasonably acceptable to Lessor (but in no event greater than the cost of such alterations or demolitions), (iv) no additions, replacements or alterations (other than cosmetic, interior or nonstructural alterations) which cost in excess of $100,000 shall be made unless prior written consent from Lessor and Mortgagee shall have been obtained, and (v) no Event of Default exists. Cosmetic, interior or nonstructural alterations (including demolition or construction of interior demising walls that are non-structural and non load-bearing) that cost $100,000 or less shall not require prior written consent from Lessor or Mortgagee. All additions and alterations of the Premises, without consideration by Lessor, shall be and remain part of the Premises (not subject to removal upon termination) and the property of Lessor and shall be subject to this Lease. To the extent that Lessor shall fail to respond to any request for consent by Lessee pursuant to this Section 2.02 within fifteen (15) days after receipt of such request, Lessee may make a second request for consent. If such second request states on its face that the consent of Lessor will be deemed given if not responded to within fifteen (15) days after receipt of such second request, Lessor's consent will be deemed given fifteen (15) days after Lessor receives such second request.

ARTICLE III

Section 3.01 Severable Property. Lessee may, at its expense, install, assemble or place on the Premises and remove and substitute any severable property used or useful in Lessee's business, all as more particularly described in Exhibit D attached hereto and made a part hereof for all purposes (collectively, the "Severable Property"). Upon the written request of Lessee, Lessor will subordinate any of its claims or interests in the Severable Property to the lienholders or lessors of such Severable Property.

Section 3.02 Removal. So long as no Event of Default exists, Lessee may remove the Severable Property at any time during the Term. Any of Lessee's Severable Property not removed by Lessee prior to the expiration of this Lease or thirty (30) days after an earlier termination shall be considered abandoned by Lessee and may be appropriated, sold, destroyed or otherwise disposed of by Lessor without obligation to account therefor. Lessee will repair at its expense all damage to the Premises necessarily caused by the removal of Lessee's Severable Property, whether effected by Lessee or by Lessor.

ARTICLE IV

Section 4.01 Lessee's Assignment and Subletting. Lessee may, for its own account, assign this Lease or sublet the use of all or any part of the Premises for the Term of this Lease so long as no Event of Default shall exist hereunder and Lessee shall have obtained Lessor's and, if Mortgagee shall require, such Mortgagee's prior written consent to such assignment or sublease. Any transfer of all or substantially all of the assets or stock of Lessee, any merger of Lessee into another entity or of another entity into Lessee, or any transfer occurring by operation of law shall be deemed to constitute an assignment by Lessee of its interest hereunder for the purposes hereof. Lessor's determination as to whether or not to consent to any proposed assignment or sublease will be made in Lessor's commercially reasonable discretion taking into account, among other factors, the following: (i) the business reputation and credit-worthiness of the proposed subtenant or assignee, (ii) the intended use of the Premises by the proposed subtenant or assignee, (iii) the nature of the business conducted by such subtenant or assignee and whether such business would be deleterious to the condition or reputation of the Premises or Lessor, (iv) the estimated pedestrian and vehicular traffic in and about the Premises that would be generated by the proposed subtenant or assignee, and (v) whether the proposed subtenant or assignee is a department, representative, agency or instrumentality of any governmental body, foreign or domestic. Each such assignment or sublease shall expressly be made subject to the provisions hereof. No such assignment or sublease shall modify or limit any right or power of Lessor hereunder or affect or reduce any obligation of Lessee hereunder, and all such obligations shall be those of Lessee and shall continue in full effect as obligations of a principal and not of a guarantor or surety, as though no subletting or assignment had been made, such liability of the Lessee named herein to continue notwithstanding any subsequent modifications or amendments of this Lease; provided, however, that (other than with respect to any modifications required by law or on account of bankruptcy or insolvency) if any modification or amendment is made without the consent of Lessee named herein, such modification or amendment shall be ineffective as against Lessee named herein to the extent, and only to the extent, that the same shall increase the obligations of Lessee, it being expressly agreed that Lessee named herein shall remain liable to the full extent of this Lease as if such modification had not been made. Neither this Lease nor the Term hereby demised shall be mortgaged by Lessee, nor shall Lessee mortgage or pledge its interest in any sublease of the Premises or the rentals payable thereunder. Any sublease made otherwise than as expressly permitted by this Section 4.01 and any assignment of Lessee's interest hereunder made otherwise than as expressly permitted by this Section 4.01 shall be void. Lessee shall, within twenty (20) days after the execution of any assignment or sublease, deliver a conformed copy thereof to Lessor.

Section 4.02 Transfer by Lessor. Lessor shall be free to transfer its fee interest in the Premises or any part thereof or interest therein, subject, however, to the terms of this Lease. Any such transfer shall relieve the transferor of all liability and obligation hereunder (to the extent of the interest transferred) accruing after the date of the transfer and any assignee shall be bound by the terms and provisions of this Lease.

Section 4.03 Assignment/Subletting Exceptions. Notwithstanding the provisions of Section 4.01, Lessee shall have the right to assign its interest in this Lease or sublet all or any portion of the Premises at any time without the consent of Lessor or Mortgagee to (i) the surviving entity of any merger or consolidation between Lessee and its parent, (ii) any Affiliate of Lessee, or (iii) to any person or entity who purchases substantially all of the assets or stock of Lessee, so long as any proposed assignee or sublessee has a tangible net worth equal to or greater than the greater of (i) the tangible net worth of Lessee at such time, or (ii) $10,000,000.00, as shown on such prospective assignee's or sublessee's balance sheet prepared in accordance with GAAP within three (3) months prior to such assignment or sublease.

The exceptions afforded Lessee above in this Section shall be conditioned on the following:

(a) Lessee is not then in default beyond applicable notice and cure periods hereunder;

(b) Lessor is provided a copy of such assignment or sublease;

(c) Any subletting or assignment of the Premises shall be subject to the terms of this Lease and Lessee shall remain liable hereunder, as same may be amended from time to time;

(d) Each sublease permitted under this Section shall contain provisions to the effect that (i) such sublease is only for actual use and occupancy by the sublessee; (ii) such sublease is subject and subordinate to all of the terms, covenants and conditions of this Lease and to all of the rights of Lessor hereunder; (iii) that any security deposit paid by sublessee shall be pledged to Lessor subject to the terms of the sublease and subject to Lessee's right to apply the security deposit in accordance with the sublease; and (iv) in the event this Lease shall terminate before the expiration of such sublease, the sublessee thereunder will, at Lessor's option, attorn to Lessor and waive any rights the sublessee may have to terminate the sublease or to surrender possession thereunder, as a result of the termination of this Lease;

(e) Lessee agrees to pay, or to cause the assignee or sublessee, as applicable, to pay, on behalf of Lessor any and all reasonable out-of-pocket costs of Lessor, including reasonable attorneys' fees paid or payable to outside counsel, occasioned by such subletting or assignment. Further, Lessee agrees that Lessor shall in no event be liable for any leasing commissions, finish-out costs, rent abatements or other costs, fees or expenses incurred by Lessee in subleasing or assigning or seeking to sublease or assign its leasehold interest in the Premises, and Lessee agrees to indemnify, defend and hold harmless Lessor and its partners, and their respective officers, directors, shareholders, agents, employees and representatives from, against and with respect to any and all such commissions, costs, fees and expenses; and

(f) Such assignee agrees in writing to honor and perform all of the obligations of Lessee hereunder from and after the date of such assignment.

For the purposes of this Section, “Affiliate” shall be defined as with respect to any Person, any other Person that, directly or indirectly, controls or is controlled by or is under common control with such Person, and shall include the spouse of any natural person, with the term “control” and any derivatives thereof meaning the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract, or otherwise. “Person” shall mean an individual, partnership, association, corporation or other entity.

ARTICLE V

Section 5.01 Net Lease.

(a) It is expressly understood and agreed by and between the parties that this Lease is an absolute net lease, and the Basic Rent and all other sums payable hereunder to or on behalf of Lessor shall be paid without notice or demand and without setoff, counterclaim, abatement, suspension, deduction or defense.

(b) Except as otherwise expressly provided in this Lease, this Lease shall not terminate, nor shall Lessee have any right to terminate this Lease or be entitled to the abatement of any rent or any reduction thereof, nor shall the obligations hereunder of Lessee be otherwise affected, by reason of any damage to or destruction of all or any part of the Premises from whatever cause, the taking of the Premises or any portion thereof by condemnation or otherwise, the prohibition, limitation or restriction of Lessee’s use of the Premises, any default on the part of Lessor, any latent or other defect in any of the Premises, the breach of any warranty of any seller or manufacturer of any of the Improvements or Severable Property, any violation of any provision of this Lease by Lessor, the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution or winding-up of, or other proceeding affecting Lessor, the exercise of any remedy, including foreclosure, under any mortgage or collateral assignment, any action with respect to this Lease (including the disaffirmance hereof) which may be taken by Lessor, any trustee, receiver or liquidator of Lessor or any court under the Federal Bankruptcy Code or otherwise, and market or economic changes, or interference with such use by any private person or corporation, or by reason of any eviction by paramount title resulting by a claim from Lessor’s predecessor in title, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rent and all other charges payable hereunder to or on behalf of Lessor shall continue to be payable in all events and the obligations of Lessee hereunder shall continue unaffected, unless the requirement to pay or perform the same shall be terminated pursuant to an express provision of this Lease. Nothing contained in this Section 5.01 shall be deemed a waiver by Lessee of any rights that it may have to bring a separate action with respect to any default by Lessor hereunder or under any other agreement.

(c) The obligations of Lessee hereunder shall be separate and independent covenants and agreements. Lessee covenants and agrees that it will remain obligated under this Lease in accordance with its terms, and that Lessee will not take any action to terminate, rescind or avoid this Lease, notwithstanding the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution, winding-up or other proceeding affecting Lessor or any assignee of Lessor in any such proceeding and notwithstanding any action with respect to this Lease which may be taken by any trustee or receiver of Lessor or of any assignee of Lessor in any such proceeding or by any court in any such proceeding.

(d) Except as otherwise expressly provided in this Lease, Lessee waives all rights now or hereafter conferred by law (i) to quit, terminate or surrender this Lease or the Premises or any part thereof or (ii) to any abatement, suspension, deferment or reduction of the rent, or any other sums payable hereunder to or on behalf of Lessor, regardless of whether such rights shall arise from any present or future constitution, statute or rule of law.

Section 5.02 Taxes and Assessments; Compliance With Law.

(a) Lessee shall pay, as additional rent, prior to delinquency, the following (collectively, "Taxes"): (i) all taxes, assessments, levies, fees, water and sewer rents and charges and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, at any time prior to or during the Term imposed or levied upon or assessed against or which arise with respect to (A) the Premises, (B) any Basic Rent, additional rent or other sums payable hereunder, (C) this Lease or the leasehold estate hereby created or (D) the operation, possession or use of the Premises; (ii) all gross receipts or similar taxes (i.e., taxes based upon gross income which fail to take into account deductions with respect to depreciation, interest, taxes or ordinary and necessary business expenses, in each case relating to the Premises) imposed or levied upon, assessed against or measured by any Basic Rent, additional rent or other sums payable hereunder; (iii) all sales, value added, ad valorem, use and similar taxes at any time levied, assessed or payable on account of the leasing, operation, possession or use of the Premises; and (iv) all charges of utilities, communications and similar services serving the Premises. Notwithstanding the foregoing, "Taxes," as used herein, shall not include, and Lessee shall not be required to pay any franchise, estate, inheritance, transfer, income, capital gains or similar tax of or on Lessor unless such tax is imposed, levied or assessed in substitution for any other tax, assessment, charge or levy which Lessee is required to pay pursuant to this Section 5.02(a); provided, however, that if, at any time during the Term, the method of taxation shall be such that there shall be assessed, levied, charged or imposed on Lessor a capital levy or other tax directly on the rents received therefrom, or upon the value of the Premises or any present or future improvement or improvements on the Premises, then all such levies and taxes or the part thereof so measured or based shall be included in the term "Taxes" and payable by Lessee, and Lessee shall pay and discharge the same as herein provided. Lessee will furnish to Lessor, promptly after request therefor, proof of payment of all items referred to above which are payable by Lessee. If any such assessment may legally be paid in installments, Lessee may pay such assessment in installments; in such event, Lessee shall be liable only for installments which become due and payable with respect to any tax period occurring in whole or in part during the Term hereof; provided, however, that all amounts referred to in this Section 5.02(a) for the fiscal or tax year in which the Term shall expire shall be apportioned so that Lessee shall pay those portions thereof which correspond with the portion of such year as are within the Term hereby demised.

(b) Lessee shall comply with and cause the Premises to comply with and shall assume all obligations and liabilities with respect to (i) all laws, ordinances and regulations and other governmental rules, orders and determinations presently in effect or hereafter enacted, made or issued, whether or not presently contemplated (collectively, "Legal Requirements"), as applied to the Premises or the ownership, operation, use or possession thereof, including, but not limited to, maintaining an adequate number of vehicular parking spaces, and (ii) all contracts, insurance policies (including, without limitation, to the extent necessary to prevent cancellation thereof and to insure full payment of any claims made under such policies), agreements, covenants, conditions and restrictions now or hereafter applicable to the Premises or the ownership, operation, use or possession thereof (other than covenants, conditions and restrictions imposed by Lessor subsequent to the date of this Lease without the consent of Lessee), including, but not limited to, all such Legal Requirements, contracts, agreements, covenants, conditions and restrictions which require structural, unforeseen or extraordinary changes; provided, however, that, with respect to any of the obligations of Lessee in clause (ii) above which are not now in existence, Lessee shall not be required to so comply unless Lessee is either a party thereto or has given its written consent thereto, or unless the same is occasioned by Legal Requirements or Lessee's default (including any failure or omission by Lessee) under this Lease. Nothing in clause (ii) of the immediately preceding sentence or the following sentence shall modify the obligations of Lessee under Section 5.04 of this Lease.

Section 5.03 Liens. Lessee will remove and discharge any charge, lien, security interest or encumbrance upon the Premises or upon any Basic Rent, additional rent or other sums payable hereunder which arises for any reason, including, without limitation, all liens which arise out of the possession, use, occupancy, construction, repair or rebuilding of the Premises or by reason of labor or materials furnished or claimed to have been furnished to Lessee or for the Premises, but not including (i) the Permitted Exceptions, (ii) this Lease and any assignment hereof or any sublease permitted hereunder and (iii) any mortgage, charge, lien, security interest or encumbrance created or caused by or through Lessor or its agents, employees or representatives without the consent of Lessee. Lessee may provide a bond or other security reasonably acceptable to Lessor (but in no event greater in amount than the amount of such encumbrance) to remove or pay all costs associated with the removal of any such lien, provided the conditions of Section 5.05 shall be satisfied. Nothing contained in this Lease shall be construed as constituting the consent or request of Lessor, express or implied, to or for the performance (on behalf of or for the benefit of Lessor) by any contractor, laborer, materialman or vendor, of any labor or services or for the furnishing of any materials for any construction, alteration, addition, repair or demolition of or to the Premises or any part thereof. NOTICE IS HEREBY GIVEN THAT LESSOR WILL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED OR TO BE FURNISHED TO LESSEE, OR TO ANYONE HOLDING AN INTEREST IN THE PREMISES OR ANY PART THEREOF THROUGH OR UNDER LESSEE, AND THAT NO MECHANIC'S OR OTHER LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT THE INTEREST OF LESSOR IN AND TO THE PREMISES UNLESS BY OR THROUGH LESSOR OR ITS AGENTS, EMPLOYEES OR REPRESENTATIVES.

Section 5.04 Indemnification.

(a) Except for the gross negligence or willful misconduct of any Indemnified Party (as defined herein), Lessee shall defend all actions against Lessor and any partner, officer, director, member, employee or shareholder of the foregoing (collectively, "Indemnified Parties"), with respect to, and shall pay, protect, indemnify and save harmless the Indemnified Parties from and against, any and all liabilities, losses, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature arising from (i) injury to or death of any person, or damage to or loss of property, on or about the Premises, or connected with the use, condition or occupancy of any thereof, (ii) default by Lessee under this Lease, (iii) use, act or omission of Lessee or its agents, contractors, licensees, sublessees or invitees, (iv) contest referred to in Section 5.05 of this Lease, and (v) liens against the Premises in violation of Section 5.03 of this Lease. LESSEE UNDERSTANDS AND AGREES THAT THE FOREGOING INDEMNIFICATION OBLIGATIONS OF LESSEE ARE EXPRESSLY INTENDED TO AND SHALL INURE TO THE BENEFIT OF THE INDEMNIFIED PARTIES EVEN IF SOME OR ALL OF THE MATTERS FOR WHICH SUCH INDEMNIFICATION IS PROVIDED ARE CAUSED OR ALLEGED TO HAVE BEEN CAUSED BY THE SOLE, SIMPLE, JOINT OR CONCURRENT NEGLIGENCE OR STRICT LIABILITY OF ANY OF THE INDEMNIFIED PARTIES, BUT NOT TO THE EXTENT CAUSED BY THE INDEMNIFIED PARTIES' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. The obligations of Lessee under this Section 5.04 shall survive any termination, expiration, rejection in bankruptcy, or assumption in bankruptcy of this Lease.

(b) The rights and obligations of Lessor and Lessee with respect to claims by Lessor against Lessee brought pursuant to this Section 5.04 and Section 5.06 shall be subject to the following conditions:

(i) If Lessor receives notice of the assertion of any claim for which it intends to seek indemnification under this Section 5.04 or Section 5.06, Lessor shall promptly provide written notice of such assertion to Lessee; provided that failure of Lessor to give Lessee prompt notice as provided herein shall not relieve Lessee of any of its obligations hereunder, except to the extent the Lessee is prejudiced by such failure. The notice shall describe in reasonable detail the nature of the claim and the basis for an indemnification claim under Section 5.04 or Section 5.06, and shall be accompanied by all papers and documents which have been served upon Lessor and such other documents and information as may be appropriate to an understanding of such claim and the liability of Lessee to indemnify Lessor hereunder. Except as required by law, the Lessor shall not answer or otherwise respond to such claim or take any other action which may prejudice the defense thereof unless and until Lessee has been given the opportunity to assume the defense thereof as required by this Section 5.04 and refused to do so.

(ii) Upon receipt of an indemnification notice under this Section 5.04, the Lessee shall have the right, but not the obligation, to promptly assume and take exclusive control of the defense, negotiation and/or settlement of such claim; provided, however, that if the representation of both parties by Lessee would be inappropriate due to actual or potential differing interests between them, then the Lessee shall not be obligated to assume such defense,

but such conflict shall not lessen Lessee's indemnity obligation hereunder. In the event of a conflict of interest or dispute or during the continuance of an Event of Default, Lessor shall have the right to select counsel, and the cost of such counsel shall be paid by Lessee. The parties acknowledge that, with respect to claims for which insurance is available, the rights of the parties to select counsel for the defense of such claims shall be subject to such approval rights as the insurance company providing coverage may have.

(iii) The party controlling the defense of a claim shall keep the other party reasonably informed at all stages of the defense of such claim. The party not controlling the defense of any claim shall have the right, at its sole cost and expense, to participate in, but not control, the defense of any such claim. Each party shall reasonably cooperate with the other in the defense, negotiation and/or settlement of any such claim. In connection with any defense of a claim undertaken by Lessee, Lessor shall provide Lessee, and its counsel, accountants and other representatives, with reasonable access to relevant books and records and make available such personnel of Lessor as Lessee may reasonably request.

Section 5.05 Permitted Contests.

(a) Lessee, at its expense, may contest, by appropriate legal proceedings conducted in good faith and with due diligence, any Legal Requirements with which Lessee is required to comply pursuant to Section 5.02(b) or any Environmental Law under Section 5.06, or the amount or validity or application, in whole or in part, of any tax, assessment or charge which Lessee is obligated to pay or any lien, encumbrance or charge not permitted by Sections 2.01, 2.02, 5.02(a), 5.03 and 6.01, provided that unless Lessee has already paid such tax, assessment or charge (i) the commencement of such proceedings shall suspend the enforcement or collection thereof against or from Lessor and against or from the Premises, (ii) neither the Premises nor any rent therefrom nor any part thereof or interest therein would be in any danger of being sold, forfeited, attached or lost, (iii) Lessee shall have furnished such security, if any, as may be required in the proceedings and as may be reasonably required by Lessor, and (iv) if such contest be finally resolved against Lessee, Lessee shall promptly pay the amount required to be paid, together with all interest and penalties accrued thereon. Lessor, at Lessee's expense, shall execute and deliver to Lessee such authorizations and other documents as reasonably may be required in any such contest. Lessee shall indemnify and save Lessor harmless against any cost or expense of any kind that may be imposed upon Lessor in connection with any such contest and any loss resulting therefrom. Notwithstanding any other provision of this Lease to the contrary, Lessee shall not be in default hereunder in respect to the compliance with any Legal Requirements with which Lessee is obligated to comply pursuant to Section 5.02(b), any Environmental Law under Section 5.06, or in respect to the payment of any tax, assessment or charge which Lessee is obligated to pay or any lien, encumbrance or charge not permitted by Section 2.01, 2.02, 5.02(a), 5.03 and 6.01 which Lessee is in good faith contesting.

(b) Without limiting the provisions of Section 5.05(a), so long as no Event of Default exists and the conditions set forth in Section 5.05(a) are satisfied, Lessor hereby irrevocably appoints Lessee as Lessor's attorney-in-fact solely for the purpose of prosecuting a contest of any tax, assessment or charge which Lessee is obligated to pay. Such appointment is coupled with an interest. Notwithstanding the foregoing appointment, if Lessee determines it to be preferable in

prosecution of a contest of a tax, assessment or charge, upon Lessee's prior request, Lessor shall execute the real estate tax complaint and/or other documents reasonably needed by Lessee to prosecute the complaint as to such tax, assessment or charge and return same to Lessee within ten (10) days. In such event, Lessee shall pay all of Lessor's costs and expenses in connection therewith, including, without limitation, reasonable attorneys' fees and Lessee shall arrange for preparation of such documentation at Lessee's sole cost and expense.

Section 5.06 Environmental Compliance.

(a) For purposes of this Lease:

(i) the term "Environmental Laws" shall mean and include the Resource Conservation and Recovery Act, as amended by the Hazardous and Solid Waste Amendments of 1984, the Comprehensive Environmental Response, Compensation and Liability Act, the Hazardous Materials Transportation Act, the Toxic Substances Control Act, the Federal Insecticide, Fungicide and Rodenticide Act and all applicable federal, state and local environmental laws, ordinances, rules, requirements, regulations and publications, as any of the foregoing may have been or may be from time to time amended, supplemented or supplanted and any and all other federal, state or local laws, ordinances, rules, requirements, regulations and publications, now or hereafter existing, relating to (i) the preservation or regulation of the public health, welfare or environment, (ii) the regulation or control of toxic or hazardous substances or materials, or (iii) any wrongful death, personal injury or property damage that is caused by or related to the presence, growth, proliferation, reproduction, dispersal, or contact with any biological organism or portion thereof (living or dead), including molds or other fungi, bacteria or other microorganisms or any etiologic agents or materials; and

(ii) the term "Regulated Substance" shall mean and include any, each and all substances, biological and etiologic agents or materials now or hereafter regulated pursuant to any Environmental Laws, including, but not limited to, any such substance, biological or etiological agent or material now or hereafter defined as or deemed to be a "regulated substance," "pesticide," "hazardous substance" or "hazardous waste" or included in any similar or like classification or categorization thereunder.

(b) Lessee shall:

(i) not cause or permit any Regulated Substance to be placed, held, located, released, transported or disposed of on, under, at or from the Premises in violation of Environmental Laws;

(ii) contain at or remove from the Premises, or perform any other necessary remedial action regarding, any Regulated Substance in any way affecting the Premises if, as and when such containment, removal or other remedial action is required under any Legal Requirements and, whether or not so required, shall perform any containment, removal or remediation of any kind involving any Regulated Substance in any way materially adversely affecting the Premises in compliance with all Legal Requirements and, upon reasonable request of Lessor after consultation with Lessee (which request may be given only if Lessor has received

information such that it reasonably believes that environmental contamination exists which may have a material adverse effect on the Premises), shall arrange a Site Assessment (as such term is defined in Section 5.06(c)), or such other or further testing or actions as may be required by Legal Requirements or as may be mutually agreed to by Lessor and Lessee, to be conducted at the Premises by qualified companies retained by Lessee specializing in environmental matters and reasonably satisfactory to Lessor in order to ascertain compliance with all Legal Requirements and the requirements of this Lease, all of the foregoing to be at Lessee's sole cost and expense;

(iii) provide Lessor with written notice (and a copy as may be applicable) of any of the following within ten (10) days of receipt thereof: (A) Lessee's obtaining knowledge or notice of any kind of the material presence, or any actual or threatened release, of any Regulated Substance in any way materially adversely affecting the Premises; (B) Lessee's receipt or submission, or Lessee's obtaining knowledge or notice of any kind, of any report, citation, notice or other communication from or to any federal, state or local governmental or quasi-governmental authority regarding any Regulated Substance in any way materially adversely affecting the Premises; or (C) Lessee's obtaining knowledge or notice of any kind of the incurrence of any cost or expense by any federal, state or local governmental or quasi-governmental authority or any private party in connection with the assessment, monitoring, containment, removal or remediation of any kind of any Regulated Substance in any way materially adversely affecting the Premises, or of the filing or recording of any lien on the Premises or any portion thereof in connection with any such action or Regulated Substance in any way materially adversely affecting the Premises; and

(iv) in addition to the requirements of Section 5.04 hereof, defend all actions against the Indemnified Parties and Mortgagee and pay, protect, indemnify and save harmless the Indemnified Parties and Mortgagee from and against any and all liabilities, losses, damages, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses), causes of action, suits, claims, demands or judgments of any nature relating to any Environmental Laws, Regulated Substances or other environmental matters concerning the Premises; except to the extent caused by or through Lessor, Mortgagee, or their agents, employees or representatives. The indemnity contained in this Section 5.06 shall survive the expiration or earlier termination of this Lease, unless at such time Lessee provides Lessor a Site Assessment (as defined below) acceptable to Lessor showing the Premises to be free of Regulated Substances and not in violation of Environmental Laws and that there exists no condition which could result in any violations of Environmental Laws.

(c) Upon reasonable cause and prior written notice from Lessor, Lessee shall permit such reasonably qualified persons as Lessor may designate ("Site Reviewers") to visit the Premises and perform environmental site investigations and assessments ("Site Assessments") on the Premises for the purpose of determining whether there exists on the Premises any Regulated Substance or violation of Environmental Laws or any condition which could result in any violations of Environmental Laws. Such Site Assessments may include both above and below the ground environmental testing for violations of Environmental Laws and such other tests as may be necessary, in the reasonable opinion of the Site Reviewers, to conduct the Site Assessments. Lessee shall supply to the Site Reviewers such historical and operational

information regarding the Premises as may be reasonably requested by the Site Reviewers to facilitate the Site Assessments, and shall make available for meetings with the Site Reviewers appropriate personnel having knowledge of such matters. The cost of performing and reporting a Site Assessment shall be paid by Lessee.

(d) If any violation of Environmental Laws occurs or is found to exist and, in Lessor's reasonable judgment based upon the written bids of reputable environmental professionals, the cost of remediation of, or other response action with respect to, the same is likely to exceed $100,000, Lessee shall provide to Lessor, within ten (10) days after Lessor's request therefor, adequate financial assurances that Lessee will effect such remediation in accordance with applicable Environmental Laws. Such financial assurances shall be a bond or letter of credit reasonably satisfactory to Lessor in form and substance and in an amount equal to two hundred percent (200%) of Lessor's reasonable estimate of the anticipated cost of such remedial action, based upon a Site Assessment performed pursuant to Section 5.06(c). Notwithstanding any other provision on this Lease, if a violation of Environmental Laws occurs or is found to exist and the Term would otherwise terminate or expire, and the Premises cannot be rented to another lessee on commercially reasonable terms during the remedial action, then, at the option of Lessor, the Term shall be automatically extended beyond the date of termination or expiration and this Lease shall remain in full force and effect beyond such date until the earlier to occur of (i) the completion of all remedial action in accordance with applicable Environmental Laws, or (ii) the date specified in a written notice from Lessor to Lessee terminating this Lease.

(e) If Lessee fails to correct any violation of Environmental Laws which occurs or is found to exist, Lessor shall have the right (but no obligation) to take any and all actions as Lessor shall reasonably deem necessary or advisable in order to cure such violation of Environmental Laws.

(f) All future leases, subleases or concession agreements permitted by this Lease relating to the Premises entered into by Lessee shall contain covenants of the other party not to knowingly at any time (i) cause any violation of Environmental Laws to occur or (ii) permit any Person occupying the Premises through said subtenant or concessionaire to knowingly cause any violation of Environmental Laws to occur.

ARTICLE VI

Section 6.01 Condemnation and Casualty.

(a) **General Provisions**. Except as provided in Section 6.01(b) and (c), Lessee hereby irrevocably assigns to Lessor any award, compensation or insurance payment to which Lessee may become entitled by reason of Lessee's interest in the Premises (i) if the use, occupancy or title of the Premises or any part thereof is taken, requisitioned or sold in, by or on account of any actual or threatened eminent domain proceeding or other action by any person having the power of eminent domain ("Condemnation") or (ii) if the Premises or any part thereof is damaged or destroyed by fire, flood or other casualty ("Casualty"). All awards, compensations and insurance payments on account of any Condemnation or Casualty are herein collectively called "Compensation." Lessee may not unilaterally negotiate, prosecute or adjust any claim for

any Compensation. Lessee must consult with and obtain Lessor's consent thereto. If the parties are unable to so agree, then they shall appoint an entity or individual that specializes in such negotiations who shall negotiate, prosecute and adjust a claim for Compensation. Lessor shall be entitled to participate in any such proceeding, action, negotiation, prosecution, appeal or adjustment as contemplated herein. Notwithstanding anything to the contrary contained in this Article VI, if permissible under applicable law, any separate Compensation made to Lessee for its moving and relocation expenses, anticipated loss of business profits, loss of goodwill or fixtures and equipment paid for by Lessee and which are not part of the Premises (including, without limitation, the Severable Property) shall be paid directly to and shall be retained by Lessee (and shall not be deemed to be "Compensation"). All Compensation shall be applied pursuant to this Section 6.01, and all such Compensation (less the expense of collecting such Compensation) is herein called the "Net Proceeds." Except as specifically set for herein, all Net Proceeds shall be paid to the Proceeds Trustee (as defined herein) and applied pursuant to this Section 6.01. If the Premises or any part thereof shall be damaged or destroyed by Casualty, and if the estimated cost of rebuilding, replacing or repairing the same shall exceed $50,000, Lessee promptly shall notify Lessor thereof.

(b) **Substantial Condemnation During the Term**. If a Condemnation shall, in Lessee's good faith judgment, affect all or a substantial portion of the Premises and shall render the Premises unsuitable for restoration for continued use and occupancy in Lessee's business, then Lessee may, not later than sixty (60) days after a determination has been made as to when possession of the Premises must be delivered with respect to such Condemnation, deliver to Lessor (i) notice of its intention ("Notice of Intention") to terminate this Lease on the next rental payment date which occurs not less than ninety (90) days after the delivery of such notice (the "Condemnation Termination Date"), and (ii) a certificate of an authorized officer of Lessee describing the event giving rise to such termination and stating that Lessee has determined that such Condemnation has rendered the Premises unsuitable for restoration for continued use and occupancy in Lessee's business. This Lease shall terminate on the Condemnation Termination Date, except with respect to obligations and liabilities of Lessee hereunder, actual or contingent, which have accrued on or prior to the Condemnation Termination Date, upon payment by Lessee of (1) all Basic Rent, additional rent and other sums due and payable hereunder to and including the Condemnation Termination Date, and (2) an amount equal to the excess, if any, of (a) the aggregate of all Basic Rent, additional rent and other sums which would be payable under this Lease, from the Condemnation Termination Date for what would be the then unexpired Term in the absence of such Condemnation, discounted at the rate equal to the then current yield on United States Treasury Notes having a maturity as of the stated date for expiration of the then existing Term of this Lease, plus 2% per annum (the "Reference Rate"), over (b) the Net Proceeds. The Net Proceeds shall belong to Lessor.

(c) **Substantial Casualty During the Last Two Years of the Term**. If an insured Casualty shall, in Lessee's good-faith judgment, affect all or a substantial portion of the Premises during the last two (2) years of the Term and shall render the Premises unsuitable for restoration for continued use and occupancy in Lessee's business, then Lessee may, not later than one hundred and fifty (150) days after such Casualty, deliver to Lessor (i) notice of its intention to terminate this Lease on the next rental payment date which occurs not less than sixty (60) days after the delivery of such notice (the "Casualty Termination Date"), (ii) a certificate of an

authorized officer of Lessee describing the event giving rise to such termination and stating that Lessee has determined that such Casualty has rendered the Premises unsuitable for restoration for continued use and occupancy in Lessee's business, and (iii) documentation to the effect that termination of this Lease will not be in violation of any agreement then in effect with which Lessee is obligated to comply pursuant to this Lease. Upon payment by Lessee of all Basic Rent, additional rent and other sums then due and payable hereunder to and including the Casualty Termination Date, this Lease shall terminate on the Casualty Termination Date except with respect to obligations and liabilities of Lessee hereunder, actual or contingent, which have accrued on or prior to the Casualty Termination Date, and the Net Proceeds shall belong to Lessor.

(d) **Less Than Substantial Condemnation or Any Casualty**. If, after a Condemnation or Casualty, Lessee does not give or does not have the right to give notice of its intention to terminate this Lease as provided in subsection 6.01(b) or (c), then this Lease shall continue in full force and effect and Lessee shall, at its expense, rebuild, replace or repair the Premises in conformity with the requirements of subsections 2.01, 2.02 and 5.03 so as to restore the Premises (in the case of Condemnation, as nearly as practicable) to the condition, and character thereof immediately prior to such Casualty or Condemnation; provided that Lessee and Lessor shall use reasonable efforts to consider modifications which would make the Improvements a more contemporary design. To the extent the Net Proceeds with respect to any Casualty are less than $100,000, such amount shall be paid to Lessee to be used to rebuild, replace or repair the Premises in a lien free and good and workmanlike manner. To the extent the Net Proceeds from any Casualty are $100,000 or greater, such amount shall be paid to the Proceeds Trustee and prior to any such rebuilding, replacement or repair, Lessee shall determine the maximum cost thereof (the "Restoration Cost"), which amount shall be reasonably acceptable to Lessor. The Restoration Cost shall be paid first out of Lessee's own funds to the extent that the Restoration Cost exceeds the Net Proceeds payable in connection with such occurrence, after which expenditure Lessee shall be entitled to receive the Net Proceeds from the Proceeds Trustee, but only against (i) certificates of Lessee delivered to Lessor and the Proceeds Trustee from time to time but no more often than monthly as such work of rebuilding, replacement and repair progresses, each such certificate describing the work for which Lessee is requesting payment and the cost incurred by Lessee in connection therewith and stating that Lessee has not theretofore received payment for such work and (ii) such additional documentation or conditions as Lessor or the Proceeds Trustee may reasonably require, including, but not limited to, copies of all contracts and subcontracts relating to restoration, architects' certifications, title policy updates and lien waivers or releases. Any Net Proceeds remaining after final payment has been made for such work and after Lessee has been reimbursed for any portions it contributed to the Restoration Cost with respect to any Casualty shall be paid to Lessee and with respect to any Condemnation shall be paid to Lessor. In the event of any temporary Condemnation, this Lease shall remain in full effect and Lessee shall be entitled to receive the Net Proceeds allocable to such temporary Condemnation, except that any portion of the Net Proceeds allocable to the period after the expiration or termination of the Term shall be paid to Lessor. If the cost of any rebuilding, replacement or repair required to be made by Lessee pursuant to this subsection 6.01(d) shall exceed the amount of such Net Proceeds, the deficiency shall be paid by Lessee.

(e) Notwithstanding anything to the contrary in this Lease, all of the foregoing provisions of this Section 6.01 shall be subject and subordinate to any provisions to the contrary contained in any Subordination, Non-Disturbance and Attornment Agreement, Mortgage or other document evidencing or securing a loan made by Mortgagee to Lessor.

Section 6.02 Insurance.

(a) Lessee will maintain insurance on the Premises of the following character:

(i) Insurance (on an occurrence basis) against all risks of direct physical loss ("Causes of Loss – Special Form"), including loss by fire, lightning, flooding (if the Premises are in a flood zone), earthquakes (if the Premises are in an earthquake zone), and other risks which at the time are included under "extended coverage" endorsements, on ISO form CP1030, or its equivalent, in amounts sufficient to prevent Lessor and Lessee from becoming a coinsurer of any loss but in any event in amounts not less than 100% of the actual replacement value of the Improvements, exclusive of foundations and excavations, without any exclusions other than standard printed exclusions and without exclusion for terrorism and with deductibles of not more than $25,000 per occurrence;

(ii) Commercial general liability insurance and/or umbrella liability insurance (on an occurrence basis), on ISO form CG 0001 0798, or its equivalent, against claims for bodily injury, death or property damage occurring on, in or about the Premises in the minimum amounts of $5,000,000 for bodily injury or death to any one person, $10,000,000 for any one accident and $5,000,000 for property damage to others or in such greater amounts as are then customary for property similar in use to the Premises, with deletions of contractual liability exclusions with respect to personal injury and with defense to be provided as an additional benefit and not within the limits of liability and with deductibles of not more than $25,000 per occurrence;

(iii) Rent loss insurance or business interruption insurance in an amount sufficient to cover loss of rents from the Premises pursuant to this Lease for a period of at least twelve (12) months, with endorsements to cover interruption of utilities outside of the Premises;

(iv) Worker's compensation insurance to the extent required by the law of the state in which the Premises are located;

(v) Boiler and machinery insurance in respect of any boilers and similar apparatus located on the Premises in the minimum amount of $500,000 or in such greater amounts as to adequately insure the Premises;

(vi) During any period of construction on the Premises, builder's risk insurance on a completed value, non-reporting basis for the total cost of such alterations or improvements, and workers' compensation insurance as required by applicable law. This coverage may be provided by Lessee's all risk property insurance pursuant to Section 6.02(a)(i) herein; and

(vii) Such other insurance in such kinds and amounts, with such deductibles and against such risks, as Mortgagee may require or as is commonly obtained in the case of property similar in use to the Premises and located in the state in which the Premises are located by prudent owners of such property.

Such insurance shall be written by companies authorized to do business in the state where the Premises are located and carrying a claims paying ability rating of at least A:XII by A.M. Best or A by Standard and Poor's, as applicable, and with the exception of workers' compensation insurance, shall name Lessor as an additional insured as its interest may appear.

(b) Every such policy provided pursuant to Section 6.02(a)(i), above shall (i) bear a mortgagee endorsement in favor of Mortgagee under any Mortgage, and any loss under any such policy shall be payable to the Mortgagee which has a first lien on such interest (if there is more than one first Mortgagee, then to the trustee for such Mortgagees) to be held and applied by Mortgagee toward restoration pursuant to Section 6.01, and (ii) contain an ordinance or law coverage endorsement. Every such policy with the exception of workers' compensation insurance, shall name the Mortgagee as an additional insured as its interest may appear. Every policy referred to in subsection 6.02(a) shall provide that it will not be cancelled or amended except after thirty (30) days written notice to Lessor and the Mortgagee and that it shall not be invalidated by any act or negligence of Lessor, Lessee or any person or entity having an interest in the Premises, nor by occupancy or use of the Premises for purposes more hazardous than permitted by such policy, nor by any foreclosure or other proceedings relating to the Premises, nor by change in title to or ownership of the Premises. The "Proceeds Trustee" shall be a financial institution or other third party selected by Lessor and reasonably approved by Lessee and may be the Mortgagee.

(c) Lessee shall deliver to Lessor and Mortgagee (i) upon request copies of the applicable insurance policies and (ii) original or duplicate certificates of insurance, satisfactory to Lessor and Mortgagee evidencing the existence of all insurance which is required to be maintained by Lessee hereunder and payment of all premiums therefor, such delivery to be made (i) upon the execution and delivery hereof and (ii) at least ten (10) days prior to the expiration of any such insurance. Lessee shall not obtain or carry separate insurance concurrent in form or contributing in the event of loss with that required by this Section 6.02 unless Lessor is named an additional insured therein and unless there is a mortgagee endorsement in favor of Mortgagee with loss payable as provided herein. Lessee shall immediately notify Lessor whenever any such separate insurance is obtained and shall deliver to Lessor and Mortgagee the policies or certificates evidencing the same. Any insurance required hereunder may be provided under blanket policies, provided that the Premises are specified therein.

(d) If required by Mortgagee at any time during the Term, or if an Event of Default shall occur, upon the request of Lessor, Lessee shall, in addition to and concurrently with the payment of Basic Rent as required in Section 1.04 hereof, pay one-twelfth of the amount (as estimated by Lessor or Mortgagee, as applicable) of the annual premiums for insurance (collectively, the "Insurance Escrow Payments") required under this Section 6.02 next becoming due and payable with respect to the Premises. Notwithstanding the foregoing, Lessee shall also be required to pay into escrow any other amounts required by Mortgagee. Lessee shall also pay to Lessor on demand therefor the amount by which the actual insurance premiums exceed the payment by Lessee required in this subsection.

(e) The requirements of this Section 6.02 shall not be construed to negate or modify Lessee's obligations under Section 5.04.

(f) Notwithstanding anything contained in this Lease to the contrary, each party hereto hereby waives any and all rights of recovery, claim, action or cause of action, against the other party and its agents, officers, and employees, for any loss or damage that may occur to the Premises, including the Improvements, regardless of cause or origin, including the negligence of the other party and its agents, officers, and employees, without prejudice to any waiver or indemnity provisions applicable to Lessee and any limitation of liability provisions applicable to Lessor hereunder, of which provisions Lessee shall notify all insurers. Lessor and Lessee agree that any policies presently existing or obtained on or after the date hereof (including renewals of present policies) shall include a clause or endorsement to the effect that any such release shall not adversely affect or impair said policies or prejudice the right of the insured to recover thereunder and that the insurer expressly waives its rights of subrogation against Lessor or Lessee, as the case may be, with respect to any claims under any such policies.

ARTICLE VII

Section 7.01 Conditional Limitations; Default Provisions.

(a) Any of the following occurrences or acts shall constitute an Event of Default under this Lease:

(i) If Lessee shall (1) fail to pay any Basic Rent, recurring additional rent or other recurring sum when due (provided that Lessor shall not exercise any of its remedies hereunder for such failure to pay unless such monetary Event of Default continues to exist after Lessor has provided Lessee with five (5) days written notice of Lessee's failure to timely pay such sums and provided that Lessor is obligated to provide such written notice no more than two times for any consecutive twelve (12) month period before exercising its remedies) or (2) fail to observe or perform any other provision hereof and such non-monetary failure shall continue for thirty (30) days after written notice to Lessee of such failure (provided that, in the case of any such failure which cannot be cured by the payment of money and cannot with diligence be cured within such thirty (30) day period, if Lessee shall commence promptly to cure the same and thereafter prosecute the curing thereof with diligence, the time within which such failure may be cured shall be extended for such period not to exceed one hundred and eighty (180) days as is necessary to complete the curing thereof with diligence);

(ii) If any representation or warranty of Lessee set forth in any certificate provided by Lessee pursuant to this Lease, shall prove to be incorrect in any material adverse respect as of the time when the same shall have been made in a way adverse to Lessor and Lessor shall suffer a loss or detriment as a result thereof, including, without limitation, the taking of any action (including, without limitation, the demise of the Premises to Lessee herein) in reliance upon such representation or warranty and, in each case, the facts shall not be conformed to the representation and warranty as soon as practicable in the circumstances (but in no event to exceed thirty (30) days) after written notice to Lessee from Lessor of such inaccuracy and Lessor restored to the position it would have enjoyed had such representation or warranty been accurate at the time it was made;

(iii) If Lessee shall file a petition in bankruptcy or for reorganization or for an arrangement pursuant to any federal or state law or shall be adjudicated a bankrupt or become insolvent or shall make an assignment for the benefit of creditors, or if a petition proposing the adjudication of Lessee as a bankrupt or its reorganization pursuant to any federal or state bankruptcy law or any similar federal or state law shall be filed in any court and Lessee shall consent to or acquiesce in the filing thereof or such petition shall not be discharged or denied within ninety (90) days after the filing thereof;

(iv) If a receiver, trustee or conservator of Lessee or of all or substantially all of the assets of Lessee or of the Premises or Lessee's or estate therein shall be appointed in any proceeding brought by Lessee, or if any such receiver, trustee or conservator shall be appointed in any proceeding brought against Lessee and shall not be discharged within ninety (90) days after such appointment, or if Lessee shall consent to or acquiesce in such appointment;

(v) If the Premises shall have been abandoned for a period of ten (10) consecutive days;

(vi) If a Letter of Credit has been posted as the Security Deposit or other security hereunder, and the issuer of the Letter of Credit cancels, terminates or refuses to honor it, and Lessee shall fail to renew the Letter of Credit within thirty (30) days or shall fail to post a cash equivalent amount of the Letter of Credit or a replacement letter of credit within fifteen (15) days after notice of such cancellation, termination or refusal; and

(vii) If an Event of Default occurs under this Lease more than three (3) times within any consecutive twelve (12) month period, irrespective of whether or not such Event of Default is cured.

(b) If an Event of Default shall have happened and be continuing, Lessor shall have the right to give Lessee notice of Lessor's termination of the Term. Upon the giving of such notice, the Term and the estate hereby granted shall expire and terminate on such date as fully and completely and with the same effect as if such date were the date herein fixed for the expiration of the Term, and all rights of Lessee hereunder shall expire and terminate, but Lessee shall remain liable as hereinafter provided.

(c) If an Event of Default shall have happened and be continuing, Lessor shall have the immediate right, whether or not the Term shall have been terminated pursuant to subsection 7.01(b), to reenter and repossess the Premises and the right to remove all persons and property (subject to Section 3.02) therefrom by summary proceedings, ejectment or any other legal action or in any lawful manner Lessor determines to be necessary or desirable. Lessor shall be under no liability by reason of any such reentry, repossession or removal. No such reentry, repossession or removal shall be construed as an election by Lessor to terminate the Term unless a notice of such termination is given to Lessee pursuant to subsection 7.01(b) or unless such termination is decreed by a court.

(d) At any time or from time to time after a reentry, repossession or removal pursuant to subsection 7.01(c), whether or not the Term shall have been terminated pursuant to subsection 7.01(b), Lessor may relet the Premises for the account of Lessee, in the name of Lessee or Lessor or otherwise. Lessor may collect any rents payable by reason of such reletting. Lessor shall not be liable for any failure to relet the Premises or for any failure to collect any rent due upon any such reletting. Notwithstanding the foregoing, Lessor agrees to make reasonable efforts to mitigate its damages under this Lease in the event Lessee actually vacates or advises Lessor that it is, as of a specified date, to vacate the Premises. The phrase "reasonable efforts," as it relates to Lessor's duty to attempt to relet the Premises, shall require Lessor to do only the following: (i) notify Lessor's management company, if any, in writing of the availability of the Premises for reletting and authorize same to advertise as appropriate, (ii) post Lessor's leasing contact telephone number in an appropriate area of the Premises, and (iii) show the Premises to any prospective lessee interested in the Premises and to any prospective lessee specifically referred to Lessor by Lessee. Under any requirement of Lessor to use "reasonable efforts" as described herein, (i) Lessor shall not be required to relet the Premises ahead of any other properties in the same market not producing any income to Lessor; (ii) Lessor shall be entitled to consider lessee quality, lessee-mix, the financial condition of any prospective lessee, the nature of the Premises, the proposed use of the Premises by any prospective lessee, and any rights of existing sublessees located in the Premises, in making any leasing decision without being deemed to have violated its mitigation requirement hereunder; and (iii) under any new lease entered into by Lessor, Lessor may relet all or any portion of the Premises to create an appropriate block of space for a new lessee, may relet for a greater or lesser term than that remaining at that time under this Lease, and may include free rent, concessions, inducements, alterations and upgrades in the new lease. If a reletting occurs, Lessor shall recoup all of its expenses of reletting (including, without limitation, all expenses relating to remodeling, alterations, repairs, capital improvements, brokerage fees, decorating fees, and fees for architects, designers, space planners and attorneys) before Lessee is entitled to a credit on the damages owed by Lessee hereunder. If Lessor shall do all the foregoing then, anything in this Lease, or any statute, or common law rule to the contrary notwithstanding, Lessor shall be deemed to have met its duty (if any) to mitigate its damages hereunder.

(e) No expiration or termination of the Term pursuant to subsection 7.01(b), by operation of law or otherwise, and no reentry, repossession or removal pursuant to subsection 7.01(c) or otherwise, and no reletting of the Premises pursuant to subsection 7.01(d) or otherwise, shall relieve Lessee of its liabilities and obligations hereunder, all of which shall survive such expiration, termination, reentry, repossession, removal or reletting.

(f) In the event of any expiration or termination of the Term or reentry or repossession of the Premises or removal of persons or property therefrom by reason of the occurrence of an Event of Default, Lessee shall pay to Lessor all Basic Rent, additional rent and other sums required to be paid by Lessee, in each case to and including the date of such expiration, termination, reentry, repossession or removal, and, thereafter, Lessee shall, until the end of what would have been the Term in the absence of such expiration, termination, reentry, repossession or removal and whether or not the Premises shall have been relet, be liable to Lessor for, and shall pay to Lessor, as liquidated and agreed current damages: (i) all Basic Rent, all additional rent and other sums which would be payable under this Lease by Lessee in the absence

of any such expiration, termination, reentry, repossession or removal, together with all expenses of Lessor in connection with such reletting (including, without limitation, all repossession costs, brokerage commissions, reasonable attorneys' fees and expenses (including, without limitation, fees and expenses of appellate proceedings), employee's expenses, alteration costs and expenses of necessary preparation for such reletting), less (ii) the net proceeds, if any, of any reletting effected for the account of Lessee pursuant to subsection 7.01(d). Lessee shall pay such liquidated and agreed current damages on the dates on which rent would be payable under this Lease in the absence of such expiration, termination, reentry, repossession or removal, and Lessor shall be entitled to recover the same from Lessee on each such date.

(g) At any time after any such expiration or termination of the Term or reentry or repossession of the Premises or removal of persons or property therefrom by reason of the occurrence of an Event of Default, whether or not Lessor shall have collected any liquidated and agreed current damages pursuant to subsection 7.01(f), Lessor shall be entitled to recover from Lessee, and Lessee shall pay to Lessor on demand, as and for liquidated and agreed final damages for Lessee's default and in lieu of all liquidated and agreed current damages beyond the date of such demand (it being agreed that it would be impracticable or extremely difficult to fix the actual damages), an amount equal to the excess, if any, of (a) the aggregate of all Basic Rent, additional rent and other sums which would be payable under this Lease, in each case from the date of such demand (or, if it be earlier, to date to which Lessee shall have satisfied in full its obligations under subsection 7.01(f) to pay liquidated and agreed current damages) for what would be the then unexpired Term in the absence of such expiration, termination, reentry, repossession or removal, discounted at the Reference Rate, over (b) the then fair rental value of the Premises, discounted at the Reference Rate for the same period. If any law shall limit the amount of liquidated final damages to less than the amount above agreed upon, Lessor shall be entitled to the maximum amount allowable under such law.

Section 7.02 Bankruptcy or Insolvency.

(a) If Lessee shall become a debtor in a case filed under Chapter 7 or Chapter 11 of the Bankruptcy Code and Lessee or Lessee's trustee shall fail to elect to assume this Lease within sixty (60) days after the filing of such petition or such additional time as provided by the court within such sixty (60) day period, this Lease shall be deemed to have been rejected. Immediately thereupon, Lessor shall be entitled to possession of the Premises without further obligation to Lessee or Lessee's trustee, and this Lease, upon the election of Lessor, shall terminate, but Lessor's right to be compensated for damages (including, without limitation, liquidated damages pursuant to any provision hereof) or the exercise of any other remedies in any such proceeding shall survive, whether or not this Lease shall be terminated.

(b) Neither the whole nor any portion of Lessee's interest in this Lease or its estate in the Premises shall pass to any trustee, receiver, conservator, assignee for the benefit of creditors or any other person or entity, by operation of law or otherwise under the laws of any state having jurisdiction of the person or property of Lessee, unless Lessor shall have consented to such transfer. No acceptance by Lessor of rent or any other payments from any such trustee, receiver, assignee, person or other entity shall be deemed to constitute such consent by Lessor nor shall it be deemed a waiver of Lessor's right to terminate this Lease for any transfer of Lessee's interest under this Lease without such consent.

Section 7.03 Additional Rights of Lessor.

(a) Except as provided in Section 7.01(g), no right or remedy hereunder shall be exclusive of any other right or remedy, but shall be cumulative and in addition to any other right or remedy hereunder or now or hereafter existing. Failure to insist upon the strict performance of any provision hereof or to exercise any option, right, power or remedy contained herein shall not constitute a waiver or relinquishment thereof for the future. Receipt by Lessor of any Basic Rent, additional rent or other sums payable hereunder with knowledge of the breach of any provision hereof shall not constitute waiver of such breach, and no waiver by Lessor of any provision hereof shall be deemed to have been made unless made in writing. Lessor shall be entitled to injunctive relief in case of the violation, or attempted or threatened violation, of any of the provisions hereof, or to a decree compelling performance of any of the provisions hereof, or to any other remedy allowed to Lessor by law or equity.

(b) Lessee hereby waives and surrenders for itself and all those claiming under it, including creditors of all kinds, (i) any right and privilege which it or any of them may have to redeem the Premises or to have a continuance of this Lease after termination of Lessee's right of occupancy by order or judgment of any court or by any legal process or writ, or under the terms of this Lease, or after the termination of the Term as herein provided, (ii) the benefits of any law which exempts property from liability for debt and (iii) Lessee specifically waives any rights of redemption or reinstatement available by law or any successor law.

(c) If an Event of Default on the part of Lessee shall have occurred hereunder and be continuing, then, without thereby waiving such default, Lessor may, but shall be under no obligation to, take all action, including, without limitation, entry upon the Premises, to perform the obligation of Lessee hereunder immediately and without notice in the case of any emergency as may be reasonably determined by Lessor and upon five (5) business days notice to Lessee in other cases. All reasonable expenses incurred by Lessor in connection therewith, including, without limitation, attorneys' fees and expenses (including, without limitation, those incurred in connection with any appellate proceedings), shall constitute additional rent under this Lease and shall be paid by Lessee to Lessor upon demand.

(d) If Lessee shall be in default in the performance of any of its obligations under this Lease beyond any applicable grace or cure period hereunder, Lessee shall pay to Lessor, on demand, all expenses incurred by Lessor as a result thereof, including, without limitation, reasonable attorneys' fees and expenses (including, without limitation, those incurred in connection with any appellate proceedings) and any additional sums (including any late charge, default penalties, interest and fees of the counsel of Mortgagee) which are payable by Lessor to its Mortgagee by reason of Lessee's late payment or non-payment of Basic Rent. If Lessor shall be made a party to any litigation commenced against Lessee and Lessee shall fail to provide Lessor with counsel approved by Lessor and pay the expenses thereof, Lessee shall pay all costs and reasonable attorneys' fees and expenses in connection with such litigation (including, without limitation, fees and expenses incurred in connection with any appellate proceedings).

(e) If Lessee shall fail to pay when due any Basic Rent, additional rent or other sum required to be paid by Lessee hereunder, Lessor shall be entitled to collect from Lessee as additional rent and Lessee shall pay to Lessor, in addition to such Basic Rent, additional rent or other sum, annual interest on the delinquency equal to the Late Rate from the date due until paid. The Late Rate shall be the lesser of (i) fifteen percent (15%) per annum or (ii) the maximum rate permitted by applicable law. In addition to all other remedies Lessor has hereunder, if Lessee shall fail to pay any Basic Rent, additional rent or other sum, as and when required to be paid by Lessee hereunder prior to the expiration for the period of payment pursuant to subsection 7.01(a)(i)(1), Lessor shall be entitled to collect from Lessee, and Lessee shall pay to Lessor, as additional rent, a late payment charge in an amount equal to 1% of the amount shown in the notice as unpaid.

ARTICLE VIII

Section 8.01 Notices and Other Instruments. All notices, offers, consents and other instruments given pursuant to this Lease shall be in writing and shall be validly given when hand delivered or sent by a courier or express service guaranteeing overnight delivery or by telecopy, with original being promptly sent as otherwise provided above, addressed as follows:

If to Lessor: Cobham Properties, Inc.
10 Cobham Drive
Orchard Park, New York 14127
Attention: _____
Telephone: _____
Facsimile: _____

With a copy to: Jaeckle Fleischman & Mugel, LLP
Centerpointe Corporate Park
400 Essjay Road, Suite 320
Williamsville, New York 14221
Attention: Michael A. Piette
Telephone: (716) 250-1801
Facsimile: (716) 250-1806

If to Lessee: M/A-COM Technology Solutions, Inc.
100-144 Chelmsford
Lowell, MA 01851
Attention: _____
Telephone: _____
Facsimile: _____

With copy to: Jaeckle Fleischman & Mugel, LLP
Centerpointe Corporate Park
400 Essjay Road, Suite 320
Williamsville, New York 14221
Attention: Michael A. Piette
Telephone: (716) 250-1801
Facsimile: (716) 250-1806

Lessor and Lessee each may from time to time specify, by giving fifteen (15) days notice to each other party, (i) any other address in the United States as its address for purposes of this Lease and (ii) any other person or entity in the United States that is to receive copies of notices, offers, consents and other instruments hereunder. Notice under the terms of this Lease shall be deemed delivered, whether or not actually received, upon the earlier of (i) the date of actual receipt by such party, or (ii) the day after said notice is either deposited with such overnight delivery service, transmitted by telecopier, or personally delivered, as applicable, pursuant to the above provisions.

Section 8.02 Estoppel Certificates; Financial Information.

(a) Lessee will, upon ten (10) business days written notice at the request of Lessor, execute, acknowledge and deliver to Lessor a certificate of Lessee, stating that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and setting forth such modifications) and stating the dates to which Basic Rent, additional rent and other sums payable hereunder have been paid and either stating that to the knowledge of Lessee no default exists hereunder or specifying each such default of which Lessee has knowledge and whether or not Lessee is still occupying and operating the Premises and such other information as Lessor shall reasonably request. Any such certificate may be relied upon by any actual or prospective mortgagee or purchaser of the Premises. Lessor will, upon ten (10) business days written notice at the request of Lessee, execute, acknowledge and deliver to Lessee a certificate of Lessor, stating that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect as modified, and setting forth such modifications) and the dates to which Basic Rent, additional rent and other sums payable hereunder have been paid, and either stating that to the knowledge of Lessor no default exists hereunder or specifying each such default of which Lessor has knowledge. Any such certificate may be relied upon by Lessee or any actual or prospective assignee or sublessee of the Premises.

(b) Lessor and its agents and designees may enter upon and examine the Premises and examine the records and books of account and discuss the finances and business with the officers of the Lessee at reasonable times during normal business hours and on reasonable advance written notice. Lessee shall provide the requesting party with copies of any information to which such party would be entitled in the course of a personal visit. Except in the event of emergency, Lessee may designate an employee to accompany Lessor, its agents and designees on such examinations. Lessee will provide, upon Lessor's request, all information regarding the Premises, including, but not limited to, a current rent roll, an operating statement reflecting all income from subleases and all operating expenses for the Premises. Lessor and its agents and designees may enter upon and examine the Premises and show the Premises to prospective mortgagees and/or purchasers at reasonable times during normal business hours and on reasonable advance written notice.

ARTICLE IX

Section 9.01 No Merger. There shall be no merger of this Lease or of the leasehold estate hereby created with the fee estate in the Premises by reason of the fact that the same person acquires or holds, directly or indirectly, this Lease or the leasehold estate hereby created or any interest herein or in such leasehold estate, as well as the fee estate in the Premises or any interest in such fee estate.

Section 9.02 Surrender. Upon the expiration or termination of this Lease, Lessee shall surrender the Premises to Lessor in as good repair and condition as received under Section 2.01(a) except for any damage resulting from Condemnation or Casualty or normal wear and tear not required to be repaired by Lessee. The provisions of this Section shall survive the expiration or other termination of this Lease.

Section 9.03 Time. Time is of the essence with respect to this Lease, and the respective time periods set forth herein.

Section 9.04 Separability; Binding Effect; Governing Law. Each provision hereof shall be separate and independent, and the breach of any provision by Lessor shall not discharge or relieve Lessee from any of its obligations hereunder. Each provision hereof shall be valid and shall be enforceable to the extent not prohibited by law. If any provision hereof or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remaining provisions hereof, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby. All provisions contained in this Lease shall be binding upon, inure to the benefit of and be enforceable by the successors and assigns of Lessor to the same extent as if each such successor and assign were named as a party hereto. All provisions contained in this Lease shall be binding upon the successors and assigns of Lessee and shall inure to the benefit of and be enforceable by the permitted successors and assigns of Lessee in each case to the same extent as if each successor and assign were named as a party hereto. This Lease shall be governed by and interpreted in accordance with the laws of the state in which the Premises are located.

Section 9.05 Table of Contents and Headings; Internal References. The table of contents and the headings of the various paragraphs and exhibits of this Lease have been inserted for reference only and shall not to any extent have the effect of modifying the express terms and provisions of this Lease. Unless stated to the contrary, any references to any Section, subsection, Exhibit and the like contained herein are to the respective Section, subsection, Exhibit and the like of this Lease.

Section 9.06 Counterparts. This Lease may be executed in two or more counterparts and shall be deemed to have become effective when and only when one or more of such counterparts shall have been executed by or on behalf of each of the parties hereto (although it shall not be necessary that any single counterpart be executed by or on behalf of each of the parties hereto, and all such counterparts shall be deemed to constitute but one and the same instrument) and shall have been delivered by each of the parties to the other.

Section 9.07 Lessor's Liability. Notwithstanding anything to the contrary provided in this Lease, it is specifically understood and agreed, such agreement being a primary consideration for the execution of this Lease by Lessor, that there shall be absolutely no personal liability on the part of any partner, director, member, officer or shareholder of Lessor, its successors or assigns with respect to any of the terms, covenants and conditions of this Lease, and any liability on the part of Lessor shall be limited solely to Lessor's interest in the Premises, such exculpation of liability to be absolute and without any exception whatsoever.

Section 9.08 Amendments and Modifications. Except as expressly provided herein, this Lease may not be modified or terminated except by a writing signed by Lessor and Lessee.

Section 9.09 Additional Rent. All amounts other than Basic Rent which Lessee is required to pay or discharge pursuant to this Lease, including the charge provided for by Section 7.03(e) hereof, shall constitute additional rent which shall include, but not be limited to all reasonable costs and expenses of Lessee and Lessor which are incurred in connection or associated with (A) the use, occupancy, possession, operation, condition, design, construction, maintenance, alteration, repair or restoration of any of the Premises, (B) the performance of any of Lessee's obligations under this Lease, (C) the prosecution, defense or settlement of any litigation involving or arising from any of the Premises or this Lease, (D) the enforcement by Lessor, its successors and assigns, of any of its rights under this Lease, (E) any amendment to or modification of this Lease made at the request of Lessee, (F) costs of Lessor's counsel incurred in connection with any act undertaken by Lessor (or its counsel) at the request of Lessee, or incurred in connection with any act of Lessor performed on behalf of Lessee pursuant to this Lease.

Section 9.10 Consent of Lessor. Except as specifically set forth in this Lease, all consents and approvals to be granted by Lessor shall not be unreasonably withheld or delayed, and Lessee's sole remedy against Lessor for the failure to grant any consent shall be to seek injunctive relief. In no circumstance will Lessee be entitled to damages with respect to the failure to grant any consent or approval.

Section 9.11 Quiet Enjoyment. Lessor agrees that, subject to the rights of Lessor under this Lease, Lessee shall hold and enjoy the Premises during the term of this Lease, free from any hindrance or interference from Lessor or any party claiming by, through or under Lessor.

Section 9.12 Holding Over. If Lessee remains in possession of the Premises, or any part thereof, after the expiration or other termination of the Term, without Lessor's express written consent, Lessee shall be guilty of an unlawful detention of the Premises and shall be liable to Lessor for damages for use of the Premises during the period of such unlawful detention at a rate equal to 1.5 times the Basic Rent and all other amounts which would be payable during the Term hereof (collectively, "Holdover Rent"), plus any consequential damages suffered by Lessor. In the event of such unlawful detention, Lessee shall indemnify and hold Lessor harmless from and against any and all claims, suits, proceedings, losses, damages, liabilities, costs and expenses, including, without limitation, attorneys' fees and disbursements, asserted against or incurred by Lessor, as a result of such unlawful detention. Notwithstanding the foregoing, Lessor shall be entitled to such other remedies and damages provided under this Lease or at law or in equity.

Section 9.13 Compliance with Terrorism Laws. Lessee represents and warrants that neither Lessee nor any Person controlling Lessee (i) is included on any Government List (as hereinafter defined); (ii) has been determined by competent authority to be subject to the prohibitions contained in Presidential Executive Order No. 133224 (September 23, 2001) or in any enabling or implementing legislation or other Presidential Executive Orders in respect thereof; (iii) has been previously indicted for or convicted of any felony involving a crime or crimes of moral turpitude or for any offense under the criminal laws against terrorists, the criminal laws against money laundering, the Bank Secrecy Act, as amended, the Money Laundering Control Act of 1986, as amended, or the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorists (USA PATRIOT ACT) Act of 2001, Public Law 107-56 (October 26, 2001), as amended; (iv) is currently under investigation by any governmental authority for alleged criminal activity; or (v) has a reputation in the community for criminal or unethical behavior. For purposes of this Lease, the term "Government List" means (1) the Specialty Designated Nationals and Blocked Persons Lists maintained by the Office of Foreign Assets Control, United States Department of the Treasury ("OFAC"), (2) the Denied Persons List and the Entity List maintained by the United States Department of Commerce, (3) the List of Terrorists and List of Disbarred Parties maintained by the United States Department of State, (4) any other list of terrorists, terrorist organizations or narcotics traffickers maintained pursuant to any of the lists, laws, rules and regulations maintained by OFAC pursuant to any authorizing statute, Executive Order or regulation, (5) any other similar list maintained by the United States Department of State, the United States Department of Commerce or any other governmental authority or pursuant to any Executive Order of the President of the United States of America and (6) any list or qualification of "Designated Nationals" as defined in the Cuban Assets Control Regulations, 31 C.F.R. Part 515, as all such Government Lists may be updated from time to time.

Section 9.14 Financing and Subordination, Non-Disturbance and Attornment. Notwithstanding anything to the contrary in this Lease, this Lease and Lessee's interest hereunder shall be subject, subordinate and inferior to any mortgage or other security instrument granted or entered into by Lessor in connection with the loan by which Lessor acquired the Premises from Lessee, and any mortgage or other security instrument hereafter placed upon the Premises by Lessor, and to any and all advances made or to be made thereunder, to the interest thereon, and all renewals, replacements and extensions thereof, provided that any such

mortgage (or a separate non-disturbance agreement entered into between Lessee and the Mortgagee in whose favor such mortgage was granted) shall provide for the recognition of this Lease and all Lessee's rights hereunder unless and until an Event of Default. If Lessor desires to obtain or refinance any loan, Lessee shall execute any and all documents that such Mortgagee reasonably requires in connection with such financing, so long as the same do not materially adversely affect any right, benefit or privilege of Lessee under this Lease or materially increase Lessee's obligations under this Lease.

Section 9.15 Disclaimer of Purchase Rights. Nothing in this Lease is intended or shall operate to grant to Lessee any right of first refusal, right of first offer, purchase option, or similar right to elect to purchase or acquire the Premises or any portion thereof, and Lessee hereby expressly waives any and all such rights.

Section 9.16 Security Deposit. Lessee will deposit or cause to be deposited with Lessor or Mortgagee, as Lessor shall designate, on or before the date hereof, One Hundred Thirty-One Thousand Four Hundred Ninety-Two and NO/100 Dollars ($131,492.00) as a "Security Deposit" for its full and faithful performance of the terms of this Lease, it being expressly understood that such Security Deposit shall not be considered an advance payment of any Basic Rent, additional rent or other sums payable under this Lease or a measure of Lessor's damages in case of an Event of Default. Payment of said Security Deposit shall be satisfied by Lessee's deposit of cash or a Letter of Credit in said amount. Lessee shall have the right to freely substitute cash for a Letter of Credit or vice versa, and if paid in cash, any interest earned shall remain as an additional Security Deposit. If Lessor transfers its interest in the Premises during the Term to a transferee who assumes Lessor's obligations hereunder and to whom the Security Deposit is transferred, Lessor may assign the Security Deposit to the transferee and, thereafter, Lessor shall have no further liability for the return of such Security Deposit to Lessee. For the purposes herein, "Letter of Credit" shall mean an irrevocable standby letter of credit issued to Lessor by a financially sound national banking association or state chartered bank having assets in excess of $10,000,000,000 and otherwise reasonably acceptable to Lessor, the proceeds of which shall be available to Lessor without the need for Lessor to satisfy any requirements or conditions whatsoever other than delivery of (a) the original Letter of Credit along with Lessor's sight draft to the issuing institution with reference to the appropriate letter of credit number for the Letter of Credit, as set forth therein and (b) (i) a certificate signed by Lessor certifying that an Event of Default has occurred and is continuing under the Lease, or (ii) a certificate signed by Lessor certifying that Lessee has failed to renew the Letter of Credit at least thirty (30) days prior to its stated expiration date. The Letter of Credit shall be valid for an initial period of one (1) year from and after the date of its issuance and, by its express terms, shall provide (i) that its term shall automatically be extended for successive one (1) year periods unless at least thirty (30) days prior to the expiration of the initial one year term or any one year extension (as applicable) the issuer provides Lessor with written notification that it will not be extended, and (ii) that Lessor may assign (whether by way of outright or collateral assignment) all or any portion of its interest in the Letter of Credit to Mortgagee or any other person (including, without limitation, any third party purchaser).

Section 9.17 Short Form Memorandum of Lease. Upon Lessor's or Lessee's request, the parties shall record a "short form" Memorandum of Lease identifying the Term granted to Lessee by this Lease, and any other terms to which the parties may agree. Any recording costs associated with the memorandum or short form of this Lease shall be borne by Lessee. Upon the expiration or earlier termination of this Lease, Lessee shall promptly execute and deliver to Lessor an instrument, in recordable form, wherein Lessee acknowledges the expiration or earlier termination of this Lease. Upon transfer or conveyance of the Premises by Lessor, Lessee agrees to execute an amendment to the memorandum indicating the change of Lessor.

Section 9.18 Intentionally Deleted.

Section 9.19 Brokers. Lessor and Lessee mutually represent and warrant to each other that it dealt with no real estate brokers in the transactions contemplated by this Lease, and that no brokerage fees, commissions, or other remuneration of any kind are due in connection herewith. Lessor shall forever indemnify and hold harmless Lessee against and in respect of any and all claims, losses, liabilities and expenses, including, without limitation, reasonable attorney's fees and court costs, which Lessee may incur on account of any claim by any broker or agent or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Lessor in respect to the transactions herein contemplated. Lessee shall forever indemnify and hold harmless Lessor against and in respect of any and all claims, losses, liabilities and expenses, including, without limitation, reasonable attorney's fees and court costs, which Lessor may incur on account of any claim by any broker or agent or other person on the basis of any arrangements or agreements made or alleged to have been made by or on behalf of Lessee in respect to the transactions herein contemplated. The provisions of this Section shall survive expiration or termination of this Lease.

Section 9.20 Waiver of Jury Trial. Lessor and Lessee each hereby expressly, irrevocably, fully and forever release, waive and relinquish any and all right to trial by jury.

Section 9.21 No Partnership. Nothing herein contained shall be deemed or construed either by the parties hereto, or by a third party, to create a relationship between the parties of principal and agent, partnership, or joint venture. None of computation of rent, or any other provision contained herein, or any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

Section 9.22 No Construction Against Drafter. Each of the parties hereto acknowledges that it is sophisticated and experienced in transactions of the nature contemplated hereby and that it has been represented by counsel of its choosing in connection herewith; accordingly, each party hereto waives to the fullest extent permitted by law the application of any law or rule of construction requiring that this Lease be construed or interpreted against the drafting party or in favor of the non-drafting party.

Section 9.24 Security Interest and Security Agreement. This Lease shall also create a security interest in, and Lessee hereby grants to Lessor a security interest in, all sums on deposit with Lessor (or Lessor's Mortgagee, as applicable) pursuant to the provisions of this Lease, including, but not limited to the Security Deposit (said funds and accounts are hereinafter

referred to collectively as the "**Collateral**"). This Lease constitutes a security agreement between Lessee and Lessor with respect to the Collateral in which Lessor is granted a security interest hereunder, and, cumulative of all other rights and remedies of Lessor hereunder, Lessor shall have all of the rights and remedies of a secured party under the Uniform Commercial Code. "Uniform Commercial Code" means the Uniform Commercial Code as now or hereafter in effect in the state where the Premises is located; provided that, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, the Lessor's security interest in any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than such state, the term "Uniform Commercial Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions. Lessee hereby agrees to execute and deliver on demand and hereby irrevocably constitutes and appoints Lessor the attorney-in-fact of Lessee to execute and deliver and, if appropriate, to file with the appropriate filing officer or office such security agreements, financing statements, continuation statements or other instruments as Lessor may request or require in order to impose, perfect or continue the perfection of the lien or security interest created hereby. Lessee hereby authorizes Lessor at any time and from time to time to file any initial financing statements, amendments thereto and continuation statements with or without the signature of Lessee as authorized by applicable law, as applicable to all or part of the Collateral. For purposes of such filings, Lessee agrees to furnish any information requested by the Lessor promptly upon request therefor by Lessor. Lessee also ratifies its authorization for the Lessor to have filed any like initial financing statements, amendments thereto or continuation statements, if filed prior to the date of this Lease. Lessee agrees to furnish Lessor with notice of any change in the name, identity, organizational structure, residence, state of incorporation, state of organization or state of formation or principal place of business or mailing address of Lessee within ten (10) days of the effective date of any such change. Upon the occurrence of any Event of Default, Lessor shall have the rights and remedies as prescribed in this Lease, or as prescribed by general law, or as prescribed by any applicable Uniform Commercial Code, all at Lessor's election.

[Signatures of Lessor and Lessee Follow on Next Pages]

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the date first above written.

LESSOR:

COBHAM PROPERTIES, INC.
a Delaware corporation

By: /s/ Charles P. Stuff
Name: Charles P. Stuff
Title: President

LESSEE:

M/A-COM TECHNOLOGY
SOLUTIONS, INC.
a Delaware corporation

By: /s/ David L. Fuller
Name: David L. Fuller
Title: Secretary

EXHIBIT "A"

The land situated on Chelmsford Street, in Lowell, Middlesex County, Massachusetts, shown as Lots I-1B-4 and I-1B-5 on a plan entitled "Compiled Disposition Map of Lots I-1B-3, I-1B-4 & I-1B-5 in Lowell, Mass., Hale Howard Urban Renewal Area, Project No. Mass. R-130" dated March 30, 1977, by Dana F. Perkins & Sons, Inc. Civil Engineers & Surveyors", recorded with Middlesex North District Deeds in Plan Book 124, Plan 46, bounded and described as follows:

Northeasterly by land now or formerly of the Boston & Maine Railroad Corp., as shown on said plan, by three bounds totaling 649.97 feet;

Southeasterly by said land of Boston & Mane Railroad Corp., as shown on said plan, 27.97 feet;

Northeasterly again, by said land of Boston & Mane Railroad Corp., as shown on said plan, 265.16 feet;

Southeasterly again, by Lot I-1B-3, as shown on said plan, 412.45 feet;

Southeasterly again, by said Lot I-1B-3, as shown on said plan, 277.71 feet;

Southwesterly by Lot I-1A, as shown on said plan, 300 feet;

Northwesterly by Chelmsford Street, 270 feet; and

Northwesterly again, by said Chelmsford Street by three courses totaling 1,042.23 feet;

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Comprised in part by three parcels of registered land; namely,

Registered Parcel 1:

A certain parcel of land situated in said Lowell, bounded and described as follows:

Northeasterly by Howard Street, fifty-two (52) feet;

Southeasterly by land now or formerly of David Ziskind, one hundred twelve (112) feet;

Southwesterly by land now or formerly of Charles E. Jameson, fifty-two and 1/100 (52.01) feet; and

Northwesterly by land now or formerly of Israel Levin, one hundred thirteen and 28/100 (113.28) feet.

All of said boundaries of said Registered Parcel 1 are determined by the Land Court to be located as shown on Plan 5672-A entitled "Plan of Land in Lowell" drawn by Smith and Brooks, Civil Engineers, dated October 15, 1915, as approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed with Certificate of Title No. 951 issued by Middlesex North Registry District of the Land Court.

Registered Parcel 2: Specifically omitted

Registered Parcel 3:

A certain parcel of land situated in said Lowell, bounded and described as follows:

Northwesterly by land now or formerly of Minnie Bernstein and Mary F. Hardy, forty-six and 68/100 (46.68) feet;

Southeasterly by Lot 5, twenty-five and 07/100 (25.07) feet;

Southwesterly by Lot 6, thirty-three and 94/100 (33.94) feet.

All of said boundaries of said Registered Parcel 3 are determined by the Land Court to be located and shown on Subdivision Plan 6039-B entitled "Subdivision Plan of Land in Lowell" drawn by Dana F. Perkins & Sons, Inc., Surveyors, dated December 22, 1976, as approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed with Certificate of Title No. 21963 issued by said Registry District, and said Registered Parcel 3 is shown as Lot 7 on said Plan.

Excepting and excluding from the foregoing the following:

So much of the premises as lies within former Railroad Street as the same is now or formerly owned by Boston and Maine Corporation as set forth in Deed from the Trustees of Boston and Maine Railroad Corporation to City Development Authority dated January 5, 1977, recorded with said Deeds, Book 2242, Page 527.

Said land being the land conveyed to Lowell Investors Associates Limited Partnership by deed of M/A Corn, Inc., dated as of May 15, 1984, recorded with said Deed in Book 2755, Page 3. (For title to said registered parcels, referenced is also made to Certificate of Title No. 25036 issued by said Registry District).

EXHIBIT B

PERMITTED EXCEPTIONS

EXCEPTIONS

The Owner's Policy will be subject to the mortgage, if any, shown on Schedule B, Section 1 hereof. Schedule B of the Policy or Policies to be issued will contain exceptions to the following matters unless they are taken care of to our satisfaction:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Any state of facts as would be disclosed by a current Certificate of Municipal Liens; plus unpaid water and sewer charges, if any.
3. Rights of the tenants, and/or others in possession, if any.
4. Any liability for mechanics' or materialmen's liens.
5. Any facts that would be disclosed by an accurate survey or inspection of the land.
6. The exact acreage or square footage being other than as stated in the description sheet annexed or the plan(s) therein referred to.
7. Taking by City of Lowell for street and highway purposes within Chelmsford Street and Westford Street dated May 20, 1970, recorded in Book 1922, Page 281 and filed as Document No. 54519.
8. Terms and Provisions of Urban Renewal Plan for Hale Howard Streets Area Project No. Mass. R-130 prepared by City Development Authority dated June, 1970, as amended February 16, 1973, filed with the City Clerk of the City of Lowell; as affected by Certificate of Compliance by City of Lowell reccorded in Book 2586, Page 441, and filed as Document No. 95998.
9. Grant of Easement from The City Development Authority to Massachusetts Electric Company dated March 24, 1977, recorded in Book 2241, Page 309; as affected by Easement among Allu Realty Corp., Lowell Division of Colonial Gas Company and Massachusetts Electric Company dated July 19, 1982 recorded in Book 2547, Page 94.
10. Easements, conditions and restrictions set forth or referred to in a deed from City Development Authority to the City of Lowell dated October 2, 1978, recorded in Book 2332, Page 534 and filed as Document No. 76121.

11. Easements, conditions or restrictions set forth or referred to in a Deed from the City of Lowell to Wang Laboratories, Inc. dated December 31, 1980, recorded in Book 2459, Page 212 and filed as Document No. 81413.

12. Easements, conditions or restrictions set forth or referred to in a deed from Wang Laboratories, Inc, to M/A Com, Inc., dated January 26, 1983 recorded in Book 2586, Page 450 and filed as Document No. 96003.

13. Access and License Agreement between AMP Incorporated, M/A – Com, Division and L'Energia Limited Partnership dated November 17, 1997, recorded in Book 8910, Page 285; as affected by:

    a.) Access and License Agreement dated November 17, 1997, recorded in Book 9034, Page 184, and filed as Document No. 173809.

    b.) Amended Agreement with UAE Lowell Power, LLC as transferee of L'Energia Limited Partnership dated February 25, 1999, recorded in Book 10461, Page 68.

    NOTE: The Amendment was not registered with the Land Court.

14. Terms and provisions set forth in deed from the Trustees of Boston and Maine Railroad Corporation to City Development Authority dated January 5, 1977, recorded in Book 2242, page 527.

15. Notice of Activity and Use Limitation and recorded in Book 21997, Page 35.

EXHIBIT C

BASIC RENT SCHEDULE

The annual Basic Rent for the Interim Term (as prorated) and the first Lease Year of the Term shall be **$1,051,941** payable in monthly installments of $87,661.75. The initial Basic Rent was calculated using a rate of $9.00 per square foot times 111,883 feet of flex style industrial building and $1.50 per square foot times 30,805 square feet of basement area.

The Basic Rent for the next four (4) subsequent Lease Years of the Term and for the five (5) Lease Years of the Renewal Term, if applicable, shall increase annually by the following formula:

On the first day of each Lease Year after the first Lease Year of the Term of this Lease (the "Escalation Date"), the Basic Rent shall be increased by an amount determined by multiplying the Basic Rent by a fraction, the numerator of which shall be the most recent Consumer Price Index, as hereinafter defined, published prior to the applicable Escalation Date, less the most recent Consumer Price Index published prior to September, 2008 (the "Base Index"), and the denominator of which shall be the Base Index. If the Consumer Price Index applicable to any Escalation Date does not exceed the Base Index, the Basic Rent applicable immediately preceding the Escalation Date shall apply to the ensuing Lease Year, until the next Escalation Date, at which time the Basic Rent shall be subject to increase pursuant to this Section. With respect to the increases in Basic Rent provided in this Section, Lessor and Lessee agree that:

(i) As used herein, the term "Consumer Price Index" shall mean the United States Department of Labor Bureau of Labor Statistics Consumer Price Index, all Urban Consumers, U.S. City Average, all times (1967 = 100), or the successor of that index;

(ii) Upon request, Lessor shall provide Lessee with a statement specifying the applicable Consumer Price Index to be used for calculation of the increased Basic Rent pursuant to this Section; in the event Lessor or Lessee lacks sufficient data to determine the appropriate increase on any Escalation Date as provided herein, Lessee shall continue to pay the monthly installments of annual Basic Rent payable immediately prior to the Escalation Date and, as soon as Lessee obtains the necessary data, Lessee shall adjust the monthly installments of Basic Rent due hereunder accordingly and make payment, retroactively, of any amounts due from the Escalation Date. In no event shall delay or failure of the Lessor to notify the Lessee of the amount of a Basic Rent increase constitute a waiver of or in any way impair the continuing obligation of the Lessee to pay the Basic Rent increases provided for in this Section.

EXHIBIT D

SEVERABLE PROPERTY

Severable Property shall include all apparatus, personal property, trade fixtures, inventory, equipment, machinery, fittings, furniture, furnishings, chattel, materials and supplies located on and used in, or related to Lessee's business, including, but not limited to, mainframe computers, kitchen equipment and telephone and similar systems and articles of personal property of every kind and nature whatsoever, and any additions, replacements, accessions and substitutions thereto or therefor, and all proceeds of all of the foregoing.

SEVERABLE PROPERTY SHALL NOT INCLUDE THE IMPROVEMENTS.

FIRST AMENDMENT TO LEASE AGREEMENT AND CONSENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT AND CONSENT ("First Amendment") is dated for reference purposes as of March 30, 2009, and is made between **COBHAM PROPERTIES INC.,** a Delaware corporation ("Lessor") and **M/A-COM TECHNOLOGY SOLUTIONS INC.,** a Delaware corporation ("Lessee").

WITNESSETH:

WHEREAS Lessor and Lessee entered into the certain Lease Agreement dated as of September 26, 2008 (the "Lease") for the premises located at 100-144 Chelmsford, Lowell, Massachusetts (the "Property"); and

WHEREAS by Purchase Agreement by and among Cobham Defense Electronic Systems Corporation and Lockman Electronic Holdings Limited as sellers and Kiwi Stone Acquisition Corp. as purchaser ("Purchaser") dated March 30, 2009, the stock of Lessee has been acquired by Purchaser (the "Transaction");

WHEREAS Lessor hereby consents to the Transaction and in conjunction with the Transaction agrees to certain modifications of the Lease.

NOW THEREFORE, in order to effect the intent of the parties as set forth above and for good and valuable consideration exchanged between the parties, the parties here to agree as follows:

1. **Consent**: Lessor and Lessee acknowledge that the Transaction constitutes an "assignment" pursuant to Section 4.01 of the Lease, that Lessor consents to such "assignment" and that Lessee has satisfied or Lessor has waived the applicable requirements of Section 4 with respect to such "assignment".

2. **Amendments to Lease**: The Lease is hereby amended as follows:

(a) Section 6.01(a) shall amended as follows:

(i) The following phrase shall be inserted after the word "Premises" and before "(i)" on the third line of the paragraph:

"and specifically with respect to the Premises and Improvements in the Premises but excluding in all cases the Severable Property and any alterations, replacements or additions paid for at the sole cost and expense of Lessee and which are not Improvements"

(ii) The second sentence shall be deleted in its entirety and replaced with the following: "All awards, compensations and insurance payments on account of any Condemnation or Casualty with respect to the Premises and Improvements but excluding in all cases the Severable Property and any alterations, replacements or additions paid for at the sole cost and expense of Lessee and which are not Improvements are herein collectively called "Compensation".

(iii) In the seventh sentence which commences with the phase "Notwithstanding anything", the word "separate" shall be deleted.

(b) Section 6.01(c) shall be deleted in its entirety and replaced with the following:

"(c) **Option to Terminate Upon Casualty**. In the event of any Casualty to the Premises, Lessee shall provide to Lessor a written notice from its licensed architect, within ninety (90) days following the date of such Casualty, a reasonable estimate of the time to repair and restore the Premises and Improvements and the reasonable amount such repair or restoration would cost as compared to the market value of the Premises and Improvements ("Architect's Notice"). Lessee shall have the option to terminate this Lease, exercisable as provided below, upon the occurrence of any of the following: (i) any Casualty to the Premises or the Improvements or any portion thereof where the cost to repair and restore the same to substantially the same condition as existed immediately prior to such occurrence is reasonably estimated by Lessee's architect to exceed thirty percent (30%) of the market value of the Premises and Improvements; (ii) any Casualty to the Premises where the time to complete restoration of the Premises and Improvements is reasonably estimated by Lessee's architect to take more than three hundred and fifteen (315) days to complete (or in the case of the last two years of the then existing Term, one hundred and eighty (180) days), or (iii) notwithstanding anything to the contrary in Section 6.01(d), the amount to restore or repair the Premises in the event of any Casualty or Condemnation exceeds the Net Proceeds by more than Three Hundred Thousand Dollars ($300,000) and Lessor is unwilling to pay such excess amount. Lessee shall give written notice to Lessor within thirty (30) days following the delivery of Architect's Notice to Lessor as to whether Lessee will be terminating the Lease pursuant to subsections (i) and (ii) of this subsection (c) and such termination shall be effective thirty (30) days following the delivery of such termination notice from Lessee to Lessor (the "Casualty Termination Date"). Upon payment by Lessee of all Basic Rent, additional rent and other sums then due and payable hereunder to and including the Casualty Termination Date together with the amount of any deductible or self insured retention under the applicable casualty insurance policies, this Lease shall terminate on the Casualty Termination Date except with respect to obligations and liabilities of Lessee hereunder, actual or contingent, which have accrued on or prior to the Casualty Termination Date, and the Net Proceeds shall belong to Lessor. Notwithstanding anything to the contrary in this Lease, in no event shall Lessee be required to repair, restore or

reinstall any Severable Property or any alterations, replacements or additions paid for at the sole cost and expense of Lessee and which are not Improvements following any Casualty or Condemnation, and shall have the right to remove the Severable Property and discontinue its operations even while the Lease remains in full force and effect so long as it satisfies all other obligations under the Lease."

(c) Section 6.02(a)(vii) shall be amended as follows: The word "reasonable" shall be inserted in the second line after the words "as Mortgagee may".

3. **Effect of First Amendment:** Each term used herein with initial capital letters shall have the meaning ascribed to such term in the Lease unless specifically otherwise defined herein. In the event of any inconsistency between this First Amendment and the Lease, the terms of this First Amendment shall prevail. As used herein, the term "Lease" shall mean the Lease and all riders, exhibits, rules, regulations, covenants, conditions and restrictions referred to in the Lease.

4. **Execution in Counterparts:** This First Amendment may be executed in counterparts by the parties hereto, and shall become binding when all parties have each executed a counterpart hereof, and together such executed counterparts shall constitute this First Amendment. For the purposes of this First Amendment, an executed counterpart received by facsimile shall be deemed an original.

[SIGNATURES CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS TO THIS FIRST AMENDMENT AS OF THE DAY AND DATE FIRST ABOVE WRITTEN.

LESSOR:

COBHAM PROPERTIES INC.
a Delaware corporation

By: /s/ Charles P. Stuff
Printed Name: Charles P. Stuff
Its: President

LESSEE:

M/A-COM TECHNOLOGY SOLUTIONS INC., a Delaware corporation

By: /s/ John Ocampo
Printed Name: John Ocampo
Its: President

COBHAM PROPERTIES, INC.
10 Cobham Drive
Orchard Park, New York 14127

December 3, 2010

M/A-COM Technology Solutions, Inc.
100-144 Chelmsford Street
Lowell, Massachusetts 01851

Re: Lease of 100-144 Chelmsford Street, Lowell, Massachusetts

Ladies and Gentlemen:

Reference is made to the Lease Agreement dated as of September 26, 2008 between Cobham Properties, Inc., as Landlord ("Landlord") and M/A-COM Technology Solutions, Inc,. as Tenant ("Tenant"), as amended by First Amendment to Lease Agreement and Consent dated as of March 30, 2009 (collectively the "Lease"). In consideration of Landlord's agreement to enter into a Landlord Subordination and Access Agreement with RBS Business Capital, a division of RBS Asset Finance, Inc., as agent, Tenant agrees to pay to Landlord upon execution of this letter agreement, the sum of $175,323.50, which amount represents the amount of Basic Rent due for the last (2) months of the Lease Term. On the date that payment of the Basic Rent and additional rent for each of the last (2) months of the Lease Term becomes due and payable, respectively, Tenant shall receive a credit equal to one-half (1/2) of the foregoing amount against the Basic Rent and additional rent then due, and shall promptly pay the additional amount due to Landlord.

Capitalized terms used in this letter agreement and not otherwise defined herein shall have the meanings ascribed to them in the Lease. Except as modified herein, all of the terms, covenants and conditions of the Lease are hereby ratified and confirmed.

Very truly yours,

COBHAM PROPERTIES, INC.

By: /s/ Betty J. Bible
Name: Betty J. Bible
Title: Secretary & Treasurer

Accepted and agreed to this 3rd day of December, 2010

M/A-COM TECHNOLOGY SOLUTIONS, INC.

By /s/ Clay Simpson
Name: Clay Simpson
Title: Vice President

Exhibit 21.1

Subsidiaries of the Registrant

Name	State/Country of Organization or Incorporation
M/A-COM Auto Solutions Inc.	Delaware
M/A-COM Tech (Nevada), Inc.	Nevada
M/A-COM Tech Asia, Inc.	Taiwan
M/ACOM Technology Solutions (Bangalore) Private Limited	India
M/A-COM Technology Solutions (Cork) Limited	Ireland
M/A-COM Technology Solutions (Holding) Company Limited	Ireland
M/A-COM Technology Solutions (UK) Limited	Northern Ireland
M/A-COM Technology Solutions HKG, Limited	Hong Kong
M/A-COM Technology Solutions Inc.	Delaware
Mimix Broadband Pty Limited	Australia
Mimix Broadband, Inc.	Texas
Mimix Holdings, Inc.	Delaware
Optomai, Inc.	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-1 of our report dated August 1, 2011 relating to the combined consolidated financial statements of M/A-COM Technology Solutions Holdings, Inc. (which report expresses an unqualified opinion on the combined consolidated financial statements and includes an explanatory paragraph referring to the common control business combination of M/A-COM Technology Solutions Holdings, Inc. and Mimix Holdings, Inc.) appearing in the prospectus, which is part of this Registration Statement. We also consent to the reference to us under the heading "Experts" in such prospectus.

/s/ DELOITTE & TOUCHE LLP

Boston, Massachusetts
August 1, 2011

Exhibit 23.2

CONSENT OF INDEPENDENT AUDITORS

We consent to the use in this Registration Statement on Form S-1 of M/A-COM Technology Solutions Holdings, Inc. of our report dated August 1, 2011 related to the combined consolidated financial statements of M/A-COM Technology Solutions Inc. and M/ACOM Technology Solutions (Cork) Limited (collectively, the "Company") for the period from September 26, 2008 through March 30, 2009 (which report expresses an unqualified opinion on the combined consolidated financial statements and includes explanatory paragraphs referring to affiliations with Cobham Defense Electronic Systems Corporation and the impact of such affiliation on the results of operations and the sale of the Company to M/A-COM Technology Solutions Holdings, Inc. on March 30, 2009), appearing in the prospectus, which is part of this Registration Statement, and to the reference to us under the heading "Experts" in such prospectus.

/s/ DELOITTE & TOUCHE LLP

Boston, Massachusetts
August 1, 2011