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

FORM 10-Q

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

For the quarterly period ended July 1, 2011

OR

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

For the transition period from _____ to _____

Commission file number 1-5560

SKYWORKS SOLUTIONS, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**04-2302115**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
20 Sylvan Road, Woburn, Massachusetts	**01801**
(Address of Principal Executive Offices)	**(Zip Code)**

Registrant's Telephone Number, Including Area Code: (781) 376-3000

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ Yes ☐ No

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	☐

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at July 31, 2011
Common Stock, par value $.25 per share	186,277,145

SKYWORKS SOLUTIONS, INC.

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JULY 1, 2011

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PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements***

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited, in thousands, except per share amounts)

	Three-months Ended		Nine-months Ended	
	July 1, 2011	July 2, 2010	July 1, 2011	July 2, 2010
Net revenue	$356,075	$275,370	$1,016,606	$758,566
Cost of goods sold	199,850	157,104	570,862	437,892
Gross profit	156,225	118,266	445,744	320,674
Operating expenses:				
Research and development	43,067	34,882	121,228	98,731
Selling, general and administrative	35,451	29,451	98,167	84,164
Restructuring and other charges (credits)	1,475	(1,040)	1,475	(1,040)
Amortization of intangibles	4,006	1,501	7,246	4,502
Total operating expenses	83,999	64,794	228,116	186,357
Operating income	72,226	53,472	217,628	134,317
Interest expense	(465)	(867)	(1,463)	(3,619)
Other (loss) income, net	(2)	64	(185)	(379)
Income before income taxes	71,759	52,669	215,980	130,319
Provision for income taxes	20,211	17,933	53,604	39,829
Net income	$ 51,548	$ 34,736	$ 162,376	$ 90,490
Earnings per share:				
Basic	$ 0.28	$ 0.20	$ 0.89	$ 0.52
Diluted	$ 0.27	$ 0.19	$ 0.85	$ 0.50
Weighted average shares:				
Basic	183,750	175,495	182,642	174,220
Diluted	191,380	183,889	190,628	182,072

The accompanying notes are an integral part of these consolidated financial statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited, in thousands, except per share amounts)

	As of	
	July 1, 2011	October 1, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$ 309,645	$ 453,257
Restricted cash	712	6,128
Receivables, net of allowance for doubtful accounts of $1,280 and $1,177, respectively	186,129	175,232
Inventory	188,795	125,059
Other current assets	26,852	30,189
Total current assets	712,133	789,865
Property, plant and equipment, net	252,755	204,363
Goodwill	672,693	485,587
Intangible assets, net	96,303	12,509
Deferred tax assets, net	62,088	60,569
Other assets	9,627	11,159
Total assets	$1,805,599	$1,564,052
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	$ 25,744	$ 50,000
Accounts payable	116,648	111,967
Accrued compensation and benefits	28,948	35,695
Other current liabilities	73,009	6,662
Total current liabilities	244,349	204,324
Long-term debt, less current maturities	—	24,743
Other long-term liabilities	29,076	18,389
Total liabilities	273,425	247,456
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, no par value: 25,000 shares authorized, no shares issued	—	—
Common stock, $0.25 par value: 525,000 shares authorized; 194,668 shares issued and 186,154 shares outstanding at July 1, 2011 and 185,683 shares issued and 180,263 shares outstanding at October 1, 2010	46,538	45,066
Additional paid-in capital	1,773,264	1,641,406
Treasury stock, at cost	(120,847)	(40,719)
Accumulated deficit	(165,484)	(327,860)
Accumulated other comprehensive loss	(1,297)	(1,297)
Total stockholders' equity	1,532,174	1,316,596
Total liabilities and stockholders' equity	$1,805,599	$1,564,052

The accompanying notes are an integral part of these consolidated financial statements.

SKYWORKS SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	Nine-months Ended	
	July 1, 2011	July 2, 2010
Cash flows from operating activities:		
Net income	$ 162,376	$ 90,490
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation	42,688	26,239
Depreciation	43,120	34,155
Amortization of intangible assets	7,246	4,502
Amortization of discount and deferred financing costs on convertible debt	1,066	2,348
Contribution of common shares to savings and retirement plans	8,241	6,834
Deferred income taxes	6,954	23,831
Excess tax benefit from share-based payments	(12,074)	—
Loss on disposals of assets	206	263
Provision for losses on accounts receivable	103	554
Changes in assets and liabilities:		
Receivables	4,655	(40,303)
Inventory	(40,560)	(31,897)
Other current and long-term assets	440	(6,542)
Accounts payable	(12,992)	33,490
Other current and long-term liabilities	31,550	5,713
Net cash provided by operating activities	243,019	149,677
Cash flows from investing activities:		
Capital expenditures	(85,371)	(59,609)
Payments for acquisitions, net of cash acquired	(249,829)	(6,000)
Net cash used in investing activities	(335,200)	(65,609)
Cash flows from financing activities:		
Retirement of 2007 Convertible Notes	—	(51,107)
Reacquisition of equity component of 2007 Convertible Notes	—	(29,602)
Payments to retire short term line of credit	(50,000)	—
Excess tax benefit from share-based payments	12,074	—
Change in restricted cash	5,416	(265)
Repurchase of common stock—payroll tax withholdings on equity awards	(19,942)	(4,325)
Repurchase of common stock—share repurchase program	(60,187)	—
Proceeds from exercise of stock options	61,208	20,834
Net cash used in financing activities	(51,431)	(64,465)
Net (decrease) increase in cash and cash equivalents	(143,612)	19,603
Cash and cash equivalents at beginning of period	453,257	364,221
Cash and cash equivalents at end of period	$ 309,645	$ 383,824
Supplemental cash flow disclosures:		
Income taxes paid	$ 11,939	$ 12,869
Interest paid	$ 267	$ 889

The accompanying notes are an integral part of these consolidated financial statements.

SKYWORKS SOLUTIONS, INC.

NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Skyworks Solutions, Inc. together with its consolidated subsidiaries, ("Skyworks" or the "Company") is an innovator of high reliability analog and mixed signal semiconductors. Leveraging core technologies, Skyworks offers diverse standard and custom linear products supporting automotive, broadband, cellular infrastructure, energy management, home networking and automation, industrial, medical, military and mobile device applications. The Company's portfolio includes amplifiers, attenuators, detectors, diodes, directional couplers, front-end modules, hybrids, infrastructure RF subsystems, mixers/demodulators, optocouplers, phase shifters, PLLs/synthesizers/VCOs, power dividers/combiners, receivers, switches and technical ceramics.

The accompanying unaudited interim consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial reporting. Certain information and footnote disclosures, normally included in annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), have been condensed or omitted pursuant to those rules and regulations. However, in the opinion of management, the financial information reflects all adjustments, consisting of adjustments of a normal recurring nature necessary to present fairly the financial position, results of operations, and cash flows of the Company for the periods presented. The results of operations for the interim periods are not necessarily indicative of the results to be expected for the full year. This information should be read in conjunction with the Company's financial statements and notes thereto contained in the Company's Form 10-K for the fiscal year ended October 1, 2010 as filed with the SEC.

The Company evaluates its estimates on an ongoing basis using historical experience and other factors, including the current economic environment. Significant judgment is required in determining the reserves for and fair value of items such as reserves for inventory, income taxes bad debt, contingent consideration associated with business combinations, and fair value assessments of assets and liabilities. In addition, significant judgment is required in determining whether a potential indicator of impairment of long-lived assets exists and in estimating future cash flows for any necessary impairment tests. Management's estimates could differ significantly from actual results.

The Company has evaluated subsequent events through the date of issuance of these unaudited consolidated financial statements.

The Company's fiscal year ends each year on the Friday closest to September 30. Fiscal 2011 consists of 52 weeks and ends on September 30, 2011. Fiscal 2010 consisted of 52 weeks and ended on October 1, 2010. The third quarters of fiscal 2011 and fiscal 2010 each consisted of 13 weeks and ended on July 1, 2011 and July 2, 2010, respectively.

2. ACQUISITIONS

On April 27, 2011, the Company acquired 100% ownership of a private company engaged in the design and manufacturing of optical components for $28.8 million (net of cash acquired and including an estimated fair value of $2.0 million of contingent consideration which is not materially different than the maximum earn-out level). The acquisition has an immaterial impact to the Company's results of operations (i.e., contributed less than one percent of net revenue for the three and nine-months ended July 1, 2011) and accordingly, the disclosures required under Financial Accounting Standards Board Accounting Codification ("ASC") 805 – *Business Combinations* have been excluded from this quarterly report on Form 10-Q. Although the purchase price allocation is preliminary due to the proximity of the acquisition to the date of this filing, the Company has recognized assets primarily related to intellectual property, land, building and goodwill.

On June 10, 2011, the Company completed the acquisition of SiGe Semiconductor, Inc. ("SiGe"), a semiconductor provider. The Company acquired a 100% ownership interest in SiGe for an aggregate purchase price of $279.5 million in cash, including contingent consideration, payable in cash, approximately one year from the acquisition date, with an estimated fair value of $57.4 million. The possible outcome of the contingent consideration ranges

from zero to $65.0 million and is based on the achievement of a specified revenue target over the twelve month period following the date of the acquisition. SiGe is a leading global supplier of RF front-end solutions that facilitate wireless multimedia across a wide range of applications. The acquisition of SiGe complements the Company's leadership in wide area front-end solutions by adding SiGe's innovative short range, silicon-based products. As a result, the Company now offers customers a more comprehensive wireless networking product portfolio, supporting all key operating frequencies with greater architectural flexibility to address a variety of high growth applications.

The allocation of purchase price consideration in the Company's acquisition of SiGe to the assets and liabilities was not finalized at the time of filing this quarterly report on Form 10-Q due to the proximity of the acquisition date of June 10, 2011 to the end of the third fiscal quarter, July 1, 2011. The Company has, however, completed a preliminary purchase price allocation and accordingly, the Company has reflected a preliminary allocation of the purchase price in the accompanying financial statements. The preliminary allocation of the purchase price was based upon estimates and assumptions which are subject to change within the measurement period (up to one year from the acquisition date). The preliminary allocation of the purchase price is based on the estimated fair values of the assets acquired and liabilities assumed by major class related to the SiGe acquisition and are reflected in the accompanying financial statements as follows (in thousands):

	June 10, 2011
Estimated fair value of assets acquired	
Cash and cash equivalents	$ 6,653
Receivables, net	14,176
Inventory	17,457
Other current assets	2,942
Property, plant and equipment	3,551
Deferred tax assets, net	11,703
Intangible assets	74,270
Goodwill	172,029
Total assets acquired	302,781
Estimated fair value of liabilities assumed	
Total liabilities assumed	(23,310)
Net assets acquired	$ 279,471

The preliminary amount of purchase price allocated to goodwill of $172.0 million relates to the synergies the Company expects to capitalize on as a result of the business combination. Substantially all of the goodwill recognized as a result of the SiGe acquisition is not expected to be deductible for tax purposes.

The preliminary amount of the purchase price allocated to identified intangible assets recognized in the acquisition of SiGe and the respective estimated useful lives as of June 10, 2011 were as follows (in thousands):

	Fair Value	Weighted Average Amortization Period Remaining (in Years)
Intellectual property	$ 36,660	7.0
Customer relationships	26,200	5.0
In-process research and development	4,510	TBD
Backlog	3,900	0.3
Total identifiable intangible assets subject to amortization	71,270	
Trademark	3,000	
Total identifiable intangible assets	$ 74,270	

Intellectual property primarily represents the fair value of the SiGe product technologies (including patents) acquired. Customer relationships represent the fair value of the underlying relationships and agreements with SiGe customers. In-process research and development represents the fair value of incomplete SiGe research and development projects that had not reached technological feasibility as of the acquisition date, June 10, 2011. Because of the uncertainty related to the completion of these projects, the Company has determined that the amortization period will be established when the projects are completed. Backlog represents the fair value of SiGe unfilled orders as of the acquisition date, June 10, 2011. The trademark is an intangible asset with an indefinite life and represents the fair value of brand and name recognition associated with the marketing of SiGe products. The Company used a combination of income approaches to assess the preliminary fair values of the intangible assets and as a result, considers the fair value of these acquired assets to be Level 3 assets due to the significant assumptions used in the valuation. See Note 4, Fair Value for the definition of Level 3 assets.

Net revenue and net income for acquisitions completed during the three and nine-months ended July 1, 2011 have been included in the consolidated condensed statements of operations from their respective acquisition dates. SiGe contributed approximately $6.5 million of net revenue to the consolidated condensed results of operations for the three and nine-months ended July 1, 2011. The impact of SiGe's ongoing operations on the Company’s net income was insignificant to the three and nine-months ended July 1, 2011. The transaction related costs associated to the SiGe acquisition were considered immaterial and included within selling, general and administrative expense for the three and nine-months ended July 1, 2011.

The unaudited pro forma financial results for the nine-months ended July 1, 2011 and July 2, 2010 combine the unaudited historical results of Skyworks along with the unaudited historical results of SiGe for the nine-months ended July 1, 2011 and July 2, 2010, respectively. The results include the effects of unaudited pro forma adjustments as if SiGe was acquired on October 3, 2009. The pro forma financial results presented below do not include any anticipated synergies or other expected benefits of the acquisition. These results are presented for informational purposes only and are not necessarily indicative of future operations.

	Nine-months ended	
(In thousands, except per share amounts)	July 1, 2011	July 2, 2010
Revenue	$1,088,644	$ 828,542
Net income	$ 156,525	$ 75,949
Basic EPS	$ 0.86	$ 0.44
Diluted EPS	$ 0.82	$ 0.42

Pending acquisition

On May 26, 2011, the Company announced it had entered into an agreement and plan of merger (the “Merger Agreement”)with PowerCo Acquisition Corp., a wholly owned subsidiary of the Company (“Merger Sub”) and Advanced Analogic Technologies Incorporated (“AATI”) pursuant to which the Merger Sub will, subject to the satisfaction or waiver of the conditions in the Merger Agreement, merge with and into AATI, and AATI will survive the merger and become a wholly owned subsidiary of the Company (the “Merger”). Pursuant to the terms of the Merger Agreement, at the effective time of the Merger, each outstanding share of AATI common stock (except for shares held directly or indirectly by the Company, Merger Sub, AATI or any wholly owned subsidiary of AATI, and except for shares of AATI common stock held by stockholders exercising dissenter’s rights) will automatically be converted into the right to receive an aggregate of $6.13 per share, payable in the form of 0.08725 of a share of the Company’s common stock (the “stock consideration”) and an adjustable cash amount in the initial calculated amount of $3.68 (the “cash consideration” and, together with the stock consideration, the “merger consideration”), without interest and less applicable withholding taxes. The amount of the stock consideration was based on the average last sale price of Skyworks common stock (at the 4 p.m. Eastern Time end of Nasdaq regular trading hours) over the 30-trading days prior to May 26, 2011. At that average price, the stock consideration had a nominal value of $2.45 and the nominal aggregate combined value of the cash consideration and the stock consideration was $6.13. The final cash consideration will depend on the closing value

of the stock consideration, calculated on the basis of Skyworks' average reported last sale price in regular Nasdaq trading during a five-trading-day measurement period preceding the closing of the merger. If the closing value of the stock consideration is less than $2.45, the cash consideration will increase by the amount of the shortfall. If the closing value of the stock consideration is more than $2.45, the cash consideration will decrease by the amount of the excess. If the closing value of the stock consideration is exactly $2.45, the cash consideration will remain unchanged at $3.68. In each case, the merger consideration will maintain a constant nominal aggregate combined value of $6.13 per share of AATI common stock. If the Company's average last reported sale price during the pre-closing measurement period is less than $21.00 per share, the Company has the right to pay the entire $6.13 in cash, and in that event, AATI stockholders would not receive any shares of the Company's Common Stock in the merger for their outstanding shares of AATI common stock, and would instead receive $6.13 entirely in cash. The Company expects to pay between $100.0 million to $120.0 million in cash net of approximately $80.0 million to $90.0 million of cash expected to be acquired in the transaction.

The merger agreement and the terms of the Merger are more fully described in the Company's registration statement on Form S-4, which was filed with the SEC on June 17, 2011 and stockholders are encouraged to read that document in its entirety.

3. MARKETABLE SECURITIES

The Company accounts for its investment in marketable securities in accordance with ASC 320 — *Investments-Debt and Equity Securities* ("ASC 320") and classifies them as "available for sale". As of July 1, 2011, these securities consisted of $3.2 million par value auction rate securities ("ARS") with a carrying value of $2.3 million. The difference between the par value and the carrying value is categorized as a temporary loss in other comprehensive income. The Company receives the scheduled interest payments in accordance with the terms of the ARS. The Company closely monitors and evaluates the appropriate accounting treatment in each reporting period for the ARS.

4. FAIR VALUE

In accordance with ASC 820 — *Fair Value Measurements and Disclosure* ("ASC 820"), the Company groups its financial assets and liabilities measured at fair value on a recurring basis in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 — Valuation is based upon quoted market price for identical instruments traded in active markets.
- Level 2 — Valuation is based upon quoted market prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.
- Level 3 — Valuation is generated from model-based techniques that use significant assumptions not observable in the market. Valuation techniques include use of discounted cash flow models and similar techniques.

The Company has cash equivalents classified as Level 1 and has no Level 2 securities. The Company's ARS, discussed in Note 3, Marketable Securities, are classified as Level 3 assets. There have been no transfers between Level 1, Level 2 or Level 3 assets during the three and nine-months ended July 1, 2011. There have been no purchases, sales, issuances or settlements of the marketable securities classified as Level 3 assets during the three and nine-months ended July 1, 2011.

The Company has classified its contingent consideration recorded for business combinations as a Level 3 liability.

Assets and Liabilities Measured and Recorded at Fair Value on a Recurring Basis

The Company measures certain financial assets and liabilities at fair value on a recurring basis such as our financial instruments, marketable securities and contingent consideration related to business combinations. As of July 1, 2011 the financial assets and liabilities measured on a recurring basis at fair value consist of the following (in thousands):

		Fair Value Measurements		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Money market/repurchase agreements	$254,456	$ 254,456	$ —	$ —
Auction rate securities	2,288	—	—	2,288
Total	$256,744	$ 254,456	$ —	$ 2,288
Liabilities				
Contingent consideration liability recorded for business combinations	$ 59,400	$ —	$ —	$ 59,400

Non-Financial Assets Measured and Recorded at Fair Value on a Nonrecurring Basis

The Company's non-financial assets and liabilities, such as goodwill, intangible assets, and other long lived assets resulting from business combinations are measured at fair value at the date of acquisition and subsequently re-measured if there is an indicator of impairment. There were no indicators of impairment identified during the three and nine-months ended July 1, 2011.

5. INVENTORY

Inventory consists of the following (in thousands):

	As of	
	July 1, 2011	October 1, 2010
Raw materials	$ 32,721	$ 16,108
Work in process	78,625	74,701
Finished goods	65,489	20,209
Finished goods on consignment at customers	11,960	14,041
Total inventory	$188,795	$125,059

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following (in thousands):

	As of	
	July 1, 2011	October 1, 2010
Land and improvements	$ 11,024	$ 10,082
Buildings and improvements	50,586	47,734
Furniture and fixtures	26,322	24,784
Machinery and equipment	539,650	455,157
Construction in progress	31,129	28,901
Total property, plant and equipment, gross	658,711	566,658
Accumulated depreciation and amortization	(405,956)	(362,295)
Total property, plant and equipment, net	$ 252,755	$ 204,363

7. GOODWILL AND INTANGIBLE ASSETS

Intangible assets consist of the following (in thousands):

	Weighted Average Amortization Period Remaining (Years)	As of July 1, 2011			As of October 1, 2010		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized intangible assets							
Developed technology	1.5	$ 20,660	$ (13,001)	$ 7,659	$14,150	$ (10,862)	$ 3,288
Customer relationships	4.1	57,510	(18,959)	38,551	21,510	(15,894)	5,616
Patents and other	6.0	50,896	(7,672)	43,224	5,966	(5,630)	336
Total amortized intangibles		$129,066	$ (39,632)	$ 89,434	$41,626	$ (32,386)	$ 9,240
Nonamortizing intangible assets							
Trademarks		6,869	—	6,869	3,269	—	3,269
Total intangible assets		$135,935	$ (39,632)	$ 96,303	$44,895	$ (32,386)	$ 12,509

The changes in the gross carrying amount of goodwill and intangible assets are as follows (in thousands):

	Goodwill and Intangible Assets					
	Goodwill	Developed Technology	Customer Relationships	Patents and Other	Trademarks	Total
Balance as of October 1, 2010	$485,587	$ 14,150	$ 21,510	$ 5,966	$ 3,269	$530,482
Additions during period	187,106	6,510	36,000	44,930	3,600	278,146
Balance as of July 1, 2011	$672,693	$ 20,660	$ 57,510	$ 50,896	$ 6,869	$808,628

The increases in goodwill and intangible assets are primarily attributable to the acquisition of SiGe during the nine-months ended July 1, 2011 as discussed in Note 2, Acquisitions.

The Company tests its goodwill and trademarks for impairment annually as of the first day of its fourth fiscal quarter and in interim periods if certain events occur indicating that the carrying value of goodwill may be impaired. There were no indicators of impairment noted during the three and nine-months ended July 1, 2011.

Amortization expense related to intangible assets was $4.0 million and $7.2 million for the three and nine-months ended July 1, 2011, respectively. Amortization expense was $1.5 million and $4.5 million for the three and nine-months ended July 2, 2010, respectively.

Annual amortization expense related to intangible assets for the next five years is expected to be as follows (in thousands):

	Remaining FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Amortization expense	$ 9,331	$23,378	$16,017	$12,480	$10,477

The increase in amortization expense relates to the identifiable intangible assets acquired from SiGe during the nine-months ended July 1, 2011.

8. BORROWING ARRANGEMENTS

Long-Term Debt

On March 2, 2007, the Company issued $200.0 million aggregate principal amount of convertible subordinated notes (“2007 Convertible Notes”). The offering contained two tranches. The first tranche consisted of $100.0 million of 1.25% convertible subordinated notes due March 2010 (the “1.25% Notes”) which have been retired. The second tranche consisted of $100.0 million aggregate principal amount of 1.50% convertible subordinated notes due March 2012 (the “1.50% Notes”). As of July 1, 2011, $26.7 million in aggregate principal amount of 1.50% Notes remained outstanding. The Company pays interest in cash semi-annually in arrears on March 1 and September 1 of each year on the 1.50% Notes. The conversion price of the 1.50% Notes is 105.0696 shares per $1,000 principal amount of notes to be redeemed, which is the equivalent of a conversion price of approximately $9.52 per share plus accrued and unpaid interest, if any, to the conversion date. Holders of the remaining $26.7 million aggregate principal balance of the 1.50% Notes may require the Company to repurchase the 1.50% Notes upon a change in control of the Company.

Holders may convert the 1.50% Notes at any time on or prior to the close of business on the final maturity date. If a holder of a 1.50% Note elects to convert such Notes at maturity, the Company may continue to choose to deliver to the holder either cash, shares of its common stock or a combination of cash and shares of its common stock to settle the conversion. This cash settlement provision permits the application of the treasury stock method in determining potential share dilution of the conversion spread should the share price of the Company's common stock exceed $9.52. It has been the Company's historical practice to cash settle the principal and interest components of convertible debt instruments, and it is the Company's intention to continue to do so in the future, including with respect to the 1.50% Notes.

As of July 1, 2011, the $25.7 million carrying value of the 1.50% Notes was deemed a current liability and accordingly was classified as short-term debt. Long-term debt consists of convertible notes with a carrying value of $24.7 million as of October 1, 2010. As of July 1, 2011, based on a stock price of $23.44, the actual "if converted" value of the remaining 1.50% Notes was $65.7 million which exceeds the related principal amount by approximately $39.0 million.

On October 3, 2009, the Company adopted ASC 470-20 — *Debt, Debt with Conversions and Other Options* ("ASC 470-20"). ASC 470-20 applies to the Company's 2007 Convertible Notes. Using a non-convertible borrowing rate of 6.86%, the Company estimated the fair value of the liability component of the $100.0 million aggregate principal amount of the 1.50% Notes to be $77.3 million on October 3, 2009. As of the issuance date, the difference between the fair value of the liability component of the 1.50% Notes and the corresponding aggregate principal amount of such notes, which is equal to the fair value of the equity component of the 1.50% Notes ($22.7 million), was retrospectively recorded as a debt discount and as an increase to additional paid-in capital, net of tax. The discount of the liability component of the 1.50% Notes is being amortized over the remaining life of the instrument.

The following tables provide additional information about the Company's 1.50% Notes (in thousands):

	As of	
	July 1, 2011	October 1, 2010
Equity component of the convertible notes outstanding	$ 6,061	$ 6,061
Principal amount of the convertible notes	26,677	26,677
Unamortized discount of the liability component	933	1,934
Net carrying amount of the liability component	25,744	24,743

	Three-months Ended		Nine-months Ended	
	July 1, 2011	July 2, 2010	July 1, 2011	July 2, 2010
Effective interest rate on the liability component	6.86%	6.86%	6.86%	6.86%
Cash interest expense recognized (contractual interest)	$ 100	$ 121	$ 300	$ 634
Effective interest expense recognized	$ 339	$ 478	$1,000	$2,180

The remaining unamortized discount on the 1.50% Notes will be amortized over the next eight months. As of both July 1, 2011 and October 1, 2010, the number of shares underlying the remaining 1.50% Notes was 2.8 million.

Short-Term Debt

As of July 1, 2011, the $25.7 million carrying value of the 1.50% Notes was classified as short-term debt.

The Company's short-term debt balance as of October 1, 2010 consisted of a $50.0 million credit facility, which the Company paid off and terminated during the first quarter of fiscal 2011.

9. INCOME TAXES

The Company recorded income tax provisions of $20.2 million and $53.6 million for the three and nine-months ended July 1, 2011, respectively, and $17.9 million and $39.8 million for the three and nine-months ended July 2, 2010, respectively. The provision for income taxes for the three and nine-months ended July 1, 2011 consisted of $17.6 million and $49.2 million of United States income taxes, respectively, and $17.6 million and $39.0 million for the three and nine-months ended July 2, 2010, respectively. The provision for income taxes for the three and nine-months ended July 1, 2011 consisted of $2.6 million and $4.4 million of foreign income taxes, respectively, and $0.3 million and $0.8 million for the three and nine-months ended July 2, 2010, respectively.

For the three and nine-months ended July 1, 2011, the difference between the Company's effective tax rate and the 35% U.S. federal statutory rate resulted primarily from foreign earnings taxed at rates lower than the federal statutory rate and the recognition of research and development tax credits earned. In December 2010, the United States Congress enacted legislation to retroactively extend the federal research and development tax credit. As a result, the Company recognized $4.8 million of federal research and development tax credits in the nine-months ended July 1, 2011, which were earned in the fiscal year ended October 1, 2010. For the three and nine-months ended July 2, 2010, the difference between the Company's effective tax rate and the 35% federal statutory rate resulted primarily from foreign earnings taxed at rates lower than the United States federal statutory rate, and the change in assessment as to reinvestment of earnings to United States deferred taxes related to the transfer of assets to an affiliated foreign company.

On October 2, 2010, the Company expanded its presence in Asia by launching operations in Singapore. The Company operates under a tax holiday in Singapore, which is effective through September 30, 2020. The tax holiday is conditional upon the Company's compliance with meeting certain employment and investment thresholds in Singapore.

In accordance with ASC 740 – *Income Taxes* ("ASC 740"), management has determined that it is more likely than not that a portion of the Company's historic and current year income tax benefits will not be realized. Accordingly, as of July 1, 2011, the Company has maintained a valuation allowance of $24.0 million related to the Company's United States deferred tax assets, primarily related to the Company's state tax research and experimentation credits. Deferred tax assets have been recognized for foreign operations when management believes that it is more likely than not that they will be recovered during the carryforward period. The Company has also previously determined that it is more likely than not that a portion of the Company's foreign income tax benefits will not be realized and maintains a valuation allowance of $1.6 million related to the Company's foreign deferred tax assets. In addition, the Company has established a preliminary valuation allowance of $15.7 million related to the foreign deferred tax assets acquired from SiGe.

Realization of benefits from the Company's deferred tax asset, net of valuation allowance, is dependent upon generating United States source taxable income in the future. The existing valuation allowance could be reversed in the future to the extent that the related deferred tax assets no longer require a valuation allowance under the provisions of ASC 740.

The Company will continue to evaluate its valuation allowance in future periods and depending upon the outcome of that assessment, additional amounts could be reversed or recorded and recognized as an adjustment to income tax benefit or expense. Such adjustments could cause the Company's effective income tax rate to vary in future periods. The Company will need to generate $153.0 million of United States federal taxable income in future years to utilize all of the Company's net operating loss carryforwards, research and experimentation tax credit carryforwards, and deferred income tax temporary differences, net of valuation allowance, as of July 1, 2011.

During the quarter ended July 1, 2011, there was an increase in the Company's gross unrecognized tax benefits of $2.8 million. The Company's gross unrecognized tax benefits totaled $26.6 million as of July 1, 2011. Of the total unrecognized tax benefits at July 1, 2011, $17.8 million would impact the effective tax rate, if recognized. The remaining unrecognized tax benefits would not impact the effective tax rate, if recognized, due to the Company's valuation allowance and certain positions which were required to be deferred. There are no positions that the Company anticipates could change within the next twelve months. The Company incurred $0.2 million of interest related to unrecognized tax benefits during the quarter ended July 1, 2011. The Company's policy is to recognize accrued interest and penalties, if incurred, on any unrecognized tax benefits as a component of income tax expense.

The Company's major tax jurisdictions as of July 1, 2011 are the United States federal jurisdiction and the United States jurisdictions of California and Iowa. For the United States, the Company has open tax years dating back to fiscal year 1998 due to the carry forward of tax attributes. For California and Iowa, the Company has open tax years dating back to fiscal year 2002 due to the carry forward of tax attributes.

10. COMMITMENTS AND CONTINGENCIES

Legal Matters

On June 6, 2011, a putative stockholder class action lawsuit was filed in California Superior Court in Santa Clara County (Case No. 111CV202403) (the "Bushansky action") naming AATI, the members of AATI's board of directors, the Company and Merger Sub as defendants. The complaint alleges, among other things, (1) that the members of AATI's board of directors breached their fiduciary duties by (a) failing to take steps to maximize the value of the merger consideration to AATI's stockholders, (b) taking steps to avoid competitive bidding, and (c) failing to protect against conflicts of interest resulting from change-of-control and transaction-related benefits received by AATI directors in connection with the merger that are not available to all stockholders, and (2) that AATI, the members of AATI's board of directors, the Company and Merger Sub aided and abetted these purported breaches of fiduciary duties. The complaint seeks to enjoin consummation of the merger or, if the merger is completed, to recover damages caused by the alleged breaches of fiduciary duties. The complaint also seeks recovery of attorney's fees and costs of the lawsuit.

On June 7, 2011, a putative stockholder class action lawsuit was filed in California Superior Court in Santa Clara County (Case No. 111CV202501) (the "Venette action") naming AATI, the members of AATI's board of directors, the Company and Merger Sub as defendants. Plaintiffs filed an amended complaint on July 14, 2011 (the "Amended Complaint"). The Amended Complaint alleges, among other things, (1) that the members of AATI's board of directors breached their fiduciary duties by (a) agreeing to the merger for inadequate consideration on unfair terms, (b) failing to protect against conflicts of interest resulting from change-of-control and transaction-related benefits received by AATI directors in connection with the merger that are not available to all stockholders, (c) selling the company in response to alleged pressure from Dialectic Capital Partners, LP ("Dialectic"), (d) taking steps to avoid competitive bidding (including the entry by certain AATI officers and directors into agreements with the Company relating to voting commitments and inclusion in the merger agreement of nonsolicitation provisions and a termination fee), and (e) by causing the issuance of a materially misleading Form S-4 Registration Statement which, inter alia, purportedly fails to disclose material facts surrounding (i) Dialectic's impact on the proposed merger process, (ii) the AATI board of directors' evaluation of the Company and its offer for AATI, and (iii) supporting figures and analysis regarding the fairness opinion that the AATI Board obtained from its financial advisor, Needham & Company, LLC, in connection with the transaction and (2) that AATI, the members of AATI's board of directors, the Company and Merger Sub aided and abetted these purported breaches of fiduciary duties. The Amended Complaint seeks to enjoin consummation of the merger, and to have the court direct the defendants to implement procedures and processes to maximize shareholder value. The Amended Complaint also seeks recovery of attorney's fees and costs of the lawsuit.

On July 26, 2011, the Court issued an order consolidating the Bushansky action and Venette action into a single, consolidated action captioned In re Advanced Analogic Technologies Inc. Shareholder Litigation, Lead Case No. 111CV202403, and designating the Amended Complaint as the operative complaint in the litigation.

The Company believes that the claims in the consolidated action are without merit and intends to defend against such claims vigorously.

From time to time, various lawsuits, claims and proceedings have been, and may in the future be, instituted or asserted against the Company, including those pertaining to patent infringement, intellectual property, environmental, product liability, safety and health, employment and contractual matters.

Additionally, the semiconductor industry is characterized by vigorous protection and pursuit of intellectual property rights. From time to time, third parties have asserted, and may assert in the future, patent, copyright, trademark and other intellectual property rights to technologies that are important to the Company's business and have demanded, and may demand in the future, that the Company license their technology. The outcome of any such litigation cannot be predicted with certainty and some such lawsuits, claims or proceedings may be disposed of unfavorably to the Company. Generally speaking, intellectual property disputes often have a risk of injunctive relief, which, if imposed against the Company, could materially and adversely affect the Company's financial condition, or results of operations. From time to time, the Company is also involved in legal proceedings in the ordinary course of business.

The Company believes there is no litigation pending that will have, individually or in the aggregate, a material adverse effect on its business.

Guarantees and Indemnifications

The Company has made no contractual guarantees for the benefit of third parties. However, the Company generally indemnifies its customers from third-party intellectual property infringement litigation claims related to its products, and, on occasion, also provides other indemnities related to product sales. In connection with certain facility leases, the Company has indemnified its lessors for certain claims arising from the facility or the lease.

The Company indemnifies its directors and officers to the maximum extent permitted under the laws of the state of Delaware. The duration of the indemnities varies, and in many cases is indefinite. The indemnities to customers in connection with product sales generally are subject to limits based upon the amount of the related product sales and in many cases are subject to geographic and other restrictions. In certain instances, the Company's indemnities do

not provide for any limitation of the maximum potential future payments the Company could be obligated to make. The Company has not recorded any liability for these indemnities in the accompanying consolidated balance sheets and does not expect that such obligations will have a material adverse impact on its financial condition or results of operations.

11. EMPLOYEE STOCK BENEFIT PLANS

Share-based compensation expense consists of expense related to unvested grants of employee stock options and awards in accordance with ASC 718 — *Compensation-Stock Compensation* ("ASC 718").

The following table summarizes share-based compensation expense related to unvested employee stock options, restricted and performance stock grants, management incentive compensation, and the employee stock purchase plan for the three and nine-months ended July 1, 2011 and July 2, 2010:

	Three-months Ended		Nine-months Ended	
(In thousands)	July 1, 2011	July 2, 2010	July 1, 2011	July 2, 2010
Stock options	$ 4,282	$3,163	$12,233	$ 9,335
Restricted stock with service and market conditions	—	—	—	689
Restricted stock with service conditions	805	255	1,768	668
Performance shares	8,495	4,158	24,228	10,802
Management incentive plan stock awards	352	1,376	2,636	3,382
Employee stock purchase plan	609	483	1,823	1,363
Total share-based compensation expense	$14,543	$9,435	$42,688	$26,239

The Company utilized the following weighted average assumptions in calculating its share-based compensation expense from stock options using the Black-Scholes model as of the nine-months ended July 1, 2011 and July 2, 2010:

	Nine-months Ended	
	July 1, 2011	July 2, 2010
Expected volatility	49.26%	56.19%
Risk free interest rate	1.11%	1.62%
Dividend yield	0.00	0.00
Expected option life (7 year contractual life options)	4.10	4.23

12. ACCUMULATED OTHER COMPREHENSIVE LOSS

The Company accounts for accumulated other comprehensive loss in accordance with the provisions of ASC 220 — *Comprehensive Income* ("ASC 220"). ASC 220 is a financial statement presentation standard that requires the Company to disclose non-owner changes included in equity but not included in net income or loss. Accumulated other comprehensive loss presented in the financial statements consists of adjustments to the Company's auction rate securities and minimum pension liability. There were no changes in the value of the auction rate securities or pension liability during the three and nine-months ended July 1, 2011.

13. COMMON STOCK REPURCHASE

On August 3, 2010, the Board of Directors approved a stock repurchase program, pursuant to which the Company is authorized to repurchase up to $200.0 million of the Company's common stock from time to time on the open market or in privately negotiated transactions as permitted by securities laws and other legal requirements. During the three-months ended July 1, 2011, the Company paid approximately $18.6 million (including commissions) in connection with the repurchase of 750,000 shares of its common stock (paying an average price of $24.83 per share). During the nine-months ended July 1, 2011, the Company paid approximately $60.2 million (including

commissions) in connection with the repurchase of 2,268,045 shares of its common stock (paying an average price of $26.54 per share). As of July 1, 2011, $139.8 million remained available under the existing share repurchase authorization.

14. EARNINGS PER SHARE

(In thousands, except per share amounts)	Three-months Ended July 1, 2011	Three-months Ended July 2, 2010	Nine-months Ended July 1, 2011	Nine-months Ended July 2, 2010
Net income	$ 51,548	$ 34,736	$162,376	$ 90,490
Weighted average shares outstanding — basic	183,750	175,495	182,642	174,220
Effect of dilutive convertible debt	1,790	1,657	1,831	1,938
Effect of dilutive share-based awards	5,840	6,737	6,155	5,914
Weighted average shares outstanding — diluted	191,380	183,889	190,628	182,072
Net income per share — basic	$ 0.28	$ 0.20	$ 0.89	$ 0.52
Net income per share — diluted	$ 0.27	$ 0.19	$ 0.85	$ 0.50

Basic earnings per share is calculated by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share includes the dilutive effect of equity based awards and the 2007 Convertible Notes using the treasury stock method.

Equity based awards exercisable for approximately 2.8 million shares and 1.5 million shares were outstanding but not included in the computation of earnings per share for the three and nine-months ended July 1, 2011, respectively, as their effect would have been anti-dilutive.

Equity based awards exercisable for approximately 4.8 million shares and 5.6 million shares were outstanding but not included in the computation of earnings per share for the three and nine-months ended July 2, 2010, respectively, as their effect would have been anti-dilutive.

The remaining $26.7 million in aggregate principal balance of the 1.50% Notes contains a cash settlement provision, which permits the application of the treasury stock method in determining potential share dilution of the conversion spread should the share price of the Company's common stock exceed $9.52. For both the three and nine-months ended July 1, 2011, 1.8 million shares, were included in the calculation of diluted earnings per share as a result of this conversion feature and 1.7 million shares and 1.9 million shares for the three and nine-months ended July 2, 2010, respectively, were included.

15. SEGMENT INFORMATION

In accordance with ASC 280-*Segment Reporting* ("ASC 280"), the Company has one reportable operating segment which designs, develops, manufactures and markets proprietary semiconductor products, including intellectual property. ASC 280 establishes standards for the way public business enterprises report information about operating segments in annual financial statements and in interim reports to shareholders. The method for determining what information to report is based on management'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, operating profit and earnings per share. The Company's business units share similar economic characteristics, long term business models, research and development expenses and selling, general and administrative expenses. As of July 1, 2011, there has been no change and the Company continues to consider itself to have one reportable operating segment. The Company will re-assess its conclusions at least annually.

16. RESTRUCTURING

During the three and nine-months ended July 1, 2011, the Company implemented a restructuring plan to reduce redundancies associated with its acquisition of SiGe and recorded a restructuring charge of $1.5 million primarily related to employee severance expense.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

This report and other documents we have filed with the Securities and Exchange Commission ("SEC") contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and are subject to the "safe harbor" created by those sections. Words such as "believes," "expects," "may," "will," "would," "should," "could," "seek," "intends," "plans," "potential," "continue," "estimates," "anticipates," "predicts," and similar expressions or variations or negatives of such words are intended to identify forward-looking statements, but are not the exclusive means of identifying forward-looking statements in this report. Additionally, statements concerning future matters such as the development of new products, enhancements or technologies, sales levels, expense levels and other statements regarding matters that are not historical are forward-looking statements. Although forward-looking statements in this report reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements involve inherent risks and uncertainties and actual results and outcomes may differ materially and adversely from the results and outcomes discussed in or anticipated by the forward-looking statements. A number of important factors could cause actual results to differ materially and adversely from those in the forward-looking statements. We urge you to consider the risks and uncertainties discussed in this Current Report on Form 10-Q and our Annual Report on Form 10-K for the fiscal year ended October 1, 2010, under the heading "Risk Factors" and in the other documents we have filed with the SEC in evaluating our forward-looking statements. We have no plans, and undertake no obligation, to revise or update our forward-looking statements to reflect any event or circumstance that may arise after the date of this report. We caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made.

In this document, the words "we," "our," "ours" and "us" refer only to Skyworks Solutions, Inc. and its subsidiaries and not any other person or entity.

RESULTS OF OPERATIONS

THREE AND NINE-MONTHS ENDED JULY 1, 2011 AND JULY 2, 2010

The following table sets forth the results of our operations expressed as a percentage of net revenue for the three and nine-months ended July 1, 2011 and July 2, 2010:

	Three-months Ended		Nine-months Ended	
	July 1, 2011	July 2, 2010	July 1, 2011	July 2, 2010
Net revenue	100.0%	100.0%	100.0%	100.0%
Cost of goods sold	56.1	57.1	56.2	57.7
Gross profit	43.9	42.9	43.8	42.3
Operating expenses:				
Research and development	12.1	12.7	11.9	13.0
Selling, general and administrative	10.0	10.7	9.7	11.1
Restructuring and other charges	0.4	(0.4)	0.1	(0.1)
Amortization of intangibles	1.1	0.5	0.7	0.6
Total operating expenses	23.6	23.5	22.4	24.6
Operating income	20.3	19.4	21.4	17.7
Interest expense	(0.1)	(0.3)	(0.1)	(0.5)
Gain (loss) on early retirement of convertible debt	—	—	—	—
Other loss, net	—	—	—	—
Income before income taxes	20.2	19.1	21.3	17.2
Provision for income taxes	5.7	6.5	5.3	5.3
Net income	14.5%	12.6%	16.0%	11.9%

GENERAL

During the three and nine-months ended July 1, 2011, certain key factors contributed to our overall results of operations and cash flows from operations. Specifically:

- We generated net revenue of $356.1 million and $1,016.6 million for the three and nine-months ended July 1, 2011, respectively. This reflects an increase in net revenue of approximately 29.3% and 34.0%, respectively, as compared to the corresponding prior periods. This increase in net revenue was primarily attributable to an increase in our overall market share, an increase in overall demand for our semiconductor products supporting wireless communications and mobile internet capabilities in devices such as smart phones, tablets, gaming platforms, home automation systems and network infrastructure, product diversification into new vertical markets, and the incremental revenue of $6.5 million related to our acquisition of SiGe Semiconductor Inc. (“SiGe”).
- Gross profit increased by $38.0 million to 43.9% of net revenue for the three-months ended July 1, 2011 and increased $125.1 million to 43.8% of net revenue for the nine-months ended July 1, 2011, as compared to the corresponding prior periods. The increase in gross profit in aggregate dollars and as a percentage of net revenue is primarily the result of the aforementioned increase in net revenue, improved product mix as we increased sales of higher margin products and continued factory process enhancements driven primarily by capital expenditures, product yield improvements, and manufacturing input cost reductions.
- Operating income increased by $18.8 million to 20.3% of net revenue for the three-months ended July 1, 2011, and $83.3 million to 21.4% of net revenue for the nine-months ended July 1, 2011, as compared to the corresponding prior periods. The increase is primarily due to the aforementioned increases in net revenue and gross margin along with a higher degree of operating leverage as the company reduced operating expenditures as a percentage of net revenue resulting in higher operating margins.
- We completed the acquisition of SiGe during the quarter for approximately $279.5 million in total cash consideration. The acquisition of SiGe complements the Company’s leadership in wide area front-end solutions by adding SiGe's innovative short range, silicon-based products. As a result, the Company now offers customers a more comprehensive wireless networking product portfolio, supporting all key operating frequencies with greater architectural flexibility to address a variety of high growth applications.
- For the nine-months ended July 1, 2011, we generated $243.0 million in cash from operations. This was offset by approximately $249.8 million paid for acquisitions (net of cash acquired), $85.4 million in capital expenditures, and the retirement of our short term line of credit of $50.0 million. We exited the quarter with $309.6 million in cash and cash equivalents.

NET REVENUE

	Three-months Ended			Nine-months Ended		
(dollars in thousands)	July 1, 2011	Change	July 2, 2010	July 1, 2011	Change	July 2, 2010
Net revenue	$356,075	29.3%	$275,370	$1,016,606	34.0%	$758,566

We market and sell our products directly to Original Equipment Manufacturers (“OEMs”) of communication electronic products, third-party Original Design Manufacturers (“ODMs”), contract manufacturers and indirectly through electronic components distributors. We periodically enter into revenue generating arrangements that leverage our broad intellectual property portfolio by licensing or selling our non-core patents or other intellectual property. We anticipate continuing this intellectual property strategy in future periods.

We generated net revenue of $356.1 million in the three-months ended July 1, 2011, which was a 29.3% increase over the $275.4 million for the corresponding period in fiscal 2010. For the nine-months ended July 1, 2011 net revenue was $1,016.6 million, an increase of 34.0% over the $758.6 million generated for the nine-months ended July 2, 2010. This increase in net revenue was primarily attributable to an increase in our overall market share, an increase in overall demand for our semiconductor products that support wireless communication and mobile internet capabilities in devices such as smart phones, tablets, gaming platforms, home automation systems and network infrastructure, product diversification into new vertical markets, and the incremental revenue of $6.5 million related to our acquisition of SiGe.

GROSS PROFIT

(dollars in thousands)	Three-months Ended July 1, 2011	Change	Three-months Ended July 2, 2010	Nine-months Ended July 1, 2011	Change	Nine-months Ended July 2, 2010
Gross profit	$156,225	32.1%	$118,266	$445,744	39.0%	$320,674
% of net revenue	43.9%		42.9%	43.8%		42.3%

Gross profit represents net revenue less cost of goods sold. Cost of goods sold consists primarily of purchased materials, labor and overhead (including depreciation and share-based compensation expense) associated with product manufacturing.

Gross profit increased by $38.0 million to 43.9% of net revenue for the three-months ended July 1, 2011, as compared to the corresponding prior period. During the nine-months ended July 1, 2011, gross profit increased by $125.1 million to 43.8% of net revenue as compared to the corresponding prior period. The increase in gross profit in aggregate dollars and as a percentage of net revenue is primarily the result of the aforementioned increase in net revenue, improved product mix as we increased sales of higher margin products and continued factory process enhancements driven by increased capital expenditures, product yield improvements, and manufacturing input cost reductions. During the three and nine-months ended July 1, 2011, we continued to benefit from higher contribution margins associated with the licensing and/or sale of intellectual property.

RESEARCH AND DEVELOPMENT

(dollars in thousands)	Three-months Ended July 1, 2011	Change	Three-months Ended July 2, 2010	Nine-months Ended July 1, 2011	Change	Nine-months Ended July 2, 2010
Research and development	$43,067	23.5%	$34,882	$121,228	22.8%	$98,731
% of net revenue	12.1%		12.7%	11.9%		13.0%

Research and development expenses consist principally of direct personnel costs, costs for pre-production evaluation and testing of new devices, masks and engineering prototypes, share-based compensation expense and design and test tool costs.

The 23.5% and 22.8% increases in research and development expenses for the three and nine-months ended July 1, 2011, respectively, when compared to the corresponding prior periods are principally attributable to growth in the number of our employees (including those related to the SiGe acquisition) and related increases in compensation costs. In addition, we increased our design activities and associated expenses in support of increased product development for our target markets. Research and development expenses decreased as a percentage of net revenue for the three and nine-months ended July 1, 2011, as compared to the corresponding prior period, due to the aforementioned increase in net revenue and the relatively modest increase in research and development expense.

SELLING, GENERAL AND ADMINISTRATIVE

(dollars in thousands)	Three-months Ended July 1, 2011	Change	Three-months Ended July 2, 2010	Nine-months Ended July 1, 2011	Change	Nine-months Ended July 2, 2010
Selling, general and administrative	$35,451	20.4%	$29,451	$98,167	16.6%	$84,164
% of net revenue	10.0%		10.7%	9.7%		11.1%

Selling, general and administrative expenses include legal, accounting, treasury, human resources, information systems, customer service, bad-debt expense, sales commissions, share-based compensation expense, advertising, marketing and other costs.

The increase in selling, general and administrative expenses for the three and nine-months ended July 1, 2011, respectively, as compared to the corresponding prior period is principally due to growth in the number of our employees and related compensation expense, our increased stock price during the fiscal 2011 as compared to the same periods in the prior year and its impact on share-based compensation, the increase in expenses related to professional fees associated with completed and pending acquisitions, and a settlement for a contractual dispute. Selling, general and administrative expenses as a percentage of net revenue decreased for the three and nine-months ended July 1, 2011, as compared to the corresponding prior period, due to the aforementioned increase in net revenue.

RESTRUCTURING AND OTHER CHARGES

(dollars in thousands)	Three-months Ended July 1, 2011	Change	July 2, 2010	Nine-months Ended July 1, 2011	Change	July 2, 2010
Restructuring and other charges	$1,475	241.8%	$(1,040)	$1,475	241.8%	$(1,040)
% of net revenue	0.4%		-0.4%	0.1%		-0.1%

On June 14, 2011 we committed to a restructuring plan to eliminate redundancies related to the SiGe acquisition. We recorded a $1.5 million charge primarily related to severance costs for the three and nine-months ending July 1, 2011.

We expect to realize approximately $7.0 million per year in cost savings as a result of this restructuring plan.

During the three and nine-months ended July 2, 2010, we recorded a gain of $1.0 million upon the disposition of certain equipment which was previously impaired as a part of a restructuring plan in 2009.

AMORTIZATION OF INTANGIBLES

(dollars in thousands)	Three-months Ended July 1, 2011	Change	July 2, 2010	Nine-months Ended July 1, 2011	Change	July 2, 2010
Amortization of intangibles	$4,006	166.9%	$1,501	$7,246	61.0%	$4,502
% of net revenue	1.1%		0.5%	0.7%		0.6%

The increase in amortization expense for the three and nine-months ended July 1, 2011 as compared to the corresponding prior periods primarily relates to amortization of the identified intangible assets from the SiGe acquisition. See Note 7 of the Notes to Consolidated Financial Statements contained in Item 1 in this Quarterly Report on Form 10-Q for additional information.

INTEREST EXPENSE

(dollars in thousands)	Three-months Ended July 1, 2011	Change	July 2, 2010	Nine-months Ended July 1, 2011	Change	July 2, 2010
Interest expense	$ 465	(46.3)%	$ 867	$1,463	(59.6)%	$3,619
% of net revenue	0.1%		0.3%	0.1%		0.5%

Interest expense is comprised principally of interest related to our 2007 Convertible Notes which has been calculated under ASC 470-20 — *Debt, Debt with Conversion and Other Options*. See Note 8 of the Notes to Consolidated Financial Statements contained in Item 1 in this Quarterly Report on Form 10-Q for additional information.

The decrease in interest expense for the three and nine-months ended July 1, 2011, when compared to the corresponding periods in fiscal 2010, was due to a decline in interest expense resulting from, and the reduced amortization of discount associated with, the early retirement of a portion of the 2007 Convertible Notes during fiscal 2010 and our repayment of the entire $50.0 million balance of our Credit Facility during the first quarter of fiscal 2011.

PROVISION FOR INCOME TAXES

(dollars in thousands)	Three-months Ended July 1, 2011	Change	July 2, 2010	Nine-months Ended July 1, 2011	Change	July 2, 2010
Provision for income taxes	$20,211	12.7%	$17,933	$53,604	34.6%	$39,829
% of net revenue	5.7%		6.5%	5.3%		5.3%

The Company recorded a provision for income taxes of $20.2 million ($17.6 million and $2.6 million for United States and foreign income taxes, respectively) and $53.6 million ($49.2 million and $4.4 million for United States and foreign income taxes, respectively) for the three and nine-months ended July 1, 2011, respectively.

The effective tax rate for the three and nine-months ended July 1, 2011 were 28.2% and 24.8%, respectively, as compared to 34.0% and 30.6% for the corresponding periods in fiscal 2010, respectively. The difference between the Company's year to date effective tax rate of 24.8% and the federal statutory rate of 35% is principally due to the recognition of foreign earnings in lower tax jurisdictions and the recognition of research and development tax credits earned. As a result of the enactment of the Tax Relief Act of 2010 which retroactively reinstated and extended a federal research and development tax credit that we qualified for, $4.8 million of federal research and development tax credits which were earned in fiscal year 2010 reduced our tax rate during the nine-months ended July 1, 2011. See Note 9 of the Notes to Consolidated Financial Statements contained in Item 1 in this Quarterly Report on Form 10-Q for more information.

LIQUIDITY AND CAPITAL RESOURCES

Cash Provided and Used

	Nine-months Ended	
(dollars in thousands)	July 1, 2011	July 2, 2010
Cash and cash equivalents at beginning of period (1)	$ 453,257	$364,221
Net cash provided by operating activities	243,019	149,677
Net cash used in investing activities	(335,200)	(65,609)
Net cash used in financing activities	(51,431)	(64,465)
Cash and cash equivalents at end of period (1)	$ 309,645	$383,824

(1) Cash and cash equivalents do not include restricted cash balances.

Cash Flows from Operating Activities:

Cash provided by operating activities is net income adjusted for certain non-cash items and changes in certain assets and liabilities. For the nine-months ended July 1, 2011, net income increased by $71.9 million to $162.4 million when compared to the corresponding period in fiscal 2010. For the nine-months ended July 1, 2011 we generated $243.0 million in cash flow from operations, an increase of $93.3 million when compared to the $149.7 million generated in the corresponding period in fiscal 2010. The increased cash from operations was primarily due to the increase in net income for the nine-month period and, the increase in non-cash expenses offset by the change in net working capital excluding the impact of acquisitions of $16.9 million.

Cash Flows from Investing Activities:

Cash used in investing activities consists of cash paid for acquisitions net of cash acquired and capital expenditures. We had a net cash outflow of $335.2 million for the nine-months ended July 1, 2011, compared to a net cash outflow of $65.6 million for the corresponding prior period. The increase resulted from cash paid in connection with acquisitions of $249.8 million (net of cash received in such acquisitions) primarily for the SiGe acquisition and increased capital expenditures during the year.

Cash Flows from Financing Activities:

Cash used in financing activities consists primarily of cash transactions related to debt and equity. We had net cash outflows of $51.4 million for the nine-months ended July 1, 2011. Specifically, we had the following significant uses of cash:

- $60.2 million related to our repurchase of approximately 2.3 million shares of our common stock pursuant to the share repurchase program approved by our Board of Directors on August 3, 2010;
- $50.0 million related to the repayment and termination of the Credit Facility; and

- $19.9 million related to payroll tax withholdings on the vesting of employee performance and restricted stock awards.

These uses of cash were partially offset by the net proceeds from employee stock option exercises of $61.2 million, tax benefit from stock option exercises of $12.1 million and a decrease in restricted cash of $5.4 million for the nine-months ended July 1, 2011.

Liquidity:

Cash and cash equivalent balances decreased by $143.7 million to $309.6 million as of July 1, 2011 from $453.3 million at October 1, 2010. Our net cash position, after deducting our debt, decreased by $94.6 million to $283.9 million as of July 1, 2011 from $378.5 million at October 1, 2010. The decrease in cash was primarily related to our acquisition of SiGe during the three-months ended July 1, 2011. On May 26, 2011, we announced that we had entered into a definitive agreement under which we intend to acquire all the outstanding shares of AATI. We expect to pay between $100.0 million and $120.0 million in cash net of approximately $80.0 million to $90.0 million of cash expected to be received in the transaction. Based on our historical results of operations, we expect our existing sources of liquidity, together with cash expected to be generated from operations, will be sufficient to fund our research and development, capital expenditures, debt obligations, pending acquisitions, working capital and other cash requirements for at least the next 12 months. However, we cannot be certain that the capital required to fund these expenses will be available in the future. In addition, any strategic investments and acquisitions that we may make may require additional capital resources. If we are unable to obtain sufficient capital to meet our capital needs on a timely basis and on favorable terms, our business and operations could be materially and adversely affected.

Our invested cash balances primarily consist of money market funds and repurchase agreements where the underlying securities primarily consist of United States treasury obligations, United States agency obligations, overnight repurchase agreements backed by United States treasuries and/or United States agency obligations and highly rated commercial paper. Our invested cash balances also include certificates of deposit. As of July 1, 2011, we also held a $3.2 million par value auction rate security with a fair value of $2.3 million which we receive the scheduled interest payments on a monthly basis. We continue to monitor the liquidity and accounting classification of this security. If in a future period we determine that the impairment is other than temporary, we will impair the security to its fair value and charge the loss to earnings.

CONTRACTUAL OBLIGATIONS

Our contractual obligations disclosure in our annual report on Form 10-K for the year ended October 1, 2010 has not materially changed since we filed that report, with the exception that we paid off and terminated the Credit Facility. Our borrowing arrangements are more fully described in Note 8 of the Notes to Consolidated Financial Statements contained in Item 1 in this Quarterly Report on Form 10-Q.

OFF-BALANCE SHEET ARRANGEMENTS

We have no significant contractual obligations not fully recorded on our consolidated balance sheet or fully disclosed in the notes to our consolidated financial statements. We have no material off-balance sheet arrangements as defined in SEC Regulation S-K- Item 303(a)(4)(ii).

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

We are subject to foreign currency, investment, market and interest rate risks as described below:

Investment, Market and Interest Rate Risk

Our exposure to interest and market risk relates principally to our investment portfolio, which as of July 1, 2011 consisted of the following (in millions):

Cash and cash equivalents (time deposits, overnight repurchase agreements and money market funds)	$309.7
Restricted cash (certificates of deposit)	0.7
Available for sale securities (auction rate securities)	2.3
Total	$312.7

The main objective of our investment activities is the liquidity and preservation of capital. Credit risk associated with our investments is not significant as our investment policy prescribes high credit quality standards and limits the amount of credit exposure to any one issuer. We do not use derivative instruments for trading, speculative or investment purposes; however, we may use derivatives in the future.

In general, our cash and cash equivalent investments have short-term maturity periods, which dampen the impact of significant market or interest rate risk. We are, however, subject to overall financial market risks, such as changes in market liquidity, credit quality and interest rates. Available for sale securities of $2.3 million carry a longer maturity period (contractual maturities exceed ten years).

Our short-term debt at July 1, 2011 consists of $26.7 million aggregate principal amount of 2007 Convertible Notes. These 2007 Convertible Notes contain cash settlement provisions, which permit the application of the treasury stock method in determining potential share dilution of the conversion spread should the share price of the Company's common stock exceed $9.52. It has been the Company's historical practice to cash settle the principal and interest components of convertible debt instruments, and it is our intention to continue to do so in the future, including settlement of the 2007 Convertible Notes due in March 2012.

We do not believe that investment, market or interest rate risk are material to our business or results of operations.

Exchange Rate Risk

Substantially all sales to customers and arrangements with third-party manufacturers provide for pricing and payment in United States dollars, thereby reducing the impact of foreign exchange rate fluctuations on our results. A small percentage of our international operational expenses are denominated in foreign currencies. Exchange rate volatility could negatively or positively impact those operating costs. Increases in the value of the United States dollar relative to other currencies could make our products more expensive, which could negatively impact our ability to compete. Conversely, decreases in the value of the United States dollar relative to other currencies could result in our suppliers raising their prices to continue doing business with us. Fluctuations in currency exchange rates could have a greater effect on our business in the future to the extent our expenses increasingly become denominated in foreign currencies.

Item 4. ***Controls and Procedures***

(a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures as of July 1, 2011. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on management's evaluation of our disclosure controls and procedures as of July 1, 2011, our chief executive officer and chief financial officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

(b) Changes in internal controls over financial reporting.

No changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) occurred during the nine-months ended July 1, 2011 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

From time to time, we are party to legal proceedings in the ordinary course of our business in addition to those described below. We do not, however, expect such other legal proceedings to have a material advise effect on our business, financial condition or results of operations.

On June 6, 2011, a putative stockholder class action lawsuit was filed in California Superior Court in Santa Clara County (Case No. 111CV202403) (the "Bushansky action") naming AATI, the members of AATI's board of directors, us and Merger Sub as defendants. The complaint alleges, among other things, (1) that the members of AATI's board of directors breached their fiduciary duties by (a) failing to take steps to maximize the value of the merger consideration to AATI's stockholders, (b) taking steps to avoid competitive bidding, and (c) failing to protect against conflicts of interest resulting from change-of-control and transaction-related benefits received by AATI directors in connection with the merger that are not available to all stockholders, and (2) that AATI, the members of AATI's board of directors, we and Merger Sub aided and abetted these purported breaches of fiduciary duties. The complaint seeks to enjoin consummation of the merger or, if the merger is completed, to recover damages caused by the alleged breaches of fiduciary duties. The complaint also seeks recovery of attorney's fees and costs of the lawsuit.

On June 7, 2011, a putative stockholder class action lawsuit was filed in California Superior Court in Santa Clara County (Case No. 111CV202501) (the "Venette action") naming AATI, the members of AATI's board of directors, us and Merger Sub as defendants. Plaintiffs filed an amended complaint on July 14, 2011 (the "Amended Complaint"). The Amended Complaint alleges, among other things, (1) that the members of AATI's board of directors breached their fiduciary duties by (a) agreeing to the merger for inadequate consideration on unfair terms, (b) failing to protect against conflicts of interest resulting from change-of-control and transaction-related benefits received by AATI directors in connection with the merger that are not available to all stockholders, (c) selling the company in response to alleged pressure from Dialectic Capital Partners, LP ("Dialectic"), (d) taking steps to avoid competitive bidding (including the entry by certain AATI officers and directors into agreements with us relating to voting commitments and inclusion in the merger agreement of nonsolicitation provisions and a termination fee), and (e) by causing the issuance of a materially misleading Form S-4 Registration Statement which, inter alia purportedly fails to disclose material facts surrounding (i) Dialectic's impact on the proposed merger process, (ii) the AATI board of directors' evaluation of us and our offer for AATI, and (iii) supporting figures and analysis regarding the fairness opinion that the AATI Board obtained from its financial advisor. Needham & Company, LLC, in connection with the transaction and (2) that AATI, the members of AATI's board of directors, we and Merger Sub aided and abetted these purported breaches of fiduciary duties. The Amended Complaint seeks to enjoin consummation of the merger, and to have the court direct the defendants to implement procedures and processes to maximize shareholder value. The Amended Complaint also seeks recovery of attorney's fees and costs of the lawsuit.

On July 26, 2011, the Court issued an order consolidating the Bushansky action and Venette action into a single, consolidated action captioned In re Advanced Analogic Technologies Inc. Shareholder Litigation, Lead Case No. 111CV202403, and designating the Amended Complaint as the operative complaint in the litigation.

We believes that the claims in the consolidated action are without merit and intend to defend against such claims vigorously.

Item 1A. ***Risk Factors***

In addition to the other information set forth in this quarterly report on Form 10-Q, you should carefully consider the factors discussed in Part I, Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended October 1, 2010, which could materially affect our business, financial condition or future results.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

The following table provides information regarding repurchases of common stock made by us during the quarter ended July 1, 2011:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Maximum Number (or Approximately Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
04/02/11 — 04/29/11	2,272(2)	$ 30.79	—	$ 158.5 million
04/30/11 — 05/27/11	31,878(2)	$ 28.92	—	$ 158.5 million
05/28/11 — 07/01/11	756,948(3)	$ 24.81(3)	750,000	$ 139.8 million

(1) On August 3, 2010, the Board of Directors approved a share repurchase program, pursuant to which we are authorized to repurchase up to $200.0 million of our common stock from time to time on the open market or in privately negotiated transactions as permitted by securities laws and other legal requirements. The repurchase program is set to expire on August 3, 2012; however, it may be suspended or discontinued at any time prior to August 3, 2012. The repurchase program will be funded using our working capital.

(2) Shares of common stock reported in the table above were repurchased by us at the fair market value of the common stock as of the period stated above, in connection with the satisfaction of tax withholding obligations under restricted stock agreements between us and certain of our employees.

(3) 750,000 shares were repurchased at an average price of $24.82 per share as part of our share repurchase program. 6,948 shares were repurchased with an average price of $24.26 per share in connection with the satisfaction of tax withholding obligations under restricted stock agreements between us and certain of our employees.

Item 6. ***Exhibits***

Number	Description
3.A	Skyworks Solutions, Inc. Restated Certificate of Incorporation, as Amended
3.B	Skyworks Solutions, Inc. Second Amended and Restated By-laws, as Amended
10.A*	Skyworks Solutions, Inc. Amended and Restated 2005 Long-Term Incentive Plan, as Amended
10.B*	Skyworks Solutions, Inc. Amended and Restated 2008 Director Long-Term Incentive Plan
10.C*	Skyworks Solutions, Inc. 2002 Employee Stock Purchase Plan, as Amended
10.D	Skyworks Solutions, Inc. Non-Qualified Employee Stock Purchase Plan, as Amended
10.E* †	Agreement and Plan of Merger dated as of May 17, 2011 by and among Skyworks Solutions, Inc., Silver Bullet Acquisition Corp., SiGe Semiconductor, Inc. and Shareholder Representative Services, solely in its capacity as the representative and agent of the Company Stockholders
10.F	Agreement and Plan of Merger dated May 26, 2011 by and among Skyworks Solutions, Inc., PowerCo Acquisition Corp., and Advanced Analogic Technologies Incorporated (filed as Annex A to our Registration Statement on Form S-4 (reg. no. 333-174953) and incorporated herein by reference)
31.1*	Certification of the Company's Chief Executive Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a- 14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of the Company's Chief Financial Officer pursuant to Securities Exchange Act of 1934, as amended, Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH***	XBRL Taxonomy Extension Schema Document
101.CAL***	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF***	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB***	XBRL Taxonomy Extension Label Linkbase Document
101.PRE***	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

** Furnished herewith.

*** Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

† Confidential treatment requested as to portions of the exhibit. Confidential materials omitted and filed separately with the Securities and Exchange Commission.

Table of Contents

SIGNATURES

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

SKYWORKS SOLUTIONS, INC.

Date: August 9, 2011

By: /s/ David J. Aldrich
David J. Aldrich, President and Chief
Executive Officer (Principal Executive Officer)

By: /s/ Donald W. Palette
Donald W. Palette, Chief Financial Officer
Vice President (Principal Accounting and Financial Officer)

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EXHIBIT 3.A

RESTATED CERTIFICATE OF INCORPORATION
OF SKYWORKS SOLUTIONS, INC.
AS AMENDED

FIRST: The name of the Corporation is

Skyworks Solutions, Inc.

SECOND: The Corporation's registered office in the State of Delaware is located at 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle. The name and address of its registered agent is The Prentice-Hall Corporation System, Inc., 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle.

THIRD: The nature of the business, or objects or purposes to be transacted, promoted or carried on, are: To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have the authority to issue is 550,000,000, of which (i) 525,000,000 shares of the par value of $.25 each are to be of a class designated Common Stock (the "Common Stock") and (ii) 25,000,000 shares without par value are to be of a class designated Preferred Stock (the "Preferred Stock").

In this Article Fourth, any reference to a section or paragraph, without further attribution, within a provision relating to a particular class of stock is intended to refer solely to the specified section or paragraph of the other provisions relating to the same class of stock.

COMMON STOCK

The Common Stock shall have the following voting powers, designations, preferences and relative, participating, optional and other special rights, and qualifications, limitations or restrictions thereof:

1. DIVIDENDS. Subject to the rights of the holders of Preferred Stock, the holders of shares of the Common Stock shall be entitled to receive such dividends and distributions in equal amounts per share, payable in cash or otherwise, as may be declared thereon by the Board of Directors from time to time out of assets or funds of the Corporation legally available therefor.

2. RIGHTS ON LIQUIDATION. In the event of any liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, after the payment to creditors and the payment or setting apart for payment to the holders of any outstanding Preferred Stock of the full preferential amounts to which such holders are entitled as herein provided or referred to, all of the remaining assets of the Corporation shall belong to and be distributable in equal amounts per share to the holders of the Common Stock. For purposes of this paragraph 2, a consolidation or merger of the Corporation with any other corporation, or the sale, transfer or lease of all or substantially all its assets shall not constitute or be deemed a liquidation, dissolution or winding-up of the Corporation.

3. VOTING. Except as otherwise provided by the laws of the State of Delaware or by this Article Fourth, each share of Common Stock shall entitle the holder thereof to one vote.

PREFERRED STOCK

The Preferred Stock may be issued from time to time in one or more series. The Board of Directors is hereby authorized to provide for the issuance of shares of Preferred Stock in series and, by filing a certificate pursuant to the applicable law of the State of Delaware (hereinafter referred to as a "Preferred Stock Designation"), to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof. The authority of the Board of Directors with respect to each series shall include, but not be limited to, determination of the following:

(a) the designation of the series, which may be by distinguishing number, letter or title;

(b) the number of shares of the series, which number the Board of Directors may thereafter (except where otherwise provided in the Preferred Stock Designation) increase or decrease (but not below the number of shares thereof then outstanding);

(c) whether dividends, if any, shall be cumulative or noncumulative and the dividend rate of the series;

(d) the dates at which dividends, if any, shall be payable;

(e) the redemption rights and price or prices, if any, for shares of the series;

(f) the terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;

(g) the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(h) whether the shares of the series shall be convertible into shares of any other class or series, or any other security, of the Corporation or any other corporation, and, if so, the specification of such other class or series or such other security, the conversion price or prices or rate or rates, any adjustments thereof, the date or dates as of which such shares shall be convertible and all other terms and conditions upon which such conversion may be made;

(i) restrictions on the issuance of shares of the same series or of any other class or series; and

(j) the voting rights, if any, of the holders of shares of the series; provided, that, except as otherwise provided by the laws of the State of Delaware, no share of

Preferred Stock of any series shall be entitled to more than one vote per share of Preferred Stock.

Except as may be provided in this Certificate of Incorporation or in a Preferred Stock Designation, the Common Stock shall have the exclusive right to vote for the election of directors and for all other purposes, and holders of Preferred Stock shall not be entitled to receive notice of any meeting of stockholders at which they are not entitled to vote. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article Fourth as one class of stock, without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

The Corporation shall be entitled to treat the person in whose name any share of its stock is registered as the owner thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether or not the Corporation shall have notice thereof, except as expressly provided by applicable law.

FIFTH: The Corporation is to have perpetual existence.

SIXTH: The private property of the stockholders of the Corporation shall not be subject to the payment of corporate debts to any extent whatever.

SEVENTH:

1. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The number of directors shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption).

2. Except as otherwise provided by law and except as hereinafter otherwise provided for filling vacancies, the directors of the Corporation shall be elected at each annual meeting of stockholders. Each director so elected shall hold office until the annual meeting of stockholders following the annual meeting at which such director was elected and until a successor is duly elected and qualified, or until such director's earlier death, resignation or removal. The terms of office of each director serving the Corporation as of immediately prior to the effectiveness of the filing of this Certificate of Amendment under the General Corporation Law of the State of Delaware (the "Effective Time") whose term of office did not expire at the 2011 annual meeting of stockholders of the Corporation shall nonetheless expire at the Effective Time, such that the directors elected at the 2011 annual meeting of stockholders of the Corporation effective upon the Effective Time to succeed such directors shall commence their term of office at the Effective Time, for a term expiring at the next annual meeting of stockholders, with each

such director to hold office until his or her successor shall have been duly elected and qualified.

3. Vacancies resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause may be filled only by a majority vote of the directors then in office, though less than a quorum, or by a sole remaining director and directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders to occur following their election. No decrease in the number of authorized directors shall shorten the term of any incumbent director.

4. Subject to the rights of the holders of any series of Preferred Stock or any other series or class of stock, as provided herein or in any Preferred Stock Designation, to elect additional directors under specific circumstances, any director may be removed from office at any time, with or without cause by the affirmative vote of the holders of at least a majority of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article Seventh as one class of stock.

5. No director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. No repeal or modification of this paragraph, directly or by adoption of an inconsistent provision of this Certificate of Incorporation, by the stockholders of the Corporation shall be effective with respect to any cause of action, suit, claim or other matter that, but for this paragraph, would accrue or arise prior to such repeal or modification.

EIGHTH: Unless otherwise determined by the Board of Directors, no holder of stock of the Corporation shall, as such holder, have any right to purchase or subscribe for any stock of any class which the Corporation may issue or sell, whether or not exchangeable for any stock of the Corporation of any class or classes and whether out of unissued shares authorized by the Certificate of Incorporation of the Corporation as originally filed or by any amendment thereof or out of shares of stock of the Corporation acquired by it after the issue thereof.

NINTH: Whenever a compromise or arrangement is proposed between this Corporation and its creditors or any class of them and/or between this Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of this Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for this Corporation under the provisions of section 291 of the General Corporation Law of the State of Delaware (the "GCL") or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under the provisions of section 279 of the GCL order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of this Corporation, as the

case may be, agree to any compromise or arrangement and to any reorganization of this Corporation as consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of this Corporation, as the case may be, and also on this Corporation.

TENTH:

1. AMENDMENT OF CERTIFICATE OF INCORPORATION. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner hereafter set forth, and all rights conferred upon stockholders herein are granted subject to this reservation.

A. Except as provided in paragraphs 1(B) and (2) of this Article Tenth and in Article Eleventh, any provision of this Certificate of Incorporation may be amended, altered, changed or repealed in the manner now or hereafter prescribed by the statutes of the State of Delaware.

B. Notwithstanding any of the provisions of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but in addition to any affirmative vote of holders of any particular class or series of stock of the Corporation required by law or this Certificate of Incorporation, the affirmative vote of the holders of at least the following percentages of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock, shall be required to amend, alter, change or repeal, or to adopt any provisions inconsistent with, the indicated provisions of this Certificate of Incorporation:

(i) 80% in the case of Article Seventh or Article Thirteenth; and

(ii) 90% in the case of Article Twelfth.

The foregoing paragraphs 1(B)(i) and (ii) of this Article Tenth may not be amended so as to alter the stockholder vote required by either such paragraph or to adopt any provisions inconsistent with these provisions, except by an amendment that is itself approved by the affirmative vote of the holders of at least the percentage of all shares of all classes of stock of the Corporation as is required to amend the provision or provisions of this Certificate of Incorporation to which such amendment relates.

2. BY-LAWS. The Board of Directors is expressly authorized to adopt, alter, amend and repeal the By-laws of the Corporation, in any manner not inconsistent with the laws of the State of Delaware or of the Certificate of Incorporation of the

Corporation, subject to the power of the holders of capital stock of the Corporation to adopt, alter or repeal the By-laws made by the Board of Directors; provided, that any such adoption, amendment or repeal by stockholders shall require the affirmative vote of the holders of at least 66 2/3% of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock. This paragraph 2 of Article Tenth may not be amended so as to alter the stockholder vote specified hereby, nor may any provisions inconsistent with these provisions be adopted, except by an amendment that is itself approved by the affirmative vote of the holders of at least 66 2/3% of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for this purpose as one class of stock.

ELEVENTH:

1. Except as set forth in paragraph 2 of this Article Eleventh, the affirmative vote or consent of the holders of 80% of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article as one class, shall be required (a) for the adoption of any agreement for the merger or consolidation of the Corporation with or into any Other Corporation (as hereinafter defined), or (b) to authorize any sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the assets of the Corporation or any Subsidiary (as hereinafter defined) to any Other Corporation, or (c) to authorize the issuance or transfer by the Corporation of any Substantial Amount (as hereinafter defined) of securities of the Corporation in exchange for the securities or assets of any Other Corporation. Such affirmative vote or consent shall be in addition to the vote or consent of the holders of the stock of the Corporation otherwise required by law, the Certificate of Incorporation of the Corporation or any agreement or contract to which the Corporation is a party.

2. The provisions of paragraph 1 of this Article Eleventh shall not be applicable to any transaction described therein if such transaction is approved by resolution of the Board of Directors of the Corporation; provided that a majority of the members of the Board of Directors voting for the approval of such transaction were duly elected and acting members of the Board of Directors prior to the time any such Other Corporation may have become a Beneficial Owner (as hereinafter defined) of 5% or more of the shares of stock of the Corporation entitled to vote for the election of directors.

3. For the purposes of paragraph 2 of this Article, the Board of Directors shall have the power and duty to determine for the purposes of this Article Eleventh, on the basis of information known to such Board, if and when any Other Corporation is the Beneficial Owner of 5% or more of the outstanding shares of stock of the Corporation entitled to vote for the election of directors. Any such determination shall be conclusive and binding for all purposes of this Article Eleventh.

4. As used in this Article Eleventh, the following terms shall have the meanings indicated:

"Other Corporation" means any person, firm, corporation or other entity, other than a subsidiary of the Corporation.

"Subsidiary" means any corporation in which the Corporation owns, directly or indirectly, more than 50% of the voting securities.

"Substantial Amount" means any securities of the Corporation having a then fair market value of more than $500,000.

An Other Corporation (as defined above) shall be deemed to be the "Beneficial Owner" of stock if such Other Corporation or any "affiliate" or "associate" of such Other Corporation (as those terms are defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934 (15 U.S.C. 78 aaa et seq.), as amended from time to time), directly or indirectly, controls the voting of such stock or has any options, warrants, conversion or other rights to acquire such stock.

5. This Article Eleventh may not be amended, revised or revoked, in whole or in part, except by the affirmative vote or consent of the holders of 80% of the shares of all classes of stock of the Corporation entitled to vote for the election of directors, considered for the purposes of this Article Eleventh as one class of stock.

TWELFTH:

1. The following definitions shall apply for the purpose of this Article Twelfth only:

A. "Announcement Date" shall mean the date of first public announcement of the proposal of a Business Combination.

B. "Business Combination" shall mean:

(i) any merger or consolidation of the Corporation or any Subsidiary with (a) any Related Person, or (b) any other corporation (whether or not itself a Related Person) which is, or after such merger or consolidation would be, an Affiliate of a Related Person; or

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions) to or with any Related Person or any Affiliate of any Related Person of any assets of the Corporation or any Subsidiary having an aggregate Fair Market Value of $500,000 or more; or

(iii) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of transactions) of any securities of the Corporation or any Subsidiary to any Related Person or any Affiliate of any Related Person in

exchange for cash, securities or other property (or a combination thereof) having an aggregate Fair Market Value of $500,000 or more; or

(iv) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation proposed by or on behalf of any Related Person or any Affiliate of any Related Person; or

(v) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any other transaction (whether or not with or into or otherwise involving the Related Person) which has the effect, directly or indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Related Person or any Affiliate of any Related Person.

C. "Consideration Received" shall mean the amount of cash and the Fair Market Value, as of the Consummation Date, of consideration other than cash received by the stockholder. In the event of any Business Combination in which the Corporation survives, the consideration other than cash shall include shares of any class of outstanding Voting Stock retained by the holders of such shares.

D. "Consummation Date" shall mean the date upon which the Business Combination is consummated.

E. "Continuing Director" shall mean any member of the Board of Directors of the Corporation who is unaffiliated with the Related Person and who was a member of the Board of Directors prior to the time that the Related Person became a Related Person, and any successor of a Continuing Director who is unaffiliated with the Related Person and is recommended to succeed a Continuing Director by a majority of the Continuing Directors then on the Board of Directors.

F. "Determination Date" shall mean the date upon which a Related Person became a Related Person.

G. "Exchange Act" shall mean the Securities Exchange Act of 1934 as in effect on May 1, 1983.

H. "Fair Market Value" shall mean: (i) in the case of stock, the highest closing sale price during the 30-day period immediately preceding the date in question of a share of such

stock on the principal United States securities exchange registered under the Exchange Act on which such stock is listed, or, if such stock is not listed on any such exchange, the highest closing bid quotation with respect to a share of such stock during the 30-day period preceding the date in question on the National Association of Securities Dealers, Inc. Automated Quotations System or any system then in use or, if no such quotations are available, the fair market value on the date in question of a share of such stock as determined by the Board of Directors in good faith; and (ii) in the case of property other than cash or stock, the fair market value of such property on the date in question as determined by the Board of Directors in good faith.

I. "Related Person" shall mean any individual, firm, corporation or other entity (other than the Corporation or any Subsidiary) which, together with its Affiliates and Associates (as such terms are defined in Rule 12b-2 under the Exchange Act) and with any other individual, firm, corporation or other entity (other than the Corporation or any Subsidiary) with which it or they have any agreement, arrangement or understanding with respect to acquiring, holding or disposing of Voting Stock, beneficially owns (as defined in Rule 13d-3 of the Exchange Act, except that such term shall include any Voting Stock which such person has the right to acquire, whether or not such right may be exercised within 60 days), directly or indirectly, more than twenty percent of the voting power of the outstanding Voting Stock.

J. "Subsidiary" shall mean any corporation in which a majority of the capital stock entitled to vote generally in the election of directors is owned, directly or indirectly, by the Corporation.

K. "Voting Stock" shall mean all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors.

2. In addition to the affirmative vote otherwise required by law or any provision of this Certificate of Incorporation (including without limitation Article Eleventh), except as otherwise provided in paragraph 3, any Business Combination shall require the affirmative vote of the holders of 90% of all Voting Stock, voting together as a single class.

Such affirmative vote shall be required notwithstanding any other provision of this Certificate of Incorporation or any provision of law or of any agreement with any national securities exchange which might otherwise permit a lesser vote or no vote, and such affirmative vote shall be required in addition to any affirmative vote of the holders of any particular class or series of the Voting Stock required by law or by this Certificate of Incorporation.

3. The provisions of paragraph 2 of this Article Twelfth shall not be applicable to any particular Business Combination, and such Business Combination shall require only such affirmative vote as is required by law, any other provision of this

Certificate of Incorporation (including Article Eleventh), or any agreement with any national securities exchange, if, in the case of a Business Combination that does not involve any Consideration Received by the stockholders of the Corporation, solely in their respective capacities as stockholders of the Corporation, the condition specified in the following paragraph A is met, or, in the case of any other Business Combination, the conditions specified in either of the following paragraphs A and B are met:

A. The Business Combination shall have been approved by a majority of the Continuing Directors, it being understood that this condition shall not be capable of satisfaction unless there is at least one Continuing Director.

B. All of the following conditions shall have been met:

(i) The form of the Consideration Received by holders of shares of a particular class of outstanding Voting Stock shall be in cash or in the same form as the Related Person has paid for shares of such class of Voting Stock within the two-year period ending on and including the Determination Date. If, within such two-year period, the Related Person has paid for shares of any class of Voting Stock with varying forms of consideration, the form of Consideration Received per share by holders of shares of such class of Voting Stock shall be either cash or the form used to acquire the largest number of shares of such class of Voting Stock acquired by the Related Person within such two-year period.

(ii) The aggregate amount of Consideration Received per share by holders of each class of Voting Stock in such Business Combination shall be at least equal to the higher of the following (it being intended that the requirements of this paragraph B(ii) shall be required to be met with respect to every such class of Voting Stock outstanding, whether or not the Related Person has previously acquired any shares of that particular class of Voting Stock):

(a) (if applicable) the highest per share price (including any brokerage commissions, transfer taxes and soliciting dealers' fees) paid by the Related Person for any shares of that class of Voting Stock acquired by it within the two-year period immediately prior to the Announcement Date or in the transaction in which it became a Related Person, whichever is higher; or

(b) the Fair Market Value per share of such class of Voting Stock on the Announcement Date; or

(c) in the case of any class of preferred stock, the highest preferential amount per share to which the holders of shares of such class of Voting Stock are entitled in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation.

(iii) After such Related Person has become a Related Person and prior to the consummation of such Business Combination: (a) except as approved by a majority of the Continuing Directors, there shall have been no failure to declare and pay at the regular date therefor any full quarterly dividends (whether or not cumulative) on any outstanding preferred stock; (b) there shall have been (I) no reduction in the annual rate of dividends paid on the Common Stock (except as necessary to reflect any subdivision of the Common Stock), except as approved by a majority of the Continuing Directors, and (II) an increase in such annual rate of dividends as necessary to reflect any reclassification (including any reverse stock split), recapitalization, reorganization or any similar transaction which has the effect of reducing the number of outstanding shares of the Common Stock, unless the failure so to increase such annual rate is approved by a majority of the Continuing Directors; and (c) such Related Person shall have not become the beneficial owner of any newly issued share of Voting Stock directly or indirectly from the Corporation except as part of the transaction which results in such Related Person becoming a Related Person.

(iv) After such Related Person has become a Related Person, such Related Person shall not have received the benefit, directly or indirectly (except proportionately, solely in such Related Person's capacity as a stockholder of the Corporation), of any loans, advances, guarantees, pledges or other financial assistance or any tax credits or other tax advantages provided by the Corporation, whether in anticipation of or in connection with such Business Combination or otherwise.

(v) A proxy or information statement describing the proposed Business Combination and complying with the requirements of the Exchange Act and the rules and regulations thereunder (or any subsequent provisions replacing such act, rules or regulations) shall be mailed to all stockholders of the Corporation at least 30 days prior to the consummation of such Business Combination (whether

or not such proxy or information statement is required to be mailed pursuant to the Exchange Act or subsequent provisions). Such proxy or information statement shall contain on the front thereof, prominently displayed, any recommendation as to the advisability or inadvisability of the Business Combination which the Continuing Directors, or any of them, may have furnished in writing to the Board of Directors.

4. A majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any determination is to be made by the Board of Directors) shall have the power and duty to determine, on the basis of information known to them after reasonable inquiry, all facts necessary to determine compliance with this Article Twelfth including, without limitation, (1) whether a person is a Related Person, (2) the number of shares of Voting Stock beneficially owned by any person, (3) whether the applicable conditions set forth in paragraph (2) of Section C have been met with respect to any Business Combination, and (4) whether the assets which are the subject of any Business Combination or the Consideration Received for the issuance or transfer of securities by the Corporation or any Subsidiary in any Business Combination have an aggregate Fair Market Value of $500,000 or more.

5. Nothing contained in this Article Twelfth shall be construed to relieve any Related Person from any fiduciary obligation imposed by law.

THIRTEENTH: Any action required or permitted to be taken by the stockholders of the Corporation must be effected at an annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

EXHIBIT 3.B

SECOND AMENDED AND RESTATED
BY-LAWS OF
SKYWORKS SOLUTIONS, INC., AS AMENDED

ARTICLE I

OFFICES

SECTION 1 Registered Office in Delaware; Resident Agent. The address of the Corporation's registered office in the State of Delaware and the name and address of its resident agent in charge thereof are as filed with the Secretary of State of the State of Delaware.

SECTION 2 Other Offices. The Corporation may also have an office or offices at such other place or places either within or without the State of Delaware as the Board of Directors may from time to time determine or the business of the Corporation requires.

ARTICLE II

MEETINGS OF STOCKHOLDERS

SECTION 1 Place of Meetings. All meetings of the stockholders of the Corporation shall be held at such place, within or without the State of Delaware, as may from time to time be designated by resolution passed by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meetings shall not be held at any place, but may instead be held solely by means of remote communication.

SECTION 2 Annual Meeting. An annual meeting of the stockholders for the election of directors and for the transaction of such other proper business, notice of which was given in the notice of meeting, shall be held on a date and at a time as may from time to time be designated by resolution passed by the Board of Directors.

SECTION 3 Special Meetings. A special meeting of the stockholders for any purpose or purposes shall be called only by the Board of Directors pursuant to a resolution adopted by a majority of the whole Board.

SECTION 4 Notice of Meetings. Except as otherwise provided by law, written notice of each meeting of the stockholders, whether annual or special, shall be mailed, postage prepaid, or sent by electronic transmission, not less than ten nor more than sixty days before the date of the meeting, to each stockholder entitled to vote at such meeting, at the stockholder's address as it appears on the records of the Corporation. Every such notice shall state the place, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person or by proxy and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Notice of any adjourned meeting of the stockholders shall not be required to be given, except when expressly required by law.

SECTION 5 List of Stockholders. The Secretary shall, from information obtained from the transfer agent, 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. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting: (a) 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 (b) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a specified 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 inspected 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 the list shall be provided with the notice of the meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list referred to in this section or the books of the Corporation, or to vote in person or by proxy at any meeting of stockholders.

SECTION 6 Quorum. At each meeting of the stockholders, the holders of a majority of the issued and outstanding stock of the Corporation present either in person or by proxy shall constitute a quorum for the transaction of business except where otherwise provided by law or by the Certificate of Incorporation or by these By-laws for a specified action. Except as otherwise provided by law, in the absence of a quorum, a majority in interest of the stockholders of the Corporation present in person or by proxy and entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until stockholders holding the requisite amount of stock shall be present or represented. At any such adjourned meeting at which a quorum may be present, any business may be transacted which might have been transacted at a meeting as originally called, and only those stockholders entitled to vote at the meeting as originally called shall be entitled to vote at any adjournment or adjournments thereof. The absence from any meeting of the number of stockholders required by law or by the Certificate of Incorporation or by these By-laws for action upon any given matter shall not prevent action at such meeting upon any other matter or matters which may properly come before the meeting, if the number of stockholders required in respect of such other matter or matters shall be present.

SECTION 7 Organization. At every meeting of the stockholders the Chief Executive Officer, or in the absence of the Chief Executive Officer, a director or an officer of the Corporation designated by the Board, shall act as Chairman of the meeting. The Secretary, or, in the Secretary’s absence, an Assistant Secretary, shall act as Secretary at all meetings of the stockholders. In the absence from any such meeting of the Secretary and the Assistant Secretaries, the Chairman may appoint any person to act as Secretary of the meeting.

SECTION 8 Notice of Stockholder Business and Nominations.

(A) Annual Meetings of Stockholders. (1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders (a) pursuant to the Corporation's notice of meeting, (b) by or at the direction of the Board of Directors or (c) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice provided for in this By-law, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this By-law.

(2) For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (A)(1) of this By-law, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and such other business must otherwise be a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the case of the annual meeting to be held in 2003 or in the event that the date of the annual meeting is more than 30 days before or after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made by the Corporation. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth (a) as to each person whom the stockholder proposes to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 14a-11 thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner and (ii) the class and number of shares of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner.

Notwithstanding anything in the second sentence of paragraph (A)(2) of this By-law to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement by the Corporation naming all of the nominees for director or specifying the size of the increased Board of Directors at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this By-law shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the Corporation.

(B) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (a) by or at the direction of the Board of Directors or (b) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time of giving of notice provided for in this By-law, who shall be entitled to vote at the meeting and who complies with the notice procedures set forth in this By-law. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any stockholder who shall be entitled to vote at the meeting may nominate a person or persons (as the case may be), for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (A)(2) of this By-law shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of the 90th day prior to such special meeting or the 10th day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment of a special meeting commence a new time period for the giving of a stockholder's notice as described above.

(C) General. (1) Only such persons who are nominated in accordance with the procedures set forth in this By-law shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this By-law. Except as otherwise provided by law, the Certificate of Incorporation or these By-laws, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this By-law and, if any proposed nomination or business is not in compliance with this By-law, to declare that such defective proposal or nomination shall be disregarded.

(2) For purposes of this By-law, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(3) Notwithstanding the foregoing provisions of this By-law, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this By-law. Nothing in this By-law shall be deemed to affect any rights (i) of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act or (ii) of the holders of any series of Preferred Stock to elect directors under specified circumstances.

SECTION 9 Business and Order of Business. At each meeting of the stockholders such business may be transacted as may properly be brought before such meeting, except as otherwise provided by law or in these By-laws. The order of business at all meetings of the stockholders shall be as determined by the Chairman of the meeting.

SECTION 10 Voting. Except as otherwise provided by law, the Certificate of Incorporation or these By-laws, each stockholder shall at every meeting of the stockholders be entitled to one vote for each share of stock held by such stockholder. Any vote on stock may be given by the stockholder entitled thereto in person or by proxy appointed by an instrument in writing, subscribed (or transmitted by electronic means and authenticated as provided by law) by such stockholder or by the stockholder's attorney thereunto authorized, and delivered to the Secretary; provided, however, that no proxy shall be voted after three years from its date unless the proxy provides for a longer period. Except as otherwise provided by law, the Certificate of Incorporation or these By-laws, at all meetings of the stockholders, all matters shall be decided by the vote (which need not be by ballot) of a majority in interest of the stockholders present in person or by proxy and entitled to vote thereon, a quorum being present.

SECTION 11 Participation at Meetings Held by Remote Communication. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication: (A) participate in a meeting of stockholders; and (B) be deemed present in person and vote at a meeting of stockholders whether such meeting is to be held at a designated place or solely by means of remote communication.

SECTION 12 Inspectors of Election. In advance of any meeting, of stockholders, the Board by resolution or the Chief Executive Officer shall appoint one or more inspectors of election to act at the meeting and make a written report thereof. One or more other persons may be designated as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is present, ready and willing to act at a meeting of stockholders, the Chairman of the meeting shall appoint one or more inspectors to act at the meeting. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector shall have the duties prescribed by law and shall take charge of the polls and, when the vote is completed, shall make a certificate of the result of the vote taken and of such other facts as may be required by law.

ARTICLE III

BOARD OF DIRECTORS

SECTION 1 General Powers. The property, affairs and business of the Corporation shall be managed by or under the direction of its Board of Directors.

SECTION 2 Number, Qualifications, and Term of Office. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified

circumstances, the number of directors of the Corporation shall be fixed from time to time exclusively by the Board of Directors pursuant to a resolution adopted by a majority of the whole Board. A director need not be a stockholder.

SECTION 3 Election of Directors. At each meeting of the stockholders for the election of directors, at which a quorum is present, the directors shall be elected by a plurality vote of all votes cast for the election of directors at such meeting.

SECTION 4 Chairman of the Board of Directors. The Board of Directors may elect from among its members one director to serve at its pleasure as Chairman of the Board.

SECTION 5 Quorum and Manner of Acting. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors unless otherwise provided by law, the Certificate of Incorporation or these By-laws. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum shall be obtained. Notice of any adjourned meeting need not be given. The directors shall act only as a board and the individual directors shall have no power as such.

SECTION 6 Place of Meetings. The Board of Directors may hold its meetings at such place or places within or without the State of Delaware as the Board may from time to time determine or as shall be specified or fixed in the respective notices or waivers of notice thereof.

SECTION 7 First Meeting. Promptly after each annual election of directors, the Board of Directors shall meet for the purpose of organization, the election of officers and the transaction of other business, at the same place as that at which the annual meeting of stockholders was held or as otherwise determined by the Board. Notice of such meeting need not be given. Such meeting may be held at any other time or place which shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors.

SECTION 8 Regular Meetings. Regular meetings of the Board of Directors shall be held at such places and at such times as the Board shall from time to time determine. If any day fixed for a regular meeting shall be a legal holiday at the place where the meeting is to be held, then the meeting which would otherwise be held on that day shall be held at the same hour on the next succeeding business day not a legal holiday. Notice of regular meetings need not be given.

SECTION 9 Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or the Chief Executive Officer and shall be called by the Chairman of the Board, the Chief Executive Officer or the Secretary of the Corporation at the written request of three directors. Notice of each such meeting stating the time and place of the meeting shall be given to each director by mail, telephone, other electronic transmission or personally. If by mail, such notice shall be given not less than five days before the meeting; and if by telephone, other electronic transmission or personally, not less than two days before the meeting. A notice mailed at least two weeks before the meeting need not state the purpose thereof except as otherwise provided in these By-laws. In all other cases the notice shall state the principal purpose or purposes of the meeting. Notice of any meeting of the Board

need not be given to a director, however, if waived by the director in writing before or after such meeting or if the director shall be present at the meeting, except when the director 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.

SECTION 10 Organization. At each meeting of the Board of Directors, the Chairman of the Board, or, in the absence of the Chairman of the Board, the Chief Executive Officer, or, in his or her absence, a director or an officer of the Corporation designated by the Board shall act as Chairman of the meeting. The Secretary, or, in the Secretary's absence, any person appointed by the Chairman of the meeting, shall act as Secretary of the meeting.

SECTION 11 Order of Business. At all meetings of the Board of Directors, business shall be transacted in the order determined by the Board.

SECTION 12 Resignations. Any director of the Corporation may resign at any time by giving written notice to the Chairman of the Board, the Chief Executive Officer or the Secretary of the Corporation. The resignation of any director shall take effect at the time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 13 Compensation. Each director shall be paid such compensation, if any, as shall be fixed by the Board of Directors.

SECTION 14 Indemnification. (A) The Corporation shall indemnify 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 (other than an action by or in the right of the Corporation), by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries or is or was serving at the request of the Corporation as a director, officer, employee or agent (except in each of the foregoing situations to the extent any agreement, arrangement or understanding of agency contains provisions that supersede or abrogate indemnification under this section) of another corporation or of any partnership, joint venture, trust, employee benefit plan 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 action, suit or 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 Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or 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 Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

(B) The Corporation shall indemnify 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 Corporation to procure a judgment in its favor by reason of the fact that such person

is or was a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries, or is or was serving at the request of the Corporation as a director, officer, employee or agent (except in each of the foregoing situations to the extent any agreement, arrangement or understanding of agency contains provisions that supersede or abrogate indemnification under this section) of another corporation or of any partnership, joint venture, trust, employee benefit plan 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 Corporation and 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 Corporation unless and only to the extent that the Court of Chancery of Delaware 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 of Delaware or such other court shall deem proper.

(C) To the extent that a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (A) and (B), 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 or on behalf of such person in connection therewith. If any such person is not wholly successful in any such action, suit or proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters therein, the Corporation shall indemnify such person against all expenses (including attorneys' fees) actually and reasonably incurred by or on behalf of such person in connection with each claim, issue or matter that is successfully resolved. For purposes of this subsection and without limitation, the termination of any claim, issue or matter by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(D) Notwithstanding any other provision of this section, to the extent any person is a witness in, but not a party to, any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries, or is or was serving at the request of the Corporation as a director, officer, employee or agent (except in each of the foregoing situations to the extent any agreement, arrangement or understanding of agency contains provisions that supersede or abrogate indemnification under this section) of another corporation or of any partnership, joint venture, trust, employee benefit plan or other enterprise, such person shall be indemnified against all expenses (including attorneys' fees) actually and reasonably incurred by or on behalf of such person in connection therewith.

(E) Indemnification under subsections (A) and (B) shall be made only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in subsections (A) and (B). Such determination shall be made (1) if a Change of Control (as hereinafter defined) shall not have occurred, (a) with respect to a person who is a present or former director or officer of the Corporation, (i) by the Board of Directors by a majority vote of the Disinterested Directors (as hereinafter defined), even though less than a

quorum, or (ii) if there are no Disinterested Directors or, even if there are Disinterested Directors, a majority of such Disinterested Directors so directs, by (x) Independent Counsel (as hereinafter defined) in a written opinion to the Board of Directors, a copy of which shall be delivered to the claimant, or (y) the stockholders of the Corporation; or (b) with respect to a person who is not a present or former director or officer of the Corporation, by the chief executive officer of the Corporation or by such other officer of the Corporation as shall be designated from time to time by the Board of Directors; or (2) if a Change of Control shall have occurred, by Independent Counsel selected by the claimant in a written opinion to the Board of Directors, a copy of which shall be delivered to the claimant, unless the claimant shall request that such determination be made by or at the direction of the Board of Directors (in the case of a claimant who is a present or former director or officer of the Corporation) or by an officer of the Corporation authorized to make such determination (in the case of a claimant who is not a present or former director or officer of the Corporation), in which case it shall be made in accordance with clause (1) of this sentence. Any claimant shall be entitled to be indemnified against the expenses (including attorneys' fees) actually and reasonably incurred by such claimant in cooperating with the person or entity making the determination of entitlement to indemnification (irrespective of the determination as to the claimant's entitlement to indemnification) and, to the extent successful, in connection with any litigation or arbitration with respect to such claim or the enforcement thereof.

(F) If a Change of Control shall not have occurred, or if a Change of Control shall have occurred and a director, officer, employee or agent requests pursuant to clause (2) of the second sentence in subsection (E) that the determination as to whether the claimant is entitled to indemnification be made by or at the direction of the Board of Directors (in the case of a claimant who is a present or former director or officer of the Corporation) or by an officer of the Corporation authorized to make such determination (in the case of a claimant who is not a present or former director or officer of the Corporation), the claimant shall be conclusively presumed to have been determined pursuant to subsection (E) to be entitled to indemnification if (1) in the case of a claimant who is a present or former director or officer of the Corporation, (a) (i) within fifteen days after the next regularly scheduled meeting of the Board of Directors following receipt by the Corporation of the request therefor, the Board of Directors shall not have resolved by majority vote of the Disinterested Directors to submit such determination to (x) Independent Counsel for its determination or (y) the stockholders for their determination at the next annual meeting, or any special meeting that may be held earlier, after such receipt, and (ii) within sixty days after receipt by the Corporation of the request therefor (or within ninety days after such receipt if the Board of Directors in good faith determines that additional time is required by it for the determination and, prior to expiration of such sixty-day period, notifies the claimant thereof), the Board of Directors shall not have made the determination by a majority vote of the Disinterested Directors, or (b) after a resolution of the Board of Directors, timely made pursuant to clause (a)(i)(y) above, to submit the determination to the stockholders, the stockholders meeting at which the determination is to be made shall not have been held on or before the date prescribed (or on or before a later date, not to exceed sixty days beyond the original date, to which such meeting may have been postponed or adjourned on good cause by the Board of Directors acting in good faith), or (2) in the case of a claimant who is not a present or former director or officer of the Corporation, within sixty days after receipt by the Corporation of the request therefor (or within ninety days after such receipt if an officer of the Corporation authorized to make such determination in good faith determines that additional time is required

for the determination and, prior to expiration of such sixty-day period, notifies the claimant thereof), an officer of the Corporation authorized to make such determination shall not have made the determination; provided, however, that this sentence shall not apply if the claimant has misstated or failed to state a material fact in connection with his or her request for indemnification. Such presumed determination that a claimant is entitled to indemnification shall be deemed to have been made (I) at the end of the sixty-day or ninety-day period (as the case may be) referred to in clause (1)(a)(ii) or (2) of the immediately preceding sentence or (II) if the Board of Directors has resolved on a timely basis to submit the determination to the stockholders, on the last date within the period prescribed by law for holding such stockholders meeting (or a postponement or adjournment thereof as permitted above).

(G) Expenses (including attorneys' fees) incurred in defending a civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding to a present or former director or officer of the Corporation, promptly after receipt of a request therefor stating in reasonable detail the expenses incurred, and to a person who is not a present or former director or officer of the Corporation as authorized by the chief executive officer of the Corporation or such other officer of the Corporation as shall be designated from time to time by the Board of Directors; provided that in each case the Corporation shall have received an undertaking by or on behalf of the present or former director, officer, employee or agent to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this section.

(H) The Board of Directors shall establish reasonable procedures for the submission of claims for indemnification pursuant to this section, determination of the entitlement of any person thereto and review of any such determination. Such procedures shall be set forth in an appendix to these By-laws and shall be deemed for all purposes to be a part hereof.

(I) For purposes of this section,

(1) "Change of Control" means any of the following:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 20% or more of either (i) the then outstanding shares of common stock of the Corporation (the "Outstanding Corporation Common Stock") or (ii) the combined voting power of the then outstanding voting securities of the Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subparagraph (a), the following acquisitions shall not constitute a Change of Control: (w) any acquisition directly from the Corporation, (x) any acquisition by the Corporation, (y) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any corporation controlled by the Corporation or (z) any acquisition pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Paragraph 13(I)(1); or

(b) Individuals who, as of the date of the Distribution, constitute the Board of Directors (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director subsequent to that date whose election, or nomination for election by the Corporation's stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board of Directors; or

(c) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation or the acquisition of assets of another entity (a "Corporate Transaction"), in each case, unless, following such Corporate Transaction, (i) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Corporate Transaction beneficially own, directly or indirectly, more than 60% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Corporate Transaction (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Corporate Transaction, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Corporation or of such corporation resulting from such Corporate Transaction) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Corporate Transaction or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Corporate Transaction and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Corporate Transaction were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board of Directors, providing for such Corporate Transaction; or

(d) Approval by the Corporation's stockholders of a complete liquidation or dissolution of the Corporation.

(2) "Disinterested Director" means a director of the Corporation who is not and was not a party to an action, suit or proceeding in respect of which indemnification is sought by a director, officer, employee or agent.

(3) "Independent Counsel" means a law firm, or a member of a law firm, that (i) is experienced in matters of corporation law; (ii) neither presently is, nor in the past five years has been, retained to represent the Corporation, the director, officer, employee or agent claiming indemnification or any other party to the action, suit or proceeding giving rise to a claim for indemnification under this section, in any matter material to the Corporation, the

claimant or any such other party, and (iii) would not, under applicable standards of professional conduct then prevailing, have a conflict of interest in representing either the Corporation or such director, officer, employee or agent in an action to determine the Corporation's or such person's rights under this section.

(J) The indemnification and advancement of expenses herein provided, or granted pursuant hereto, shall not be deemed exclusive of any other rights to which any of those indemnified or eligible for advancement of expenses may be entitled under any 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, and 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 person. Notwithstanding any amendment, alteration or repeal of this section or any of its provisions, or of any of the procedures established by the Board of Directors pursuant to subsection (H) hereof, any person who is or was a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of any partnership, joint venture, employee benefit plan or other enterprise shall be entitled to indemnification in accordance with the provisions hereof and thereof with respect to any action taken or omitted prior to such amendment, alteration or repeal except to the extent otherwise required by law.

(K) No indemnification shall be payable pursuant to this section with respect to any action against the Corporation commenced by an officer, director, employee or agent unless the Board of Directors shall have authorized the commencement thereof or unless and to the extent that this section or the procedures established pursuant to subsection (H) shall specifically provide for indemnification of expenses relating to the enforcement of rights under this section and such procedures.

SECTION 15 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of any partnership, joint venture, trust, employee benefit plan 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 Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of Section 14 of this Article III .

ARTICLE IV

COMMITTEES

SECTION 1 Appointment and Powers. The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more directors of the Corporation (or in the case of a special-purpose committee, one or more directors of the Corporation), which, to the extent provided in said resolution or in these By-laws and not inconsistent with Section 141 of the Delaware General Corporation Law, as amended, shall have and may exercise the powers of the Board of Directors

in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors.

SECTION 2 Term of Office and Vacancies. Each member of a committee shall continue in office until a director to succeed him or her shall have been elected and shall have qualified, or until he or she ceases to be a director or until he or she shall have resigned or shall have been removed in the manner hereinafter provided. Any vacancy in a committee shall be filled by the vote of a majority of the whole Board of Directors at any regular or special meeting thereof.

SECTION 3 Alternates. The Board of Directors may, by resolution passed by a majority of the whole Board, 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.

SECTION 4 Organization. Unless otherwise provided by the Board of Directors, each committee shall appoint a chairman. Each committee shall keep a record of its acts and proceedings and report the same from time to time to the Board of Directors.

SECTION 5 Resignations. Any regular or alternate member of a committee may resign at any time by giving written notice to the Chairman of the Board, the Chief Executive Officer or the Secretary of the Corporation. Such resignation shall take effect at the time of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 6 Removal. Any regular or alternate member of a committee may be removed with or without cause at any time by resolution passed by a majority of the whole Board of Directors at any regular or special meeting.

SECTION 7 Meetings. Regular meetings of each committee, of which no notice shall be necessary, shall be held on such days and at such places as the chairman of the committee shall determine or as shall be fixed by a resolution passed by a majority of all the members of such committee. Special meetings of each committee will be called by the Secretary at the request of any two members of such committee, or in such other manner as may be determined by the committee. Notice of each special meeting of a committee shall be mailed to each member thereof at least two days before the meeting or shall be given personally or by telephone or other electronic transmission at least one day before the meeting. Every such notice shall state the time and place, but need not state the purposes of the meeting. No notice of any meeting of a committee shall be required to be given to any alternate.

SECTION 8 Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board of Directors, a majority of a committee (including alternates when acting in lieu of regular members of such committee) shall constitute a quorum for the transaction of business and the act of a majority of those present at a meeting at which a quorum is present shall be the act of

such committee. The members of each committee shall act only as a committee and the individual members shall have no power as such.

SECTION 9 Compensation. Each regular or alternate member of a committee shall be paid such compensation, if any, as shall be fixed by the Board of Directors.

ARTICLE V

OFFICERS

SECTION 1 Officers. The officers of the Corporation shall be a Chief Executive Officer, a President, one or more Vice Presidents (one or more of whom may be Executive Vice Presidents, Senior Vice Presidents or otherwise as may be designated by the Board), a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person. The Board of Directors may also from time to time elect such other officers as it deems necessary.

SECTION 2 Term of Office. Each officer shall hold office until his or her successor shall have been duly elected and qualified in his or her stead, or until his or her death or until he or she shall have resigned or shall, have been removed in the manner hereinafter provided.

SECTION 3 Additional Officers; Agents. The Chief Executive Officer or the President may from time to time appoint and remove such additional officers and agents as may be deemed necessary. Such persons shall hold office for such period, have such authority, and perform such duties as provided in these By-laws or as the Chief Executive Officer or the President may from time to time prescribe. The Board of Directors or the Chief Executive Officer or the President may from time to time authorize any officer to appoint and remove agents and employees and to prescribe their powers and duties.

SECTION 4 Salaries. Unless otherwise provided by resolution passed by a majority of the whole Board, the salaries of all officers elected by the Board of Directors shall be fixed by the Board of Directors.

SECTION 5 Removal. Except where otherwise expressly provided in a contract authorized by the Board of Directors, any officer may be removed, either with or without cause, by the vote of a majority of the Board at any regular or special meeting or, except in the case of an officer elected by the Board, by any superior officer upon whom the power of removal may be conferred by the Board or by these By-laws.

SECTION 6 Resignations. Any officer elected by the Board of Directors may resign at any time by giving written notice to the Chairman of the Board, the Chief Executive Officer, the President or the Secretary. Any other officer may resign at any time by giving written notice to the Chief Executive Officer or the President. Any such resignation shall take effect at the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 7 Vacancies. A vacancy in any office because of death, resignation, removal or otherwise, shall be filled for the unexpired portion of the term in the manner provided in these By-laws for regular election or appointment to such office.

SECTION 8 Chief Executive Officer. Subject to the control of the Board of Directors, the Chief Executive Officer shall have general and overall charge of the business and affairs of the Corporation and of its officers. The Chief Executive Officer shall keep the Board of Directors appropriately informed on the business and affairs of the Corporation. The Chief Executive Officer shall preside at all meetings of the stockholders and shall enforce the observance of the rules of order for the meetings of the stockholders and of the By-laws of the Corporation.

SECTION 9 President. The President shall be the chief operating officer of the Corporation and, subject to the control of the Chief Executive Officer, shall direct and be responsible for the operation of the business and affairs of the Corporation. The President shall keep the Chief Executive Officer and the Board of Directors appropriately informed on the business and affairs of the Corporation. In the case of the absence or disability of the Chief Executive Officer, the President shall perform all the duties and functions and execute all the powers of, and be subject to all the restrictions upon, the Chief Executive Officer.

SECTION 10 Executive and Senior Vice Presidents. One or more Executive or Senior Vice Presidents shall, subject to the control of the Chief Executive Officer, have lead accountability for components or functions of the Corporation as and to the extent designated by the Chief Executive Officer. Each Executive or Senior Vice President shall keep the Chief Executive Officer appropriately informed on the business and affairs of the designated components or functions of the Corporation.

SECTION 11 Vice Presidents. The Vice Presidents shall perform such duties as may from time to time be assigned to them or any of them by the Chief Executive Officer.

SECTION 12 Secretary. The Secretary shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the stockholders, of the Board of Directors and of any committee constituted pursuant to Article IV of these By-laws. The Secretary shall be custodian of the corporate seal and see that it is affixed to all documents as required and attest the same. The Secretary shall perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her.

SECTION 13 Assistant Secretaries. At the request of the Secretary, or in the Secretary’s absence or disability, the Assistant Secretary designated by the Secretary shall perform all the duties of the Secretary and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Secretary. The Assistant Secretaries shall perform such other duties as from time to time may be assigned to them.

SECTION 14 Treasurer. The Treasurer shall have charge of and be responsible for the receipt, disbursement and safekeeping of all funds and securities of the Corporation. The Treasurer shall deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these

By-laws. From time to time and whenever requested to do so, the Treasurer shall render statements of the condition of the finances of the Corporation to the Board of Directors. The Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her.

SECTION 15 Assistant Treasurers. At the request of the Treasurer, or in the Treasurer's absence or disability, the Assistant Treasurer designated by the Treasurer shall perform all the duties of the Treasurer and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Treasurer. The Assistant Treasurers shall perform such other duties as from time to time may be assigned to them.

SECTION 16 Certain Agreements. The Board of Directors shall have power to authorize or direct the proper officers of the Corporation, on behalf of the Corporation, to enter into valid and binding agreements in respect of employment, incentive or deferred compensation, stock options, and similar or related matters, notwithstanding the fact that a person with whom the Corporation so contracts may be a member of its Board of Directors. Any such agreement may validly and lawfully bind the Corporation for a term of more than one year, in accordance with its terms, notwithstanding the fact that one of the elements of any such agreement may involve the employment by the Corporation of an officer, as such, for such term.

ARTICLE VI

AUTHORIZATIONS

SECTION 1 Contracts. The Board of Directors, except as otherwise provided in these By-laws, may authorize any officer, employee or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

SECTION 2 Loans. No loan shall be contracted on behalf of the Corporation and no negotiable paper shall be issued in its name, unless authorized by the Board of Directors.

SECTION 3 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, employee or employees, of the Corporation as shall from time to time be determined in accordance with authorization of the Board of Directors.

SECTION 4 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may from time to time designate, or as may be designated by any officer or officers of the Corporation to whom such power may be delegated by the Board, and for the purpose of such deposit the officers and employees who have been authorized to do so in accordance with the determinations of the Board may endorse, assign and deliver checks, drafts, and other orders for the payment of money which are payable to the order of the Corporation.

SECTION 5 Proxies. Except as otherwise provided in these By-laws or in the Certificate of Incorporation, and unless otherwise provided by resolution of the Board of Directors, the Chief Executive Officer or any other officer may from time to time appoint an

attorney or attorneys or agent or agents of the Corporation, in the name and on behalf of the Corporation, to cast the votes which the Corporation may be entitled to cast as a stockholder or otherwise in any other corporation any of whose stock or other securities may be held by the Corporation, at meetings of the holders of the stock or other securities of such other corporations, or to consent in writing to any action by such other corporation, and may instruct the person or persons so appointed as to the manner of casting such vote or giving such consent, and may execute or cause to be executed in the name and on behalf of the Corporation and under its corporate seal, or otherwise, all such written proxies or other instruments as such officer may deem necessary or proper in the premises.

ARTICLE VII

SHARES AND THEIR TRANSFER

SECTION 1 Shares of Stock. Certificates for shares of the stock of the Corporation shall be in such form as shall be approved by the Board of Directors. They shall be numbered in the order of their issue, by class and series, and shall be signed by the Chief Executive Officer or a Vice President, and the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation. If a share certificate is countersigned (1) by a transfer agent other than the Corporation or its employee, or (2) by a registrar other than the Corporation or its employee, any other signature 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 share certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue. The Board of Directors may by resolution or resolutions provide that some or all of any or all classes or series of the shares of stock of the Corporation shall be uncertificated shares. Notwithstanding the preceding sentence, every holder of uncertificated shares, upon request, shall be entitled to receive from the Corporation a certificate representing the number of shares registered in such stockholder’s name on the books of the Corporation.

SECTION 2 Record Ownership. A record of the name and address of each holder of the shares of the Corporation, the number of shares held by such stockholder, the number or numbers of any share certificate or certificates issued to such stockholder and the number of shares represented thereby, and the date of issuance of the shares held by such stockholder shall be made on the Corporation’s books. The Corporation shall be entitled to treat the holder of record of any share of stock (including any holder registered in a book-entry or direct registration system maintained by the Corporation or a transfer agent or a registrar designated by the Board of Directors) as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person, whether or not it shall have express or other notice thereof, except as required by law.

SECTION 3 Transfer of Stock. Shares of stock shall be transferable on the books of the Corporation by the holder of record of such stock in person or by such person’s attorney or other duly constituted representative, pursuant to applicable law and such rules and regulations as the Board of Directors shall from time to time prescribe. Any shares represented by a certificate shall be transferable upon surrender of such certificate with an assignment endorsed

thereon or attached thereto duly executed and with such guarantee of signature as the Corporation may reasonably require.

SECTION 4 Lost, Stolen and Destroyed Certificates. The Corporation may issue a new certificate of stock or may register uncertificated shares, if then authorized by the Board of Directors, in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such person's legal representative, to give the Corporation 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, the issuance of such new certificate or the registration of such uncertificated shares.

SECTION 5 Transfer Agent and Registrar; Regulations. The Corporation shall, if and whenever the Board of Directors shall so determine, maintain one or more transfer offices or agencies, each in charge of a transfer agent designated by the Board of Directors, where the shares of the stock of the Corporation shall be directly transferable, and also one or more registry offices, each in charge of a registrar designated by the Board of Directors, where such shares of stock shall be registered, and no certificate for shares of the stock of the Corporation, in respect of which a registrar and transfer agent shall have been designated, shall be valid unless countersigned by such transfer agent and registered by such registrar. The Board of Directors may also make such additional rules and regulations as it may deem expedient concerning the issue, transfer and registration of shares of stock of the Corporation and concerning the registration of pledges of uncertificated shares.

SECTION 6 Fixing Record Date. For the purpose of determining the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, 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 of Directors may fix, in advance, a record date, which shall not be more than sixty nor less than ten days before the date of such meeting, nor more than sixty days prior to any other action. If no record date is fixed, (1) 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 and (2) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors 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, however, that the Board of Directors may fix a new record date for the adjourned meeting.

SECTION 7 Examination of Books by Stockholders. The Board of Directors shall, subject to the laws of the State of Delaware, have power to determine from time to time, whether and to what extent and under what conditions and regulations the accounts and books of the Corporation, or any of them, shall be open to the inspection of the stockholders; and no stockholder shall have any right to inspect any book or document of the Corporation, except as conferred by the laws of the State of Delaware, unless and until authorized so to do by resolution of the Board of Directors or of the stockholders of the Corporation.

ARTICLE VIII

NOTICE

SECTION 1 Manner of Giving Written Notice. (A) Any notice in writing required by law or by these By-laws to be given to any person shall be effective if delivered personally, by depositing the same in the post office or letter box in a postpaid envelope addressed to such person at such address as appears on the books of the Corporation or by a form of electronic transmission consented to by such person to whom the notice is to be given. Any such consent shall be deemed revoked if (i) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (ii) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice; provided however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(B) Notice by mail shall be deemed to be given at the time when the same shall be mailed and notice by other means shall be deemed given when actually delivered (and in the case of notice transmitted by a form of electronic transmission, such notice 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).

SECTION 2 Waiver of Notice. Whenever any notice is required to be given to any person, a waiver thereof by such person in writing or transmitted by electronic means (and authenticated if and as required by law), whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE IX

SEAL

SECTION 1 The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words “Corporate Seal” and “Delaware”.

ARTICLE X

FISCAL YEAR

The fiscal year of the Corporation shall end on the Friday closest to September 30 in each year.

APPENDIX

PROCEDURES FOR SUBMISSION
AND DETERMINATION OF CLAIMS FOR INDEMNIFICATION
PURSUANT TO ARTICLE III, SECTION 14 OF THE BY-LAWS.

SECTION 1 Purpose. The Procedures for Submission and Determination of Claims for Indemnification Pursuant to Article III, Section 14 of the By-laws (the "Procedures") are to implement the provisions of Article III, Section 14 of the By-laws of the Corporation (the "By-laws") in compliance with the requirement of subsection (H) thereof.

SECTION 2 Definitions. For purposes of these Procedures:

(A) All terms that are defined in Article III, Section 14 of the By-laws shall have the meanings ascribed to them therein when used in these Procedures unless otherwise defined herein.

(B) "Expenses" include all reasonable attorneys' fees, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, or being or preparing to be a witness in, a Proceeding; and shall also include such retainers as counsel may reasonably require in advance of undertaking the representation of an Indemnitee in a Proceeding.

(C) "Indemnitee" includes any person who was or is, or is threatened to be made, a witness in or a party to any Proceeding by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation or any of its majority-owned subsidiaries or is or was serving at the request of the Corporation as a director, officer, employee or agent (except in each of the foregoing situations to the extent any agreement, arrangement or understanding of agency contains provisions that supersede or abrogate indemnification under Article III, Section 14 of the By-laws) of another corporation or of any partnership, joint venture, trust, employee benefit plan or other enterprise.

(D) "Proceeding" includes any action, suit, arbitration, alternative dispute resolution mechanism, investigation, administrative hearing or any other proceeding, whether civil, criminal, administrative or investigative, except one initiated by an Indemnitee unless the Board of Directors shall have authorized the commencement thereof.

SECTION 3 Submission and Determination of Claims.

(A) To obtain indemnification or advancement of Expenses under Article III, Section 14 of the By-laws, an Indemnitee shall submit to the Secretary of the Corporation a written request therefor, including therein or therewith such documentation and information as is reasonably available to the Indemnitee and is reasonably necessary to permit a determination as to whether and what extent the Indemnitee is entitled to indemnification or advancement of Expenses, as the case may be. The Secretary shall, promptly upon receipt of a request for indemnification, advise the Board of Directors (if the Indemnitee is a present or former director

or officer of the Corporation) or the officer of the Corporation authorized to make the determination as to whether an Indemnitee is entitled to indemnification (if the Indemnitee is not a present or former director or officer of the Corporation) thereof in writing if a determination in accordance with Article III, Section 14(E) of the By-laws is required.

(B) Upon written request by an Indemnitee for indemnification pursuant to Section 3(A) hereof, a determination with respect to the Indemnitee's entitlement thereto in the specific case, if required by the By-laws, shall be made in accordance with Article III, Section 14(E) of the By-laws, and, if it is so determined that the Indemnitee is entitled to indemnification, payment to the Indemnitee shall be made within ten days after such determination. The Indemnitee shall cooperate with the person, persons or entity making such determination, with respect to the Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to the Indemnitee and reasonably necessary to such determination.

(C) If entitlement to indemnification is to be made by Independent Counsel pursuant to Article III, Section 14(E) of the By-laws, the Independent Counsel shall be selected as provided in this Section 3(C). If a Change of Control shall not have occurred, the Independent Counsel shall be selected by the Board of Directors, and the Corporation shall give written notice to the Indemnitee advising the Indemnitee of the identity of the Independent Counsel so selected. If a Change of Control shall have occurred, the Independent Counsel shall be selected by the Indemnitee (unless the Indemnitee shall request that such selection be made by the Board of Directors, in which event the immediately preceding sentence shall apply), and the Indemnitee shall give written notice to the Corporation advising it of the identity of the Independent Counsel so selected. In either event, the Indemnitee or the Corporation, as the case may be, may, within seven days after such written notice of selection shall have been given, deliver to the Corporation or to the Indemnitee, as the case may be, a written objection to such selection. Such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Article III, Section 14 of the By-laws, and the objection shall set forth with particularity the factual basis of such assertion. If such written objection is made, the Independent Counsel so selected may not serve as Independent Counsel unless and until a court has determined that such objection is without merit. If, within twenty days after the next regularly scheduled Board of Directors meeting following submission by the Indemnitee of a written request for indemnification pursuant to Section 3(A) hereof, no Independent Counsel shall have been selected and not objected to, either the Corporation or the Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by the Corporation or the Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the Court or by such other person as the Court shall designate, and the person with respect to whom an objection is favorably resolved or the person so appointed shall act as Independent Counsel under Article III, Section 14(E) of the By-laws. The Corporation shall pay any and all reasonable fees and expenses (including without limitation any advance retainers reasonably required by counsel) of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Article III, Section 14(E) of the By-laws, and the Corporation shall pay all reasonable fees and expenses (including without limitation any advance retainers reasonably required by counsel) incident to the

procedures of Article III, Section 14(E) of the By-laws and this Section 3(C), regardless of the manner in which Independent Counsel was selected or appointed. Upon the delivery of its opinion pursuant to Article III, Section 14 of the By-laws or, if earlier, the due commencement of any judicial proceeding or arbitration pursuant to Section 4(A)(3) of these Procedures, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(D) If a Change of Control shall have occurred, in making a determination with respect to entitlement to indemnification under the By-laws, the person, persons or entity making such determination shall presume that an Indemnitee is entitled to indemnification under the By-laws if the Indemnitee has submitted a request for indemnification in accordance with Section 3(A) hereof, and the Corporation shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption.

SECTION 4 Review and Enforcement of Determination.

(A) In the event that (1) advancement of Expenses is not timely made pursuant to Article III, Section 14(G) of the By-laws, (2) payment of indemnification is not made pursuant to Article III, Section 14(C) or (D) of the By-laws within ten days after receipt by the Corporation of written request therefor, (3) a determination is made pursuant to Article III, Section 14(E) of the By-laws that an Indemnitee is not entitled to indemnification under the By-laws, (4) the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Article III, Section 14(E) of the By-laws and such determination shall not have been made and delivered in a written opinion within ninety days after receipt by the Corporation of the written request for indemnification, or (5) payment of indemnification is not made within ten days after a determination has been made pursuant to Article III, Section 14(E) of the By-laws that an Indemnitee is entitled to indemnification or within ten days after such determination is deemed to have been made pursuant to Article III, Section 14(F) of the By-laws, the Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of the Indemnitee's entitlement to such indemnification or advancement of Expenses. Alternatively, the Indemnitee, at his or her option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association. The Indemnitee shall commence such proceeding seeking an adjudication or an award in arbitration within one year following the date on which the Indemnitee first has the right to commence such proceeding pursuant to this Section 4(A). The Corporation shall not oppose the Indemnitee's right to seek any such adjudication or award in arbitration.

(B) In the event that a determination shall have been made pursuant to Article III, Section 14(E) of the By-laws that an Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 4 shall be conducted in all respects as a de novo trial, or arbitration, on the merits and the Indemnitee shall not be prejudiced by reason of that adverse determination. If a Change of Control shall have occurred, the Corporation shall have the burden of proving in any judicial proceeding or arbitration commenced pursuant to this Section 4 that the Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(C) If a determination shall have been made or deemed to have been made pursuant to Article III, Section 14(E) or (F) of the By-laws that an Indemnitee is entitled to indemnification, the Corporation shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 4, absent (1) a misstatement or omission of a material fact in connection with the Indemnitee's request for indemnification, or (2) a prohibition of such indemnification under applicable law.

(D) The Corporation shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 4 that the procedures and presumptions of these Procedures are not valid, binding and enforceable, and shall stipulate in any such judicial proceeding or arbitration that the Corporation is bound by all the provisions of these Procedures.

(E) In the event that an Indemnitee, pursuant to this Section 4, seeks to enforce the Indemnitee's rights under, or to recover damages for breach of, Article III, Section 14 of the By-laws or these Procedures in a judicial proceeding or arbitration, the Indemnitee shall be entitled to recover from the Corporation, and shall be indemnified by the Corporation against, any and all expenses (of the types described in the definition of Expenses in Section 2 of these Procedures) actually and reasonably incurred in such judicial proceeding or arbitration, but only if the Indemnitee prevails therein. If it shall be determined in such judicial proceeding or arbitration that the Indemnitee is entitled to receive part but not all of the indemnification or advancement of Expenses sought, the expenses incurred by the Indemnitee in connection with such judicial proceeding or arbitration shall be appropriately prorated.

SECTION 5 Amendments. These Procedures may be amended at any time and from time to time in the same manner as any By-law of the Corporation in accordance with the Certificate of Incorporation; provided, however, that notwithstanding any amendment, alteration or repeal of these Procedures or any provision hereof, any Indemnitee shall be entitled to utilize these Procedures with respect to any claim for indemnification arising out of any action taken or omitted prior to such amendment, alteration or repeal except to the extent otherwise required by law.

EXHIBIT 10.A

SKYWORKS SOLUTIONS, INC.

AMENDED AND RESTATED 2005 LONG-TERM INCENTIVE PLAN

1. *Purpose*

The purpose of this Amended and Restated 2005 Long-Term Incentive Plan (the "Plan") of Skyworks Solutions, Inc., a Delaware corporation (the "Company"), is to advance the interests of the Company's stockholders by enhancing the Company's ability to attract, retain and motivate persons who are expected to make important contributions to the Company and by providing such persons with equity ownership opportunities and performance-based incentives that are intended to align their interests with those of the Company's stockholders. Except where the context otherwise requires, the term "Company" shall include any of the Company's present or future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code") and any other business venture (including, without limitation, joint venture or limited liability company) in which the Company has a controlling interest, as determined by the Board of Directors of the Company (the "Board").

2. *Eligibility*

All of the Company's employees, officers, consultants and advisors are eligible to receive options, stock appreciation rights, restricted stock and other stock-based awards and cash (each, an "Award") under the Plan. Each person who receives an Award under the Plan is deemed a "Participant".

3. *Administration and Delegation*

(a) *Administration by Board of Directors.* The Plan will be administered by the Board. The Board shall have authority to grant Awards and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. All decisions by the Board shall be made in the Board's sole discretion and shall be final and binding on all persons having or claiming any interest in the Plan or in any Award. No director or person acting pursuant to the authority delegated by the Board shall be liable for any action or determination relating to or under the Plan made in good faith.

(b) *Appointment of Committees.* To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (a "Committee"). All references in the Plan to the "Board" shall mean the Board or a Committee of the Board or the officers referred to in Section 3(c) to the extent that the Board's powers or authority under the Plan have been delegated to such Committee or officers.

(c) *Delegation to Officers.* To the extent permitted by applicable law, the Board may delegate to one or more officers of the Company the power to grant Awards to employees or officers of the Company or any of its present or future subsidiary corporations and to exercise such other powers under the Plan as the Board may determine, provided that the Board shall fix the terms of the Awards to be granted by such officers (including the exercise price of such Awards, which may include a formula by which the exercise price will be determined) and the maximum number of shares subject to Awards that the officers may grant; provided further, however, that no officer shall be authorized to grant Awards to any "executive officer" of the Company (as defined by Rule 3b-7 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) or to any "officer" of the Company (as defined by Rule 16a-1 under the Exchange Act).

4. *Stock Available for Awards*

(a) *Number of Shares.* Subject to adjustment under Section 9, Awards may be made under the Plan for a number of shares of common stock, $.25 par value per share, of the Company (the "Common Stock") that is equal to the sum of:

(1) 41.75 million shares of Common Stock; and

(2) Such additional number of shares of Common Stock (up to 15 million shares) as is equal to the sum of (x) the number of shares of Common Stock reserved for issuance under the Company's 1999 Employee Long-Term Incentive Plan (the "1999 Plan") that remain available for grant under the 1999 Plan as of April 26, 2009 and (y) the number of shares of Common Stock subject to awards granted under the 1999 Plan which awards expire, terminate or are otherwise surrendered, canceled, forfeited or repurchased by the Company at their original issuance price pursuant to a contractual repurchase right after April 26, 2009.

(b) *Counting of Shares.* Subject to adjustment under Section 9, an Option shall be counted against the share limit specified in Section 4(a) as one share for each share of common stock subject to the Option, and an Award that is not an Option (a "Non-Option Award") shall be counted against the share limit specified in Section 4(a) as one and one-half (1.5) shares for each share of Common Stock issued upon settlement of such Non-Option Award.

(c) *Lapses.* If any Award expires or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part (including as the result of shares of Common Stock subject to such Award being repurchased by the Company at the original issuance price pursuant to a contractual repurchase right) or results in any Common Stock not being issued, the unused Common Stock covered by such Award shall again be available for the grant of Awards under the Plan. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

(d) *Section 162(m) Per-Participant Limit.* Without regard to the share counting rules in Section 4(b) hereof, the maximum number of shares of Common Stock with respect to which Awards may be granted to any Participant under the Plan shall be 1,500,000 per calendar year. For purposes of the foregoing limit, the combination of an Option in tandem with an SAR (as each is hereafter defined) shall be treated as a single Award. The per-Participant limit described in this Section 4(d) shall be construed and applied consistently with Section 162(m) of the Code or any successor provision thereto, and the regulations thereunder ("Section 162(m)").

5. *Stock Options*

(a) *General.* The Board may grant options to purchase Common Stock (each, an "Option") and determine the number of shares of Common Stock to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to applicable federal or state securities laws, as it considers necessary or advisable. Any Option granted pursuant to the Plan is not intended to be an incentive stock option described in Code Section 422 and shall be designated a "Nonqualified Stock Option".

(b) *Exercise Price.* The Board shall establish the exercise price of each Option and specify such exercise price in the applicable option agreement; provided, however, that the exercise price shall not be less than 100% of the Fair Market Value (as defined below in subsection (g)(3)) at the time the Option is granted.

(c) *Limitation on Repricing.* Unless such action is approved by the Company's stockholders: (1) no outstanding Option granted under the Plan may be amended to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Option (other than adjustments pursuant to Section 9) and (2) the Board may not cancel any outstanding Option and grant in substitution therefore new Awards under the Plan covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled Option.

(d) *No Reload Rights.* No Option granted under the Plan shall contain any provision entitling the optionee to the automatic grant of additional Options in connection with any exercise of the original Option.

(e) *Duration of Options.* Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement; provided, however, that no Option will be granted for a term in excess of seven (7) years.

(f) *Exercise of Option.* Options may be exercised by delivery to the Company of a written notice of exercise signed by the proper person or by any other form of notice (including electronic notice) approved by the Board together with payment in full as specified in Section 5(g) for the number of shares for which the Option is exercised. Shares of Common Stock subject to the Option will be delivered by the Company following exercise either as soon as practicable or, subject to such conditions as the Board shall specify, on a deferred basis (with the Company's obligation to be evidenced by an instrument providing for future delivery of the deferred shares at the time or times specified by the Board).

(g) *Payment Upon Exercise.* Common Stock purchased upon the exercise of an Option granted under the Plan shall be paid for as follows:

(1) in cash or by check, payable to the order of the Company;

(2) except as the Board may otherwise provide in an option agreement, by (i) delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price and any required tax withholding or (ii) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price and any required tax withholding;

(3) when the Common Stock is registered under the Securities Exchange Act of 1934 (the "Exchange Act"), by delivery of shares of Common Stock owned by the Participant valued at their fair market value as determined by (or in a manner approved by) the Board ("Fair Market Value"), provided (i) such method of payment is then permitted under applicable law, (ii) such Common Stock, if acquired directly from the Company, was owned by the Participant for such minimum period of time, if any, as may be established by the Board in its discretion and (iii) such Common Stock is not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements;

(4) to the extent permitted by applicable law and by the Board, by (i) delivery of a promissory note of the Participant to the Company on terms determined by the Board, or (ii) payment of such other lawful consideration as the Board may determine; or

(5) by any combination of the above permitted forms of payment.

(h) *Substitute Options.* In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Board may grant Options in substitution for any options or other stock or stock-based awards granted by such entity or an affiliate thereof. Substitute Options may be granted on such terms as the Board deems appropriate in the circumstances, notwithstanding any limitations on Options contained in the other sections of this Section 5 or in Section 2.

6. *Stock Appreciation Rights.*

(a) *General.* A Stock Appreciation Right, or SAR, is an Award entitling the holder, upon exercise, to receive Common Stock determined in whole or in part by reference to appreciation, from and after the date of grant, in the fair market value of a share of Common Stock. SARs may be based

solely on appreciation in the fair market value of Common Stock or on a comparison of such appreciation with some other measure of market growth such as (but not limited to) appreciation in a recognized market index. The date as of which such appreciation or other measure is determined shall be the exercise date unless another date is specified by the Board in the SAR Award.

(b) *Grants.* Stock Appreciation Rights may be granted in tandem with, or independently of, Options granted under the Plan.

(1) *Tandem Awards.* When Stock Appreciation Rights are expressly granted in tandem with Options, (i) the Stock Appreciation Right will be exercisable only at such time or times, and to the extent, that the related Option is exercisable (except to the extent designated by the Board in connection with a Reorganization Event and will be exercisable in accordance with the procedure required for exercise of the related Option; (ii) the Stock Appreciation Right will terminate and no longer be exercisable upon the termination or exercise of the related Option, except to the extent designated by the Board in connection with a Reorganization Event and except that a Stock Appreciation Right granted with respect to less than the full number of shares covered by an Option will not be reduced until the number of shares as to which the related Option has been exercised or has terminated exceeds the number of shares not covered by the Stock Appreciation Right; (iii) the Option will terminate and no longer be exercisable upon the exercise of the related Stock Appreciation Right; and (iv) the Stock Appreciation Right will be transferable only with the related Option.

(2) *Independent SARs.* A Stock Appreciation Right not expressly granted in tandem with an Option will become exercisable at such time or times, and on such conditions, as the Board may specify in the SAR Award.

(c) *Exercise.* Stock Appreciation Rights may be exercised by delivery to the Company of a written notice of exercise signed by the proper person or by any other form of notice (including electronic notice) approved by the Board, together with any other documents required by the Board.

7. *Restricted Stock; Restricted Stock Units.*

(a) *General.* The Board may grant Awards entitling recipients to acquire shares of Common Stock ("Restricted Stock"), subject to the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price (or to require forfeiture of such shares if issued at no cost) from the recipient in the event that conditions specified by the Board in the applicable Award are not satisfied prior to the end of the applicable restriction period or periods established by the Board for such Award. Instead of granting Awards for Restricted Stock, the Board may grant Awards entitling the recipient to receive shares of Common Stock to be delivered at the time such shares of Common Stock vest ("Restricted Stock Units") subject to such terms and conditions on the delivery of the shares of Common Stock as the Board shall determine (each Award for Restricted Stock or Restricted Stock Units is referred to herein as a "Restricted Stock Award").

(b) *Terms and Conditions.* The Board shall determine the terms and conditions of a Restricted Stock Award, including the conditions for repurchase (or forfeiture) and the issue price, if any.

(c) *Stock Certificates.* Any stock certificates issued in respect of a Restricted Stock Award shall be registered in the name of the Participant and, unless otherwise determined by the Board, deposited by the Participant, together with a stock power endorsed in blank, with the Company (or its designee). At the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Participant or if the Participant has died, to the beneficiary designated, in a manner determined by the Board, by a Participant to receive amounts due or exercise rights of the Participant in the event of the Participant's death (the "Designated Beneficiary"). In the absence of an effective designation by a Participant, "Designated Beneficiary" shall mean the Participant's estate.

8. *Other Stock-Based Awards.*

Other Awards of shares of Common Stock, and other Awards that are valued in whole or in part by reference to, or are otherwise based on, shares of Common Stock or other property, may be granted hereunder to Participants ("Other Stock Unit Awards"). Such Other Stock Unit Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock Unit Awards may be paid in shares of Common Stock or cash, as the Board shall determine. Subject to the provisions of the Plan, the Board shall determine the conditions of each Other Stock Unit Awards, including any purchase price applicable thereto and any conditions applicable thereto, including without limitation, performance-based conditions.

9. *Adjustments for Changes in Common Stock and Certain Other Events.*

(a) *Changes in Capitalization.* In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any distribution to holders of Common Stock other than an ordinary cash dividend, (i) the number and class of securities available under this Plan, (ii) the sub-limits set forth in Section 4(b), (iii) the number and class of securities and exercise price per share of each outstanding Option, (iv) the share- and per-share provisions of each Stock Appreciation Right, (v) the repurchase price per share subject to each outstanding Restricted Stock Award and (vi) the share- and per-share-related provisions of each outstanding Other Stock Unit Award, shall be appropriately adjusted by the Company (or substituted Awards may be made, if applicable) to the extent determined by the Board.

(b) *Reorganization Events.*

(1) *Definition.* A "Reorganization Event" shall mean: (a) any merger or consolidation of the Company with or into another entity as a result of which all of the Common Stock of the Company is converted into or exchanged for the right to receive cash, securities or other property or is cancelled, (b) any exchange of all of the Common Stock of the Company for cash, securities or other property pursuant to a share exchange transaction or (c) any liquidation or dissolution of the Company.

(2) *Consequences of a Reorganization Event on Awards Other than Restricted Stock Awards.* In connection with a Reorganization Event, the Board shall take any one or more of the following actions as to all or any outstanding Awards on such terms as the Board determines: (i) provide that Awards shall be assumed, or substantially equivalent Awards shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof), (ii) upon written notice to a Participant, provide that the Participant's unexercised Options or other unexercised Awards shall become exercisable in full and will terminate immediately prior to the consummation of such Reorganization Event unless exercised by the Participant within a specified period following the date of such notice, (iii) provide that outstanding Awards shall become realizable or deliverable, or restrictions applicable to an Award shall lapse, in whole or in part prior to or upon such Reorganization Event, (iv) in the event of a Reorganization Event under the terms of which holders of Common Stock will receive upon consummation thereof a cash payment for each share surrendered in the Reorganization Event (the "Acquisition Price"), make or provide for a cash payment to a Participant equal to (A) the Acquisition Price times the number of shares of Common Stock subject to the Participant's Options or other Awards (to the extent the exercise price does not exceed the Acquisition Price) minus (B) the aggregate exercise price of all such outstanding Options or other Awards, in exchange for the termination of such Options or other Awards, (v) provide that, in connection with a liquidation or dissolution of the Company, Awards shall convert into the right to receive liquidation proceeds (if applicable, net of the exercise price thereof) and (vi) any combination of the foregoing.

For purposes of clause (i) above, an Option shall be considered assumed if, following consummation of the Reorganization Event, the Option confers the right to purchase, for each share of Common Stock subject to the Option immediately prior to the consummation of the Reorganization Event, the consideration (whether cash, securities or other property) received as a result of the Reorganization Event by holders of Common Stock for each share of Common Stock held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); provided, however, that if the consideration received as a result of the Reorganization Event is not solely common stock of the acquiring or succeeding corporation (or an affiliate thereof), the Company may, with the consent of the acquiring or succeeding corporation, provide for the consideration to be received upon the exercise of Options to consist solely of common stock of the acquiring or succeeding corporation (or an affiliate thereof) equivalent in fair market value to the per share consideration received by holders of outstanding shares of Common Stock as a result of the Reorganization Event.

To the extent all or any portion of an Option becomes exercisable solely as a result of clause (ii) above, the Board may provide that upon exercise of such Option the Participant shall receive shares subject to a right of repurchase by the Company or its successor at the Option exercise price; such repurchase right (x) shall lapse at the same rate as the Option would have become exercisable under its terms and (y) shall not apply to any shares subject to the Option that were exercisable under its terms without regard to clause (ii) above.

(3) *Consequences of a Reorganization Event on Restricted Stock Awards.* Upon the occurrence of a Reorganization Event other than a liquidation or dissolution of the Company, the repurchase and other rights of the Company under each outstanding Restricted Stock Award shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which the Common Stock was converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Common Stock subject to such Restricted Stock Award. Upon the occurrence of a Reorganization Event involving the liquidation or dissolution of the Company, except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Stock Award or any other agreement between a Participant and the Company, all restrictions and conditions on all Restricted Stock Awards then outstanding shall automatically be deemed terminated or satisfied.

(c) *Change in Control Events.*

(1) *Definition.* A "Change in Control Event" will be deemed to have occurred if the Continuing Directors (as defined below) cease for any reason to constitute a majority of the Board. For this purpose, a "Continuing Director" will include any member of the Board as of the Effective Date (as defined below) and any individual nominated for election to the Board by a majority of the then Continuing Directors.

(2) *Consequences of a Change in Control Event on Options.* Notwithstanding any other provision of this Plan to the contrary, if a Change in Control Event occurs, except to the extent specifically provided to the contrary in the instrument evidencing any Option or any other agreement between a Participant and the Company, any options outstanding as of the date such Change of Control is determined to have occurred and not then exercisable shall become fully exercisable to the full extent of the original grant.

(3) *Consequences of a Change in Control Event on Restricted Stock Awards.* Notwithstanding any other provision of this Plan to the contrary, if a Change in Control Event occurs, except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Stock Award or any other agreement between a Participant and the Company, all restrictions and conditions on all Restricted Stock Awards then outstanding shall automatically be deemed terminated or satisfied.

10. *General Provisions Applicable to Awards*

(a) *Transferability of Awards.* Except as the Board may otherwise determine or provide in an Award, Awards shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees.

(b) *Documentation.* Each Award shall be evidenced in such form (written, electronic or otherwise) as the Board shall determine. Such written instrument may be in the form of an agreement signed by the Company and the Participant or a written confirming memorandum to the Participant from the Company. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) *Board Discretion.* Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and the Board need not treat Participants uniformly.

(d) *Termination of Status.* The Board shall determine the effect on an Award of the disability, death, or other change in the employment or other status of a Participant and the extent to which, and the period during which, the Participant, or the Participant's legal representative, conservator, guardian or Designated Beneficiary, may exercise rights under the Award.

(e) *Withholding.* Each Participant shall pay to the Company, or make provision satisfactory to the Company for payment of, any taxes required by law to be withheld in connection with an Award to such Participant. Except as the Board may otherwise provide in an Award, for so long as the Common Stock is registered under the Exchange Act, Participants may satisfy such tax obligations in whole or in part by delivery of shares of Common Stock, including shares retained from the Award creating the tax obligation, valued at their Fair Market Value; provided, however, except as otherwise provided by the Board, that the total tax withholding where stock is being used to satisfy such tax obligations cannot exceed the Company's minimum statutory withholding obligations (based on minimum statutory withholding rates for federal and state tax purposes, including payroll taxes, that are applicable to such supplemental taxable income). Shares surrendered to satisfy tax withholding requirements cannot be subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements. The Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to a Participant.

(f) *Amendment of Award.* Except as provided in Section 5, the Board may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type and changing the date of exercise or realization, provided that the Participant's consent to such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Participant.

(g) *Conditions on Delivery of Stock.* The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

(h) *Acceleration.* Except as otherwise provided in Sections 9(c) and 10(i), the Board may at any time provide that any Award shall become immediately exercisable in full or in part, free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be.

(i) Performance Awards.

(1) *Grants.* Restricted Stock Awards and Other Stock-Unit Awards under the Plan may be made subject to the achievement of performance goals pursuant to this Section 10(i) ("Performance Awards"), subject to the limit in Section 4(d) on shares covered by such grants. Performance Awards can also provide for cash payments of up to $1,500,000 per fiscal year per individual.

(2) *Committee.* Grants of Performance Awards to any Covered Employee intended to qualify as "performance-based compensation" under Section 162(m) ("Performance-Based Compensation") shall be made only by a Committee (or subcommittee of a Committee) comprised solely of two or more directors eligible to serve on a committee making Awards qualifying as "performance-based compensation" under Section 162(m). In the case of such Awards granted to Covered Employees, references to the Board or to a Committee shall be treated as referring to such Committee or subcommittee. "Covered Employee" shall mean any person who is, or whom the Committee, in its discretion, determines may be, a "covered employee" under Section 162(m)(3) of the Code.

Performance Measures. For any Award that is intended to qualify as Performance-Based Compensation, the Committee shall specify that the degree of granting, vesting and/or payout shall be subject to the achievement of one or more objective performance measures established by the Committee, which shall be based on the relative or absolute attainment of specified levels of one or any combination of the following: Revenues, net income (loss), operating income (loss), gross profit, earnings before or after discontinued operations, interest, taxes, depreciation and/or amortization, operating profit before or after discontinued operations and/or depreciation and/or amortization, earnings (loss) per share, net cash flow, cash flow from operations, revenue growth, earnings growth, gross margins, operating margins, net margins, inventory management, working capital, return on sales, assets, equity or investment, cash or cash equivalents position, achievement of balance sheet or income statement objectives or total stockholder return, stock price, completion of strategic acquisitions/dispositions, manufacturing efficiency, product quality, customer satisfaction, market share and improvement in financial ratings. Such goals may reflect absolute entity or business unit performance or a relative comparison to the performance of a peer group of entities or other external measure of the selected performance criteria and may be absolute in their terms or measured against or in relationship to other companies comparably, similarly or otherwise situated. The Committee may specify that such performance measures shall be adjusted to exclude any one or more of (i) extraordinary and/or non-recurring items, (ii) the cumulative effects of changes in accounting principles, (iii) gains or losses on the dispositions of discontinued operations, (iv) the writedown of any asset, (v) charges for restructuring and rationalization programs, (vi) amortization of purchased intangibles associated with acquisitions, (vii) compensation expenses related to acquisitions, (viii) other acquisition related charges, (ix) impairment charges, (x) gain or loss on minority equity investments, (xi) non-cash income tax expenses, and (xii) equity-based compensation expenses. Such performance measures: (i) may vary by Participant and may be different for different Awards; (ii) may be particular to a Participant or the department, branch, line of business, subsidiary or other unit in which the Participant works and may cover such period as may be specified by the Committee; and (iii) shall be set by the Committee within the time period prescribed by, and shall otherwise comply with the requirements of, Section 162(m). Awards that are not intended to qualify as Performance-Based Compensation may be based on these or such other performance measures as the Board may determine.

(3) *Adjustments.* Notwithstanding any provision of the Plan, with respect to any Performance Award that is intended to qualify as Performance-Based Compensation, the Committee may adjust downwards, but not upwards, the cash or number of Shares payable pursuant to such Award, and the Committee may not waive the achievement of the applicable performance measures except in the case of the death or disability of the Participant or a change in control of the Company.

(4) *Other.* The Committee shall have the power to impose such other restrictions on Performance Awards as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements for Performance-Based Compensation.

11. *Miscellaneous*

(a) *No Right To Employment or Other Status.* No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Award.

(b) *No Rights As Stockholder.* Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Award until becoming the record holder of such shares. Notwithstanding the foregoing, in the event the Company effects a split of the Common Stock by means of a stock dividend and the exercise price of and the number of shares subject to such Option are adjusted as of the date of the distribution of the dividend (rather than as of the record date for such dividend), then an optionee who exercises an Option between the record date and the distribution date for such stock dividend shall be entitled to receive, on the distribution date, the stock dividend with respect to the shares of Common Stock acquired upon such Option exercise, notwithstanding the fact that such shares were not outstanding as of the close of business on the record date for such stock dividend.

(c) *Effective Date and Term of Plan.* The Plan shall become effective on the date on which it is adopted by the Board (the "Effective Date"), but no Award may be granted unless and until the Plan has been approved by the Company's stockholders. No Awards shall be granted under the Plan after the completion of 10 years from the earlier of (i) the date on which the Plan was adopted by the Board or (ii) the date the Plan was approved by the Company's stockholders, but Awards previously granted may extend beyond that date.

(d) *Amendment of Plan.* The Board may amend, suspend or terminate the Plan or any portion thereof at any time; provided that, to the extent required by Section 162(m), no Award granted to a Participant that is intended to comply with Section 162(m) after the date of such amendment shall become exercisable, realizable or vested, as applicable to such Award, unless and until such amendment shall have been approved by the Company's stockholders if required by Section 162(m) (including the vote required under Section 162(m)); and provided further that, without approval of the Company's stockholders, no amendment may (1) increase the number of shares authorized under the Plan (other than pursuant to Section 9), (2) materially increase the benefits provided under the Plan, (3) materially expand the class of participants eligible to participate in the Plan, (4) expand the types of Awards provided under the Plan or (5) make any other changes that require stockholder approval under the rules of the Nasdaq National Market, Inc.

(e) *Provisions for Foreign Participants.* The Board may modify Awards or Options granted to Participants who are foreign nationals or employed outside the United States or establish subplans or procedures under the Plan to recognize differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

(f) *Compliance With Code Section 409A.* No Award shall provide for deferral of compensation that does not comply with Section 409A of the Code, unless the Board, at the time of grant, specifically provides that the Award is not intended to comply with Section 409A of the Code.

(g) *Governing Law.* The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware, without regard to any applicable conflicts of law.

EXHIBIT 10.B

SKYWORKS SOLUTIONS, INC.

AMENDED AND RESTATED 2008 DIRECTOR LONG-TERM INCENTIVE PLAN

1. *Purpose*

The purpose of this 2008 Director Long-Term Incentive Plan (the "Plan") of Skyworks Solutions, Inc., a Delaware corporation (the "Company"), is to advance the interests of the Company's stockholders by enhancing the Company's ability to attract and retain the services of experienced and knowledgeable directors and to provide additional incentives for such directors to continue to work for the best interests of the Corporation and its stockholders through continuing ownership of its common stock. Except where the context otherwise requires, the term "Company" shall include any of the Company's present or future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "Code") and any other business venture (including, without limitation, joint venture or limited liability company) in which the Company has a controlling interest, as determined by the Board of Directors of the Company (the "Board").

2. *Eligibility*

Each member of the Board who is not also an officer of the Company (a "Director") is eligible to receive options, restricted stock and other stock-based awards (each, an "Award") under the Plan. Each person who receives an Award under the Plan is deemed a "Participant."

3. *Administration and Delegation*

(a) *Administration by Board of Directors.* The Plan will be administered by the Board. The Board shall have authority to grant Awards and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. All decisions by the Board shall be made in the Board's sole discretion and shall be final and binding on all persons having or claiming any interest in the Plan or in any Award. No director or person acting pursuant to the authority delegated by the Board shall be liable for any action or determination relating to or under the Plan made in good faith.

(b) *Appointment of Committees.* To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (a "Committee"). All references in the Plan to the "Board" shall mean the Board or a Committee of the Board to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

4. *Stock Available for Awards*

(a) *Number of Shares.* Subject to adjustment under Section 9, Awards may be made under the Plan covering up to 1,470,000 shares of common stock, $.25 par value per share, of the Company (the "Common Stock").

(b) *Counting of Shares.* Subject to adjustment under Section 9, an option to purchase Common Stock (each, an "Option") shall be counted against the share limit specified in Section 4(a) as one share for each share of common stock subject to the Option, and an Award that is not an Option (a "Non-Option Award") shall be counted against the share limit specified in Section 4(a) as one and one-half (1.5) shares for each share of Common Stock issued upon settlement of such Non-Option Award.

(c) *Lapses.* If any Award expires or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part (including as the result of shares of Common Stock subject to such Award being repurchased by the Company at the original issuance price pursuant to a contractual repurchase right) or results in any Common Stock not being issued, the unused Common Stock covered by such Award shall again be available for the grant of Awards under the Plan. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

5. *Stock Options*

(a) *General.* The Board, in its discretion, may grant Options to Participants and determine the number of shares of Common Stock to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to applicable federal or state securities laws, as it considers necessary or advisable. Any such grant may vary among individual Participants. If the Board so determines, Options may be granted in lieu of cash compensation at the Participant's election, subject to such terms and conditions as the Board may establish.

(b) *Exercise Price.* The Board shall establish the exercise price of each Option and specify such exercise price in the applicable option agreement; provided, however, that the exercise price shall not be less than 100% of the Fair Market Value (as defined below in subsection (h)(3)) at the time the Option is granted.

(c) *Options Not Deemed Incentive Stock Options.* Any Option granted pursuant to the Plan is not intended to be an incentive stock option described in Code Section 422 and shall be designated a "Nonqualified Stock Option."

(d) *Limitation on Repricing.* Unless such action is approved by the Company's stockholders: (1) no outstanding Option granted under the Plan may be amended to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Option (other than adjustments pursuant to Section 9) and (2) the Board may not cancel any outstanding Option and grant in substitution therefore new Awards under the Plan covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled Option.

(e) *No Reload Rights.* No Option granted under the Plan shall contain any provision entitling the optionee to the automatic grant of additional Options in connection with any exercise of the original Option.

(f) *Duration of Options.* Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement; provided, however, that no Option will be granted for a term in excess of ten (10) years.

(g) *Exercise of Option.* Options may be exercised by delivery to the Company of a written notice of exercise signed by the proper person or by any other form of notice (including electronic notice) approved by the Board together with payment in full as specified in Section 5(h) for the number of shares for which the Option is exercised. Shares of Common Stock subject to the Option will be delivered by the Company following exercise either as soon as practicable or, subject to such conditions as the Board shall specify, on a deferred basis (with the Company's obligation to be evidenced by an instrument providing for future delivery of the deferred shares at the time or times specified by the Board).

(h) *Payment Upon Exercise.* Common Stock purchased upon the exercise of an Option granted under the Plan shall be paid for as follows:

(1) in cash or by check, payable to the order of the Company;

(2) except as the Board may otherwise provide in an option agreement, by (i) delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price and any required tax withholding or (ii) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price and any required tax withholding;

(3) by delivery of shares of Common Stock owned by the Participant valued at their fair market value as determined by (or in a manner approved by) the Board ("Fair Market Value"), provided (i) such method of payment is then permitted under applicable law, (ii) such Common Stock, if acquired directly from the Company, was owned by the Participant for at least six (6) months and (iii) such Common Stock is not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements; or

(4) by any combination of the above permitted forms of payment.

6. *Restricted Stock; Restricted Stock Units.*

(a) *General*. The Board may grant Awards entitling recipients to acquire shares of Common Stock ("Restricted Stock"), subject to the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price (or to require forfeiture of such shares if issued at no cost) from the recipient in the event that conditions specified by the Board in the applicable Award are not satisfied prior to the end of the applicable restriction period or periods established by the Board for such Award. Instead of granting Awards for Restricted Stock, the Board may grant Awards entitling the recipient to receive shares of Common Stock to be delivered at the time such shares of Common Stock vest or at a later date ("Restricted Stock Units") subject to such terms and conditions on the delivery of the shares of Common Stock as the Board shall determine (each Award for Restricted Stock or Restricted Stock Units is referred to herein as a "Restricted Stock Award").

(b) *Terms and Conditions.* Subject to Section 8, the Board shall determine the terms and conditions of a Restricted Stock Award, including the conditions for repurchase (or forfeiture) and the issue price, if any.

(1)

(c) *Stock Certificates*. Any stock certificates issued in respect of a Restricted Stock Award shall be registered in the name of the Participant and, unless otherwise determined by the Board, deposited by the Participant, together with a stock power endorsed in blank, with the Company (or its designee). At the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Participant or if the Participant has died, to the beneficiary designated, in a manner determined by the Board, by a Participant to receive amounts due or exercise rights of the Participant in the event of the Participant's death (the "Designated Beneficiary"). In the absence of an effective designation by a Participant, "Designated Beneficiary" shall mean the Participant's estate.

7. *Other Stock-Unit Awards.*

Other Awards of shares of Common Stock, and other Awards that are valued in whole or in part by reference to, or are otherwise based on, shares of Common Stock or other property, may be granted hereunder to Participants ("Other Stock Unit Awards"). Such Other Stock Unit Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock Unit Awards may be paid in shares of Common Stock or cash, as the Board shall determine. Subject to the provisions of the Plan, the Board shall determine the conditions of each Other Stock Unit Awards,

including any purchase price applicable thereto and any conditions applicable thereto, including without limitation, performance-based conditions.

8. *Automatic Awards.*

(a) *Initial Award.* Each Participant who is first elected or appointed to serve as a Director after the Effective Date of the Plan shall automatically be granted, on the fifth business day after his election or appointment, an Award comprised of a combination of an Option and Restricted Stock having an aggregate Black-Scholes value targeted between the 50th and 75th percentile, as determined by the Board, of the non-employee director equity compensation component of the public "peer" group of publicly-traded semiconductor companies with which the Company competes for executive and director talent as determined by the Board from time to time. The Board shall have sole discretion to determine the composition and amount of the initial award within the parameters set forth above and elsewhere in this Plan.

(b) *Annual Award.* Each year, beginning on the date of the Company's 2011 annual meeting of stockholders, each Participant who served as a Director of the Company prior to the date of the annual meeting of the Company's stockholders for such year, or special meeting in lieu of the annual meeting of stockholders at which one or more directors are elected, and who continues to serve as a Director of the Company after the annual meeting of stockholders for such year, or special meeting in lieu of the annual meeting of stockholders at which one or more directors are elected, shall automatically be granted on the date of the annual meeting of the Company's stockholders for such year, 6,000 shares of Restricted Stock.

(c) *Vesting*

(1) Unless otherwise determined by the Board, the Company's repurchase or forfeiture rights on an Award of Restricted Stock granted under Section 8 shall lapse as to one-third (33.33%) of the shares of Restricted Stock on the first anniversary of the date of grant and as to an additional one-third (33.33%) of such shares of Restricted Stock on each anniversary of the date of grant thereafter until, on the third anniversary of the date of grant, the Company's repurchase or forfeiture rights shall have lapsed as to all (100%) of the shares of Restricted Stock covered thereby.

(2) Unless otherwise determined by the Board, an Option granted under Section 8 shall be exercisable after the first anniversary of the date of grant for up to one-fourth (25%) of the shares of Common Stock covered by the Option and, after each anniversary of the date of grant thereafter, for up to an additional one-fourth (25%) of such shares of Common Stock until, on the fourth anniversary of the date of grant, the Option may be exercised as to all (100%) of the shares of Common Stock covered by the Option.

9. *Adjustments for Changes in Common Stock and Certain Other Events.*

(a) *Changes in Capitalization.* In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any distribution to holders of Common Stock other than an ordinary cash dividend, (i) the number and class of securities available under this Plan, (ii) the sub-limits set forth in Section 4(b), (iii) the number and class of securities and exercise price per share of each outstanding Option, (iv) the number of securities issuable pursuant to automatic Awards made under Section 8, (v) the repurchase price per share subject to each outstanding Restricted Stock Award and (vi) the share- and per-share-related provisions of each outstanding Other Stock Unit Award, shall be appropriately adjusted by the Company (or substituted Awards may be made, if applicable) to the extent determined by the Board.

(b) *Reorganization Events.*

(1) *Definition.* A "Reorganization Event" shall mean: (a) any merger or consolidation of the Company with or into another entity as a result of which all of the Common Stock of the Company is converted into or exchanged for the right to receive cash, securities or other property or is cancelled, (b) any exchange of all of the Common Stock of the Company for cash, securities or other property pursuant to a share exchange transaction or (c) any liquidation or dissolution of the Company.

(2) *Consequences of a Reorganization Event on Awards Other than Restricted Stock Awards.* In connection with a Reorganization Event, the Board shall take any one or more of the following actions as to all or any outstanding Awards on such terms as the Board determines: (i) provide that Awards shall be assumed, or substantially equivalent Awards shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof), (ii) upon written notice to a Participant, provide that the Participant's unexercised Options or other unexercised Awards shall become exercisable in full and will terminate immediately prior to the consummation of such Reorganization Event unless exercised by the Participant within a specified period following the date of such notice, (iii) provide that outstanding Awards shall become realizable or deliverable, or restrictions applicable to an Award shall lapse, in whole or in part prior to or upon such Reorganization Event, (iv) in the event of a Reorganization Event under the terms of which holders of Common Stock will receive upon consummation thereof a cash payment for each share surrendered in the Reorganization Event (the "Acquisition Price"), make or provide for a cash payment to a Participant equal to (A) the Acquisition Price times the number of shares of Common Stock subject to the Participant's Options or other Awards (to the extent the exercise price does not exceed the Acquisition Price) minus (B) the aggregate exercise price of all such outstanding Options or other Awards, in exchange for the termination of such Options or other Awards, (v) provide that, in connection with a liquidation or dissolution of the Company, Awards shall convert into the right to receive liquidation proceeds (if applicable, net of the exercise price thereof) and (vi) any combination of the foregoing.

For purposes of clause (i) above, an Option shall be considered assumed if, following consummation of the Reorganization Event, the Option confers the right to purchase, for each share of Common Stock subject to the Option immediately prior to the consummation of the Reorganization Event, the consideration (whether cash, securities or other property) received as a result of the Reorganization Event by holders of Common Stock for each share of Common Stock held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); provided, however, that if the consideration received as a result of the Reorganization Event is not solely common stock of the acquiring or succeeding corporation (or an affiliate thereof), the Company may, with the consent of the acquiring or succeeding corporation, provide for the consideration to be received upon the exercise of Options to consist solely of common stock of the acquiring or succeeding corporation (or an affiliate thereof) equivalent in fair market value to the per share consideration received by holders of outstanding shares of Common Stock as a result of the Reorganization Event.

To the extent all or any portion of an Option becomes exercisable solely as a result of clause (ii) above, the Board may provide that upon exercise of such Option the Participant shall receive shares subject to a right of repurchase by the Company or its successor at the Option exercise price; such repurchase right (x) shall lapse at the same rate as the Option would have become exercisable under its terms and (y) shall not apply to any shares subject to the Option that were exercisable under its terms without regard to clause (ii) above.

(3) *Consequences of a Reorganization Event on Restricted Stock Awards.* Upon the occurrence of a Reorganization Event other than a liquidation or dissolution of the Company, the repurchase and other rights of the Company under each outstanding Restricted Stock Award shall inure to the benefit of the Company's successor and shall apply to the cash, securities or other property which the Common Stock was converted into or exchanged for pursuant to such Reorganization Event in the same manner and to the same extent as they applied to the Common Stock subject to such Restricted Stock Award. Upon the occurrence of a Reorganization Event involving the liquidation or dissolution of the Company, except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Stock Award or any other agreement between a Participant and the Company, all restrictions and conditions on all Restricted Stock Awards then outstanding shall automatically be deemed terminated or satisfied.

(c) *Change in Control Events.*

(1) *Definition.* A "Change in Control Event" will be deemed to have occurred if the Continuing Directors (as defined below) cease for any reason to constitute a majority of the Board. For this purpose, a "Continuing Director" will include any member of the Board as of the Effective Date (as defined below) and any individual nominated for election to the Board by a majority of the then Continuing Directors.

(2) *Consequences of a Change in Control Event on Options.* Notwithstanding any other provision of this Plan to the contrary, if a Change in Control Event occurs, except to the extent specifically provided to the contrary in the instrument evidencing any Option or any other agreement between a Participant and the Company, any options outstanding as of the date such Change of Control is determined to have occurred and not then exercisable shall become fully exercisable to the full extent of the original grant.

(3) *Consequences of a Change in Control Event on Restricted Stock Awards.* Notwithstanding any other provision of this Plan to the contrary, if a Change in Control Event occurs, except to the extent specifically provided to the contrary in the instrument evidencing any Restricted Stock Award or any other agreement between a Participant and the Company, all restrictions and conditions on all Restricted Stock Awards then outstanding shall automatically be deemed terminated or satisfied.

10. *General Provisions Applicable to Awards*

(a) *Transferability of Awards.* Except as the Board may otherwise determine or provide in an Award, Awards shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees.

(b) *Documentation.* Each Award shall be evidenced in such form (written, electronic or otherwise) as the Board shall determine. Such written instrument may be in the form of an agreement signed by the Company and the Participant or a written confirming memorandum to the Participant from the Company. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) *Board Discretion.* Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and the Board need not treat Participants uniformly.

(d) *Termination of Status.* The Board shall determine the effect on an Award of the disability, death, or other change in the non-employee director status of a Participant and the extent to which,

and the period during which, the Participant, or the Participant's legal representative, conservator, guardian or Designated Beneficiary, may exercise rights under the Award.

(e) *Withholding.* Each Participant shall pay to the Company, or make provision satisfactory to the Company for payment of, any taxes required by law to be withheld in connection with an Award to such Participant. Except as the Board may otherwise provide in an Award, for so long as the Common Stock is registered under the Exchange Act, Participants may satisfy such tax obligations in whole or in part by delivery of shares of Common Stock, including shares retained from the Award creating the tax obligation, valued at their Fair Market Value; provided, however, except as otherwise provided by the Board, that the total tax withholding where stock is being used to satisfy such tax obligations cannot exceed the Company's minimum statutory withholding obligations (based on minimum statutory withholding rates for federal and state tax purposes, including payroll taxes, that are applicable to such supplemental taxable income). Shares surrendered to satisfy tax withholding requirements cannot be subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements. The Company may, to the extent permitted by law, deduct any such tax obligations from any payment of any kind otherwise due to a Participant.

(f) *Amendment of Award.* Except as provided in Section 5, the Board may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type and changing the date of exercise or realization, provided that the Participant's consent to such action shall be required unless the Board determines that the action, taking into account any related action, would not materially and adversely affect the Participant.

(g) *Conditions on Delivery of Stock.* The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules or regulations.

(h) *Acceleration.* Except as otherwise provided in Section 9(c), the Board may at any time provide that any Award shall become immediately exercisable in full or in part, free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be.

11. *Miscellaneous*

(a) *No Right To Status.* No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the right to any relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Award.

(b) *No Rights As Stockholder.* Subject to the provisions of the applicable Award, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Award until becoming the record holder of such shares. Notwithstanding the foregoing, in the event the Company effects a split of the Common Stock by means of a stock dividend and the exercise price of and the number of shares subject to such Option are adjusted as of the date of the distribution of the dividend (rather than as of the record date for such dividend), then an optionee who exercises an Option between the record date and the distribution date for such stock dividend shall be entitled to receive, on the distribution date, the stock dividend with respect to the shares of Common Stock acquired upon such Option exercise, notwithstanding the

fact that such shares were not outstanding as of the close of business on the record date for such stock dividend.

(c) *Effective Date and Term of Plan.* The Plan shall become effective on the date on which it is approved by the Company's stockholders (the "Effective Date"), and no Award may be granted until the Effective Date. No Awards shall be granted under the Plan after the completion of 10 years from the Effective Date, but Awards previously granted may extend beyond that date.

(d) *Amendment of Plan.* The Board may amend, suspend or terminate the Plan or any portion thereof at any time; provided that, without approval of the Company's stockholders, no amendment may (1) increase the number of shares authorized under the Plan (other than pursuant to Section 9), (2) materially increase the benefits provided under the Plan, (3) materially expand the class of participants eligible to participate in the Plan, (4) expand the types of Awards provided under the Plan or (5) make any other changes that require stockholder approval under the rules of the NASDAQ Stock Market, Inc. . No Award shall be made that is conditioned upon stockholder approval of any amendment to the Plan.

(e) *Provisions for Foreign Participants.* The Board may modify Awards or Options granted to Participants who are foreign nationals or employed outside the United States or establish subplans or procedures under the Plan to recognize differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

(f) *Compliance With Code Section 409A.* No Award shall provide for deferral of compensation that does not comply with Section 409A of the Code, unless the Board, at the time of grant, specifically provides that the Award is not intended to comply with Section 409A of the Code.

(g) *Governing Law.* The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware, without regard to any applicable conflicts of law.

EXHIBIT 10.C

SKYWORKS SOLUTIONS, INC.

2002 EMPLOYEE STOCK PURCHASE PLAN

1. ***Purpose*****.**

The Skyworks Solutions, Inc. 2002 Employee Stock Purchase Plan (hereinafter the "Plan") is intended to provide a method whereby employees of Skyworks Solutions, Inc. (the "Company") and its participating subsidiaries (as defined in Article 18) will have an opportunity to acquire a proprietary interest in the Company through the purchase of shares of the Company's Common Stock. It is the intention of the Company to have the Plan qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). The provisions of the Plan shall, accordingly, be construed so as to extend and limit participation in a manner consistent with the requirements of that Section of the Internal Revenue Code.

2. ***Eligible Employees*****.**

All employees of the Company or any of its participating subsidiaries who are employed by the Company at least ten (10) business days prior to the first day of the applicable Offering Period shall be eligible to receive options under this Plan to purchase the Company's Common Stock. Except as otherwise provided herein, persons who become eligible employees after the first day of any Offering Period shall be eligible to receive options on the first day of the next succeeding Offering Period on which options are granted to eligible employees under the Plan. For the purpose of this Plan, the term employee shall not include an employee whose customary employment is less than twenty (20) hours per week or is for not more than five (5) months in any calendar year.

In no event may an employee be granted an option if such employee, immediately after the option is granted, owns stock possessing five (5%) percent or more of the total combined voting power or value of all classes of stock of the Company or of its parent corporation or subsidiary corporation as the terms "parent corporation" and "subsidiary corporation" are defined in Section 424(e) and (f) of the Internal Revenue Code. For purposes of determining stock ownership under this paragraph, the rules of Section 424(d) of the Internal Revenue Code shall apply and stock which the employee may purchase under outstanding options shall be treated as stock owned by the employee.

3. ***Stock Subject to the Plan*****.**

The stock subject to the options granted hereunder shall be shares of the Company's authorized but unissued Common Stock or shares of Common Stock reacquired by the Company, including shares purchased in the open market. Subject to approval of the stockholders, the aggregate number of shares which may be issued pursuant to the Plan is 8,380,000 for all Offering Periods, subject to increase or decrease by reason of stock split-ups, reclassifications, stock dividends, changes in par value and the like. If any option granted under the Plan shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, the unpurchased shares subject to such option shall again be available under the Plan. If the number of shares of Common Stock available for any Offering Period is insufficient to satisfy all purchase requirements for that Offering Period, the available shares for that Offering Period shall be apportioned among participating employees in proportion to their options.

4. ***Offering Periods and Stock Options*****.**

There shall be Offering Periods during which payroll deductions will be accumulated under the Plan. Each Offering Period includes only regular pay days falling within it. The Committee shall be expressly permitted to establish the Offering Periods, including the Offering Commencement Date and Offering Termination Date of any Offering Period, under this Plan; provided, however, that, in no event shall any Offering Period extend for more than twenty-four (24) months. The Offering Commencement Date is the first day of each Offering Period. The Offering Termination Date is the applicable date on which an Offering Period ends under this Plan.

Subject to the foregoing, the Offering Periods shall generally commence and end as follows:

Offering Commencement Dates	**Offering Termination Dates**
Each August 1	Each January 31
Each February 1	Each July 31

Provided, however, that (i) the Offering Commencement Date and Offering Termination Date of the initial Offering Period under this Plan shall be October 21, 2002 and March 31, 2003, respectively, and (ii) the Offering Commencement Date and Offering Termination Date of the Offering Period immediately following the initial Offering Period under this Plan shall be April 1, 2003 and July 31, 2003, respectively.

On each Offering Commencement Date, the Company will grant to each eligible employee who is then a participant in the Plan an option to purchase on the Offering Termination Date at the Option Exercise Price, as hereinafter provided, that number of full shares of Common Stock reserved for the purpose of the Plan, up to a maximum of 1,000 shares, subject to increase or decrease (i) at the discretion of the Committee before each Offering Period or (ii) by reason of stock split-ups, reclassifications, stock dividends, changes in par value and the like (the "Share Cap"); provided that such employee remains eligible to participate in the Plan throughout such Offering Period. If the eligible employee's accumulated payroll deductions on the Offering Termination Date would enable the eligible employee to purchase more than the Share Cap except for the Share Cap, the excess of the amount of the accumulated payroll deductions over the aggregate purchase price of the Share Cap shall be refunded to the eligible employee as soon as administratively practicable by the Company, without interest. The Option Exercise Price for each Offering Period shall be the lesser of (i) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Commencement Date, or (ii) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Termination Date, in either case rounded up to the next whole cent. In the event of an increase or decrease in the number of outstanding shares of Common Stock through stock split-ups, reclassifications, stock dividends, changes in par value and the like, an appropriate adjustment shall be made in the number of shares and Option Exercise Price per share provided for under the Plan, either by a proportionate increase in the number of shares and proportionate decrease in the Option Exercise Price per share, or by a proportionate decrease in the number of shares and a proportionate increase in the Option Exercise Price per share, as may be required to enable an eligible employee who is then a participant in the Plan to acquire on the Offering Termination Date that number of full shares of Common Stock as his accumulated payroll deductions on such date will pay for at a price equal to the lesser of (i) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Commencement Date, or (ii) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Termination Date, in either case rounded up to the next whole cent, as so adjusted.

For purposes of this Plan, the term "fair market value" means, if the Common Stock is listed on a national securities exchange or is on the National Association of Securities Dealers Automated Quotation ("Nasdaq") Global Select Market system, the closing sale price of the Common Stock on such exchange or as reported on Nasdaq or, if the Common Stock is traded in the over-the-counter

securities market, but not on the Nasdaq Global Select Market, the closing bid quotation for the Common Stock, each as published in *The Wall Street Journal*. If no shares of Common Stock are traded on the Offering Commencement Date or Offering Termination Date, the fair market value will be determined on the next regular business day on which shares of Common Stock are traded.

For purposes of this Plan the term "business day" as used herein means a day on which there is trading on the Nasdaq Global Select Market or such national securities exchange on which the Common Stock is listed.

No employee shall be granted an option which permits his rights to purchase Common Stock under the Plan and any similar plans of the Company or any parent or subsidiary corporations to accrue at a rate which exceeds $25,000 of fair market value of such stock (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time. The purpose of the limitation in the preceding sentence is to comply with and shall be construed in accordance with Section 423(b)(8) of the Internal Revenue Code. If the participant's accumulated payroll deductions on the last day of the Offering Period would otherwise enable the participant to purchase Common Stock in excess of the Section 423(b)(8) limitation described in this paragraph, the excess of the amount of the accumulated payroll deductions over the aggregate purchase price of the shares actually purchased shall be refunded as soon as administratively practicable to the participant by the Company, without interest.

5. ***Exercise of Option*****.**

Each eligible employee who continues to be a participant in the Plan on the Offering Termination Date shall be deemed to have exercised his or her option on such date and shall be deemed to have purchased from the Company such number of full shares of Common Stock reserved for the purpose of the Plan as his or her accumulated payroll deductions on such date will pay for at the Option Exercise Price subject to the Share Cap and the Section 423(b)(8) limitation described in Article 4. If a participant is not an employee on the Offering Termination Date and throughout an Offering Period, he or she shall not be entitled to exercise his or her option.

If a participant's accumulated payroll deductions in his or her account are based on a currency other than the U.S. dollar, then on the Offering Termination Date the accumulated payroll deductions in his or her account will be converted into an equivalent value of U.S. dollars based upon the U.S. dollar-foreign currency exchange rate in effect on that date, as reported in *The Wall Street Journal*, provided that such conversion does not result in an Option Exercise Price which is, in fact, less than the lesser of an amount equal to 85 percent of the fair market value of the Common Stock at the time such option is granted or 85 percent of the fair market value of the Common Stock at the time such option is exercised. The Plan administrators (as defined in Article 19) shall have the right to change such conversion date, as they deem appropriate to effectively purchase shares on any Offering Termination Date, provided that such action does not cause the Plan, or any grants under the Plan, to fail to qualify under Section 423 of the Internal Revenue Code.

6. ***Authorization for Entering Plan*****.**

An eligible employee may enter the Plan by following a written, electronic or other enrollment process, including a payroll deduction authorization, as prescribed by the Plan administrators under generally applicable rules. Except as may otherwise be established by the Plan administrators under generally applicable rules, all enrollment authorizations shall be effective only if delivered to the designated Plan administrator(s) in accordance with the prescribed procedures not later than ten (10) business days before an applicable Offering Commencement Date Participation may be conditioned on an eligible employee's consent to transfer and process personal data and on acknowledgment and agreement to Plan terms and other specified conditions.

The Company will accumulate and hold for the employee's account the amounts deducted from his or her pay. No interest will be paid thereon. Participating employees may not make any separate cash payments into their account.

Unless an employee files a new authorization, or withdraws from the Plan, his or her deductions and purchases under the authorization he or she has on file under the Plan will continue as long as the Plan remains in effect. An employee may increase or decrease the amount of his or her payroll deductions as of the next Offering Commencement Date by filing a revised payroll deduction authorization in accordance with the procedures then applicable to such actions. Except as may otherwise be established by the Plan administrators under generally applicable rules, all revised authorizations shall be effective only if delivered to the designated Plan administrator(s) in accordance with the prescribed procedures not later than ten (10) business days before the next Offering Commencement Date.

7. ***Maximum Amount of Payroll Deductions*****.**

An employee may authorize payroll deductions in an amount of not less than one percent (1%) and not more than ten percent (10%) (in whole number percentages only) of his or her eligible compensation. Such deductions shall be determined based on the employee's election in effect on the payday on which such eligible compensation is paid. An employee may not make any additional payments into such account. Eligible compensation means the wages as defined in Section 3401(a) of the Internal Revenue Code, determined without regard to any rules that limit compensation included in wages based on the nature or location or employment or services performed, including without limitation base pay, shift premium, overtime, gain sharing (profit sharing), incentive compensation, bonuses and commissions and all other payments made to the employee for services as an employee during the applicable payroll period, and excluding the value of any qualified or non-qualified stock option granted to the employee to the extent such value is includible in the taxable wages, reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits, but determined prior to any exclusions for any amounts deferred under Sections 125, 401(k), 402(e)(3), 402(h)(1)(B), 403(b) or 457(b) of the Internal Revenue Code or for certain contributions described in Section 457(h)(2) of the Internal Revenue Code that are treated as Company contributions.

8. ***Unused Payroll Deductions*****.**

Only full shares of Common Stock may be purchased. Any balance remaining in an employee's account after a purchase will be reported to the employee and will be carried forward to the next Offering Period. However, in no event will the amount of the unused payroll deductions carried forward from a payroll period exceed the Option Exercise Price per share for that Offering Period. If for any Offering Period the amount of unused payroll deductions should exceed the Option Exercise Price per share, the amount of the excess for any participant shall be refunded to such participant, without interest.

9. ***Change in Payroll Deductions*****.**

Unless otherwise permitted by the Committee prior to the commencement of an Offering Period, payroll deductions may not be increased, decreased or suspended by a participant during an Offering Period. However, a participant may withdraw in full from the Plan.

10. ***Withdrawal from the Plan*.**

An employee may withdraw from the Plan and withdraw all but not less than all of the payroll deductions credited to his or her account under the Plan prior to the Offering Termination Date by completing and filing a withdrawal notification with the designated Plan administrator(s) in accordance with the prescribed procedures, in which event the Company will refund as soon as administratively practicable without interest the entire balance of such employee's deductions not previously used to purchase Common Stock under the Plan. Except as may otherwise be prescribed by the Plan administrators under generally applicable rules, all withdrawals shall be effective only if delivered to the designated Plan administrator(s) in accordance with the prescribed procedures not later than ten (10) business days before the Offering Termination Date.

An employee who withdraws from the Plan is like an employee who has never entered the Plan; the employee's rights under the Plan will be terminated and no further payroll deductions will be made. To reenter, such an employee must re-enroll pursuant to the provisions of Article 6 before the next Offering Commencement Date which cannot, however, become effective before the beginning of the next Offering Period following his withdrawal.

11. ***Issuance of Stock*.**

As soon as administratively practicable after each Offering Period the Company shall deliver (by electronic or other means) to the participant the Common Stock purchased under the Plan, except as specified below. The Plan administrators may permit or require that the Common Stock shares be deposited directly with a broker or agent designated by the Plan administrators, and the Plan administrators may utilize electronic or automated methods of share transfer. In addition, the Plan administrators may require that shares be retained with such broker or agent for a designated period of time (and may restrict dispositions during that period) and/or may establish other procedures to permit tracking of disqualifying dispositions of such shares or to restrict transfer of such shares as required to ensure that the Company's applicable tax withholding obligations are satisfied.

12. ***No Transfer or Assignment of Employee's Rights.***

An employee's rights under the Plan are his or hers alone and may not be transferred or assigned to, or availed of by, any other person. Any option granted to an employee may be exercised only by him or her, except as provided in Article 13 in the event of an employee's death.

13. ***Termination of Employee's Rights.***

Except as set forth in Article 14, an employee's rights under the Plan will terminate when he or she ceases to be an employee because of retirement, resignation, lay-off, discharge, death, change of status, failure to remain in the customary employ of the Company for twenty (20) hours or more per week, or for any other reason. Notwithstanding anything to the contrary contained in Article 10, a withdrawal notice will be considered as having been received from the employee on the day his or her employment ceases, and all payroll deductions not used to purchase Common Stock will be refunded without interest.

Notwithstanding anything to the contrary contained in Article 10, if an employee's payroll deductions are interrupted by any legal process, a withdrawal notice will be considered as having been received from him or her on the day the interruption occurs.

14. ***Death of an Employee.***

Upon termination of the participating employee's employment because of death, the person(s) entitled to receipt of the Common Stock and/or cash as provided in this Article 14 shall have the right to elect, by written notice given to the Plan administrators prior to the expiration of the thirty (30) day period commencing with the date of the death of the employee, either (i) to withdraw, without interest, all of the payroll deductions credited to the employee's account under the Plan, or (ii) to exercise the employee's option for the purchase of shares of Common Stock on the next Offering Termination Date following the date of the employee's death for the purchase of that number of full shares of Common Stock reserved for the purpose of the Plan which the accumulated payroll deductions in the employee's account at the date of the employee's death will purchase at the applicable Option Exercise Price (subject to the limitations set forth in Article 4), and any excess in such account (in lieu of fractional shares) will be paid to the employee's estate as soon as administratively practicable, without interest. In the event that no such written notice of election shall be duly received by the Plan administrators, the payroll deductions credited to the employee's account at the date of the employee's death will be paid to the employee's estate as soon as administratively practicable, without interest.

Except as provided in the preceding paragraph, in the event of the death of a participating employee, the Company shall deliver such Common Stock and/or cash to the executor or administrator of the estate of the employee.

15. ***Termination and Amendments to Plan.***

The Plan may be terminated at any time by the Company's Board of Directors. It will terminate in any case on December 31, 2012, or if sooner, when all of the shares of Common Stock reserved for the purposes of the Plan have been purchased. In the event that the Board of Directors terminates the Plan pursuant to this Article 15, the date of such termination shall be deemed as the Offering Termination Date of the applicable Offering Period in which such termination date occurs. Upon such termination or any other termination of the Plan, all payroll deductions not used to purchase Common Stock will be refunded without interest.

The Committee or the Board of Directors may from time to time adopt amendments to the Plan provided that, without the approval of the stockholders of the Company, no amendment may (i) except as provided in Articles 3, 4, 24 and 25, increase the number of shares that may be issued under the Plan; (ii) change the class of employees eligible to receive options under the Plan, if such action would be treated as the adoption of a new plan for purposes of Section 423(b) of the Internal Revenue Code; or (iii) cause Rule 16b-3 under the Securities Exchange Act of 1934 to become inapplicable to the Plan.

16. ***Limitations of Sale of Stock Purchased Under the Plan.***

The Plan is intended to provide shares of Common Stock for investment and not for resale. The Company does not, however, intend to restrict or influence any employee in the conduct of his or her own affairs. An employee may, therefore, sell stock purchased under the Plan at any time the employee chooses, subject to compliance with any applicable federal or state securities laws and subject to any restrictions imposed under Articles 11 and 26. Each employee agrees by entering the Plan to promptly give the Company notice of any such Common Stock disposed of within two years after the Offering Commencement Date on which the Common Stock was purchased showing the number of such shares disposed of. The employee assumes the risk of any market fluctuations in the price of such Common Stock.

17. ***Company's Offering of Expenses Related to Plan.***

The Company will bear all costs of administering and carrying out the Plan.

18. ***Participating Subsidiaries.***

The term "participating subsidiaries" shall mean any present or future subsidiary of the Company which is designated by the Committee to participate in the Plan. The Committee shall have the power to make such designation(s) before or after the Plan is approved by the stockholders.

19. ***Administration of the Plan.***

The Plan may be administered by the Compensation Committee, or such other committee as may be appointed by the Board of Directors of the Company (the "Committee"). No member of the Committee shall be eligible to participate in the Plan while serving as a member of the Committee. In the event that the Board of Directors fails to appoint or refrains from appointing a Committee, the Board of Directors shall have all power and authority to administer the Plan (in such event the word "Committee" shall refer to the Board of Directors).

The Committee shall have the authority to construe and interpret the Plan and options, and to establish, amend and revoke rules and regulations for the administration of the Plan. The Committee, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective. The interpretation and construction by the Committee of any provisions of the Plan or of any option granted under it shall be final. The Committee may from time to time adopt such rules and regulations for carrying out the Plan as it may deem best. Without limiting the foregoing, the Committee shall have the power, subject to, and within the limitations of, the express provisions of the Plan: (i) to determine when and how options to purchase shares of Common Stock shall be granted and the provisions of each Offering Period (which need not be identical); (ii) to designate from time to time which participating subsidiaries of the Company shall be eligible to participate in the Plan; (iii) to determine the Offering Commencement Date and Offering Termination Date of any Offering Period; (iv) to increase or decrease the maximum number of shares which may be purchased by an eligible employee in any Offering Period; (v) to amend the Plan as provided in Article 15, and (vi) generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and the participating subsidiaries.

The Committee may delegate to one or more individuals the day-to-day administration of the Plan. Without limitation, subject to the terms and conditions of this Plan, the President, the Chief Financial Officer of the Company, and any other officer of the Company or committee of officers or employees designated by the Committee (collectively, the "Plan administrators"), shall each be authorized to determine the methods through which eligible employees may elect to participate, amend their participation, or withdraw from participation in the Plan, and establish methods of enrollment by means of a manual or electronic form of authorization or an integrated voice response system. The Plan administrators are further authorized to determine the matters described in Article 11 concerning the means of issuance of Common Stock and the procedures established to permit tracking of disqualifying dispositions of shares or to restrict transfer of such shares.

With respect to persons subject to Section 16 of the Securities and Exchange Act of 1934, as amended, transactions under the Plan are intended to comply with all applicable conditions of Rule 16b-3 or its successors under said Act. To the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by that Committee.

No member of the Board of Directors or the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any option granted under it. The Company shall indemnify each member of the Board of Directors and the Committee to the fullest extent permitted by law with respect to any claim, loss, damage or expense (including counsel fees) arising in connection with their responsibilities under this Plan.

As soon as administratively practicable after the end of each Offering Period, the Plan administrators shall prepare and distribute or make otherwise readily available by electronic means or otherwise to each participating employee in the Plan information concerning the amount of the participating employee's accumulated payroll deductions as of the Offering Termination Date, the Option Exercise Price for such Offering Period, the number of shares of Common Stock purchased by the participating employee with the participating employee's accumulated payroll deductions, and the amount of any unused payroll deductions either to be carried forward to the next Offering Period, or returned to the participating employee without interest.

20. ***Optionees Not Stockholders.***

Neither the granting of an option to an employee nor the deductions from his or her pay shall constitute such employee a stockholder of the Company with respect to the shares covered by such option until such shares have been purchased by and issued to him.

21. ***Application of Funds.***

The proceeds received by the Company from the sale of Common Stock pursuant to options granted under the Plan may be used for any corporate purposes, and the Company shall not be obligated to segregate participating employees' payroll deductions.

22. ***Governmental Regulation.***

The Company's obligation to sell and deliver shares of the Company's Common Stock under this Plan is subject to the approval of any governmental authority required in connection with the authorization, issuance or sale of such stock.

In this regard, the Board of Directors may, in its discretion, require as a condition to the exercise of any option that a Registration Statement under the Securities Act of 1933, as amended, with respect to the shares of Common Stock reserved for issuance upon exercise of the option shall be effective.

23. ***Transferability.***

Neither payroll deductions credited to an employee's account nor any rights with regard to the exercise of an option or to receive stock under the Plan may be assigned, transferred, pledged, or otherwise disposed of in any way by the employee. Any such attempted assignment, transfer, pledge, or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds in accordance with Article 10.

24. ***Effect of Changes of Common Stock.***

If the Company should subdivide or reclassify the Common Stock which has been or may be optioned under the Plan, or should declare thereon any dividend payable in shares of such Common Stock, or should take any other action of a similar nature affecting such Common Stock, then the number and class of shares of Common Stock which may thereafter be optioned (in the aggregate and to any individual participating employee) shall be adjusted accordingly.

25. ***Merger or Consolidation.***

If the Company should at any time merge into or consolidate with another corporation, the Board of Directors may, at its election, either (i) terminate the Plan and refund without interest the entire balance of each participating employee's payroll deductions, or (ii) entitle each participating employee to receive on the Offering Termination Date upon the exercise of such option for each share of Common Stock as to which such option shall be exercised the securities or property to which a holder

of one share of the Common Stock was entitled upon and at the time of such merger or consolidation, and the Board of Directors shall take such steps in connection with such merger or consolidation as the Board of Directors shall deem necessary to assure that the provisions of this Article 25 shall thereafter be applicable, as nearly as reasonably possible. A sale of all or substantially all of the assets of the Company shall be deemed a merger or consolidation for the foregoing purposes.

26. ***Withholding of Additional Tax.***

By electing to participate in the Plan, each participant acknowledges that the Company and its participating subsidiaries are required to withhold taxes with respect to the amounts deducted from the participant's compensation and accumulated for the benefit of the participant under the Plan, and each participant agrees that the Company and its participating subsidiaries may deduct additional amounts from the participant's compensation, when amounts are added to the participant's account, used to purchase Common Stock or refunded, in order to satisfy such withholding obligations. Each participant further acknowledges that when Common Stock is purchased under the Plan the Company and its participating subsidiaries may be required to withhold taxes with respect to all or a portion of the difference between the fair market value of the Common Stock purchased and its purchase price, and each participant agrees that such taxes may be withheld from compensation otherwise payable to such participant. It is intended that tax withholding will be accomplished in such a manner that the full amount of payroll deductions elected by the participant under Article 7 will be used to purchase Common Stock. However, if amounts sufficient to satisfy applicable tax withholding obligations have not been withheld from compensation otherwise payable to any participant then, notwithstanding any other provision of the Plan, the Company may withhold such taxes from the participant's accumulated payroll deductions and apply the net amount to the purchase of Common Stock, unless the participant pays to the Company, prior to the exercise date, an amount sufficient to satisfy such withholding obligations. Each participant further acknowledges that the Company and its participating subsidiaries may be required to withhold taxes in connection with the disposition of stock acquired under the Plan and agrees that the Company or any participating subsidiary may take whatever action it considers appropriate to satisfy such withholding requirements, including deducting from compensation otherwise payable to such participant an amount sufficient to satisfy such withholding requirements or conditioning any disposition of Common Stock by the participant upon the payment to the Company or such subsidiary of an amount sufficient to satisfy such withholding requirements.

27. ***Approval of Stockholders.***

This Plan was first adopted by the Board of Directors on September 25, 2002 and amended on January 14, 2003, and approved, as amended, by the stockholders of the Company on March 10, 2003. The Plan was subsequently amended and approved by the stockholders on March 30, 2006 and March 27, 2008.

SKYWORKS SOLUTIONS, INC.

NON-QUALIFIED EMPLOYEE STOCK PURCHASE PLAN

1. ***Purpose*****.**

The Skyworks Solutions, Inc. Non-Qualified Employee Stock Purchase Plan (hereinafter the "Plan"), effective as of October 1, 2002, is intended to provide a method whereby employees of participating organizations (as defined in Article 17) of Skyworks Solutions, Inc. (the "Company") will have an opportunity to acquire a proprietary interest in the Company through the purchase of shares of the Company's Common Stock. It is the intention of the Company that this Plan authorize the grant of purchase rights and issuance of Common Stock which do not qualify as an "Employee Stock Purchase Plan" under section 423 of the United States Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

2. ***Eligible Employees*****.**

All employees of any of the participating organizations of the Company who are employed by the Company or a participating organization at least ten (10) business days prior to the first day of the applicable Offering Period or any Special Offering Period (each as defined below), or at such other time on or before the first day of the applicable Offering Period or any Special Offering Period, as determined by the Committee (the "Eligibility Date"), shall be eligible to participate in and receive rights under this Plan to purchase Common Stock. Except as otherwise provided herein, persons who become eligible employees after the Eligibility Date shall be eligible to receive purchase rights on the first day of the next succeeding Offering Period on which purchase rights are granted to eligible employees under the Plan. In no event may an employee be granted a purchase right if such employee, immediately after the purchase right is granted, owns stock possessing five (5%) percent or more of the total combined voting power or value of all classes of stock of the Company or of its parent corporation or subsidiary corporation as the terms "parent corporation" and "subsidiary corporation" are defined in Section 424(e) and (1) of the Internal Revenue Code. For purposes of determining stock ownership under this paragraph, the rules of Section 424(d) of the Internal Revenue Code shall apply and stock which the employee may purchase under outstanding purchase rights shall be treated as stock owned by the employee. All employees who participate in the Plan shall have the same rights and privileges under the Plan except for differences which may be mandated by local law and except that employees participating in a sub-plan adopted pursuant to Article 26 need not have the same rights and privileges as other employees participating in the Plan. The Committee (as defined in Article 18) may impose restrictions on eligibility and participation of employees who are officers and directors to facilitate compliance with federal or state securities laws or foreign laws.

3. ***Stock Subject to the Plan*****.**

The stock subject to the purchase rights granted hereunder shall be shares of the Company's authorized but unissued Common Stock or shares of Common Stock reacquired by the Company, including shares purchased in the open market. The aggregate number of shares which may be issued pursuant to the Plan is 1,320,000 for all Offering Periods, including any Special Offering Period, subject to increase or decrease by reason of stock split-ups, reclassifications, stock dividends, changes in par value and the like. If any purchase right granted under the Plan shall expire or terminate for any reason without having been exercised in full or shall cease for any reason to be exercisable in whole or in part, the unpurchased shares subject to such purchase

right shall again be available under the Plan. If the number of shares of Common Stock available for any Offering Period, including any Special Offering Period, is insufficient to satisfy all purchase requirements for that Offering Period, the available shares for that Offering Period shall be apportioned among participating employees in proportion to their purchase rights.

4. ***Offering Periods and Stock Purchase Rights.***

There shall be Offering Periods and Special Offering Periods during which payroll deductions or permitted cash contributions will be accumulated under the Plan. Each Offering Period, including any Special Offering Period, includes only regular paydays falling within it, The Committee shall be expressly permitted to establish the Offering Periods and the Special Offering Periods, including the Offering Commencement Date and Offering Termination Date (as both defined below) of any Offering Period or Special Offering Period, under the Plan; provided, however, that in no event shall any Offering Period or Special Offering Period extend for more than twenty-four (24) months.

Subject to the foregoing, the Offering Periods shall generally commence and end as follows:

Offering Period Commencement Dates	**Offering Period Termination Dates**
Each February 1	Each July 31
Each August 1	Each January 31

Provided, however, that (i) the Offering Commencement Date and Offering Termination Date of the initial Offering Period under this Plan shall be October 1, 2002 and March 31, 2003, respectively, and (ii) the Offering Commencement Date and Offering Termination Date of the Offering Period immediately following the initial Offering Period under this Plan shall be April 1, 2003 and July 31, 2003, respectively.

Notwithstanding the foregoing, in the event that the Committee adopts a sub-plan or establishes eligibility pursuant to Article 26 hereof for the employees of a particular organization or location, there will be a Special Offering Period (the “Special Offering Period”) that will begin ten (10) business days after the adoption of such a sub-plan or such establishment of eligibility for all employees that particular organization or location who are eligible as of the date of the Offering Commencement Date of the Special Offering Period.

The Offering Commencement Date is the first day of each Offering Period, including any Special Offering Period. The Offering Termination Date is the applicable date on which an Offering Period ends under this Article 4. In the case of a Special Offering Period, the Offering Termination Date is the date which is the Offering Termination Date for the regular Offering Period in which the Offering Commencement Date for such Special Offering Period occurs unless otherwise decided by the Committee in its discretion.

On each Offering Commencement Date, the Company will grant to each eligible employee who is then a participant in the Plan a purchase right to purchase on the Offering Termination Date at the Purchase Right Exercise Price, as hereinafter provided, that number of full shares of Common Stock reserved for the purpose of the Plan, up to a maximum of 1,000 shares, subject to increase or decrease by reason of stock split-ups, reclassifications, stock dividends, changes in par value and the like; provided that such employee remains eligible to participate in the Plan throughout such Offering Period or Special Offering Period, as the ease may be. If the eligible employee’s accumulated payroll deductions or permitted cash contributions on the Offering

Termination Date would enable the eligible employee to purchase more than 1,000 shares except for the 1,000-share limitation, the excess of the amount of the accumulated payroll deductions or permitted cash contributions over the aggregate Purchase Right Exercise Price of the 1,000 shares shall be refunded to the eligible employee by the Company as soon as administratively practicable, without interest (except where required by local law as determined by the Committee). The Purchase Right Exercise Price for each Offering Period, including any Special Offering Period, shall be the lesser of (i) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Commencement Date, or (ii) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Termination Date, in either case rounded up to the next whole cent. in the event of an increase or decrease in the number of outstanding shares of Common Stock through stock splits, reclassifications, stock dividends, changes in par value and the like, an appropriate adjustment shall be made in the number of shares and Purchase Right Exercise Price per share provided for under the Plan, either by a proportionate increase in the number of shares and proportionate decrease in the Purchase Right Exercise Price per share, or by a proportionate decrease in the number of shares and a proportionate increase in the Purchase Right Exercise Price per share, as may be required to enable an eligible employee who is then a participant in the Plan to acquire on the Offering Termination Date that number of full shares of Common Stock as his accumulated payroll deductions or permitted cash contributions on such date will pay for at a price equal to the lesser of (i) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Commencement Date, or (ii) eighty-five percent (85%) of the fair market value of the Common Stock on the Offering Termination Date, in either case rounded up to the next whole cent, as so adjusted.

For purposes of this Plan, the term “fair market value” means, if the Common Stock is listed on a national securities exchange or is on the (U.S.) National Association of Securities Dealers Automated Quotation (“Nasdaq”) Global Select Market system, the closing sale price of the Common Stock on the relevant date on such exchange or as reported on Nasdaq or, if the Common Stock is traded in the over-the-counter securities market, but not on the Nasdaq Global Select Market, the closing bid quotation for the Common Stock, each as published in The Wall Street Journal, if no shares of Common Stock are traded on the Offering Commencement Date or Offering Termination Date, the fair market value will be determined on the next regular business day on which shares of Common Stock are traded.

For purposes of this Plan the term “business day” as used herein means a day on which there is trading on the Nasdaq Global Select Market or such national securities exchange on which the Common Stock is listed.

No employee shall be granted a purchase right which permits the employee to purchase Common Stock under the Plan and any similar plans of the Company or any parent or subsidiary corporations at a rate which exceeds $25,000 of fair market value of such stock (determined at the time such purchase right is granted) for each calendar year in which such purchase right is outstanding at any time. If the participant’s accumulated payroll deductions or permitted cash contributions on the Offering Termination Date would otherwise enable the participant to purchase Common Stock in excess of the $25,000 limitation described in this paragraph, the excess of the amount of the accumulated payroll deductions or permitted cash contributions over the aggregate Purchase Right Exercise Price of the shares actually purchased shall be refunded to the participant by the Company or its participating organization as soon as administratively

practicable, without interest (except where required by local law as determined by the Committee).

5. ***Exercise of Purchase Right.***

Each eligible employee who continues to be a participant in the Plan on the Offering Termination Date shall be deemed to have exercised his or her purchase right on such date and shall be deemed to have purchased from the Company such number of full shares of Common Stock reserved for the purpose of the Plan as his or her accumulated payroll deductions or permitted cash contributions on such date will pay for at the Purchase Right Exercise Price subject to the 1000-share limit of the purchase right and the $25,000 limitation described in Article 4. If a participant is not an employee on the Offering Termination Date and throughout an Offering Period or Special Offering Period, he or she shall not be entitled to exercise his or her purchase right under the Plan.

If a participant's accumulated payroll deductions or permitted cash contributions in his or her account are based on a currency other than the U.S. dollar, then on the Offering Termination Date, the accumulated payroll deductions or permitted cash contributions in his or her account will be converted into an equivalent value of U.S. dollars based upon the U.S. dollar-foreign currency exchange rate in effect on that date, as reported in The Wall Street Journal, provided that such conversion does not result in an Purchase Right Exercise Price which is, in fact, less than the lesser of an amount equal to 85% of the fair market value of the Common Stock on the Offering Commencement Date or 85% of the fair market value of the Common Stock on the Offering Termination Date. The Committee shall have the right to change such conversion date, as they deem appropriate to effectively purchase shares on any Offering Termination Date.

6. ***Authorization for Entering Plan.***

An eligible employee may enter the Plan by following a written, electronic or other enrollment process, including a payroll deduction authorization, as prescribed by the Committee. Except as may otherwise be established by the Committee, all enrollment authorizations shall be effective only if delivered to the designated Plan Administrator(s) (as defined in Article 1 8) in accordance with the prescribed procedures not later than the Eligibility or such other time as determined by the Committee. Participation may be conditioned on an eligible employee's consent to transfer and process personal data and on acknowledgment and agreement to Plan terms and other specified conditions.

The Company or its participating organization will accumulate and hold for the employee's account the accumulated payroll deductions or cash contributions. No interest will be paid thereon (except where required by local law as determined by the Committee). In jurisdictions in which participating employees may contribute to the Plan through payroll deductions, they may not make any separate cash payments into their account.

Unless an employee files a new enrollment authorization, or withdraws from the Plan, his or her payroll deductions or cash contribution and purchases under the enrollment authorization he or she has on file under the Plan shall continue as long as the Plan remains in effect. An employee may increase or decrease the amount of his or her payroll deductions or permitted cash contributions as of the next Offering Commencement Date by filing a revised payroll deduction authorization or cash contribution election in accordance with the procedures then applicable to such actions. Except as may otherwise be established by the Committee, all revised

authorizations and elections shall be effective only if delivered to the designated Plan Administrator(s) in accordance with the prescribed procedures not later than ten (10) business days before the next Offering Commencement Date.

7. ***Maximum Amount of Payroll Deductions and Permitted Cash Contributions.***

An employee may authorize payroll deductions or make cash contributions in an aggregate amount of not less than one percent (1%) and not more than ten percent (10%) (in whole number percentages only) of his or her eligible compensation. Such deductions or the amount of the cash contribution shall be determined based on the employee's election in effect on the payday on which such eligible compensation is paid. An employee may not make any additional payments into such account. Except as otherwise required by local laws, eligible compensation means the wages as defined in Section 3401(a) of the internal Revenue Code, determined without regard to any rules that limit compensation included in wages based on the nature or location or employment or services performed, including without limitation base pay, shift premium, overtime, gain sharing (profit sharing), incentive compensation, bonuses and commissions and all other payments made to the employee for services as an employee during the applicable payroll period, and excluding the value of any qualified or non-qualified stock option or purchase right granted to the employee to the extent such value is includible in the taxable wages, reimbursements or other expense allowances, fringe benefits, moving expenses, deferred compensation, and welfare benefits, but determined prior to any exclusions for any amounts deferred under Sections 125, 401(k), 402(e)(3), 402(h)(1)(B), 403(b) or 457(b) of the Internal Revenue Code or for certain contributions described in Section 457(h)(2) of the Internal Revenue Code that are treated as Company contributions.

8. ***Unused Payroll Deductions and Permitted Cash Contributions.***

Only full shares of Common Stock may be purchased. Any balance remaining in an employee's account after a purchase will be reported to the employee and will be carried forward to the next Offering Period. However, in no event will the amount of the unused payroll deductions or permitted cash contributions carried forward from an Offering Period exceed the Purchase Right Exercise Price per share for that Offering Period or Special Offering Period, as the case may be. If for any Offering Period, including any Special Offering Period, the amount of unused payroll deductions or permitted cash contributions should exceed the Purchase Right Exercise Price per share, the amount of the excess for any participant shall be refunded to such participant as soon as administratively practicable, without interest (except where required by local law as determined by the Committee).

9. ***Change in Payroll Deductions or Permitted Cash Contributions.***

Deductions or cash contributions may not be increased or decreased during an Offering Period or Special Offering Period, as the case may be.

10. ***Withdrawal from the Plan.***

An employee may withdraw from the Plan and withdraw all but not less than all of the payroll deductions or permitted cash contributions credited to his or her account under the Plan prior to the Offering Termination Date by completing and filing a withdrawal notification with the designated Plan Administrator(s) in accordance with the prescribed procedures, in which event the Company will refund as soon as administratively practicable without interest (except where required by local law as determined by the Committee) the entire balance of such employee's

deductions or cash contributions not previously used to purchase Common Stock under the Plan. Except as may otherwise be established by the Committee, all withdrawals shall be effective only if delivered to the designated Plan Administrator(s) in accordance with the prescribed procedures not later than ten (10) business days before the Offering Termination Date.

An employee who withdraws from the Plan is like an employee who has never entered the Plan; the employee's rights under the Plan will be terminated and no further payroll deductions or cash contributions will be made. To reenter, such an employee must re-enroll pursuant to the provisions of Article 6 before the next Offering Commencement Date which cannot, however, become effective before the beginning of the next Offering Period or Special Offering Period following his withdrawal.

11. ***Issuance of Stock.***

As soon as administratively practicable after each Offering Period, including any Special Offering Period, the Company shall deliver (by electronic or other means) to the participant the Common Stock purchased under the Plan, except as specified below. The Committee may permit or require that the Common Stock shares be deposited directly with a broker or agent designated by the Committee, and the Committee may authorize electronic or automated methods of share transfer. In addition, the Committee may establish other procedures to ensure that the Company's and its subsidiaries' applicable tax withholding obligations are satisfied.

12. ***No Transfer or Assignment of Employee's Rights.***

An employee's rights under the Plan are his or hers alone and may not be transferred or assigned to, or availed of by, any other person. Any purchase right granted to an employee may be exercised only by him or her, except as provided in Article 13 in the event of an employee's death.

13. ***Termination of Employee's Rights.***

Except as set forth in the last paragraph of this Article 13, an employee's rights under the Plan will terminate when he or she ceases to be an employee because of retirement, resignation, lay-off, discharge, death, change of status, or fails to meet the applicable requirements for eligibility in the Plan, or for any other reason. Notwithstanding anything to the contrary contained in Article 10, a withdrawal notice will be considered as having been received from the employee on the day his or her employment ceases, and all payroll deductions or permitted cash contributions not used to purchase Common Stock will be refunded as soon as administratively feasible without interest (except where required by local law as determined by the Committee).

Notwithstanding anything to the contrary contained in Article 10, if an employee's payroll deductions or permitted cash contributions are interrupted by any legal process, a withdrawal notice will be considered as having been received from him or her on the day the interruption occurs.

Upon termination of the participating employee's employment because of death, the authorized legal representative of the employee's estate shall have the right to elect, by written notice given to the Plan Administrators prior to the earlier of the expiration of the thirty (30) day period commencing with the date of the death of the employee or the first Offering Termination Date following the date of the death of the employee, either (i) to withdraw, without interest (except where required by local law as determined by the Committee), all of the payroll deductions or permitted cash contributions credited to the employee's account under the Plan, or (ii) to exercise

the employee's purchase right for the purchase of shares of Common Stock on the next Offering Termination Date following the date of the employee's death for the purchase of that number of full shares of Common Stock reserved for the purpose of the Plan which the accumulated payroll deductions or permitted cash contributions in the employee's account at the date of the employee's death will purchase at the applicable Purchase Right Exercise Price (subject to the limitations set forth in Article 4), and any excess in such account (in lieu of fractional shares) will be paid to the employee's estate as soon as administratively practicable, without interest (except where required by local law as determined by the Committee). In the event that no such written notice of election shall be duly received by the Plan Administrators, the payroll deductions or permitted cash contributions credited to the employee's account at the date of the employee's death will be paid to the employee's estate as soon as administratively practicable, without interest (except where required by local law as determined by the Committee).

14. ***Termination and Amendments to Plan.***

The Plan may be terminated at any time by the Company's Board of Directors. It will terminate in any case on December 31, 2012, or if sooner, when all of the shares of Common Stock reserved for the purposes of the Plan have been purchased. Upon such termination or any other termination of the Plan, all payroll deductions or permitted cash contributions not used to purchase Common Stock will be refunded without interest (except where required by local law as determined by the Committee).

The Committee or the Board of Directors may, in its sole discretion, insofar as permitted by law, adopt amendments to the Plan from time to time,

15. ***Limitations of Sale of Stock Purchased Under the Plan.***

The Plan is intended to provide shares of Common Stock for investment and not for resale. The Company does not, however, intend to restrict or influence any employee in the conduct of his or her own affairs. An employee may, therefore, sell stock purchased under the Plan at any time the employee chooses, subject to compliance with any applicable securities laws and subject to any restrictions imposed under Articles 11 and 25. The employee assumes the risk of any market fluctuations in the price of such Common Stock.

16. ***Company's Offering of Expenses Related to Plan.***

The Company will bear all costs of administering and carrying out the Plan.

17. ***Participating Organizations.***

The term "participating organizations" shall mean any present or future subsidiary, organization or business unit of the Company which is designated by the Committee to participate in the Plan.

18. ***Administration of the Plan.***

The Plan shall be administered by a committee of "disinterested" directors as that term is defined in Rule 16b-3 under the U.S. Securities Exchange Act of 1934, as amended, appointed by the Board of Directors of the Company (the "Committee"). The Committee shall consist of not less than two members of the Company's Board of Directors. The Board of Directors may from time to time remove members from, or add members to, the Committee. Vacancies on the Committee, howsoever caused, shall be filled by the Board of Directors. No member of the Committee shall be eligible to participate in the Plan while serving as a member of the Committee.

The Committee shall select one of its members as Chairman, and shall hold meetings at such times and places as it may determine. Acts by a majority of the Committee, or acts reduced to or approved in writing by a majority of the members of the Committee, shall be the valid acts of the Committee.

The Committee shall have the authority to construe and interpret the provisions of the Plan and of any purchase rights granted under the Plan, and to establish, amend and revoke rules and regulations for the administration of the Plan. The Committee, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective. The interpretation and construction by the Committee of any provisions of the Plan or of any purchase rights granted under it shall be final. The Committee may from time to time adopt such rules and regulations for carrying out the Plan as it may deem best. Without limiting the foregoing, the Committee shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) to determine when and how purchase rights to purchase shares of Common Stock shall be granted and the provisions of each Offering Period or Special Offering Period (which need not be identical);

(ii) to designate from time to time which participating organization of the Company shall be eligible to participate in the Plan;

(iii) to determine the Offering Commencement Date and Offering Termination Date of any Offering Period or Special Offering Period;

(iv) to increase or decrease the maximum number of shares which may be purchased by an eligible employee in any Offering Period or Special Offering Period;

(v) to amend the Plan as provided in Article 14; and

(vi) generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interest of the Company and the participating organizations.

The Committee may, insofar as permitted by applicable laws and regulations, limit participation in the Plan, for participating organizations, to employees whose customary employment is greater than twenty (20) hours per week and is more than five (5) months in any calendar year.

With respect to persons subject to Section 16 of the Securities and Exchange Act of 1934, as amended, transactions under the Plan are intended to comply with all applicable conditions of Rule 1 6b-3 or its successors under said Act. To the extent any provision of the Plan or action by the Committee fails to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Committee.

No member of the Board of Directors or the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any purchase right granted under it. The Company shall indemnify each member of the Board of Directors and the Committee to the fullest extent permitted by law with respect to any claim, loss, damage or expense (including counsel fees) arising in connection with their responsibilities under this Plan.

The Committee may delegate to one or more individuals the day-to-day administration of the Plan. Without limitation, subject to the terms and conditions of this Plan, the President, the Chief Financial Officer of the Company, and any other officer of the Company or committee of

officers or employees designated by the Committee (collectively, the "Plan Administrators"), shall each be authorized to determine the methods through which eligible employees may elect to participate, amend their participation, or withdraw from participation in the Plan, and establish methods of enrollment by means of a manual or electronic form of authorization or an integrated voice response system. The Plan Administrators are further authorized to determine the matters described in Articles 11 and 25 concerning the means of issuance of Common Stock and the procedures established to ensure that the Company's applicable tax withholding obligations are satisfied.

As soon as administratively practicable after the end of each Offering Period and the Special Offering Period, the Plan Administrators shall prepare and distribute or make otherwise readily available by electronic means or otherwise to each participating employee in the Plan information concerning the amount of the participating employee's accumulated payroll deductions or permitted cash contributions as of the Offering Termination Date, the Purchase Right Exercise Price for such Offering Period or Special Offering Period, the number of shares of Common Stock purchased by the participating employee with the participating employee's accumulated payroll deductions or permitted cash contributions, and the amount of any unused payroll deductions or permitted cash contributions either to be carried forward to the next Offering Period or returned to the participating employee without interest or otherwise distributed or retained as required by local law as determined by the Committee.

19. ***Participants Not Stockholders.***

Neither the granting of a purchase right to an employee nor the deductions from his or her pay shall make such employee a stockholder of the Company with respect to the shares covered by such purchase right until such shares have been purchased by and issued to him or her.

20. ***Application of Funds.***

The proceeds received by the Company and the participating organization for the purchase Common Stock pursuant to purchase rights granted under the Plan may be used for any corporate purposes, and the Company shall not be obligated to segregate participating employees' payroll deductions or permitted cash contributions, unless required by applicable laws and regulations.

21. ***Governmental Regulation.***

The Company's obligation to sell and deliver shares of the Company's Common Stock under this Plan is subject to the approval of any governmental authority required in connection with the authorization, issuance or sale of such stock.

In this regard, the Board of Directors may, in its discretion, require as a condition to the exercise of any purchase right that a Registration Statement under the U.S. Securities Act of 1933, as amended, with respect to the shares of Common Stock reserved for issuance upon exercise of the purchase right shall be effective, and that all other applicable provisions of U.S. state and federal and applicable foreign law have been satisfied.

22. ***Transferability.***

Neither payroll deductions or permitted cash contributions credited to an employee's account nor any rights with regard to the exercise of a purchase right or to receive stock under the Plan may be assigned, transferred, pledged, or otherwise disposed of in any way by the employee. Any such attempted assignment, transfer, pledge, or other disposition shall be without effect, except

that the Company may treat such act as an election to withdraw funds in accordance with Article 10.

23. ***Effect of Changes of Common Stock.***

If the Company should subdivide or reclassify the Common Stock which has been or may be subject to purchase rights under the Plan, or should declare thereon any dividend payable in shares of such Common Stock, or should take any other action of a similar nature affecting such Common Stock, then the number and class of shares of Common Stock which may thereafter be subject to purchase rights (in the aggregate and to any individual participating employee) shall be adjusted accordingly.

24. ***Merger or Consolidation.***

If the Company should at any time merge into or consolidate with another corporation, the Board of Directors may, at its election, either (i) terminate the Plan and refund without interest (except where required by local law as determined by the Committee) the entire balance of each participating employee's payroll deductions or permitted cash contributions, or (ii) entitle each participating employee to receive on the Offering Termination Date upon the exercise of such purchase right for each share of Common Stock as to which such purchase right shall be exercised the securities or property to which a holder of one share of the Common Stock was entitled upon and at the time of such merger or consolidation, and the Board of Directors shall take such steps in connection with such merger or consolidation as the Board of Directors shall deem necessary to assure that the provisions of this Article 24 shall thereafter be applicable, as nearly as reasonably possible. A sale of all or substantially all of the assets of the Company shall be deemed a merger or consolidation for the foregoing purposes.

25. ***Withholding of Additional Tax.***

By electing to participate in the Plan, each participant acknowledges that the Company and the participating organizations may be required to withhold taxes with respect to the amounts deducted from the participant's compensation and accumulated for the benefit of the participant under the Plan, and each participant agrees that the Company and the participating organizations may deduct additional amounts from the participant's compensation, when amounts are added to the participant's account, used to purchase Common Stock or refunded, in order to satisfy such withholding obligations. Each participant further acknowledges that when Common Stock is purchased under the Plan the Company and the participating organizations may be required to withhold taxes with respect to the Common Stock purchased, and each participant agrees that such taxes may be withheld from compensation otherwise payable to such participant. It is intended that tax withholding will be accomplished in such a manner that the full amount of payroll deductions or permitted cash contributions elected by the participant under Article 7 will be used to purchase Common Stock. However, if amounts sufficient to satisfy applicable tax withholding obligations have not been withheld from compensation otherwise payable to any participant then, notwithstanding any other provision of the Plan, the Company and the participating organizations may withhold such taxes from the participant's accumulated payroll deductions or permitted cash contributions and apply the net amount to the purchase of Common Stock, unless the participant pays to the Company or the participating organizations, prior to the Offer Termination Date, an amount sufficient to satisfy such withholding obligations. Each participant further acknowledges that the Company and the participating organizations may be required to withhold taxes in connection with the disposition of stock acquired under the Plan

and agrees that the Company and the participating organizations may take whatever actions they consider appropriate to satisfy such withholding requirements, including deducting from compensation otherwise payable to such participant an amount sufficient to satisfy such withholding requirements or conditioning any disposition of Common Stock by the participant upon the payment to the Company or the participating organizations of an amount sufficient to satisfy such withholding requirements.

26. ***Committee Rules for Foreign Jurisdictions.***

The Committee may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures. Without limiting the generality of the foregoing, the Committee is specifically authorized to (and to delegate to the Plan Administrators the authority to) adopt rules and procedures regarding handling of payroll deductions, cash contributions, payment of interest, conversion of local currency, tax, withholding procedures and handling of stock certificates which vary with local requirements.

The Committee may also adopt sub-plans and establish or discontinue eligibility to participate in the Plan applicable to particular organizations or locations. The rules of such sub-plans may take precedence over other provisions of this Plan, but unless otherwise superseded by the terms of such sub-plan, the provisions of this Plan shall govern the operation of such sub-plan.

EXHIBIT 10.E

Execution Copy

Confidential Materials omitted and filed separately with the
Securities and Exchange Commission. Asterisks denote omissions.

AGREEMENT AND PLAN OF MERGER

BY AND AMONG

SKYWORKS SOLUTIONS, INC.,

SILVER BULLET ACQUISITION CORP.,

SIGE SEMICONDUCTOR, INC.

AND

SHAREHOLDER REPRESENTATIVE SERVICES LLC, AS COMPANY STOCKHOLDER REPRESENTATIVE

Dated as of

May 17, 2011

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AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this "Agreement") is made and entered into as of May 17, 2011 by and among Skyworks Solutions, Inc., a Delaware corporation (the "Buyer"), Silver Bullet Acquisition Corp., a Delaware corporation and a direct wholly-owned subsidiary of the Buyer ("Merger Sub"), SiGe Semiconductor, Inc., a Delaware corporation (the "Company"), and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as the representative and agent of the Company Stockholders (the "Company Stockholder Representative").

Recitals

The respective Boards of Directors of the Buyer, Merger Sub and the Company have each determined that it is advisable to the Buyer, Merger Sub and the Company, respectively, and their respective stockholders that the Company be acquired by the Buyer, and, in furtherance thereof, that Merger Sub merge with and into the Company, with the Company surviving the merger as a wholly owned subsidiary of the Buyer. Pursuant to the Merger, the issued and outstanding shares of the Company's capital stock will be converted into the right to receive certain cash amounts, a portion of which will be placed into escrow to secure the Buyer's indemnification rights, all as set forth in this Agreement.

NOW THEREFORE, in consideration of the premises, and the representations, warranties, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, and intending to be legally bound, the Parties hereby agree as follows:

ARTICLE I
THE MERGER

1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement, Merger Sub shall merge with and into the Company at the Effective Time. From and after the Effective Time, the separate corporate existence of Merger Sub shall cease and the Company shall continue as the Surviving Corporation. The Merger shall have the effects set forth in Section 259 of the Delaware General Corporation Law.

1.2 The Closing. The Closing shall take place at the offices of Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, Massachusetts 02109, commencing at 9:00 a.m. local time on the Closing Date.

1.3 Actions at the Closing. At the Closing:

(a) the Company shall deliver to the Buyer and Merger Sub the various certificates, instruments and documents referred to in Section 5.1;

(b) the Buyer and Merger Sub shall deliver to the Company the various certificates, instruments and documents referred to in Section 5.2;

(c) the Surviving Corporation shall file the Certificate of Merger with the Secretary of State of the State of Delaware;

(d) the Buyer or the Surviving Corporation shall pay (by check or by wire transfer) to the Payment Agent (as defined in Section 1.12(a)) an amount in cash equal to the Initial Payout Amount (as defined in Section 1.5) minus the aggregate Option Payment amount; and

(e) the Buyer, the Company Stockholder Representative and the Escrow Agent shall execute and deliver the Escrow Agreement in the form of Exhibit A hereto, and the Buyer or Merger Sub shall deposit with the Escrow Agent (i) twenty million dollars ($20,000,000) (the "Escrow Amount") in accordance with Section 1.8(a) and the Escrow Agreement; (ii) two million dollars ($2,000,000) (the "Working Capital Escrow Amount") in accordance with Section 1.8(b) and the Escrow Agreement and (iii) one million dollars ($1,000,000) (the "Company Stockholder Representative Amount") in accordance with Section 1.8(c) and the Escrow Agreement.

1.4 Additional Action; Pre-Closing Exchange.

(a) The Surviving Corporation may, at any time after the Effective Time, take any action, including executing and delivering any document, in the name and on behalf of either the Company or Merger Sub, in order to consummate the transactions contemplated by this Agreement.

(b) Prior to the Effective Time, all of the outstanding Class A-1 Exchangeable Shares and Common Exchangeable Shares of SiGe Semiconductor, Inc., a Canadian corporation (the "Canadian Subsidiary"), shall, pursuant to the Class A-1 Redemption Call Right and the Common Redemption Call Right, as such terms are defined in Article 5 of the Articles of the Canadian Subsidiary, as amended, be automatically exchanged for shares of Series A-1 Preferred Stock or Standard Common Stock, respectively. The foregoing exchange is hereinafter referred to as the "Pre-Closing Exchange."

1.5 Conversion of Company Shares; Conversion of Merger Sub Shares.

(a) Certain Definitions. The following capitalized terms shall have the meanings set forth below:

(i) "Aggregate Liquidation Preference Amount" means the product obtained by multiplying the Series A-1 Liquidation Preference Amount times the number of shares of Series A-1 Preferred Stock that are issued and outstanding immediately prior to the Effective Time (including, for the avoidance of doubt, all shares of Series A-1 Preferred Stock issued pursuant to the Pre-Closing Exchange).

(ii) "Common Cash Amount" means an amount in cash (if any) per Company Share determined by dividing (i) the Initial Payout Amount minus the Aggregate Liquidation Preference Amount, by (ii) the sum of the number of Company Shares issued and outstanding immediately prior to the Effective Time (excluding all shares of Special Common Voting Stock and Special A-1 Voting Stock issued and outstanding immediately prior to the

Effective Time, but including, for the avoidance of doubt, (A) the number of Common Shares vested (after giving effect to any acceleration of vesting in connection with the transactions contemplated by this Agreement and/or any acceleration of vesting provided for in employment agreements which may be triggered in connection with the transactions contemplated by this Agreement) pursuant to Company Options that, pursuant to Section 1.7(a), are deemed canceled and converted into the right to receive payments pursuant to Section 1.7(a) and (B) all Company Shares issued pursuant to the Pre-Closing Exchange).

(iii) "Initial Payout Amount" means (A) two hundred ten million dollars ($210,000,000), (B) minus the Escrow Amount, (C) minus the Working Capital Escrow Amount, (D) minus the Company Stockholder Representative Amount, (E) minus the Transaction Expenses and (F) plus or minus any Initial Net Working Capital Adjustment pursuant to Section 1.13(b).

(iv) "Series A-1 Liquidation Preference Amount" means, with respect to each share of Series A-1 Preferred Stock outstanding immediately prior to the Effective Time (including, for the avoidance of doubt, all shares of Series A-1 Preferred Stock issued pursuant to the Pre-Closing Exchange), an amount equal to $1.2917.

(v) "Transaction Expenses" means the aggregate third-party legal, accounting, consulting, investment banking, financial advisory, brokerage and other third party fees and expenses incurred prior to the Effective Time by or on behalf of the Company and the Subsidiaries in connection with the sale of the Company, the negotiation and execution and performance of this Agreement and the consummation of the transactions contemplated hereby to the extent such fees and expenses remain unpaid as of the Effective Time or become due at any time after the Effective Time, and severance and change-in-control payments in the aggregate amount of $500,000; provided, however, that, notwithstanding the foregoing, the term "Transaction Expenses" shall (i) include only fifty percent (50%) of the D&O Tail Insurance Premium Amount (as defined in Section 4.13(b)) and (ii) exclude Contingent Banking Fees.

(b) Consideration for Company Shares. At the Effective Time, by virtue of the Merger and without any action on the part of any Party or the holder of any of the following securities, but subject in each case to the provisions of Section 1.8 and Section 1.13 and adjustment for the amounts prescribed therein, and subject further to compliance with the procedures set forth in Section 1.12:

(i) each Preferred Share issued and outstanding immediately prior to the Effective Time, including, for the avoidance of doubt, all shares of Series A-1 Preferred Stock issued pursuant to the Pre-Closing Exchange, (other than shares of Special A-1 Voting Stock, Preferred Shares owned beneficially by the Buyer or Merger Sub, Dissenting Shares and Preferred Shares held in the Company's treasury) shall be converted into and represent the right to receive (x) the Series A-1 Liquidation Preference Amount plus the Common Cash Amount, (y) a portion of the Net Earn-Out Amount on the terms and subject to the conditions set forth in Section 1.14, if any, without any interest thereon and (z) a portion of each of the Revised Closing Net Working Capital Adjustment (if any), the Escrow Fund (if any), the Working Capital Escrow Fund (if any) and the Company Stockholder Representative Fund (if any), in each case, all on the terms and subject to the conditions set forth in Sections 1.8, 1.13 and 1.15 and the Escrow Agreement; and

(ii) each Common Share issued and outstanding immediately prior to the Effective Time, including, for the avoidance of doubt, all Common Shares issued pursuant to the Pre-Closing Exchange, (other than shares of Special Common Voting Stock or shares owned beneficially by the Buyer or Merger Sub, Dissenting Shares and shares held in the Company's treasury) shall be converted into and represent the right to receive (x) the Common Cash Amount, (y) a portion of the Net Earn-Out Amount on the terms and subject to the conditions set forth in Section 1.14, if any, without any interest thereon and (z) a portion of each of the Revised Closing Net Working Capital Adjustment (if any), the Escrow Fund (if any), the Working Capital Escrow Fund (if any) and the Company Stockholder Representative Fund (if any), in each case, all on the terms and subject to the conditions set forth in Sections 1.8, 1.13 and 1.15 and the Escrow Agreement.

(c) Each share of Special A-1 Voting Stock shall be cancelled and retired without payment of any consideration therefor.

(d) Each share of Special Common Voting Stock shall be cancelled and retired without payment of any consideration therefor.

(e) Each Company Share held in the Company's treasury immediately prior to the Effective Time and each Company Share owned beneficially by the Buyer or Merger Sub shall be cancelled and retired without payment of any consideration therefor.

(f) Each share of common stock, $0.0001 par value per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and thereafter evidence one share of common stock, $0.0001 par value per share, of the Surviving Corporation, so that, immediately following such conversion, all outstanding shares of capital stock of the Surviving Corporation shall be owned by the Buyer.

1.6 Dissenting Shares.

(a) Dissenting Shares shall not be converted into or represent the right to receive the amounts payable in respect of such Company Shares pursuant to Article I unless the Company Stockholder holding such Dissenting Shares shall have forfeited his, her or its right to appraisal under Section 262 of the Delaware General Corporation Law or properly withdrawn his, her or its demand for appraisal. If such Company Stockholder has so forfeited or withdrawn his, her or its right to appraisal of Dissenting Shares, then, (i) as of the occurrence of such event, such holder's Dissenting Shares shall cease to be Dissenting Shares and shall be converted into and represent the right to receive the amounts payable in respect of such Company Shares pursuant to Article I, and (ii) promptly following the occurrence of such event, the Buyer or the Surviving Corporation shall deliver to such Company Stockholder a payment representing the amount that such holder is entitled to receive pursuant to Article I of this Agreement.

(b) The Company shall give the Buyer (i) prompt notice of any written demands for appraisal of any Company Shares, withdrawals of such demands, and any other instruments that relate to such demands received by the Company and (ii) the right, at its expense, to participate in all negotiations and proceedings with respect to demands for appraisal under the Delaware General Corporation Law. The Company shall not, except with the prior written consent of the Buyer, make voluntarily any payment with respect to or offer to settle any demands for appraisal of Company Shares for an amount that exceeds the amounts that would have been otherwise payable for such Company Shares under this Agreement.

1.7 Options.

(a) Subject to the terms and conditions of this Agreement, each Company Option that a holder has elected to receive a cash payment under Section 13(b) of the Company Stock Plan and each Company Option that is otherwise outstanding immediately prior to the Effective Time shall be, as of immediately prior to the Effective Time, cancelled and converted into the right to receive a cash payment equal to the product of (i) the number of Common Shares vested (after giving effect to any acceleration of vesting in connection with the transactions contemplated by this Agreement and/or any acceleration of vesting provided for in employment agreements which may be triggered in connection with the transactions contemplated by this Agreement) under and issuable upon exercise of such Company Option as of immediately prior to the Effective Time, multiplied by (ii) the amount by which the Common Cash Amount exceeds the per share exercise price of such Company Option (with respect to each Company Option, the "Option Payment"). Each Company Option that is outstanding and unvested immediately prior to the Effective Time (after giving effect to any acceleration of vesting in connection with the transactions contemplated by this Agreement and/or any acceleration of vesting provided for in employment agreements which may be triggered in connection with the transactions contemplated by this Agreement) shall be cancelled. The Buyer or the Surviving Corporation, as the case may be, shall pay to each holder of a Company Option in cash promptly following the Closing Date, in accordance with its standard payroll procedures, such holder's aggregate Option Payment (as so reduced by the terms and conditions of this Article I) (and the Buyer shall make such payments, or cause such payments to be made, to such holders in connection with the first payroll payment after the receipt of such amount).

(b) For the avoidance of doubt, the Parties hereby acknowledge and agree that (i) with respect to a holder of a Company Option that is, pursuant to Section 1.7(a), cancelled and converted into a right to receive payments under Section 1.7(a), (1) such holder's Pro Rata Portion of each of the Escrow Amount, the Working Capital Escrow Amount and the Company Stockholder Representative Amount has been funded, and such holder shall have a right to receive such holder's Pro Rata Portion of such amounts subject to and in accordance with the applicable terms and conditions of this Agreement and the Escrow Agreement; and (2) such holder has a right to receive such holder's Pro Rata Portion of each of the Initial Net Working Capital Adjustment (if any), the Revised Closing Net Working Capital Adjustment (if any) and the Net Earn-Out Amount (if any), in each case, subject to and in accordance with the applicable terms and conditions of this Agreement; and (ii) with respect to any cash amounts that are withheld by, or remitted to, the Buyer or the Surviving Corporation, in each case, which are payable to the holders of Company Options that are cancelled and converted into a right to receive payments under Section 1.7(a), the Buyer shall, and, if applicable, shall cause the Surviving Corporation to, (1) hold all such amounts for the benefit of such holders of Company Options and (2) pay to each such holder in cash, in accordance with its standard payroll procedures (and shall make such payments to such holders in connection with the first payroll payment after the receipt of such amount), such holder's Pro Rata Portion of such amount.

(c) The Company shall not terminate any Company Stock Plans in connection with the transactions contemplated by this Agreement and the Buyer shall assume the Company Stock Plans (but not any Company Options) effective as of the Effective Time.

(d) The Buyer covenants and agrees that for any payments to holders of Company Options for which an amount is subject to Tax in Canada, it will (i) elect in prescribed form in accordance with subsection 110(1.1) of the *Income Tax Act* (Canada) and (ii) not, and after the Closing will cause the Surviving Corporation and its Subsidiaries not to, take or claim any deduction in computing its income under the *Income Tax Act* (Canada) including, for the avoidance of doubt, the Option Payment and any payment on account of the Initial Net Working Capital Adjustment (if any), the Revised Closing Net Working Capital Adjustment (if any) and the Net Earn-Out Amount (if any).

1.8 Escrow Fund.

(a) On the Closing Date, the Buyer or Merger Sub shall deposit the Escrow Amount with the Escrow Agent for the purpose of securing the indemnification obligations of the Company Stockholders set forth in this Agreement and the Escrow Agreement and for the purpose of compensating the Buyer and the other Indemnified Parties for any and all Losses for which they are entitled to indemnification pursuant to this Agreement or the Escrow Agreement. Other than in the case of fraud, any payments required to be made to any Indemnified Party pursuant to Article VI shall be made solely from the Escrow Fund. The Escrow Fund, together with any interest and earnings thereon, shall be held by the Escrow Agent in accordance with the terms hereof and the Escrow Agreement. At the close of business on the date that is nine months after the Closing Date, fifty percent (50%) of the then-remaining Available Escrow Fund shall be released to the Company Stockholders. At the close of business on the date that is 18 months after the Closing Date, any then-remaining Available Escrow Fund shall be released to the Company Stockholders. Thereafter, if at any time there is any then-remaining Available Escrow Fund, such amount shall be promptly released to the Company Stockholders. Upon any release of any Available Escrow Fund to the Company Stockholders, each Company Stockholder shall be paid his, her or its Pro Rata Portion of the amount of the Available Escrow Fund that is released in accordance with the terms of the Escrow Agreement. The Escrow Fund shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any party, and shall be held and disbursed solely for the purposes and in accordance with the terms set forth in this Agreement and the Escrow Agreement.

(b) On the Closing Date, the Buyer or Merger Sub shall deposit the Working Capital Escrow Amount with the Escrow Agent for the purpose of securing the reimbursement obligations set forth in Section 1.13(c)(iv) of this Agreement. The Working Capital Escrow Fund, together with any interest and earnings thereon, shall be held by the Escrow Agent in accordance with the terms hereof and the Escrow Agreement. The payment of any Working Capital Escrow Deficit required to be made to the Buyer pursuant to Section 1.13(c)(iv) shall be made solely from the Working Capital Escrow Fund, provided, that, if the Working Capital

Escrow Fund is insufficient to fully satisfy any Working Capital Escrow Deficit, then the Buyer may be reimbursed for any remaining Working Capital Escrow Deficit solely from the Available Escrow Fund. If the Company Stockholders are entitled to an additional payment pursuant to Section 1.13(c)(iv), then the Buyer and the Company Stockholder Representative shall promptly take all necessary steps to cause the Escrow Agent to release the then remaining balance of the Working Capital Escrow Fund to the Company Stockholders within five (5) business days after the date of determination of the Revised Closing Net Working Capital Adjustment under Section 1.13(c). Upon any release of such amount to the Company Stockholders, each Company Stockholder shall be paid his, her or its Pro Rata Portion of such amount that is released in accordance with the terms of the Escrow Agreement. The Working Capital Escrow Fund shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any party, and shall be held and disbursed solely for the purposes and in accordance with the terms set forth in this Agreement and the Escrow Agreement.

(c) On the Closing Date, the Buyer or Merger Sub shall deposit the Company Stockholder Representative Amount with the Escrow Agent for the purpose of reimbursing the Company Stockholder Representative with respect to the Company Stockholder Representative's obligations under Section 1.15 of this Agreement. The Company Stockholder Representative Fund, together with any interest and earnings thereon, shall be held by the Escrow Agent in accordance with the terms hereof and the Escrow Agreement. At any time, the Escrow Agent shall release to the Company Stockholders all or any portion of the Company Stockholder Representative Fund upon the receipt of written instruction of the Company Stockholder Representative. Upon any release of such amount to the Company Stockholders, each Company Stockholder shall be paid his, her or its Pro Rata Portion of the amount of such amount that is so- released in accordance with the terms of the Escrow Agreement. The Company Stockholder Representative Fund shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of any party, and shall be held and disbursed solely for the purposes and in accordance with the terms set forth in this Agreement and the Escrow Agreement.

(d) In no event shall the Escrow Amount and any interest and earnings earned thereon under this Agreement and the Escrow Agreement paid to the Company Stockholders exceed twenty one million dollars ($21,000,000). In addition, in no event shall the Working Capital Escrow Amount and any interest and earnings earned thereon under this Agreement and the Escrow Agreement paid to the Company Stockholders exceed two million one hundred thousand dollars ($2,100,000). Finally, in no event shall the Company Stockholder Representative Amount and any interest and earnings earned thereon under this Agreement and the Escrow Agreement paid to the Company Stockholders exceed one million fifty thousand dollars ($1,050,000). The preceding language is intended to ensure that the rights to the Escrow Amount, the Working Capital Escrow Amount and the Company Stockholder Representative Amount (and any interest and earnings earned on such amounts) are not treated as contingent payments without a stated maximum selling price under Section 453 of the Code and the Treasury Regulations promulgated thereunder.

(e) The adoption of this Agreement and the approval of the Merger by the stockholders of the Company shall constitute approval of the Escrow Agreement and of all of the arrangements relating thereto, including the placement of the Escrow Fund, the Working Capital Escrow Fund and the Company Stockholder Representative Fund into escrow for the purposes set forth above and the appointment and actions of the Company Stockholder Representative.

1.9 Certificate of Incorporation and By-laws.

(a) At the Effective Time, the certificate of incorporation of the Company will be amended and restated in its entirety to read as set forth on Exhibit B, it being agreed that such amended and restated certificate of incorporation shall contain substantially similar provisions as to exculpation and indemnification of the Company's directors and officers as are set forth in the Company's certificate of incorporation.

(b) At the Effective Time, the by-laws of the Surviving Corporation shall be amended and restated in their entirety to be the same as the by-laws of Merger Sub in effect immediately prior to the Effective Time, except that (i) the name of the corporation set forth therein shall be changed to the name of the Company and (ii) such amended and restated by-laws shall contain substantially similar provisions as to exculpation and indemnification of the Company's directors and officers as set forth in the Company's by-laws.

1.10 No Further Rights. From and after the Effective Time, no Company Shares shall be deemed to be outstanding, and holders of certificates formerly representing Company Shares shall cease to have any rights with respect thereto except as provided herein or by law.

1.11 Closing of Transfer Books. At the Effective Time, the stock transfer books of the Company shall be closed and no transfer of Company Shares shall thereafter be made. If, after the Effective Time, certificates formerly representing Company Shares are presented to the Buyer or the Surviving Corporation, they shall be cancelled and exchanged for the applicable amounts payable in respect of such Company Shares pursuant to Article I, subject to the provisions of Section 1.8, Section 1.12, Section 1.13 and Article VI and subject further to applicable law in the case of Dissenting Shares.

1.12 Exchange of Shares.

(a) Wells Fargo Bank, National Association (the "Payment Agent") will effect the payment and distribution of the Initial Payout Amount, the Revised Closing Net Working Capital Adjustment (if any) determined to be due to Company Stockholders pursuant to Section 1.13, and the Net Earn-Out Amount (if any) in exchange for certificates (or other documentation, reasonably satisfactory, evidencing ownership of Company Shares) representing the Company Shares (including for the avoidance of doubt, any Company Shares issued pursuant to the Pre- Closing Exchange) issued and outstanding immediately prior to the Effective Time (the "Company Certificates").

(b) The Buyer shall deliver to the Payment Agent, in trust for the benefit of the Company Stockholders, the following amounts: (i) on the Closing Date, the Initial Payout Amount minus the aggregate Option Payment (as further reduced by the applicable provisions of this Article I), (ii) promptly following the determination of the Final Revised Closing Net Working Capital in accordance with Section 1.13, the Revised Closing Net Working Capital Adjustment (if any) to the extent determined to be payable to Company Stockholders pursuant to

Section 1.13 less the aggregate amount payable to former holders of Company Options based on such holders Pro Rata Portion of such payment and (iii) promptly following the Earn-Out Determination (as defined in Section 1.14(a)), the Net Earn-Out Amount (if any) less the aggregate amount payable to former holders of Company Options based on such holders Pro Rata Portion of such payment. Such funds may be invested as directed by the Buyer, pending payment thereof by the Payment Agent to the Company Stockholders, provided that the Buyer shall be responsible for replacing any losses of funds resulting from such investments. Earnings from such investments will be the sole and exclusive property of the Buyer, and no part of such earnings will accrue to the benefit of the Company Stockholders. Promptly (and no in event more than five (5) business days) following the Effective Time, the Buyer shall cause the Payment Agent to send a notice and a letter of transmittal in the form attached hereto as Exhibit C (the "Letter of Transmittal") to each holder of a Company Certificate whose address appears in the Company's stock books advising such holder of the effectiveness of the Merger and the procedure for surrendering to the Payment Agent such Company Certificate (or other applicable documentation) in exchange for the amount payable to such Company Stockholder pursuant to Article I of this Agreement. Notwithstanding the foregoing, if a record holder of Company Certificates, on an aggregate basis together with all Affiliates of such record holder, holds at least 5,000,000 Company Shares (on an as-converted to Common Stock basis) (such record holder, a "Major Stockholder") and submits to the Payment Agent at least two (2) business days prior to Closing (x) a duly executed Letter of Transmittal (together with all necessary certifications and attachments) and (y) the Company Certificates held by such Major Stockholder, and such Major Stockholder is the record holder of the Company Shares represented by such Company Certificates as of the Closing Date, then such Major Stockholder will be paid on the Closing Date by the Payment Agent (or the day after the Closing Date if the Closing occurs after the time by which the Payment Agent may initiate funding under its standard operating procedures), by wire transfer of same day funds, or if requested by such Major Stockholder, by check, the applicable payments under Section 1.5 with respect to such Company Shares.

(c) The Buyer shall cause the Payment Agent to distribute to the Company Stockholders the consideration that any such Company Stockholder is entitled to receive under this Agreement. Each holder of a Company Certificate, upon proper surrender thereof to the Payment Agent in accordance with the instructions in such notice, shall be entitled to receive in exchange therefor (subject to the provisions of Section 1.8 and this Section 1.12 and the deduction and withholding of all applicable taxes that the Buyer, Merger Sub, the Company or any Subsidiary is required or entitled to deduct or withhold) the cash amount payable pursuant to Section 1.5, Section 1.13 and Section 1.14. Until properly surrendered, each Company Certificate shall be deemed for all purposes to evidence only the right to receive the amounts described in the immediately preceding sentence. Holders of Company Certificates shall not be entitled to receive payment of any amount until such Company Certificates are properly surrendered or other evidence of ownership, reasonably satisfactory to the Buyer, is properly submitted to the Payment Agent.

(d) If any payment is to be made to or in the name of a Person other than the Person in whose name the Company Certificate surrendered in exchange therefor is registered, it shall be a condition to such payment that (i) the Company Certificate so surrendered shall be transferable, and shall be properly assigned, endorsed or accompanied by appropriate stock

powers, (ii) such transfer shall otherwise be proper, and (iii) the Person requesting such transfer shall pay to the Payment Agent any transfer or other taxes payable by reason of the foregoing or establish to the satisfaction of the Payment Agent that such taxes have been paid or are not required to be paid. Notwithstanding the foregoing, neither the Payment Agent nor any Party shall be liable to a holder of Company Shares for any amount payable to such holder or pursuant to Article I of this Agreement that is delivered to a public official pursuant to applicable abandoned property, escheat or similar Laws.

(e) In the event any Company Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Company Certificate to be lost, stolen or destroyed, the Payment Agent will, in exchange for such lost, stolen or destroyed Company Certificate, pay the amount payable in exchange therefor pursuant to Article I of this Agreement; provided, however, the Buyer may, in its discretion and as a condition precedent to the payment thereof, require the owner of such lost, stolen or destroyed Company Certificate to agree in writing to indemnify the Buyer (or if indemnification would not be reasonably adequate, deliver to the Buyer a bond in such sum as the Buyer may reasonably direct as indemnity) against any claim that may be made against the Buyer with respect to the Company Certificate alleged to have been lost, stolen or destroyed.

(f) Any portion of the Initial Payout Amount made available to the Payment Agent pursuant to Section 1.5 that remains unclaimed by the Person entitled to such amount six (6) months after the Effective Time, any amount made available to the Payment Agent pursuant to Section 1.13 that remains unclaimed by the Person entitled to such amount six (6) months after the date on which the Final Revised Closing Net Working Capital is determined and any amount made available to the Payment Agent pursuant to Section 1.14 that remains unclaimed by the Person entitled to such amount six (6) months after the date on which the Final Earn-Out Amount is determined, shall be returned to the Buyer and any Person who has not completed the exchange procedures set forth in this Section 1.12 shall thereafter look only to the Buyer for delivery of the portion of the consideration that such Person is entitled to received pursuant to this Agreement, without any interest thereon.

1.13 Working Capital Adjustments. The Initial Payout Amount shall be subject to adjustment pursuant to this Section 1.13 as follows.

(a) Definitions.

(i) "Closing Net Working Capital" means the current assets minus the current liabilities of the Company and the Subsidiaries on a consolidated basis as of the close of business on the Closing Date, in each case calculated in accordance with GAAP applied on a basis consistent with the application of GAAP by the Buyer; provided, however, that, notwithstanding anything to the contrary set forth herein, (i) "current assets" shall be deemed to include the Aggregate Option Consideration; and (ii) "current liabilities" shall be deemed to exclude the Transaction Expenses, the aggregate Option Payment, the D&O Tail Insurance Premium Amount and any severance and change-in-control payments that are paid or payable in connection with the consummation of the transactions contemplated by this Agreement.

(ii) "Required Minimum Closing Net Working Capital" means seven million five hundred thousand dollars ($7,500,000).

(b) Initial Closing Net Working Capital Adjustment. At least three (3) business days before the Closing, the Company shall deliver to the Buyer (i) an itemized statement setting forth the Company's best estimate of the amount of Closing Net Working Capital, including each component thereof (the "Estimated Closing Net Working Capital" and the statement reporting such amount the "Estimated Closing Net Working Capital Statement"), and (ii) a certificate of the chief executive officer and chief financial officer of the Company certifying that the Estimated Closing Net Working Capital Statement was prepared reasonably and in good faith and represents the Estimated Closing Net Working Capital (the "Estimated Closing Net Working Capital Certificate"). The Buyer and the Company shall work together in good faith, prior to the Closing, to resolve any disagreements over the Estimated Closing Net Working Capital, and the Estimated Closing Net Working Capital shall for all purposes in this Agreement be equal to the amount initially proposed by the Company and any revisions thereto that are mutually agreed upon by the Buyer and the Company prior to the Closing. The "Initial Closing Net Working Capital Adjustment" shall be determined immediately prior to Closing as follows: (A) if the Estimated Closing Net Working Capital is less than the Required Minimum Closing Net Working Capital then the difference shall be referred to herein as the "Initial Closing Net Working Capital Shortfall" and the Initial Payout Amount shall be reduced by the amount of such shortfall (it being understood and agreed that Closing Net Working Capital may be less than zero and that the downward adjustment to the Initial Payout Amount may in such circumstances exceed seven million five hundred thousand dollars ($7,500,000)) and (B) if the Estimated Closing Net Working Capital is greater than the Required Minimum Closing Net Working Capital then the difference shall be referred to herein as the "Initial Closing Net Working Capital Excess" and the Initial Payout Amount shall be increased by the amount of such excess.

(c) Revised Closing Net Working Capital Adjustment.

(i) On or before 5:00 p.m. Eastern Time on the thirtieth (30th) calendar day after the Effective Time, the Buyer shall deliver to the Company Stockholder Representative (i) an itemized statement setting forth the Buyer's calculation of the amount of Closing Net Working Capital, including each component thereof (such amount, the "Revised Closing Net Working Capital" and the statement reporting such amount the "Revised Closing Net Working Capital Statement") and (ii) a certificate of an appropriate, authorized executive officer of the Buyer certifying that the Revised Closing Net Working Capital Statement was prepared by Buyer reasonably and in good faith and represents the Revised Closing Net Working Capital.

(ii) If the Company Stockholder Representative does not dispute the Revised Closing Net Working Capital and does not deliver the statement described in Section 1.13(c)(iii) within the 30-day period described therein, then the Revised Closing Net Working Capital shall be deemed to be the "Final Revised Closing Net Working Capital", the Revised Closing Net Working Capital Statement shall be deemed to be the "Final Revised Closing Net Working Capital Statement" and the "Revised Closing Net Working Capital Adjustment" shall be equal to the difference between the Final Revised Closing Net Working Capital and the

Estimated Closing Net Working Capital. The Company Stockholder Representative will have reasonable access (including electronic access, to the extent available), during normal business hours, to the applicable books, records, properties and personnel of the Buyer, the Company and the Surviving Corporation for purposes of (1) verifying the information in the Revised Closing Net Working Capital Statement and the Revised Closing Net Working Capital and (2) preparing the statement described in Section 1.13(c)(iii) below.

(iii) If the Company Stockholder Representative in good faith disputes the Revised Closing Net Working Capital as shown on the Revised Closing Net Working Capital Statement, then the Company Stockholder Representative shall deliver to the Buyer within thirty (30) days after receipt of the Revised Closing Net Working Capital Statement a statement setting forth the Company Stockholder Representative's calculation of the Revised Closing Net Working Capital and describing in reasonable detail the basis for the determination of such different Closing Net Working Capital. The Buyer and the Company Stockholder Representative shall use good faith and commercially reasonable efforts to resolve such differences regarding the determination of the Revised Closing Net Working Capital for a period of thirty (30) days after the Buyer's receipt of the dispute notice from the Company Stockholder Representative. Delivery by the Company Stockholder Representative of a dispute notice shall constitute final and binding acceptance by the Company Stockholder Representative of all portions of the Revised Closing Net Working Capital Statement other than those specifically identified in the dispute notice as being subject to a good faith dispute.

(A) If the Buyer and the Company Stockholder Representative resolve such differences during such time, then the Revised Closing Net Working Capital they agree to shall be deemed to be the Final Revised Closing Net Working Capital, the Revised Closing Net Working Capital Statement they agree to shall be deemed to be the Final Revised Closing Net Working Capital Statement and the Revised Closing Net Working Capital Adjustment shall be equal to the difference between the Final Revised Closing Net Working Capital and the Estimated Closing Net Working Capital.

(B) If the Buyer and the Company Stockholder Representative do not reach a final resolution on the Revised Closing Net Working Capital within thirty (30) days after the Buyer's receipt of dispute notice given by the Company Stockholder Representative, unless the Buyer and the Company Stockholder Representative mutually agree to continue their efforts to resolve such differences, then either the Buyer or the Company Stockholder Representative shall be entitled to engage Huron Consulting Group Inc. or another auditing firm mutually agreeable to the Buyer and the Company Stockholder Representative (the "Auditing Firm") to determine the Revised Closing Net Working Capital. The Auditing Firm shall be instructed to resolve the items as to which disagreement between the Buyer and the Company Stockholder Representative then exists (and only such items) and to calculate the resulting Revised Closing Net Working Capital within twenty (20) business days after submission. Absent manifest error, the Auditing Firm's determination of the Revised Closing Net Working Capital shall be deemed to be the Final Revised Closing Net Working Capital, the Revised Closing Net Working Capital Statement it prepares shall be deemed to be the Final Revised Closing Net Working Capital Statement and the Revised Closing Net Working Capital Adjustment shall be equal to the difference between the Final Revised Closing Net Working Capital and the Estimated Closing Net Working Capital. The fees and expenses of the Auditing

Firm shall be borne by the non-prevailing party; provided that if the Company Stockholder Representative is the non-prevailing party, then the Company Stockholder Representative shall satisfy the payment of all such fees and expenses solely from the Company Stockholder Representative Fund, and the Company Stockholder Representative shall not be individually liable with respect to all such amounts.

(C) The Parties agree that the procedure set forth in this Section 1.13 for resolving disputes with respect to the Working Capital shall be the sole and exclusive method for resolving any such disputes, provided that this provision shall not prohibit any Party from instituting litigation to enforce the ruling of the Auditing Firm.

(iv) If the Revised Closing Net Working Capital Adjustment is less than zero (the "Working Capital Escrow Deficit"), then the Buyer shall be entitled to receive payment of the Working Capital Escrow Deficit solely from the Working Capital Escrow Fund pursuant to Section 1.8(b); provided, however, that if the then-available Working Capital Escrow Fund is insufficient to satisfy in full the Working Capital Escrow Deficit, then the Buyer shall be reimbursed for any such shortfall from the Available Escrow Fund. If the Revised Closing Net Working Capital Adjustment is greater than zero, then the Buyer shall promptly pay (and in no event later than three (3) business days after the date of determination of the Final Revised Closing Net Working Capital) (i) to the Payment Agent, for distribution to the Company Stockholders, the amount of the Revised Closing Net Working Capital Adjustment less the aggregate amount payable to former holders of Company Options based on such holders' Pro Rata Portion of such payment, and the Buyer shall instruct the Payment Agent to release such amount to the Company Stockholders within three (3) business days thereafter, and (ii) the Company shall, in accordance with its standard payroll practices, pay to each former holder of Company Options that is entitled to a payment under Section 1.7(a) such holder's Pro Rata Portion of such amount (and Buyer shall make such payments, or cause such payments to be made, to such holders in connection with the first payroll payment after the receipt of such amount).

1.14 Earn-Out. The Company Stockholders and the former holders of Company Options shall be entitled to receive their applicable portion of the Net Earn-Out Amount (if any).

(a) Certain Definitions.

(i) "Applicable Revenue" means the sum of (A) in the case of Company Components sold separately (and not as part of a Combined Buyer Product), the Net Revenue from the sale of such Company Components during the Earn-Out Period, (B) in the case of Company Components included in their entirety as part of a Combined Buyer Product and with respect to which the Buyer and its subsidiaries recognized revenue during the Earn-Out Period, the list price for each such Company Component as of the Closing Date, (C) in the case of Company Components where a portion of such Company Component is included as part of a Combined Buyer Product with respect to which the Buyer and its subsidiaries recognized revenue during the Earn-Out Period, an amount for each such portion of a Company Component that is equal to the product of (1) such recognized revenue multiplied by (2) a fraction, the numerator of which is the list price of the Company Component from which such portion was derived or otherwise a part of, and the denominator of which is the total list price of the

Combined Buyer Product, (D) subject to the third sentence of Section 1.14(g), in any case where a bona fide "design win socket" has been awarded to the Company before the Closing Date (a list of which is set forth in Section 1.14(a)(i)(1) of the Disclosure Schedule, which may be updated prior to the Effective Time upon the mutual agreement of the Buyer and the Company, such agreement not to be unreasonably withheld, delayed or conditioned), if a component of the Buyer or its subsidiaries replaces the Company Component to be sold in such "design win socket" (other than at the bona fide unsolicited request of a customer) and the Buyer and its subsidiaries recognize revenue during the Earn-Out Period with respect to the sale of such component of the Buyer or its subsidiaries, then the Net Revenue from the sale of such component of the Buyer or its subsidiaries shall be credited to Applicable Revenue and (E) subject to the third sentence of Section 1.14(g), in any case where a bona fide "design win socket" has been awarded to the Company before the Closing Date (a list of which is set forth in Section 1.14(a)(i)(2) of the Disclosure Schedule, which may be updated prior to the Effective Time upon the mutual agreement of the Buyer and the Company, such agreement not to be unreasonably withheld, delayed or conditioned) and the Company or the Surviving Corporation has (either before or after the Closing Date) bona fide built and delivered to a third party at least 5,000 components for such "design win socket", then if a component of the Buyer or its subsidiaries replaces such Company Component to be sold in such "design win socket" (other than at the bona fide unsolicited request of a customer) and the Buyer and its subsidiaries recognize revenue during the Earn-Out Period with respect to the sale of such component of the Buyer or its subsidiaries, then the Net Revenue from the sale of such component of the Buyer or its subsidiaries shall be credited to Applicable Revenue. For purposes of the definition of Applicable Revenue, the list price for any Company Component shall mean the effective price to the customer (after giving effect to any customer discounts, customer rebates and other similar deductions made to such customer).

(ii) "Combined Buyer Product" means any product manufactured by the Buyer either currently or in the future which incorporate Company Components in whole or in part.

(iii) "Company Components" means (A) all components sold by the Company or any of its Subsidiaries on or prior to the date hereof and listed on Section 1.14(a)(iii)(A) of the Disclosure Schedule (which schedule may be updated prior to the Effective Time upon the mutual agreement of the Buyer and the Company, such agreement not to be unreasonably withheld, delayed or conditioned), (B) all components currently under development by the Company or any Subsidiary and listed on Section 1.14(a)(iii)(B) of the Disclosure Schedule (which schedule may be updated prior to the Effective Time upon the mutual agreement of the Buyer and the Company, such agreement not to be unreasonably withheld, delayed or conditioned) and (C) any components described in clauses (A) or (B) hereof that are modified or re-branded by the Buyer, the Surviving Corporation or any Affiliate of any of the foregoing during the Earn-Out Period.

(iv) "Earn-Out Period" means the twelve month period following the Closing Date.

(v) "Earn-Out Amount" means the lesser of (A) the product obtained by multiplying (x) [**] times (y) Applicable Revenue in excess of $[**] or (B) $65,000,000.

(vi) "Net Revenue" means, with respect to any sale of a component by the Buyer or any of its subsidiaries, the gross revenue recognized by the Buyer (based on the Buyer's revenue recognition policies in accordance with GAAP as applied by the Buyer) during the Earn-Out Period for that component sold to third parties in bona fide, arm's length transactions, less the following deductions, in each case to the extent included in the gross invoiced sales of such component:

(A) trade, cash, promotional and quantity discounts;

(B) tariffs, duties, excises and taxes on sales (including sales or use taxes or value added taxes) (but excluding national, state or local taxes based on income);

(C) freight, insurance, packing costs, postage and other transportation charges;

(D) invoiced amounts that are written off as uncollectible in accordance with Buyer's accounting policies, consistently applied, provided that if such amounts are subsequently collected, such amounts shall again be included in Applicable Revenue; and

(E) amounts repaid or credits taken by reason of defects, returns, damaged goods and allowances of goods, recalls or refunds or because of retroactive price reductions or billing errors.

(b) Interim Reports. Within 45 days after the end of the first three 90 day periods of the Earn-Out Period (each, a "Quarterly Earn-Out Period"), the Buyer shall furnish to the Company Stockholder Representative (i) a statement (a "Quarterly Earn-Out Statement") setting forth the Buyer's good faith determination of the applicable Earn-Out Amount, if any, for the immediately preceding Quarterly Earn-Out Period as well as a summary setting forth the material information underlying the calculation thereof (each, a "Quarterly Earn-Out Determination") and (ii) certificate of an appropriate, authorized executive officer of the Buyer certifying that such Quarterly Earn-Out Determination was prepared reasonably and in good faith. After the delivery of a Quarterly Earn-Out Statement, the Company Stockholder Representative and its representatives shall be permitted reasonable access (including electronic access, to the extent available), during normal business hours, to books and records and working papers of the Buyer, the Surviving Corporation and their respective direct and indirect subsidiaries that are substantially relevant to the Buyer's preparation of such Quarterly Earn-Out Statement and the data directly supporting such Quarterly Earn-Out Determination and reasonable access to the individuals that participated in the preparation of such Quarterly Earn-Out Statement and the calculation of such Quarterly Earn-Out Determination; provided, that such access shall be for the sole purpose of reviewing the accuracy of such Quarterly Earn-Out Statement and provided further, that all such books and records, working papers and other information so disclosed shall be kept confidential in accordance with the provisions of Section 1.15(h).

(c) Earn-Out Statement. Within twenty (20) business days after the expiration of the Earn-Out Period, the Buyer shall furnish to the Company Stockholder Representative (i) a statement (the "Earn-Out Statement") setting forth the Buyer's good faith determination of the applicable Earn-Out Amount, if any, for the Earn-Out Period as well as a summary setting forth

the material information underlying the calculation thereof (the "Earn-Out Determination") and (ii) certificate of an appropriate, authorized executive officer of the Buyer certifying that the Earn-Out Determination was prepared reasonably and in good faith. Unless within the thirty (30) business-day period following the Company Stockholder Representative's receipt of the Earn-Out Statement, the Company Stockholder Representative delivers written notice to the Buyer (the "Earn-Out Dispute Notice") setting forth in reasonable detail any and all items of disagreement related to the Earn-Out Statement (each, an "Item of Dispute"), then the Earn-Out Statement shall be conclusive and binding upon the Company Stockholder Representative, the Company Stockholders and the former holders of Company Options and the Earn-Out Determination shall be the final Earn-Out Amount (the "Final Earn-Out Amount"). After the delivery of the Earn-Out Statement, the Company Stockholder Representative and its representatives shall be permitted reasonable access (including electronic access, to the extent available), during normal business hours, to books and records and working papers of the Buyer, the Surviving Corporation and their respective direct and indirect subsidiaries that are substantially relevant to the Buyer's preparation of the Earn-Out Statement and the data directly supporting the Earn-Out Determination and reasonable access to the individuals that participated in the preparation of the Earn-Out Statement and the calculation of the Earn-Out Determination; provided, that such access shall be for the sole purpose of reviewing the accuracy of the Earn- Out Statement and provided further, that all such books and records, working papers and other information so disclosed shall be kept confidential in accordance with the provisions of Section 1.15(h).

(d) Dispute Resolution. If the Company Stockholder Representative delivers an Earn-Out Dispute Notice to the Buyer within such thirty (30) business day period, the Buyer and the Company Stockholder Representative shall use commercially reasonable efforts to resolve their differences concerning the Items of Dispute, and if any Item of Dispute is so resolved, the Earn-Out Statement shall be modified as necessary to reflect such resolution. If all Items of Dispute are so resolved, the Earn-Out Statement (as so modified) shall be conclusive and binding upon the Buyer, the Company Stockholder Representative and all Company Stockholders and the Earn-Out Determination as so modified shall be the Final Earn-Out Amount. If any Item of Dispute remains unresolved for a period of twenty (20) business days after the Buyer's receipt of the Earn-Out Dispute Notice with respect to the Earn-Out Statement, the Buyer and the Company Stockholder Representative shall submit the dispute to the Auditing Firm. The Buyer and the Company Stockholder Representative shall request that the Auditing Firm render a determination as to each unresolved Item of Dispute within twenty (20) business days after its retention, and the Company Stockholder Representative and the Buyer shall cooperate fully with the Auditing Firm so as to enable it to make such determination as quickly and as accurately as practicable. The Auditing Firm's determination as to each Item of Dispute submitted to it shall be in writing and shall be conclusive and binding upon all of the Parties, and the Earn-Out Statement shall be modified to the extent necessary to reflect such determination. The Earn-Out Statement (as so modified) shall be conclusive and binding upon all of the Parties and the Earn-Out Determination as so modified shall be the Final Earn-Out Amount. The fees and expenses of the Auditing Firm shall be borne by the non-prevailing party; provided that if the Company Stockholder Representative is the non-prevailing party, then the Company Stockholder Representative shall satisfy the payment of all such fees and expenses solely from the Company Stockholder Representative Fund, and the Company Stockholder Representative shall not be individually liable with respect to all such amounts.

(e) Payment of Final Earn-Out Amount. The Buyer shall deliver the Earn-Out Amount, as so reduced by the amount of the Contingent Banking Fees (the Earn-Out Amount so reduced, the "Net Earn-Out Amount") (and after giving to such reduction, less the aggregate amount payable to former holders of Company Options based on such holders Pro Rata Portion of such payment) to the Payment Agent for distribution to the Company Stockholders within five (5) business days after the final determination thereof, and the Buyer shall instruct the Payment Agent to pay to each Company Stockholder his, her or its Pro Rata Portion of the Net Earn-Out Amount within two (2) business days thereafter. In addition to the foregoing payment, the Buyer or the Surviving Corporation shall, in accordance with its standard payroll practices, pay to each former holder of Company Options such holder's Pro Rata Portion of the Net Earn-Out Amount (and the Buyer shall make such payments to such holders in connection with the first payroll payment after the receipt of such amount).

(f) No Assignment of Earn-Out Rights. No interest in the Net Earn-Out Amount or any portion thereof, no right to participate, in whole or in part, in the Net Earn-Out Amount pursuant to Section 1.14, and no right to receive any distribution of cash in connection therewith pursuant to Section 1.14 may be assigned or transferred to any Person (whether by operation of law, or in connection with any sale, assignment or other transfer of any Common Shares, shares of Series A-1 Preferred Stock or otherwise), and any attempt to do so will be void. The Net Earn-Out Amount and the provisions of Section 1.14 relating to the Net Earn-Out Amount are intended solely for the benefit of the Company Stockholders and the holders of Company Options, and the right (if any) to receive distributions in connection with the Net Earn- Out Amount shall be personal to those Persons; provided, however, that any and all rights under this Section 1.14 of any Company Stockholder or holder of a Company Option that is an (i) individual shall be freely assignable and transferrable (by operation of law or otherwise) in the case of the death or any such individual to such individual's estate, spouse, children, ancestors and/or any descendants of any ancestors and (ii) entity shall be freely assignable and transferrable to such entity's successors, any transferee of all or substantially all of such entity's assets, or with the prior written consent of Buyer (not to be unreasonably withheld).

(g) Diligence. During the Earn-Out Period, the Buyer and its Affiliates, including without limitation, the Surviving Corporation, shall not, in bad faith, take any action (or fail to take any action) with the intent or effect of preventing the Company Stockholders and former holder of Company Options the opportunity to achieve the maximum Earn-Out Amount. Subject to the foregoing, the Buyer shall have absolute discretion to operate its business in its sole best interest, without regard to how its action (or inactions) would affect the Company Stockholders' opportunity to achieve the Earn-Out Amount (or any portion thereof). Without limiting the generality of the foregoing, for "socket refreshes" listed on Section 1.14(g) of the Disclosure Schedule (as updated prior to the Effective Time upon the mutual agreement of the Buyer and the Company, such agreement not to be unreasonably withheld, delayed or conditioned) the Buyer shall devote such sales, technical, marketing, operating, development, engineering, administrative and financial resources as the Buyer believes, in the Buyer's sole discretion, is appropriate for the development, support and promotion of the Company Components for such "socket refreshes." In the event that the Company or any Subsidiary fails to develop a part meeting the written performance and reliability specifications as reasonably requested by a customer for a "socket refresh" or if a customer makes a bona fide unsolicited request to use a component of Buyer or its subsidiaries for such "socket refresh", for any reason,

then Buyer shall have the option to utilize its own component to meet this customer need and, for the avoidance of doubt, any related revenue resulting from any sale of a component of Buyer or its subsidiaries under the circumstances described in this sentence shall not count toward Applicable Revenue.

(h) No Interest. No interest shall accrue or be paid on any portion of the Net Earn-Out Amount or any payment or distribution pursuant to Section 1.14 relating to the Net Earn-Out Amount.

1.15 Company Stockholder Representative. To facilitate the administration of the transactions contemplated by this Agreement, including the resolution of any disputes relating to, the Earn-Out Amount (if any), the Revised Closing Net Working Capital Adjustment (if any), and claims for indemnification pursuant to Article VI, and any other actions required or permitted to be taken by the Company Stockholder Representative under this Agreement, the Buyer and the Company, by their execution and delivery of this Agreement, and the stockholders of the Company and Persons otherwise having the right to direct the voting of the Company's stock pursuant to the Common Voting Trust Agreement or the Class A-1 Voting Trust Agreement, and the adoption of this Agreement by stockholders constituting the Requisite Stockholder Consent, hereby (x) designate the Company Stockholder Representative as the representative, attorney-in-fact and agent of each Company Stockholder and (y) authorize the Company Stockholder Representative to give and receive all notices required to be given under this Agreement, and to take any and all additional action as is necessary, convenient, appropriate or contemplated to be taken by or on their behalf or by the Company Stockholder Representative in connection with the Company Stockholder Representative's rights, duties and obligations pursuant to this Agreement and/or the Escrow Agreement.

(a) In the event that the Company Stockholder Representative becomes unwilling or unable to perform his, her or its responsibilities hereunder or resigns from such position, the Company Stockholders (acting by written consent by a majority in interest of the Company Stockholders, voting together as a single class) shall select another representative to fill the vacancy of the Company Stockholder Representative named in this Agreement, and such substituted representative shall succeed the former Company Stockholder Representative and be deemed to be the Company Stockholder Representative for all purposes of this Agreement and the Escrow Agreement and the documents delivered pursuant hereto and thereto.

(b) All decisions and actions by the Company Stockholder Representative in connection with the transactions contemplated by this Agreement, including (i) the determination and calculation of, and resolution of any disputes relating to, the Earn-Out Amount (if any) or the Revised Closing Net Working Capital Adjustment (if any), (ii) the resolution and disposition of any claims for indemnification pursuant to Article VI, and (iii) any other actions required or permitted to be taken by the Company Stockholder Representative under this Agreement, shall be binding upon each Company Stockholder, and no Company Stockholder shall have the right to object, dissent, protest or otherwise contest the same or to revoke the agency of the Company Stockholder Representative.

(c) Any decision, act, consent, waiver or instruction of the Company Stockholder Representative in connection with this Agreement shall constitute a decision of all the Company Stockholders and shall be final, binding and conclusive upon each Company Stockholder, and the Buyer shall be entitled to rely conclusively on the decisions, acts, consents, waivers and instructions of the Company Stockholder Representative as to any determination relating to the transactions contemplated by this Agreement as being the decision, act, consent, waiver or instruction of every Company Stockholder, including without limitation (i) the determination and calculation of, and resolution of any disputes relating to, the Earn-Out Amount (if any) or the Revised Closing Net Working Capital Adjustment (if any), (ii) the resolution and disposition of any claims for indemnification pursuant to Article VI, and (iii) any other actions required or permitted to be taken by the Company Stockholder Representative under this Agreement; no Person shall have any cause of action against the Buyer, the Surviving Corporation, or any of their respective directors, officers, employees, agents or affiliates for any action taken by the Buyer in reliance upon any decision, act, consent, waiver or instruction of the Company Stockholder Representative; and the Buyer is hereby relieved from any liability to any Person for any acts done by it in accordance with such decision, act, consent, waiver or instruction of the Company Stockholder Representative.

(d) All actions, omissions, decisions, consents, waivers and instructions of the Company Stockholder Representative shall be conclusive and binding upon Company Stockholders and neither the Buyer nor any Company Stockholder shall have any cause of action against the Company Stockholder Representative for any action taken, decision made or consent, waiver or instruction given by the Company Stockholder Representative under this Agreement, except for fraud or willful misconduct by the Company Stockholder Representative.

(e) The provisions of this Section 1.15 are independent and severable, are irrevocable and coupled with an interest, and shall be enforceable notwithstanding any rights or remedies that the Buyer or any Company Stockholder may have in connection with the transactions contemplated by this Agreement.

(f) The Company Stockholder Representative shall be entitled to seek reimbursement from the Company Stockholder Representative Escrow Fund for any reasonable expenses incurred without gross negligence or bad faith on the part of the Company Stockholder Representative and arising out of or in connection with the acceptance or administration of the Company Stockholder Representative's duties hereunder ("Representative Reimbursable Expenses"). Without limiting the foregoing, the Company Stockholder Representative shall have the right to engage legal counsel and other professional advisers to assist it in the administration of the Company Stockholder Representative's duties hereunder, and any and all reasonable fees and expenses of such counsel and advisers shall be deemed Representative Reimbursable Expenses.

(g) The Company Stockholder Representative shall be indemnified by the Company Stockholders for, and shall be held harmless against, any loss, liability or expense incurred by the Company Stockholder Representative or any of its Affiliates and any of their respective partners, directors, officers, employees, agents, stockholders, consultants, attorneys, accountants, advisors, brokers, representatives or controlling persons, in each case relating to the Company Stockholder Representative's conduct as the Company Stockholder Representative, other than losses, liabilities or expenses resulting from the Company Stockholder Representative's gross negligence or willful misconduct in connection with its performance

under this Agreement and the Escrow Agreement. This indemnification shall survive the termination of this Agreement. The costs of such indemnification (including the costs and expenses of enforcing this right of indemnification) may be paid from the Company Stockholder Representative Fund (and in no event shall such costs be paid from either the Escrow Fund or the Working Capital Escrow Fund prior to the time such amounts are otherwise distributable to the Company Stockholders). In the event it is finally adjudicated that a loss, liability or expense or any portion thereof was primarily caused by the gross negligence or willful misconduct of the Company Stockholder Representative, the Company Stockholder Representative will reimburse the Company Stockholders the amount of such indemnified loss, liability or expense attributable to such gross negligence or willful misconduct. With the prior written consent of Prism Venture Partners IV, L.P., any such losses, liabilities or expenses may be recovered by the Company Stockholder Representative from (i) the funds in the Company Stockholder Representative Fund, (ii) the amounts in the Escrow Funds otherwise distributable to the Company Stockholders pursuant to the terms hereof and the Escrow Agreement at the time of distribution, and (iii) from any Net Earn-Out Amounts actually payable to the Company Stockholders pursuant to written instructions delivered by the Company Stockholder Representative to the Buyer; provided that while this section allows the Company Stockholder Representative to be paid from the Company Stockholder Representative Escrow Fund, the Escrow Fund and the Earn-Out Amounts, this does not relieve the Company Stockholders from their obligation to promptly pay such Representative Reimbursable Expenses as such Representative Reimbursable Expenses are suffered or incurred, nor does it prevent the Company Stockholder Representative from seeking any remedies available to it at law or otherwise. The Company Stockholder Representative may, in all questions arising under this Agreement and the Escrow Agreement, rely on the advice of counsel and for anything done, omitted or suffered in good faith by the Company Stockholder Representative in accordance with such advice, the Company Stockholder Representative shall not be liable to the Company Stockholders or the Escrow Agent or any other Person

(h) The Buyer shall, and cause the Surviving Corporation and their respective direct and indirect subsidiaries to, provide the Company Stockholder Representative with reasonable access (including electronic access, to the extent available) to information and documents concerning any disputes relating to the Earn-Out Amount (if any), the Revised Closing Net Working Capital Adjustment (if any) and claims for indemnification pursuant to Article VI and which is in the possession, custody or control of the Buyer or the Surviving Corporation or any of their respective direct or indirect subsidiaries and the reasonable assistance of the officers and employees of the Buyer, the Surviving Corporation or any of their respective direct or indirect subsidiaries for purposes of performing the Company Stockholder Representative's duties under this Agreement or the Escrow Agreement and exercising the Company Stockholder Representative's rights under this Agreement and the Escrow Agreement; provided that the Company Stockholder Representative shall treat confidentially and not, except in connection with enforcing its rights and otherwise performing its responsibilities under this Agreement and the Escrow Agreement, disclose any nonpublic information from or concerning any of the foregoing to anyone, except that (i) the Company Stockholder Representative may disclose to its employees, independent contractors, legal counsel, accountants, representatives, agents and other advisors and skilled Persons (for the same limited purposes as to which the Company Stockholder Representative may use such information set forth in this Section 1.15(h)) any information disclosed to such Company Stockholder Representative pursuant to this Section 1.15(h), provided that all such Persons agree to treat such information confidentially, (ii) the

Company Stockholder Representative (or such other Person to whom information is disclosed pursuant to clause (i) above) may disclose in any proceeding relating to a claim for indemnification under Article VI or a dispute relating to Section 1.13 or Section 1.14 (or, in either case, discussions in preparation therefor) any information disclosed to the Company Stockholder Representative pursuant to this Section 1.15(h), provided that the Company Stockholder Representative shall use commercially reasonable efforts to obtain, if available, an appropriate protective order or other reliable assurance that confidential treatment will be accorded such information, and (iii) the Company Stockholder Representative may disclose to the Company Stockholders any information disclosed to the Company Stockholder Representative pursuant to this Section 1.15(h), provided that such Company Stockholders agree to treat such information confidentially.

1.16 Withholding Rights. Notwithstanding anything to the contrary, each of the Buyer, the Surviving Corporation, the Escrow Agent and any Payment Agent designated by the foregoing will be entitled to deduct and withhold from any consideration otherwise payable pursuant to this Agreement to any Person, such amounts as may be required to be deducted and withheld with respect to the making of such payment under the Internal Revenue Code or any other legal requirement; provided, however, that in the event that the Buyer determines that such withholding is required in respect of the payments to be made to Company Stockholders, the Buyer shall notify the Company (if prior to the Closing), the Escrow Agent, the Payment Agent and the Company Stockholder Representative, in writing of the amount that it intends to withhold and the legal basis for the requirement of such withholding, (a) with respect to the Initial Payout Amount at least five (5) days prior to the Closing Date, (b) with respect to the Revised Closing Net Working Capital Adjustment, at least two (2) days prior to the date of the payment of such amount and (c) with respect to the Net Earn-Out Amount, at least two (2) days prior to the date of payment of such amount. To the extent that amounts are so deducted or withheld by the Buyer, the Surviving Corporation, the Escrow Agent or Payment Agent, such deducted or withheld amounts will be treated for all purposes of this Agreement as having been paid to such Person in respect of which such deduction or withholding was made. The Buyer shall, and shall cause the Payment Agent to, provide all Forms W-9, W-8 and similar tax documentation in its possession to the Escrow Agent and/or the Company Stockholder Representative upon request of the Company Stockholder Representative.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Buyer, except as set forth in the Disclosure Schedule, as follows:

2.1 Organization, Qualification and Corporate Power. The Company is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. The Company is duly qualified to conduct business and is in good standing under the Laws of each jurisdiction listed in Section 2.1 of the Disclosure Schedule, which jurisdictions constitute the only jurisdictions in which the nature of the Company's businesses or the ownership or leasing of its properties requires such qualification, except for such failures to be so qualified or in good standing that have not, since the execution and delivery of this Agreement, had, and would not reasonably be expected to result in, a Company Material Adverse Effect. The

Company has all requisite corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. The Company has furnished or made available to the Buyer complete and accurate copies of its certificate of incorporation and by-laws. The Company is not in default under or in violation of the provisions of its certificate of incorporation or by-laws.

2.2 Capitalization.

(a) The authorized capital stock of the Company consists of (i) 108,000,000 Common Shares, of which (A) 104,999,999 shares have been designated as Standard Common Stock, of which, as of the date of this Agreement, 59,646,097 shares are issued and outstanding, (B) one (1) share has been designated as Special Common Voting Stock, of which, as of the date of this Agreement, one (1) share is issued and outstanding and (C) no Common Shares were held in the treasury of the Company, (ii) 19,353,592 Preferred Shares, of which (A) 19,353,591 shares have been designated as Series A-1 Preferred Stock, of which, as of the date of this Agreement, 19,353,591 shares are issued and outstanding and (B) one (1) share has been designated Special A-1 Voting Stock, of which, as of the date of this Agreement, one (1) share is issued and outstanding.

(b) Section 2.2(b) of the Disclosure Schedule sets forth a complete and accurate list, as of the date of the Agreement, of the registered holders of capital stock of the Company, showing the number of shares of capital stock, and the class or series of such shares, held by each registered holder and (for shares other than Common Shares) the number of Common Shares (if any) into which such shares are convertible. Section 2.2(b) of the Disclosure Schedule also indicates all outstanding Common Shares that constitute restricted stock or that are otherwise subject to a repurchase or redemption right, indicating the name of the applicable registered holder, the vesting schedule (including any acceleration provisions with respect thereto), and the repurchase price payable by the Company. All of the issued and outstanding shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and nonassessable. All of the issued and outstanding shares of capital stock of the Company have been offered, issued and sold by the Company in compliance with applicable Laws.

(c) Section 2.2(c) of the Disclosure Schedule sets forth a complete and accurate list, as of the date of this Agreement of: (i) all Company Stock Plans, indicating for each Company Stock Plan the number of Common Shares issued to date under such Company Stock Plan, the number of Common Shares subject to outstanding Company Options under such Company Stock Plan and the number of Common Shares reserved for future issuance under such Company Stock Plan and (ii) all holders of outstanding Company Options, indicating with respect to each Company Option, the Company Stock Plan under which it was granted, the number of Common Shares subject to such Company Option, the exercise price, the date of grant, and the vesting schedule (including any acceleration provisions with respect thereto). The Company has provided or made available to the Buyer complete and accurate copies of all Company Stock Plans, forms of all stock option agreements evidencing Company Options. All of the shares of capital stock of the Company subject to Company Options will be, upon issuance pursuant to the exercise of such instruments and in accordance with the terms thereof, duly authorized, validly issued, fully paid and nonassessable. As of immediately prior to the Effective Time and after giving effect to Section 1.7, there will be no outstanding Company Options.

(d) Except as set forth in this Section 2.2 or in Section 2.2 of the Disclosure Schedule, (i) no Person has any subscription, right, warrant, option, convertible security or other such right (contingent or otherwise) to purchase or acquire any shares of capital stock of the Company from the Company, or to the knowledge of the Company, from any stockholders of the Company (ii) the Company has no obligation (contingent or otherwise) to issue any subscription, right, warrant, option, convertible security or other such right, or to issue or distribute to holders of any shares of its capital stock any evidences of indebtedness or assets of the Company, (iii) the Company has no obligation (contingent or otherwise) to purchase, redeem or otherwise acquire any shares of its capital stock or any interest therein or to pay any dividend or to make any other distribution in respect thereof, and (iv) there are no outstanding or authorized stock appreciation, phantom stock or similar rights with respect to the Company.

(e) Except as set forth in Section 2.2(e) of the Disclosure Schedule, there is no agreement, written or oral, between the Company and any holder of its securities, or, to the best of the Company's knowledge, among any holders of its securities, relating to the sale or transfer (including agreements relating to rights of first refusal, co-sale rights or "drag-along" rights), registration under the Securities Act, or voting, of the capital stock of the Company.

(f) To the Company's knowledge, there is no claim against the Company by any Person that seeks to assert: (i) ownership or rights to ownership of any shares of Company stock; (ii) any rights of a stockholder, including any option, preemptive rights or rights to notice or to vote; (iii) any rights under the certificate of incorporation or by-laws of the Company, as amended to date; or (iv) any claim that his, her or its shares have been wrongfully repurchased by the Company.

2.3 Authorization of Transaction. Subject to obtaining the Requisite Stockholder Approval, the Company has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The execution and delivery by the Company of this Agreement and, subject to obtaining the Requisite Stockholder Approval, which is the only approval required from the Company Stockholders with respect to the transactions contemplated hereby, the execution and delivery by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby have each been duly and validly authorized by all necessary corporate action on the part of the Company. Without limiting the generality of the foregoing, the Board of Directors of the Company, at a meeting duly called and held, by the unanimous vote of all directors (i) determined that the Merger is advisable to the Company and its stockholders, (ii) adopted this Agreement in accordance with the provisions of the Delaware General Corporation Law, and (iii) directed that this Agreement and the Merger be submitted to the stockholders of the Company for their adoption and approval and resolved to recommend that the stockholders of the Company vote in favor of the adoption of this Agreement and the approval of the Merger. This Agreement has been duly and validly executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to (x) bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to (y) general equity principles, regardless of whether such enforceability is considered in a proceeding at Law or in equity ((x) and (y) of this Section 2.3, collectively, the "Bankruptcy and Equity Exception").

2.4 Noncontravention. Except as set forth on Section 2.4 of the Disclosure Schedule, subject to compliance with the applicable requirements of the Hart-Scott-Rodino Act, the filing of the Certificate of Merger as required by the Delaware General Corporation Law and obtaining the Requisite Stockholder Approval, none of the execution and delivery by the Company of this Agreement, the performance by the Company of any of its obligations hereunder or the consummation by the Company of the transactions contemplated hereby, will (a) conflict with or violate any provision of the certificate of incorporation or by-laws of the Company or the charter, by-laws or other organizational document of any Subsidiary, (b) require on the part of the Company or any Subsidiary any notice to or filing with, or any permit, authorization, consent or approval of, any Governmental Entity, except where the failure to do so has not, since the execution and delivery of this Agreement, had and would not reasonably be expected to result in a Company Material Adverse Effect, (c) conflict with, result in a breach of, constitute (with or without due notice or lapse of time or both) a default under, result in the acceleration of obligations or loss of any right or benefit under, create in any party the right to terminate, modify or cancel, or require any notice, consent or waiver under, any contract or instrument to which the Company or any Subsidiary is a party or by which the Company or any Subsidiary is bound or to which any of their respective assets is subject, other than any such conflicts, breaches, defaults, accelerations of obligations, losses of rights or benefits, rights to modify, terminate or cancel, notices, consents or waivers that, individually or in the aggregate, have not, since the execution and delivery of this Agreement, had and would not reasonably be expected to be, material to the Company and its Subsidiaries, taken as a whole, (d) result in the imposition of any Security Interest upon any assets of the Company or any Subsidiary or (e) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Company, any Subsidiary or any of their respective properties or assets other than any such violations that have not, since the execution and delivery of this Agreement, had and would not reasonably be expected to result in a Company Material Adverse Effect.

2.5 Subsidiaries.

(a) Section 2.5 of the Disclosure Schedule sets forth: (i) the name of each Subsidiary; (ii) the number and type of outstanding equity securities of each Subsidiary and a list of the registered holders thereof; (iii) the jurisdiction of organization of each Subsidiary; (iv) the names of the officers and directors of each Subsidiary; and (v) the jurisdictions in which each Subsidiary is qualified or holds licenses to do business as a foreign corporation or other entity.

(b) Each Subsidiary is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization. Each Subsidiary is duly qualified to conduct business and is in good standing under the Laws of each jurisdiction in which the nature of its businesses or the ownership or leasing of its properties requires such qualification, except for such failures to be so qualified or in good standing that have not, since the execution and delivery of this Agreement, had, and would not reasonably be expected to result in, a Company Material Adverse Effect. Each Subsidiary has all requisite organizational power and

authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. The Company has delivered or made available to the Buyer complete and accurate copies of the governing organizational documents of each Subsidiary. No Subsidiary is in default under or in violation of the provisions of its governing organizational documents. All of the issued and outstanding shares of capital stock of each Subsidiary are duly authorized, validly issued, fully paid, nonassessable and free of preemptive rights. All shares of each Subsidiary that are held of record or owned beneficially by either the Company or any Subsidiary are held or owned free and clear of any restrictions on transfer (other than restrictions under the Securities Act and state securities Laws), claims, Security Interests, options, warrants, rights, contracts, calls, commitments, equities and demands. Except as set forth in Section 2.5(b) of the Disclosure Schedule, there are no outstanding or authorized options, warrants, rights, agreements or commitments to which the Company or any Subsidiary is a party or which are binding on any of them providing for the issuance, disposition or acquisition of any capital stock of any Subsidiary. There are no outstanding stock appreciation, phantom stock or similar rights with respect to any Subsidiary. Except as set forth in Section 2.5(b) of the Disclosure Schedule, there are no voting trusts, proxies or other agreements or understandings with respect to the voting of any capital stock of any Subsidiary.

(c) The Company does not control directly or indirectly or have any direct or indirect equity participation or similar interest in any corporation, partnership, limited liability company, joint venture, trust or other business association or entity which is not a Subsidiary.

2.6 Financial Statements.

(a) The Company has provided or made available to the Buyer the Financial Statements. The Financial Statements (i) comply as to form in all material respects with applicable accounting requirements in effect and applicable thereto as of their respective dates, (ii) were prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby (except as may be indicated in the notes to such financial statements) and (iii) fairly present in all material respects the consolidated financial position of the Company and the Subsidiaries as of the dates thereof and the consolidated results of its operations and cash flows for the periods indicated, consistent with the books and records of the Company and the Subsidiaries, except that the unaudited interim financial statements are subject to normal and recurring year-end adjustments which will not be material, taken as a whole, in amount or effect and do not include footnotes.

(b) None of the Company or any Subsidiary has any indebtedness for borrowed money.

(c) KPMG LLP, the Company's current auditors, is, and has been at all times since January 1, 2006, (x) "independent" with respect to the Company within the meaning of Regulation S-X and (y) in compliance with subsections (g) through (l) of Section 10A of the Exchange Act (to the extent applicable) and the related rules of the SEC and the Public Company Accounting Oversight Board.

2.7 Absence of Certain Changes. Since the Most Recent Balance Sheet Date (a) there has occurred no event or development which, individually or in the aggregate, has had, or would reasonably be expected to result in, a Company Material Adverse Effect, and (b) none of the Company or any Subsidiary has taken any of the actions set forth in paragraphs (a) through (p) of Section 4.4.

2.8 Undisclosed Liabilities. None of the Company or any of the Subsidiaries has any liability (whether known or unknown, whether absolute or contingent, whether liquidated or unliquidated and whether due or to become due), except for (a) liabilities on the Most Recent Balance Sheet, (b) liabilities which have been incurred since the Most Recent Balance Sheet Date in the Ordinary Course of Business, whether or not reserved and accrued on the books and records of the Company and (c) contractual and other liabilities incurred in the Ordinary Course of Business which are not required by GAAP to be reflected on a balance sheet and which do not result from a breach of contract of a violation of Law by the Company or any of its Subsidiaries.

2.9 Tax Matters.

(a) Each of the Company and the Subsidiaries has properly filed on a timely basis all income and other material Tax Returns that it was required to file, and all such Tax Returns are correct and complete in all material respects. Each of the Company and the Subsidiaries have paid on a timely basis all Taxes, whether or not shown on any Tax Return, that were due and payable. The unpaid Taxes of the Company and each Subsidiary for Tax periods through the date of the Most Recent Balance Sheet do not exceed the accruals and reserves for Taxes (excluding accruals and reserves for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the Most Recent Balance Sheet, and all unpaid Taxes of the Company and each Subsidiary for all Tax periods commencing after the date of the Most Recent Balance Sheet and ending at the Closing arose in the ordinary course of business.

(b) All Taxes that the Company or any Subsidiary is or was required by law to withhold or collect have been duly withheld or collected and, to the extent required, have been properly paid to the appropriate Governmental Entity, and each of the Company and any Subsidiary has complied, in all material respects, with all information reporting and backup withholding requirements, including the maintenance of required records with respect thereto, in connection with amounts paid to any employee, independent contractor, creditor, or other third party.

(c) None of the Company or any Subsidiary is or has ever been a member of an affiliated group with which it has filed (or been required to file) consolidated, combined, unitary or similar Tax Returns, other than a group of which the common parent is the Company. None of the Company or any Subsidiary (i) has any actual or potential liability under Treasury Regulation Section 1.1502-6 (or any comparable or similar provision of federal, state, local or foreign Law), as a transferee or successor, pursuant to any contractual obligation, or otherwise for any Taxes of any Person other than the Company or any Subsidiary, or (ii) is a party to or bound by any Tax indemnity, Tax sharing, Tax allocation or similar agreement.

(d) The Company has delivered or made available to the Buyer (i) complete and correct copies of all income Tax Returns and any other material Tax Return of the Company and any Subsidiary relating to Taxes for all taxable periods for which the applicable statute of limitations has not yet expired, (ii) complete and correct copies of all private letter rulings, revenue agent reports, information document requests, notices of proposed deficiencies,

deficiency notices, protests, petitions, closing agreements, settlement agreements, pending ruling requests and any similar documents, in each case with respect to any taxing authority, submitted by, received by, or agreed to by or on behalf of the Company or any Subsidiary relating to Taxes for all taxable periods for which the statute of limitations has not yet expired, and (iii) complete and correct copies of all material agreements, rulings, settlements or other Tax documents with or from any tax authority relating to Tax incentives claimed by the Company or any of its Subsidiaries.

(e) No examination or audit or other action of or relating to any Tax Return of the Company or any Subsidiary by any Governmental Entity is currently in progress, or either threatened in writing or contemplated in writing. No deficiencies for Taxes of the Company or any Subsidiary have been claimed, proposed or assessed by any Governmental Entity. None of the Company or any Subsidiary has been informed in writing by any jurisdiction in which the Company or any Subsidiary did not file a Tax Return that the jurisdiction believes that the Company or Subsidiary was required to file any Tax Return that was not filed or is subject to Tax in such jurisdiction. None of the Company or any Subsidiary has (i) waived any statute of limitations with respect to Taxes or agreed to extend the period for assessment or collection of any Taxes, which waiver or extension is still in effect, (ii) requested any extension of time within which to file any Tax Return, which Tax Return has not yet been filed, or (iii) executed or filed any power of attorney with any taxing authority, which is still in effect.

(f) None of the Company or any Subsidiary is obligated to make any payment, or is a party to any agreement, contract, arrangement or plan that could obligate it to make any payment that may be treated as an "excess parachute payment" under Section 280G of the Internal Revenue Code (without regard to Sections 280G(b)(4) and 280G(b)(5) of the Internal Revenue Code).

(g) None of the assets of the Company or any Subsidiary is "tax-exempt use property" within the meaning of Section 168(h) of the Internal Revenue Code or directly or indirectly secures any debt the interest on which is tax exempt under Section 103 (a) of the Internal Revenue Code.

(h) None of the Company or any Subsidiary will be required to include any item of income in, or exclude any item of deduction from, taxable income for any period (or any portion thereof) ending after the Closing Date as a result of (i) any adjustments under Section 481 of the Internal Revenue Code (or any similar adjustments under any provision of the Internal Revenue Code or the corresponding foreign, state or local Tax Law), (ii) deferred intercompany gain or any excess loss account described in Treasury Regulations under Section 1502 of the Internal Revenue Code (or any corresponding provision of state, local or foreign Tax Law), (iii) closing agreement as described in Section 7121 of the Internal Revenue Code (or any corresponding or similar provision of state, local or foreign Tax Law) executed on or prior to the Closing Date, (iv) installment sale or open transaction disposition made on or prior to the Closing Date, (v) prepaid amount received on or prior to the Closing Date, or (vi) any election made pursuant to Section 108(i) of the Internal Revenue Code on or prior to the Closing Date.

(i) None of the Company or any Subsidiary has been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Internal Revenue Code during the applicable period specified in Section 897(c)(l)(A)(ii) of the Internal Revenue Code.

(j) None of the Company or any Subsidiary has distributed to its shareholders or security holders stock or securities of a controlled corporation, nor has stock or securities of the Company or any Subsidiary been distributed, in a transaction to which Section 355 of the Internal Revenue Code applies (i) in the two years prior to the date of this Agreement or (ii) in a distribution that could otherwise constitute part of a "plan" or "series of related transactions" (within the meaning of Section 355(e) of the Internal Revenue Code) that includes the transactions contemplated by this Agreement.

(k) There are no liens or other encumbrances with respect to Taxes upon any of the assets or properties of the Company or any Subsidiary, other than with respect to Taxes not yet due and payable or for which adequate provision has been made on the books of the Company or any Subsidiary, as applicable.

(l) Section 2.9(l) of the Disclosure Schedule sets forth each jurisdiction (other than United States federal) in which the Company or any Subsidiary files, is required to file or has been required to file a Tax Return or is or has been liable for any Taxes.

(m) None of the Company or any Subsidiary has engaged in a "listed transaction" as set forth in Treasury Regulation section 301.611 1-2(b)(2) or any analogous provision of state or local Law. Each of the Company and its Subsidiaries has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of federal income Tax within the meaning of Section 6662 of the Internal Revenue Code.

(n) None of the Company or any Subsidiary has incurred (or been allocated) an "overall foreign loss" as defined in Section 904(f)(2) of the Internal Revenue Code which has not been previously recaptured in full as provided in Sections 904(f)(1) and/or 904(f)(3) of the Internal Revenue Code.

(o) None of the Company or any Subsidiary is a party to a gain recognition agreement under Section 367 of the Internal Revenue Code.

(p) None of the Subsidiaries has at any time benefited from a forgiveness of debt or entered into any transaction or arrangement (including conversion of debt into shares of its share capital) which could have resulted in the application of Section 80 and following of the *Income Tax Act* (Canada).

(q) None of the Subsidiaries has at any time entered into any transaction or arrangement which could result in the application of Section 160 of the *Income Tax Act* (Canada) to the Subsidiaries.

(r) Notwithstanding anything to the contrary, none of the Company or any Subsidiary hereby makes any representations or warranties in respect of (i) the existence, amount, usability or any other aspect of any Tax attributes, including net operating losses, capital loss carryforwards, foreign tax credit carryforwards, asset bases and depreciation periods for Tax periods (or portions thereof) following the Closing Date or (ii) the liability of the Company or any Subsidiary for Taxes attributable to tax periods (or portions thereof) following the Closing Date.

2.10 Assets.

(a) The Company or the applicable Subsidiary has good and valid title to all of their respective tangible assets reflected on the Most Recent Balance Sheet or acquired after the Most Recent Balance Sheet (other tangible assets, or interests in tangible assets, sold or otherwise disposed of since the Most Recent Balance Sheet Date in the Ordinary Course of Business) free and clear of all Security Interests, other than Security Interests securing indebtedness that is reflected on the Most Recent Balance Sheet. Each of the Company and the Subsidiaries owns or leases all tangible assets sufficient for the conduct of its businesses as presently conducted and as presently proposed to be conducted. Each such tangible asset is free from material defects, has been maintained in accordance with normal industry practice, is in good operating condition and repair (subject to normal wear and tear) and is suitable for the purposes for which it presently is used.

(b) Section 2.10(b) of the Disclosure Schedule lists individually (i) all fixed assets (within the meaning of GAAP) of the Company or the Subsidiaries, indicating the cost, and amortization schedule (or equivalent thereof) of each such fixed asset as of the Most Recent Balance Sheet Date, and (ii) all other assets of a tangible nature (other than inventories) of the Company or the Subsidiaries whose book value exceeds two thousand five hundred dollars ($2,500).

(c) Each item of equipment, motor vehicle and other asset that the Company or a Subsidiary has possession of pursuant to a lease agreement or other contractual arrangement is in such condition that, upon its return to its lessor or owner under the applicable lease or contract, the obligations of the Company or such Subsidiary to such lessor or owner will have been discharged in full.

2.11 Real Property.

(a) None of the Company or any Subsidiary owns any Owned Real Property.

(b) Section 2.1 1(b) of the Disclosure Schedule lists all Leases and lists the term of such Lease, any extension and expansion options, and the rent payable thereunder. The Company has delivered or made available to the Buyer complete and accurate copies of the Leases. With respect to each Lease:

(i) such Lease is binding on the Company or the applicable Subsidiary and enforceable and in full force and effect in accordance with its terms;

(ii) none of the Company or any Subsidiary nor, to the knowledge of the Company, any other party, is in breach or violation of, or default under, any such Lease, and no event has occurred, or, to the knowledge of the Company, is threatened or pending, which, after the giving of notice, with lapse of time, or otherwise, would constitute a breach or default by the Company or any Subsidiary or, to the knowledge of the Company, any other party under such Lease;

(iii) to the Company's knowledge there are no disputes, oral agreements or forbearance programs in effect as to such Lease;

(iv) none of the Company or any Subsidiary has assigned, transferred, conveyed, mortgaged, deeded in trust or encumbered any interest in the leasehold or subleasehold; and

(v) the Company is not aware of any Security Interest, easement, covenant or other restriction applicable to the real property subject to such Lease which would reasonably be expected to materially impair the current uses or the occupancy by the Company or a Subsidiary of the property subject thereto.

2.12 Intellectual Property.

(a) Company Registrations. Section 2.12(a) of the Disclosure Schedule lists all Company Registrations, in each case enumerating specifically the applicable filing or registration number, title, jurisdiction in which filing was made or from which registration issued, date of filing or issuance, names of all current applicant(s) and registered owners(s), as applicable. All assignments of Company Registrations to the Company or any Subsidiary have been properly executed and recorded. To the knowledge of the Company, all Company Registrations are valid and enforceable and all issuance, renewal, maintenance and other payments that are or have become due with respect thereto have been timely paid by or on behalf of the Company.

(b) Prosecution Matters. There are no inventorship challenges, opposition or nullity proceedings or interferences declared, commenced or provoked, or to the knowledge of the Company threatened, with respect to any Patent Rights included in the Company Registrations. The Company and the Subsidiaries have complied with their duty of candor and disclosure to the United States Patent and Trademark Office and any relevant foreign patent office with respect to all patent and trademark applications filed by or on behalf of the Company or any Subsidiary and have made no material misrepresentation in such applications. The Company has no knowledge of any information that would preclude the Company or any Subsidiary from having clear title to the Company Registrations or affecting the patentability or enforceability of any Company Registrations.

(c) Ownership; Sufficiency. Each item of Company Intellectual Property will be owned or available for use by the Buyer, the Surviving Corporation and their respective subsidiaries immediately following the Closing on substantially identical terms and conditions as it was immediately prior to the Closing. The Company or a Subsidiary is the sole and exclusive owner of all Company Owned Intellectual Property, free and clear of any Security Interests and all joint owners of the Company Owned Intellectual Property are listed in Section 2.12(c) of the Disclosure Schedule. The Company Intellectual Property constitutes all Intellectual Property necessary (i) to Exploit the Customer Offerings in the manner conducted currently and currently contemplated by the Company and the Subsidiaries to be conducted in the future by the Company and the Subsidiaries, (ii) to Exploit the Internal Systems as they are currently used and

currently contemplated to be used in the future by the Company and the Subsidiaries, and (iii) otherwise to conduct the Company's business in all material respects in the manner currently conducted and currently contemplated by the Company and the Subsidiaries to be conducted in the future.

(d) Protection Measures. The Company or the appropriate Subsidiary has taken reasonable measures to protect the proprietary nature of each item of Company Owned Intellectual Property, and to maintain in confidence all trade secrets and confidential information comprising a part thereof. No complaint relating to an improper use or disclosure of, or a breach in the security of, any such information has been made or, to the knowledge of the Company, threatened against the Company or any Subsidiary. To the knowledge of the Company, there has been no: (i) unauthorized disclosure of any third party proprietary or confidential information in the possession, custody or control of the Company or any Subsidiary or (ii) breach of the Company's or any Subsidiary's security procedures wherein confidential information has been disclosed to a third party. The Company takes, and has consistently taken during the three (3) years preceding the Closing, commercially reasonable measures to actively police the quality of all goods and services sold, distributed or marketed under each of its Trademarks and has taken commercially reasonable measures to ensure that no Trademarks that it has licensed to others shall be deemed to be abandoned.

(e) Infringement by Company. To the knowledge of the Company, none of the Customer Offerings, or the past, current or contemplated Exploitation thereof by the Company or the Subsidiaries or the past, current or contemplated Exploitation thereof by any reseller, distributor, customer or user thereof as permitted by the Company or any of the Subsidiaries, or any other activity of the Company or any of the Subsidiaries, infringes or violates, or constitutes a misappropriation of or otherwise adverse act against, any Intellectual Property rights of any third party. To the knowledge of the Company, none of the Internal Systems that constitute Company Owned Intellectual Property, or the Company's or any Subsidiary's past, current or currently contemplated Exploitation thereof, or any other activity undertaken by them in connection with their respective businesses (and any past, current or currently contemplated Exploitation thereof), or any activity undertaken by the Company or any Subsidiary in connection with their respective businesses, infringes or violates, or constitutes a misappropriation of, any Intellectual Property rights of any third party. There is no written complaint, claim or notice, or threat of any of the foregoing (including any notification that a license under any patent is or may be required), received by the Company or any Subsidiary alleging any such infringement, violation or misappropriation and any written request or demand for indemnification or defense received by the Company or any Subsidiary from any reseller, distributor, customer, user or any other third party; and the Company has provided to the Buyer copies of all such complaints, claims, notices, requests, demands or threats, as well as any legal opinions, studies, market surveys and analyses relating to any alleged or potential infringement, violation or misappropriation.

(f) Infringement of Company Rights. To the knowledge of the Company and the Subsidiaries, no Person (including, without limitation, any current or former employee or consultant of Company or any of its Subsidiaries) is infringing, violating or misappropriating any of the Company Owned Intellectual Property or any Company Licensed Intellectual Property which is exclusively licensed to the Company or any Subsidiary. The Company has provided to the Buyer copies of all correspondence, analyses, legal opinions, complaints, claims, notices or threats concerning the infringement, violation or misappropriation of any Company Owned Intellectual Property.

(g) Outbound IP Agreements. Section 2.12(g) of the Disclosure Schedule identifies each license, covenant or other agreement pursuant to which the Company or a Subsidiary has assigned, transferred, licensed, distributed or otherwise granted any right or access to any Person, or covenanted not to assert any right, with respect to any past, existing or future Company Intellectual Property. None of the Company or any Subsidiary has agreed to indemnify any Person against any infringement, violation or misappropriation of any Intellectual Property rights with respect to any Customer Offerings or any third party Intellectual Property rights. Except as set forth in Section 2.12(g) of the Disclosure Schedule, none of the Company or any Subsidiary is a member of or party to any patent pool, industry standards body, trade association or other organization pursuant to the rules of which it is obligated to license any existing or future Intellectual Property to any Person.

(h) Inbound IP Agreements. Section 2.12(h) of the Disclosure Schedule identifies (i) each item of Company Licensed Intellectual Property and the license or agreement pursuant to which the Company or a Subsidiary Exploits it (excluding generally available, off the shelf software programs that are part of the Internal Systems and are licensed by the Company pursuant to "shrink wrap" licenses, the total fees associated with which are less than $2,500) and (ii) each agreement, contract, assignment or other instrument pursuant to which the Company or any Subsidiary has obtained any joint or sole ownership interest in or to each item of Company Owned Intellectual Property. None of the Customer Offerings or Internal Systems includes "shareware," "freeware" or other Software or other material that was obtained by the Company from third parties other than as listed in Section 2.12(h) of the Disclosure Schedule.

(i) No Software. The Company has not developed any and does not own any Software that is included in the Customer Offerings or Internal Systems or is otherwise necessary to conduct the Company's business in all material respects in the manner currently conducted and currently contemplated by the Company and the Subsidiaries to be conducted in the future.

(j) Authorship. All of the Documentation comprising, incorporated in or bundled with the Customer Offerings or Internal Systems that constitute Company Owned Intellectual Property have been designed and authored by regular employees of the Company or a Subsidiary within the scope of their employment or by independent contractors of the Company or a Subsidiary who have executed valid and binding agreements expressly assigning all right, title and interest in such copyrightable materials to the Company or a Subsidiary, waiving their non-assignable rights (including moral rights) in favor of the Company or a Subsidiary and its permitted assigns and licensees, and have no residual claim to such materials.

(k) Employee and Contractor Assignments. Each employee of the Company or any Subsidiary and each independent contractor of the Company or any Subsidiary has executed a valid and binding written agreement expressly assigning to the Company or a Subsidiary all right, title and interest in any inventions and works of authorship, whether or not patentable, invented, created, developed, conceived and/or reduced to practice during the term of such employee's employment or such independent contractor's work for the Company or the relevant Subsidiary, and all Intellectual Property rights therein, and has waived all moral rights therein to the extent legally permissible.

(l) Quality. The Customer Offerings and the Internal Systems are free from significant defects in design, workmanship and materials and conform in all material respects to the written Documentation and specifications therefor. To the knowledge of the Company, the Customer Offerings and the Internal Systems do not contain any disabling device, virus, worm, back door, Trojan horse or other disruptive or malicious code that may or are intended to impair their intended performance or otherwise permit unauthorized access to, hamper, delete or damage any computer system, software, network or data. None of the Company or any Subsidiary has received any warranty claims, contractual terminations or requests for settlement or refund due to the failure of the Customer Offerings to meet their specifications or otherwise to satisfy end user needs or for harm or damage to any third party.

(m) Support and Funding. Section 2.12(m) of the Disclosure Schedule lists all instances in which the Company or any Subsidiary has sought, applied for or received any support, funding, resources or assistance from any federal, state, local or foreign governmental or quasi-governmental agency or funding source in connection with the Exploitation of the Customer Offerings, the Internal Systems or any facilities or equipment used in connection therewith.

2.13 Inventory. All inventory of the Company and the Subsidiaries, whether or not reflected on the Most Recent Balance Sheet, consists of a quality and quantity usable in the Ordinary Course of Business. All inventories not written-off have been priced at the lower of cost or market on a first-in, first-out basis. The quantities of each type of inventory, whether raw materials, work-in-process or finished goods, are not excessive in the present circumstances of the Company and the Subsidiaries.

2.14 Contracts.

(a) Section 2.14 of the Disclosure Schedule lists the following agreements (written or oral) currently in effect (either in whole or in part, including agreements with ongoing post-termination “tails” and ongoing post-termination obligations) to which the Company or any Subsidiary is a party:

(i) any agreement (or group of related agreements) for the lease of real property (regardless of amount or term), or for the lease of personal property from or to third parties providing for lease payments in excess of fifty thousand dollars ($50,000) per annum or having a remaining term longer than six (6) months;

(ii) any agreement (or group of related agreements) for the purchase or sale of products or for the furnishing or receipt of services (A) which calls for performance over a period of more than one year, (B) which involves more than the sum of fifty thousand dollars ($50,000), or (C) in which the Company or any Subsidiary has granted manufacturing rights, “most favored nation” pricing provisions or marketing or distribution rights relating to any products or territory or has agreed to purchase a minimum quantity of goods or services or has agreed to purchase goods or services exclusively from a certain party;

(iii) any agreement concerning the establishment or operation of a partnership, joint venture or limited liability company;

(iv) any agreement (or group of related agreements) under which it has created, incurred, assumed or guaranteed (or may reasonably be expected to create, incur, assume or guarantee) indebtedness (including capitalized lease obligations) involving more than fifty thousand dollars ($50,000) or under which it has imposed (or may impose) a Security Interest on any of its assets, tangible or intangible;

(v) any agreement for the disposition of any significant portion of the assets or business of the Company or any Subsidiary (other than sales of products in the Ordinary Course of Business) or any agreement for the acquisition of the assets or business of any other entity (other than purchases of inventory or components in the Ordinary Course of Business);

(vi) any agreement under which the Company or any Subsidiary has, or may reasonably be expected to have, any liability to an employee or consultant for pay or benefits after the ending of the business relationship with such employee or consultant;

(vii) any agreement involving any officer, director or stockholder of the Company or a Subsidiary under which the Company or any Affiliate has or may reasonably be expected to have any liability or obligation;

(viii) any agreement under which the consequences of a default or termination would reasonably be expected to, be material to the Company and the Subsidiaries, taken as a whole;

(ix) any agreement which contains any provisions requiring the Company or any Subsidiary to indemnify any other party (excluding indemnities contained in agreements for the purchase, sale or license of products entered into in the Ordinary Course of Business);

(x) any agreement that purports on its face to bind any Affiliate of the Company or any Subsidiary (other than the Company or any Subsidiary) in any way, including, but not limited to, prohibiting such Affiliate from engaging in any business that they would otherwise have been permitted to engage in.

(xi) any agreement under which the Company or any Subsidiary is restricted or prohibited from selling, licensing or otherwise distributing any of its technology or products, or providing services to, customers or potential customers or any class of customers, or otherwise engaging in a material aspect of the Company’s business in any geographic area, during any period of time or with any Person, or any segment of the market or line of business;

(xii) any agreement which would entitle any third party to receive a license or any other right to intellectual property of the Buyer or any of the Buyer’s Affiliates following the Closing; and

(xiii) any other agreement (or group of related agreements) either involving more than fifty thousand dollars ($50,000) or not entered into in the Ordinary Course of Business.

(b) The Company has delivered or made available to the Buyer a complete and accurate copy of each agreement listed in Section 2.12 or Section 2.14 of the Disclosure Schedule. The Company has also delivered or made available to the Buyer a complete and accurate list of the offerees who are signatories to the Company's standard form of offer letter since January 1, 2009, and a copy of such standard form of offer letter has heretofore been provided or made available to the Buyer. With respect to each agreement so listed: (i) the agreement is binding against the Company or the applicable Subsidiary and to the knowledge of the Company, enforceable and in full force and effect subject to the Bankruptcy and Equity Exception and (ii) none of the Company or any Subsidiary nor, to the knowledge of the Company, any other party, is in breach or violation of, or default under, any such agreement, and no event has occurred or, to the knowledge of the Company, is threatened, which, after the giving of notice, with lapse of time, or otherwise, would constitute a breach or default by the Company or any Subsidiary or, to the knowledge of the Company, any other party under such agreement.

2.15 Accounts Receivable. A complete and accurate list of the accounts receivable reflected on the Most Recent Balance Sheet, showing the aging thereof, is included in Section 2.15 of the Disclosure Schedule. None of the Company or any Subsidiary has received any written notice from an account debtor stating that any account receivable in an amount in excess of fifty thousand dollars ($50,000) is subject to any contest, claim or setoff by such account debtor.

2.16 Insurance. Section 2.16 of the Disclosure Schedule lists each insurance policy (including fire, theft, casualty, comprehensive general liability, workers compensation, business interruption, environmental, product liability and automobile insurance policies and bond and surety arrangements) to which the Company or any Subsidiary is a party, all of which, to the knowledge of the Company, are in full force and effect. There is no material claim pending under any such policy as to which coverage has been questioned, denied or disputed by the underwriter of such policy. All premiums due and payable under all such policies have been paid, none of the Company or any Subsidiary may be liable for retroactive premiums or similar payments, and the Company and the Subsidiaries are otherwise in compliance in all material respects with the terms of such policies. The Company has no knowledge of any threatened termination of, or premium increase with respect to, any such policy.

2.17 Litigation. There is no Legal Proceeding which is pending or has been threatened in writing against the Company or any Subsidiary which (a) involves a criminal, quasi-criminal or regulatory matter, or (b) seeks either damages in excess of twenty-five thousand dollars ($25,000) or equitable relief (regardless of amount) or (c) in any manner challenges or seeks to prevent, enjoin, alter or delay the transactions contemplated by this Agreement or (d) has had or, if determined adversely to the Company, would reasonably be expected to result in, a Company Material Adverse Effect. There are no judgments, orders or decrees outstanding against the Company or any Subsidiary.

2.18 Warranties. No product or service manufactured, sold, leased, licensed or delivered by the Company or any Subsidiary is subject to any guaranty, warranty, right of return, right of credit or other indemnity other than (i) the applicable standard terms and conditions of sale or lease of the Company or the appropriate Subsidiary, which are set forth in Section 2.18 of the Disclosure Schedule, (ii) manufacturers' warranties for which none of the Company or any Subsidiary has any liability and (iii) those imposed under Law. Section 2.18 of the Disclosure Schedule sets forth the aggregate expenses incurred by the Company and the Subsidiaries in fulfilling their obligations under their guaranty, warranty, right of return and indemnity provisions during each of the fiscal years and the interim period covered by the Financial Statements; and to the knowledge of the Company, there is no reason why such expenses should significantly increase as a percentage of sales in the future.

2.19 Employees.

(a) Section 2.19(a) of the Disclosure Schedule contains a list of all employees of the Company and each of the Subsidiaries, along with the position and the annual rate of salary of each such employee, whether such employee is full time or part time, on leave and if so, the type of leave and expected date of return, and any incentive payment paid or payable for 2010 (and whether such incentive is cash or, if not, what other property is due). None of the Company or any Subsidiary is delinquent in payments to any employees for wages, salaries, commissions or bonuses for services performed as of the date hereof or amounts required by applicable law to be reimbursed to such employees. The Company and the Subsidiaries are, and at all times within applicable statutes of limitations have been, in material compliance with all applicable Laws respecting labor, employment, hiring and termination, fair employment practices, terms and conditions of employment, occupational health and safety and wage and hour Laws. The Company and the Subsidiaries are, and at all times have been, in material compliance with the requirements of the Immigration Reform and Control Act of 1986. Except as set forth in Section 2.19(a) of the Disclosure Schedule, each current employee of the Company or any Subsidiary has entered into a confidentiality/assignment of inventions agreement with the Company or such Subsidiary, a copy or form of which has previously been delivered to the Buyer. Except as set forth in Section 2.19(a) of the Disclosure Schedule, no current employee of the Company or any Subsidiary has excluded works or inventions from his or her assignment of inventions pursuant to such current employee's confidentiality/assignment of inventions agreement with the Company or any Subsidiary. Each former employee of the Company or any Subsidiary has entered into a confidentiality/assignment of inventions agreement with the Company or such Subsidiary, and has not excluded works or inventions from his or her assignment of inventions pursuant to such former employee's confidentiality/assignment of inventions agreement with the Company or any Subsidiary, except in each case in this sentence as has not, since the execution and delivery of this Agreement, been, and would not reasonably be expected to be, material to the Company and the Subsidiaries, taken as a whole. Section 2.19(a) of the Disclosure Schedule contains a list of all employees of the Company or any Subsidiary who are a party to a non-competition agreement with the Company or any Subsidiary; copies of such agreements have previously been delivered, or made available, to the Buyer. Section 2.19(a) of the Disclosure Schedule contains a list of all employees of the Company or any Subsidiary who are not citizens or lawful permanent residents of the jurisdiction in which they are working, and for each, the basis of his or her employment authorization in such jurisdiction and the expiration of such authorization. To the knowledge of the Company, no Key Employee (as defined in Section 4.9) or group of employees has any plans to terminate employment with the Company or any Subsidiary.

(b) None of the Company or any Subsidiary is a party to or bound by any collective bargaining agreement, nor has any of them experienced any strikes, grievances, claims of unfair labor practices or other collective bargaining disputes. The Company has no knowledge of any organizational effort made or threatened, either currently or within the past two years, by or on behalf of any labor union with respect to employees of the Company or any Subsidiary.

(c) The payments set forth in Section 2.19 (c) of the Disclosure Schedule are the only severance, stay bonuses or other bonuses or similar benefits, in each case, with respect to the transactions contemplated hereby, owed by the Company and the Subsidiaries to the executives named therein and that those executives are entitled to receive pursuant to any contract or under applicable law.

2.20 Employee Benefits.

(a) Section 2.20(a) of the Disclosure Schedule contains a complete and accurate list of all Company Plans. Complete and accurate copies of (i) all Company Plans which have been reduced to writing, (ii) written summaries of all unwritten Company Plans, (iii) all related trust agreements, insurance contracts and summary plan descriptions, (iv) all annual reports filed on IRS Form 5500, 5500C or 5500R and (for all funded plans) all plan financial statements (and any related actuarial statements) for the last two plan years for each Company Plan, (v) all material reports or notices with respect to any Company Plan prepared or issued since January 1, 2009 by any governmental agencies, third-party administrators, actuaries, investment managers, consultants or other independent contractors (other than individual account records or participant statements), and (vi) any employee manuals or handbooks containing personnel or employee relations policies, have been made available.

(b) Each Company Plan, if applicable, has been administered in all material respects in accordance with its terms and each of the Company, the Subsidiaries and the ERISA Affiliates has in all material respects met its obligations with respect to each Company Plan and has timely made all required contributions thereto. The Company, each Subsidiary, each ERISA Affiliate and each Company Plan are in compliance in all material respects with the applicable provisions of ERISA and the Internal Revenue Code and the regulations thereunder (including Section 4980 B of the Internal Revenue Code, Subtitle K, Chapter 100 of the Internal Revenue Code and Sections 601 through 608 and Section 701 et seq. of ERISA) and the applicable provisions of Patient Protection and Affordable Care Act. All filings and reports as to each Company Plan required to have been submitted to the Internal Revenue Service or to the United States Department of Labor have been duly and timely submitted. No Company Plan has assets that include securities issued by the Company or any ERISA Affiliate.

(c) There are no Legal Proceedings (except claims for benefits payable in the normal operation of the Company Plans and proceedings with respect to qualified domestic relations orders) against or involving any Company Plan or asserting any rights or claims to benefits under any Company Plan that could give rise to any material liability nor is there, to the Knowledge of the Company, any basis for such claims that would be reasonably expected to result in or give rise to any material liability. The Company has received no written notice of any audit or examination of any Company Plan by any governmental agency (including the IRS or the US Department of Labor).

(d) All the Company Plans that are intended to be qualified under Section 401 (a) of the Internal Revenue Code have received determination or opinion letters from the Internal Revenue Service to the effect that such Company Plans are qualified and the plans and the trusts related thereto are exempt from federal income taxes under Sections 401 (a) and 501 (a), respectively, of the Internal Revenue Code, no such determination or opinion letter has been revoked and to the knowledge of the Company revocation has not been threatened, and no such Company Plan has been amended since the date of its most recent determination or opinion letter or application therefor in any respect, and to the Company's knowledge, no act or omission has occurred, that would adversely affect its qualification or materially increase its cost. All the Company Plans that are intended to be registered pursuant to the *Income Tax Act* (Canada) have been so registered by the Canada Revenue Agency.

(e) None of the Company or any Subsidiary, nor any ERISA Affiliate has ever maintained an Employee Benefit Plan subject to Section 412 of the Internal Revenue Code or Title IV of ERISA, or maintained any pension or retirement plan that is subject to federal or provincial Canadian pension legislation.

(f) At no time has the Company, any Subsidiary or any ERISA Affiliate been obligated to contribute to any "multi employer plan" (as defined in Section 4001(a)(3) of ERISA or as defined in any Canadian federal or provincial pension legislation).

(g) Except as set forth in Section 2.20(g) of the Disclosure Schedule, there are no unfunded obligations under any Company Plan providing benefits after termination of employment to any employee of the Company or any Subsidiary (or to any beneficiary of any such employee), including but not limited to retiree health coverage and deferred compensation, but excluding continuation of health coverage required to be continued under Section 4980B of the Internal Revenue Code or other applicable law and insurance conversion privileges under state law.

(h) No act or omission has occurred and no condition exists with respect to any Company Plan that would subject the Company, any Subsidiary or any ERISA Affiliate to (i) any material fine, penalty, tax or liability of any kind imposed under ERISA or the Internal Revenue Code or (ii) any material contractual indemnification or contribution obligation protecting any fiduciary, insurer or service provider with respect to any Company Plan.

(i) No Company Plan is funded by, associated with or related to a "voluntary employee's beneficiary association" within the meaning of Section 501(c)(9) of the Internal Revenue Code.

(j) Except as disclosed in Section 2.20(j) of the Disclosure Schedule, each Company Plan is amendable and terminable unilaterally by the Company at any time without liability or expense to the Company or such Company Plan as a result thereof (other than for benefits accrued through the date of termination or amendment and reasonable administrative expenses related thereto) and no Company Plan, plan documentation or agreement, summary

plan description or other written communication distributed generally to employees by its terms prohibits or limits the Company from amending or terminating any such Company Plan. The investment vehicles used to fund the Company Plans my be changed at any time without incurring a sales charge, surrender fee or other similar expense.

(k) Section 2.20(k) of the Disclosure Schedule discloses each: (i) agreement with any stockholder, director, executive officer or other key employee of the Company or any Subsidiary (A) the benefits of which are contingent, or the terms of which are altered, upon the occurrence of a transaction involving the Company or any Subsidiary of the nature of any of the transactions contemplated by this Agreement, (B) providing any term of employment or compensation guarantee or (C) providing severance benefits or other benefits after the termination of employment of such director, executive officer or key employee; (ii) agreement, plan or arrangement under which any Person may receive payments from the Company or any Subsidiary that may be subject to the tax imposed by Section 4999 of the Internal Revenue Code or included in the determination of any such Person's "parachute payment" under Section 280G of the Internal Revenue Code; and (iii) agreement or plan binding the Company or any Subsidiary, including any stock option plan, stock appreciation right plan, restricted stock plan, stock purchase plan, severance benefit, retention or incentive plan or other Company Plan, any of the benefits of which will be increased, funded, "grossed-up", or the vesting of the benefits of which will be accelerated, or under which any obligation will be forgiven by the occurrence of any of the transactions contemplated by this Agreement (or in combination with any other event such as employment termination) or the value of any of the benefits of which will be calculated on the basis of any of the transactions contemplated by this Agreement.

(l) Section 2.20(l) of the Disclosure Schedule sets forth the policy of the Company and any Subsidiary with respect to accrued vacation, accrued sick time and earned time off and the amount of such liabilities as of May 16, 2011.

(m) Each Company Plan that is a "nonqualified deferred compensation plan" (as defined in Internal Revenue Code Section 409A(d)(1)) has been operated since January 1, 2005 in reasonable good faith compliance with then applicable guidance under Internal Revenue Code Section 409A and has been in documentary compliance since January 1, 2009.

(n) None of the Company or any Subsidiary has direct or indirect material liability with respect to any misclassification of any Person as an independent contractor or consultant rather than as an "employee."

2.21 Environmental Matters.

(a) Each of the Company and the Subsidiaries has complied in all material respects with all applicable Environmental Laws. There is no pending or, to the knowledge of the Company, threatened civil or criminal litigation, written notice of violation, formal administrative proceeding, or investigation, inquiry or information request relating to any Environmental Law involving the Company or any Subsidiary.

(b) None of the Company or any Subsidiary has any liabilities or obligations arising from the release or threatened release by the Company or any Subsidiary of any Materials of Environmental Concern into the environment.

(c) None of the Company or any Subsidiary is a party to or bound by any court order, administrative order, consent order or other agreement entered into in connection with any legal obligation or liability arising under any Environmental Law.

(d) Set forth in Section 2.2 1(d) of the Disclosure Schedule is a list of all documents (whether in hard copy or electronic form) that contain any environmental reports, investigations and audits relating to premises currently or previously owned or operated by the Company or a Subsidiary (whether conducted by or on behalf of the Company or a Subsidiary or a third party, and whether done at the initiative of the Company or a Subsidiary or directed by a Governmental Entity or other third party) which the Company has possession of, access to or which is known by the Company to exist. A complete and accurate copy of each such document which the Company has possession of or access to has been provided or made available to the Buyer.

(e) The Company is not aware of any material environmental liability arising from any solid or hazardous waste transporter or treatment, storage or disposal facility that has been used by the Company or any Subsidiary.

2.22 Legal Compliance.

(a) Each of the Company and each Subsidiary has complied in all material respects with each Law applicable to its respective businesses, and none of the Company or any Subsidiary has received any written notice or written communication from any Governmental Entity alleging noncompliance with any applicable Law.

(b) Without limiting the generality of Section 2.22(a), the Company and the Subsidiaries have conducted their respective businesses in compliance in all material respects with all Export Control Laws. "Export Control Laws" shall mean any Laws which provide standards for determining whether goods, services or information ("Covered Items") may be provided outside of the country of origin of the Covered Items or to Persons within the country of origin who may not be citizens of the country of origin. Information includes all technical data and other data as may be defined in such Laws. Export Control Laws shall include, but not be limited to, the export Laws of the United States, including the Export Administration Regulations, the International Traffic in Arms Regulations, the embargo regulations administered by the United States Department of Treasury and their enabling Laws, any United States Government issued lists of regulated recipients, and any regulations of other United States Government executive agencies, and shall also include standards of any international organization or agreement of which the United States is a member, participant or signatory. Set forth in Section 2.22(b) of the Disclosure Schedule is a list of the ECCN's for all products of the Company and the Subsidiaries exported by the Company or any of the Subsidiaries from the United States to the People's Republic of China. There are no pending or, to the knowledge of the Company, threatened claims, charges, investigations, violations, settlements, civil or criminal enforcement actions, lawsuits or other actions against the Company or any Subsidiary with respect to any Export Control Laws.

(c) Without limiting the generality of Section 2.22(a), the Company and the Subsidiaries have conducted their respective businesses in compliance in all material respects with all Import Control Laws. "Import Control Laws" shall mean any Laws, economic sanctions

or embargoes which provide standards for determining whether Covered Items may be brought into a country where the Company or any of its Subsidiaries conducts business, which is not the country of origin of such Covered Items, from a foreign or external country. Information includes all technical data and other data as may be defined in such Laws. Import Control Laws shall include, but not be limited to the import Laws, economic sanctions and embargoes of the United States, Canada and the United Kingdom, Directive 2002/95/EC of the European Parliament and of the Council of 27 January 2003 on the restriction of the use of certain hazardous substances in electrical and electronic equipment, as amended to date, and Directive 2002/96/EC of the European Parliament and of the Council of 27 January 2003 on waste electrical and electronic equipment. There are no pending or, to the knowledge of the Company, threatened claims, charges, investigations, violations, settlements, civil or criminal enforcement actions, lawsuits or other actions against the Company or any Company Subsidiary with respect to any Import Control Laws.

(d) Without limiting the generality of Section 2.22(a), the products manufactured by or on behalf of the Company and its Subsidiaries and the manufacturing processes of any Person that manufactures products on behalf of the Company and its Subsidiaries comply in all material respects with all applicable industry standards or operational protocols published or promulgated by any industry self-regulatory organization or other non- Governmental Entity industry regulatory body or any organization or group that establishes industry-wide best practices or operating standards that are generally accepted or widely adopted, including, but not limited to all applicable international standards promulgated by the International Organization for Standardization, all applicable wireless communications protocols, cellular standards and international standards established by the Institute for Electrical and Electronics Engineers ("IEEE") (including IEEE Standard 802.11, IEEE Standard 802.15.1, IEEE Standard 802.15.4 and IEEE Standard 802.16).

2.23 Customers and Suppliers. Section 2.23 of the Disclosure Schedule sets forth a list of (a) each customer that accounted for more than one percent (1%) of the consolidated revenues of the Company during the last full fiscal year or the interim period through the Most Recent Balance Sheet Date and the amount of revenues accounted for by such customer during each such period and (b) each supplier that was the sole supplier of any significant product or service to the Company or a Subsidiary during the last full fiscal year or the interim period through the Most Recent Balance Sheet Date.

2.24 Permits. There are no material Permits that are required for the Company and the Subsidiaries to conduct their respective businesses as presently conducted or as proposed to be conducted by the Company and the Subsidiaries as of the date hereof. Each such Permit is in full force and effect; the Company or the applicable Subsidiary is in material compliance with the terms of each such Permit; and, to the knowledge of the Company, no suspension or cancellation of such Permit is threatened.

2.25 Certain Business Relationships With Affiliates. No Affiliate of the Company or of any Subsidiary (a) owns any property, tangible or intangible, which is used in the business of the Company or any Subsidiary, (b) to the Company's knowledge, has any claim or cause of action against the Company or any Subsidiary arising from commercial transactions or relationships with the Company or a Subsidiary, or (c) owes any money to, or is owed any money by, the

Company or any Subsidiary. Section 2.25 of the Disclosure Schedule describes material commercial transactions or relationships between the Company or a Subsidiary and any Affiliate thereof which occurred or have existed since the beginning of the time period covered by the Financial Statements.

2.26 Brokers' Fees. Other than the fees owed by the Company to Deutsche Bank Securities ("DB") and Barclays Capital ("BC") (which shall be included in the definition of Transaction Expenses), none of the Company or any Subsidiary has any liability or obligation to pay any fees or commissions to any broker, finder or agent with respect to the transactions contemplated by this Agreement. Except for the Contingent Banking Fees, as of the Effective Time, none of the Company or any Subsidiary owes any fees or expenses for legal, accounting, consulting, investment banking, financial advisory, brokerage, or other similar professional services.

2.27 Books and Records. The minute books and other similar records of the Company and each Subsidiary contain records that accurately reflect in all material respects the actions taken at any meetings of the Company's or such Subsidiary's stockholders, Board of Directors or any committee thereof and of all written consents executed in lieu of the holding of any such meeting. The books and records of the Company and each Subsidiary accurately reflect in all material respects the assets, liabilities, business, financial condition and results of operations of the Company or such Subsidiary and have been maintained in accordance with good business and bookkeeping practices. Section 2.27 of the Disclosure Schedule contains a list of all bank accounts and safe deposit boxes of the Company and the Subsidiaries and the names of Persons having signature authority with respect thereto or access thereto.

2.28 Controls and Procedures. The Company and each of the Subsidiaries maintains books and records that accurately reflect, in all material respects, its assets and liabilities and maintains proper and adequate internal control over financial reporting which provide assurance that (i) applicable transactions are executed with management's authorization, (ii) transactions are recorded as necessary to permit preparation of the consolidated financial statements of the Company and to maintain accountability for the Company's consolidated assets, (iii) access to assets of the Company and the Subsidiaries is permitted only in accordance with management's authorization, (iv) the reporting of assets of the Company and the Subsidiaries is compared with existing assets at regular intervals and (v) accounts, notes and other receivables and inventory were recorded accurately, and proper and adequate procedures are implemented to effect the collection thereof on a current and timely basis.

2.29 Government Contracts.

(a) None of the Company or any Subsidiary has been suspended or debarred from bidding on contracts or subcontracts with any Governmental Entity; no such suspension or debarment, to the knowledge of the Company, has been threatened or initiated; and the consummation of the transactions contemplated by this Agreement will not result in any such suspension or debarment of the Company, any Subsidiary or the Buyer (assuming that no such suspension or debarment will result solely from the identity of the Buyer). None of the Company or any Subsidiary has been or is now being audited or investigated by or on behalf of any

Governmental Entity in respect of contracts or subcontracts with any Government Entity, including without limitation, the United States Government Accounting Office, the United States Department of Defense or any of its agencies, the Defense Contract Audit Agency, the contracting or auditing function (either internal or external) of any Governmental Entity with which it is contracting, the United States Department of Justice, the Inspector General of the United States Governmental Entity, or any prime contractor with a Governmental Entity; nor, to the knowledge of the Company, has any such audit or investigation been threatened. To the knowledge of the Company, there is no (i) suspension or debarment of the Company or any Subsidiary from bidding on contracts or subcontracts with any Governmental Entity or (ii) claim (including any claim for return of funds to the Government) pursuant to an audit or investigation by any of the entities named in the foregoing sentence. The Company has no agreements, contracts or commitments which require it to obtain or maintain a security clearance with any Governmental Entity.

(b) To the knowledge of the Company, with respect to any of its contracts or subcontracts with any Governmental Entity there is no (i) Termination for Default (as provided in 48 C.F.R. Ch.1 §52.249-8, 52.249-9 or similar sections or contractual or legislative provisions in respect of contracts with any Canadian or other foreign Governmental Entity), (ii) Termination for Convenience (as provided in 48 C.F.R. Ch.1 §52.241-1, 52.249-2 or similar sections or contractual or legislative provisions in respect of contracts with any Canadian or other foreign Governmental Entity), or a Stop Work Order (as provided in 48 C.F.R. Ch.1 §52.212-13 or similar sections); and the Company has no reason to believe that funding may not be provided under any contract or subcontract with any Governmental Entity in the upcoming federal fiscal year.

2.30 Canadian Government Grants. Section 2.30 of the Disclosure Schedule provides a complete list of all pending and outstanding grants, incentives, qualifications and subsidies (collectively, "Grants") from the Government of the Canada or any agency thereof, or from any other Governmental Entity, granted to the Company or its Subsidiaries along with the aggregate amounts of each Grant and the aggregate outstanding obligations thereunder of the Company or any Subsidiary. The Company has delivered or made available to the Buyer accurate and complete copies of all documents requesting or evidencing Grants or amendments thereto submitted by the Company or any of its Subsidiaries and of all letters of approval, and supplements or amendments thereto, granted to the Company or any of its Subsidiaries. The Company and its Subsidiaries are in material compliance with all of the terms, conditions and requirements of their respective Grants and have duly fulfilled all of the undertakings relating thereto. Except as set forth in Section 2.30 of the Disclosure Schedule, to the knowledge of the Company, no Governmental Entity has any intention to revoke or materially modify any of the Grants. Neither the execution, delivery or performance of this Agreement, nor the consummation of the Merger or any of the other transactions contemplated hereunder, would reasonably be expected to (with or without notice or lapse of time) give rise to any right to revoke, withdraw, suspend, cancel, terminate or modify any Grant identified or required to be identified in Section 2.30 of the Disclosure Schedule.

2.31 Investment Canada Act. Neither the Company nor any Subsidiary provides any of the services, or engages in any of the activities, of a "cultural business" within the meaning of the *Investment Canada Act*.

2.32 Disclosure. No representation or warranty by the Company contained in this Agreement, and no statement contained in the Disclosure Schedule, contains any untrue statement of a material fact or omits to state any material fact necessary, in light of the circumstances under which it was or will be made, in order to make the statements herein or therein, when read together in their entirety, not misleading.

2.33 Disclaimer of Other Representations.

(a) THE COMPANY HAS NOT MADE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER, RELATING TO THE COMPANY OR ITS SUBSIDIARIES OR AFFILIATES OR THE BUSINESS OF THE COMPANY OR ANY OF ITS SUBSIDIARIES OR AFFILIATES OR OTHERWISE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY, OTHER THAN THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT.

(b) Without limiting the generality of Section 2.33(a), no statement in any of the materials relating to the business of the Company and its Subsidiaries made available to the Buyer, Merger Sub and their respective representatives, including due diligence materials, or in any presentation about the business of the Company and its Subsidiaries by management of the Company or others in connection with the transactions contemplated hereby, shall be deemed a representation or warranty hereunder or otherwise or be deemed to be relied upon by the Buyer or Merger Sub in executing, delivering and performing this Agreement and the transactions contemplated hereby, except to the extent that any such statement is contained in any of the Company's representations and warranties in this Agreement. It is understood that any cost estimates, projections or other predictions, any data, any financial information or any memoranda or offering materials or presentations are not and shall not be deemed to be or to include representations or warranties of the Company, and are not and shall not be deemed to be relied upon by the Buyer or Merger Sub in executing, delivering and performing this Agreement and the transactions contemplated hereby, except to the extent that any such information is contained in any of the Company's representations and warranties in this Agreement. The Company acknowledges that (i) neither the Buyer nor Merger Sub makes any representation or warranty with respect to (A) any projections, estimates or budgets delivered to or made available to the Company or (B) any other information or documents delivered or made available to the Company or its representatives with respect to the Buyer, its Affiliates and their respective businesses, except as expressly set forth in this Agreement, and (ii) the Company has not relied and will not rely upon any of the information described in subclauses (A) and (B) of clause (i) of Section 2.33(c) or any other information, representation or warranty, except those representations and warranties set forth in Article III in executing, delivering and performing this Agreement and the transactions contemplated hereby.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE BUYER AND MERGER SUB

Each of the Buyer and Merger Sub represents and warrants to the Company as follows:

3.1 Organization and Corporate Power. Each of the Buyer and Merger Sub is a corporation duly organized, validly existing and in good standing under the Laws of the state of Delaware. The Buyer has all requisite corporate power and authority to carry on the businesses in which it is engaged and to own and use the properties owned and used by it. The Merger Sub is a wholly-owned subsidiary of the Buyer.

3.2 Authorization of Transaction. Each of the Buyer and Merger Sub has all requisite power and authority to execute and deliver this Agreement and to perform its respective obligations hereunder, including without limitation, in the case of the Buyer, the Escrow Agreement and the obligations under the Escrow Agreement. The execution and delivery by the Buyer and Merger Sub of this Agreement and (in the case of the Buyer) the Escrow Agreement and the consummation by the Buyer and Merger Sub of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary corporate action on the part of the Buyer and Merger Sub, respectively. This Agreement has been duly and validly executed and delivered by the Buyer and Merger Sub and constitutes a valid and binding obligation of the Buyer and Merger Sub, enforceable against them in accordance with its terms, subject to the Bankruptcy and Equity Exception.

3.3 Noncontravention. Subject to compliance with the applicable requirements of the Hart-Scott-Rodino Act, the filing of the Certificate of Merger as required by the Delaware General Corporation Law and obtaining the Requisite Stockholder Approval, neither the execution and delivery by the Buyer or Merger Sub of this Agreement or (in the case of the Buyer) the Escrow Agreement, nor the consummation by the Buyer or Merger Sub of the transactions contemplated hereby or thereby, will (a) conflict with or violate any provision of the charter or By-laws of the Buyer or Merger Sub, (b) require on the part of the Buyer or Merger Sub any filing with, or permit, authorization, consent or approval of, any Governmental Entity, (c) conflict with, result in breach of, constitute (with or without due notice or lapse of time or both) a default under, result in the acceleration of obligations under, create in any party any right to terminate, modify or cancel, or require any notice, consent or waiver under, any contract or instrument to which the Buyer or Merger Sub is a party or by which either is bound or to which any of their assets are subject, except for (i) any conflict, breach, default, acceleration, termination, modification or cancellation which would not adversely affect the consummation of the transactions contemplated hereby or (ii) any notice, consent or waiver the absence of which would not adversely affect the consummation of the transactions contemplated hereby or (d) violate any order, writ, injunction, decree, statute, rule or regulation applicable to the Buyer or Merger Sub or any of their properties or assets.

3.4 Funding. The Buyer has (and will, at the Closing, have) sufficient funds on hand to pay the Initial Payout Amount and will, at the expiration of the Earn-Out Period have sufficient funds available to pay the Net Earn-Out Amount (if any).

3.5 Disclaimer of Other Representations.

(a) NEITHER THE BUYER NOR MERGER SUB HAS MADE ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, OF ANY NATURE WHATSOEVER, RELATING TO THE BUYER, MERGER SUB OR THEIR RESPECTIVE AFFILIATES OR THE BUSINESS OF THE BUYER, MERGER SUB OR ANY OF THEIR RESPECTIVE AFFILIATES OR OTHERWISE IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED HEREBY, OTHER THAN THOSE REPRESENTATIONS AND WARRANTIES EXPRESSLY SET FORTH IN THIS AGREEMENT.

(b) Without limiting the generality of Section 3.5(a), no statement in any of the materials relating to the business of the Buyer or Merger Sub made available to the Company and its representatives, including due diligence materials, or in any presentation about the business of the Buyer or Merger Sub by management of the Buyer or others in connection with the transactions contemplated hereby, shall be deemed a representation or warranty hereunder or otherwise or deemed to be relied upon by the Company in executing, delivering and performing this Agreement and the transactions contemplated hereby, except to the extent that any such statement is contained in any of the representations and warranties of the Buyer and Merger Sub contained in this Agreement. It is understood that any cost estimates, projections or other predictions, any data, any financial information or any memoranda or offering materials or presentations are not and shall not be deemed to be or to include representations or warranties of either the Buyer or Merger Sub, and are not and shall not be deemed to be relied upon by the Company in executing, delivering and performing this Agreement and the transactions contemplated hereby, except to the extent that any such information is contained in any of the Buyer's and Merger Sub's representations and warranties in this Agreement.

(c) Each of the Buyer and Merger Sub acknowledge that (i) the Company does not make any representation or warranty with respect to (A) any projections, estimates or budgets delivered to or made available to the Buyer or Merger Sub or (B) any other information or documents delivered or made available to the Buyer or Merger Sub or their respective representatives with respect to the Company, its Subsidiaries and Affiliates and their respective businesses, except as expressly set forth in this Agreement, and (ii) neither the Buyer nor Merger Sub has relied and will not rely upon any of the information described in subclauses (A) and (B) of clause (i) of Section 3.5(c) or any other information, representation or warranty, except those representations and warranties set forth in Article II in executing, delivering and performing this Agreement and the transactions contemplated hereby.

ARTICLE IV
COVENANTS

4.1 Closing Efforts. Each of the Parties (other than the Company Stockholder Representative) shall use its commercially reasonable efforts to take all actions and to do all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement, including using its commercially reasonable efforts to ensure that (i) its representations and warranties remain true and correct in all material respects through the Closing Date and (ii) the conditions to the obligations of the other Parties to consummate the Merger are satisfied.

4.2 Governmental and Third-Party Notices and Consents.

(a) Each Party (other than the Company Stockholder Representative) shall use its commercially reasonable efforts to obtain, at its expense (except as otherwise provided herein), all waivers, permits, consents, approvals or other authorizations from Governmental Entities, and to effect all registrations, filings and notices with or to Governmental Entities, as may be required for such Party to consummate the transactions contemplated by this Agreement (collectively, "Antitrust Filings") and to otherwise comply with all applicable Laws in connection with the consummation of the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, each of the Parties (other than the Company Stockholder Representative) shall promptly (and no later than five (5) business days) after the signing of this Agreement file any Antitrust Filings that it may be required to file, including any Notification and Report Forms with the Federal Trade Commission and the Antitrust Division of the United States Department of Justice under the Hart-Scott-Rodino Act. The Parties (other than the Company Stockholder Representative) shall cooperate in the timely preparation and submission of, including furnishing to the other Party or its counsel information required for, any necessary Antitrust Filings. The Company shall pay up to $50,000 of the applicable filing fee required in connection with the filings made by the Parties pursuant to the Hart-Scott-Rodino Act, and the Buyer shall pay the balance thereof and any fees that must be paid by any of the Parties under any other applicable Antitrust Law.

(b) Each of the Company and the Buyer hereby covenants and agrees to use commercially reasonable efforts to secure, and not to take any action that will have the effect of delaying, impairing or impeding, the early termination or expiration of any waiting periods under the Hart-Scott-Rodino Act or any other applicable Antitrust Law and the approval of any Governmental Entities related thereto for the transactions contemplated hereby. The Parties (other than the Company Stockholder Representative) shall each cooperate reasonably with one another in connection with resolving any inquiry or investigation by any Governmental Entities relating to their respective Antitrust Filings or the transactions contemplated hereby. Without limiting the foregoing, each Party (other than the Company Stockholder Representative) shall (i) promptly inform the other Parties of any written or oral communication received from any Governmental Entities relating to its Antitrust Filing or the transactions contemplated hereby (and, if in writing, furnish the other Party with a copy of such communication); (ii) use its commercially reasonable efforts to respond as promptly as practicable to any request from any Governmental Entities for information, documents or other materials in connection with the review of the Antitrust Filings or the transactions contemplated hereby; (iii) provide to the other Parties, and permit the other Parties to review and comment in advance of submission, all proposed correspondence, filings, and written communications to any Governmental Entities with respect to the transactions contemplated hereby; and (iv) not participate in any substantive meeting or discussion with any Governmental Entities in respect of any investigation or inquiry related to the Antitrust Filings and concerning the transactions contemplated hereby unless it consults with the other Party in advance and, except as prohibited by applicable Law or Governmental Entity, gives the other Parties the opportunity to attend and participate thereat. The Parties (other than the Company Stockholder Representative) will consult and cooperate with each other, and consider in good faith the views of one another, in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any Party in connection with proceedings under or relating to any Antitrust Law, except as may be prohibited or restricted by Law.

(c) During the period from the date of this Agreement to the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, the Company shall use its commercially reasonable efforts to obtain, at its expense, all such waivers, consents or approvals from third parties, and to give all such notices to third parties listed in Section 2.4 of the Disclosure Schedule.

4.3 Obtaining Requisite Stockholder Approval; Appraisal Rights Notice.

(a) The Company shall use its commercially reasonable efforts to procure and make effective the Requisite Stockholder Approval within twenty four (24) hours, and in any event as promptly as possible, after the execution and delivery of this Agreement.

(b) After the Requisite Stockholder Approval has been obtained, the Company shall send, pursuant to Sections 228 and 262(d) of the Delaware General Corporation Law, a written notice to all stockholders of the Company that did not execute the written consent under which the Requisite Stockholder Approval was obtained informing them that this Agreement and the Merger were adopted and approved and that appraisal rights are available for their Company Shares pursuant to Section 262 of the Delaware General Corporation Law (which notice shall include a copy of such Section 262).

4.4 Operation of Business. Except as contemplated by this Agreement, during the period from the date of this Agreement to the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, the Company shall (and shall cause each Subsidiary to) conduct its operations in the Ordinary Course of Business and in material compliance with all applicable Laws and, to the extent consistent therewith, use its commercially reasonable efforts to preserve intact its current business organization, keep its physical assets in good working condition, keep available the services of its current officers and employees and preserve its relationships with customers, suppliers and others having business dealings with it to the end that its goodwill and ongoing business shall not be impaired in any material respect. Without limiting the generality of the foregoing, during the period from the date of this Agreement to the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, the Company shall not (and shall cause each Subsidiary not to), without the written consent of the Buyer (such consent not to be unreasonably withheld or delayed):

(a) issue or sell any stock or other securities of the Company or any Subsidiary or any options, warrants or rights to acquire any such stock or other securities (except pursuant to the conversion or exercise of Preferred Shares or Company Options outstanding on the date hereof, the conversion or exchange of securities of any Subsidiary into Company Shares or the granting of Company Options to “new hires” of the Company or any Subsidiary consistent with past practice) or repurchase or redeem any stock or other securities of the Company (except from former employees, directors or consultants in accordance with agreements providing for the repurchase of shares at their original issuance price in connection with any termination of employment with or services to the Company or any Subsidiary and except for the redemption of securities of any Subsidiary in exchange for the issuance of Company Shares);

(b) split, combine or reclassify any shares of its capital stock; or declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital stock;

(c) create, incur or assume any indebtedness for borrowed money (including obligations in respect of capital leases); assume, guarantee, endorse or otherwise become liable or responsible (whether directly, contingently or otherwise) for the obligations of any other Person; or make any loans, advances or capital contributions to, or investments in, any other Person other than advances for out-of-pocket expenses to employees of the Company or any Subsidiary in the Ordinary Course of Business;

(d) other than the amendment to the Company Stock Plans described on Section 4.4(d) of the Disclosure Schedule, enter into, adopt, amend or terminate (other than as provided in Section 4.9) any Employee Benefit Plan or any employment or severance agreement or arrangement of the type described in Section 2.20(k), except as required to comply with applicable Law, increase in any manner the compensation or fringe benefits of any of its employees whose base salary is greater than $150,000 per year, increase in any material manner the compensation or fringe benefits of any of its employees whose base salary is less than $150,000 per year, materially modify the employment terms of any of its directors, officers or employees, generally or individually, or, other than in the Ordinary Course of Business, pay any bonus or other benefit to its directors, officers or employees (except for existing payment obligations listed in Section 2.20 of the Disclosure Schedule or except as otherwise provided on Section 4.4(d) of the Disclosure Schedule) or hire any new officers or any new employees other than at-will employees (or employees hired by the Company or any Subsidiary on such Person's standard form letter of hire) hired in the Ordinary Course of Business (and the Company shall give the Buyer prompt notice of any such hiring);

(e) acquire, sell, lease, license or dispose of any assets or property (including any shares or other equity interests in or securities of any Subsidiary or any corporation, partnership, association or other business organization or division thereof) other than (i) purchases of supplies and sales of products in the Ordinary Course of Business and (ii) the issuance of Company Shares in exchange for Class A-1 Exchangeable Shares and Common Exchangeable Shares of the Canadian Subsidiary in connection with the Pre-Closing Exchange;

(f) mortgage or pledge any of its property or assets or subject any such property or assets to any Security Interest;

(g) discharge or satisfy any Security Interest or pay any obligation or liability other than in the Ordinary Course of Business and other than the payment of fees and expenses incurred by the Company and the Subsidiaries in connection with this Agreement and the Merger and any stay bonus and/or severance payments to employees of the Company and the Subsidiaries (which payments shall be counted in all calculations of Closing Net Working Capital) in accordance with the terms of this Agreement;

(h) amend its charter, by-laws or other organizational documents;

(i) change its accounting methods, principles or practices, except insofar as may be required by a change in GAAP;

(j) except as required by Law, make or change any Tax election, change an annual accounting period, file any amended Tax Return, enter into any closing agreement, waive or extend any statute of limitations with respect to Taxes, settle or compromise any Tax liability, claim or assessment, surrender any right to claim a refund of Taxes;

(k) enter into, amend, terminate, take or omit to take any action that would constitute a violation of or default under, or waive any rights under, any contract or agreement of a nature required to be listed in Section 2.11, Section 2.12 or Section 2.14 of the Disclosure Schedule, other than any such waivers of rights in the Ordinary Course of Business;

(l) make or commit to make capital expenditures in excess of two hundred fifty thousand ($250,000) in the aggregate;

(m) institute or settle any Legal Proceeding;

(n) increase the list price of any Company Component other than in the Ordinary Course of Business;

(o) modify, in any material manner, the bill of materials or other specifications used to produce any Company Component other than in the Ordinary Course of Business; or

(p) agree in writing or otherwise to take any of the foregoing actions.

4.5 Access to Information.

(a) From and after the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, the Company shall (and shall cause each Subsidiary to) permit representatives of the Buyer to have full access (at all reasonable times, and in a manner so as not to interfere with the normal business operations of the Company and the Subsidiaries) to all premises, properties, financial, tax and accounting records (including the work papers of the Company's independent accountants), contracts, other records and documents, and personnel, of or pertaining to the Company and each Subsidiary; provided, however, that the Company will not provide pricing or bid information in any circumstance where the Company and the Buyer are competing for a sale.

(b) Within twenty five (25) days after the end of each month ending prior to the Closing, beginning with May 2011, the Company shall furnish to the Buyer (with a copy to the Company Stockholder Representative) an unaudited income statement for such month and a balance sheet as of the end of such month, prepared on a basis consistent with the financial statements described in clause (b) of the definition of Financial Statements. The Company shall use commercially reasonable efforts to prepare such financial statements such that they present fairly the financial condition and results of operations of the Company and the Subsidiaries on a consolidated basis as of the dates thereof and for the periods covered thereby, and shall be consistent with the books and records of the Company and the Subsidiaries provided that such financial statements will be subject to normal recurring year-end adjustments consistent with past practice.

(c) Any information obtained by the Buyer under this Agreement shall be subject, to the extent applicable, to the terms and conditions of the Confidentiality Agreement.

4.6 Notice of Breaches. From and after the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, the Company shall promptly deliver to the Buyer supplemental information concerning events or circumstances occurring subsequent to the execution and delivery of this Agreement which would render any representation, warranty or statement in this Agreement or the Disclosure Schedule inaccurate or incomplete in any respect or that would, if uncured, cause any of the conditions to Closing set forth in Article V not to be satisfied. No such supplemental information shall be deemed to alter the Company's representations and warranties or its statements and disclosures in the Disclosure Schedule, or to avoid or cure any misrepresentation or breach of warranty by the Company or to constitute an amendment of any of the Company's representations or warranties in this Agreement or any of the Company's statements and disclosures in the Disclosure Schedule.

4.7 Exclusivity.

(a) From and after the date of this Agreement until the earlier of the Effective Time or the termination of this Agreement in accordance with its terms, the Company shall not, and the Company shall require each of its officers, directors, employees, representatives and agents (collectively, "Representatives") not to, directly or indirectly, (i) initiate, solicit, encourage or otherwise facilitate any inquiry, proposal, offer or discussion with any party (other than the Buyer) concerning any merger, reorganization, consolidation, recapitalization, business combination, liquidation, dissolution, share exchange, sale of all or any material portion of stock, sale of all or any material portion of assets or similar business transaction involving the Company, any Subsidiary or any division of the Company (any such transaction, an "Alternative Transaction"), (ii) license all or any material portion of the Company Intellectual Property outside the Ordinary Course of Business, (iii) furnish any non-public information concerning the business, properties or assets of the Company, any Subsidiary or any division of the Company to any party (other than the Buyer), in each case, in connection with an Alternative Transaction or (iv) engage in discussions or negotiations with any party (other than the Buyer) concerning any Alternative Transaction; provided, however, that prior to receipt of the Requisite Stockholder Approval, the Company may, in response to a *bona fide*, written Proposal (as defined in Section 4.7(e)) that is made by a Person the Board of Directors of the Company determines, in good faith, is reasonably capable of making a Superior Proposal (as defined in Section 4.7(e)) and that the Board of Directors of the Company determines, in good faith, after consultation with the Company's financial advisor and outside counsel, is reasonably likely to lead to a Superior Proposal that was not solicited by the Company or any of its Representatives and that did not otherwise result from a breach or a deemed breach of this Section 4.7, and subject to compliance with Section 4.7(c) below, (x) furnish information with respect to the Company to the person making such Proposal pursuant to a confidentiality agreement not less restrictive of the other party than the Confidentiality Agreement and (y) participate in discussions or negotiations (including solicitation of a revised Proposal) with such Person and its officers, directors, employees, Affiliates, investment bankers, advisors, representatives or agents regarding any Proposal.

(b) The Board of Directors of the Company shall not approve or recommend any Proposal by a third party, or withdraw or modify in a manner adverse to the Buyer its approval or recommendation of this Agreement or the transactions contemplated hereby, including the Merger, or fail to solicit the vote of its stockholders as required by this Agreement or enter into a definitive agreement with respect to a Superior Proposal or publicly resolve to do any of the foregoing. Notwithstanding the foregoing, the Board of Directors of the Company may withdraw or modify its approval or recommendation of the Requisite Stockholder Approval; provided that each of the following shall have been true and complied with, as applicable, prior to the Board of Directors of the Company or the Company, as the case may be, taking any such action: (i) the Requisite Stockholder Approval shall not have been previously obtained, (ii) the Board of Directors of the Company has received a Superior Proposal, (iii) in light of such Superior Proposal the Board of Directors of the Company shall have determined in good faith, after consultation with outside counsel, that the failure to withdraw or modify its approval or recommendation of the Requisite Stockholder Approval is reasonably likely to result in a breach of its fiduciary duty under applicable Law, (iv) Company has notified the Buyer in writing of the determinations described in clause (iii) of this Section 4.7(b), (v) at least three business days following receipt by the Buyer of the notice referred to in clause (iv) of this Section 4.7(b), and taking into account any revised proposal made by the Buyer since receipt of the notice referred to in clause (iv) above, such Superior Proposal remains a Superior Proposal and the Board of Directors of the Company has again made the determinations referred to in clause (iii) of this Section 4.7(b), and (vi) the Company is in compliance with this Section 4.7.

(c) The Company shall promptly advise the Buyer orally and in writing of (A) the receipt by it or by any of its Representatives after the date hereof of any Proposal, or any inquiry which could reasonably be expected to lead to a Proposal, or any request for nonpublic information in connection with such a Proposal and (B) the terms and conditions of any such Proposal or inquiry. Such notice to the Buyer will indicate in reasonable detail the identity of the person making, and the terms of, the Proposal or inquiry. The Company shall (i) keep the Buyer fully informed of the status including any change to the material terms or details of any Proposal or inquiry and (ii) provide to the Buyer as soon as practicable after receipt or delivery thereof with copies of all correspondence and other written material sent or provided to the Company from any third party in connection with any Proposal or sent or provided by the Company to any third party in connection with any Proposal.

(d) Nothing contained in this Section 4.7 shall prohibit the Company from taking and disclosing to its stockholders a position contemplated by Rule 14e-2(a) promulgated under the Exchange Act or from making any required disclosure to the Company Stockholders if, in the good faith judgment of the Board of Directors of the Company, after consultation with outside counsel, failure so to disclose would be inconsistent with its obligations under applicable law. Notwithstanding anything in this Section 4.7, the Board of Directors of the Company may not take any action that would result in the Company Stockholders no longer being legally capable under Delaware General Corporation Law of validly approving the Merger.

(e) For purposes of this Agreement:

(i) "Proposal" means any inquiries, proposals, offers or bids with respect to an Alternative Transaction; and

(ii) "Superior Proposal" means any Proposal made by a third party (other than the Buyer, Merger Sub or any Affiliate thereof) that (1) contains terms that the Board of Directors of the Company determines in good faith to be superior from a financial point of view to the holders of Company Shares than the transactions contemplated by this Agreement (based on the advice of a nationally recognized independent financial advisor), taking into account all the terms and conditions of such proposal and this Agreement (including any proposal by the Buyer to amend the terms of the this Agreement and the transactions contemplated hereby) and (2) is reasonably likely to be consummated, taking into account all financial, regulatory, legal and other aspects of such proposal, and assuming this Agreement has been terminated.

4.8 Expenses. Except as set forth in Sections 4.2 and 4.13(b), Article VI and the Escrow Agreement, each of the Parties shall bear its own costs and expenses (including investment banking, legal and accounting fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

4.9 Retention of Key Employees; Benefits.

(a) Prior to the Closing, the Company shall use reasonable efforts to support the Buyer in retaining in the employ of the Surviving Corporation after the Closing the employees of the Company identified in Section 4.9(a) of the Disclosure Schedule (the "Key Employees") and shall use reasonable efforts to support the Buyer in causing the employees identified in Section 4.9(b) of the Disclosure Schedule (the "Designated Employees") to enter into the Buyer's standard form of confidentiality, non-solicitation and assignment of inventions agreement (the "Buyer Form NDA"). In connection therewith, the Company shall use reasonable efforts to support the Buyer in the following ways: (i) prior to the Closing, delivering copies of the Buyer Form NDA to the Designated Employees, and (ii) prior to the Closing, delivering copies of such employment agreements for Key Employees as Buyer may reasonably request. In addition, prior to the Closing, the Company shall use reasonable efforts to facilitate meetings between the Buyer and the Key Employees and the Designated Employees. Notwithstanding anything to the contrary set forth in this Section 4.9(a), in no event shall the Company be required to dispose of assets or make any changes to its business, terminate any employee (or threaten to do the same), expend any funds (or agree to do the same) or incur any other burden, liability or obligation in connection with complying with its obligations in this Section 4.9(a).

(b) Subject to Section 4.9(c), the Company and the Company Stockholder Representative acknowledge and agree that it is the intent of Buyer to offer, or to cause the Surviving Corporation to offer, continued employment or a consulting relationship with the Buyer, on terms satisfactory to the Buyer, to the Key Employees and the Designated Employees and, in the sole discretion of the Buyer, continue the employment of the other Company employees (collectively, the "Hired Company Employees"). Buyer shall, and shall cause the Surviving Corporation to, treat, and cause the applicable benefit plans to treat, the service of the Hired Company Employees with the Company or any of its Subsidiaries attributable to any period before the Effective Time as service rendered to the Buyer or the Surviving Corporation for purposes of eligibility to participate, vesting and for levels of benefits other than for defined benefits plans and only to the extent taken in account under the Company's comparable benefit plans. Without limiting the foregoing, the Buyer shall cause any pre-existing conditions or limitations, eligibility waiting periods or required physical examinations under any health or

similar plan of the Buyer to be waived with respect to the Hired Company Employees and their eligible dependents, to the extent waived under the corresponding plan in which the Hired Company Employees participated immediately prior to the Closing Date, and any deductibles paid by the Hired Company Employees under any of the Company's or its Subsidiaries' health plans in the plan year in which the Closing Date occurs shall be credited towards deductibles under the health plans of the Buyer or any direct or indirect subsidiary of the Buyer. The Buyer shall, and shall cause the Surviving Corporation to, use commercially reasonable efforts and subject to applicable Law to make appropriate arrangements with its insurance carrier(s) to ensure such result and only to the extent that Hired Company Employees become subject to or eligible to participate in employee benefits plans of the Buyer or the Surviving Corporation during the current plan year.

(c) No provision of this Section 4.9 shall create any third-party beneficiary rights in any employee or former employee (including any beneficiary or dependent thereof) of the Company or any Subsidiary in respect of continued employment (or resumed employment) with the Buyer, the Surviving Corporation or any of the Buyer's direct or indirect subsidiaries, and no provision of this Section 4.9 shall create such rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee program or any plan or arrangement that may be established by the Buyer or any of its direct or indirect subsidiaries. No provision of this Agreement shall constitute a limitation on the rights to amend, modify or terminate after the Effective Time any such plans or arrangements of the Buyer or any of its direct or indirect subsidiaries.

4.10 Termination of 401 (k) Plan.

(a) The Company's Board of Directors or, if appropriate, any committee administering the Company's 401(k) plan (the "401(k) Plan"), shall adopt such resolutions or take such other actions as are required to terminate the 401(k) Plan no later than the day before the Closing Date, on terms satisfactory to Buyer.

(b) The Buyer shall (or shall cause the Surviving Corporation to) take such actions as are necessary to cause a retirement plan maintained by it or one of its ERISA Affiliates that is qualified under Section 401 (a) of the Internal Revenue Code to accept direct and indirect rollover distributions of the Company's employees' balances under the Company's 401(k) Plan, including promissory notes evidencing outstanding plan loans (if any), but only to the extent that the Buyer's applicable retirement plan provides for participant plan loans and subject to the outside administrator of the Buyer's applicable retirement plan accepting such plan loan (and the Buyer shall use reasonable best efforts to cause such administrator to accept such loan).

4.11 280G Payments Vote. To the extent the Company (in consultation with the Buyer) reasonably determines that such a vote is required, prior, to the Effective Time, the Company shall submit to a stockholder vote, in a manner that satisfies the stockholder approval requirements under Section 280G(b)(5)(B) of the Internal Revenue Code and regulations promulgated thereunder, the right of any "disqualified individual" (as defined in Section 280G(c) of the Internal Revenue Code) to receive any and all payments (or other benefits) contingent on the consummation of the transactions contemplated by this Agreement (within the meaning of

Section 280G(b)(2)(A)(i) of the Internal Revenue Code) to the extent necessary so that, no payment received by such "disqualified individual" shall be a "parachute payment" under Section 280G(b) of the Internal Revenue Code (determined without regard to Section 280G(b)(4) of the Internal Revenue Code). Such vote shall establish the disqualified individual's right to the payment or other compensation and the Company shall obtain any required waivers or consents from the disqualified individual prior to the vote. In connection with such vote, the Company shall provide adequate disclosure to the Company Stockholders of all material facts concerning all payments to any such disqualified individual that, but for such vote, could be deemed "parachute payments" under Section 280G of the Internal Revenue Code in a manner that satisfies Section 280G(b)(5)(B)(ii) of the Internal Revenue Code and regulations promulgated thereunder. The Buyer and its counsel shall have the right to review and comment on all documents required to be delivered to the Company Stockholders in connection with such vote (including the disclosure described above) and any required disqualified individual waivers or consents and Buyer and its counsel shall be provided copies of all vote documents executed by the stockholders and disqualified individuals.

4.12 FIRPTA. Prior to the Closing, the Company shall deliver or cause to be delivered to the Buyer a certification that the Company Shares are not United States real property interests as defined in Section 897(c) of the Internal Revenue Code, together with a notice to the Internal Revenue Service, in accordance with the Treasury Regulations under Sections 897 and 1445 of the Internal Revenue Code. If the Company has not provided such certification and notice to the Buyer on or before the Closing Date, the Buyer shall be permitted to withhold from the payments to be made pursuant to this Agreement any required withholding Tax under Section 1445 of the Internal Revenue Code.

4.13 Indemnification and Insurance.

(a) Buyer and Merger Sub agree that all rights to indemnification or exculpation now existing in favor of, and all limitations on the personal liability of, each present and former director, officer, employee, fiduciary and agent of the Company and its Subsidiaries provided for in their respective certificates of incorporation, charters, by-laws or otherwise in effect as of the date hereof shall continue in full force and effect for a period of six (6) years from the Effective Time. During such period, Buyer shall not, nor shall it permit the Surviving Corporation or any of its Subsidiaries to, amend, repeal or otherwise modify such provisions for indemnification in any manner that would materially and adversely affect the rights thereunder of any individual who at any time on or prior to the Effective Time was a director, officer, employee, fiduciary or agent of the Company or its Subsidiaries in respect of actions or omissions occurring at or prior to the Effective Time (including, without limitation, the transactions contemplated by this Agreement), unless such modification is required by applicable Law; provided, however, that all rights to indemnification in respect of any claims asserted or made within such period shall continue until the disposition of such claim. From and after the Effective Time, the Buyer and the Surviving Corporation also agree to indemnify and hold harmless the present and former officers and directors of the Company or any Subsidiary in respect of acts or omissions occurring prior to the Effective Time to the extent provided in any written indemnification agreements with the Company or any Subsidiary except with respect to matters for which the Buyer is indemnified under Article VI. Notwithstanding any other rights to indemnification any such director, officer, employee, fiduciary and agent may have, including without limitation from any private equity or venture capital fund or management company with which such Person was or is affiliated or associated, the obligations specified herein are to be the primary source of indemnification for such Person.

(b) Prior to the Effective Time, the Company shall purchase an extension (the "D&O Tail Insurance") of its directors' and officers' liability insurance covering those persons who are currently covered by the current Company directors' and officers' liability insurance policy (the "Company Insured Parties") on terms not substantially less favorable to the Company Insured Parties than those of Company's current directors' and officers' liability insurance policy a copy of which has been made available to the Buyer. The D&O Tail Insurance shall provide coverage for a period of six (6) years from the Effective Time for losses to which the Company Insured Parties may be subject based on pre-Closing occurrences. The premium for the six years of coverage of D&O Tail Insurance shall be determined prior to the Effective Time, and is referred to herein as the "D&O Tail Insurance Premium Amount." The Company shall pay fifty percent (50%) of the D&O Tail Insurance Premium Amount and such payment will be deemed to be a Transaction Expense, the Buyer shall pay the remainder of the D&O Tail Insurance Premium Amount and such payment will not be deemed to be a Transaction Expense. The Buyer shall, and shall cause the Surviving Corporation to, maintain in full force and effect the D&O Tail Insurance for a period of six (6) years from the Effective Time, and continue to honor the obligations thereunder.

(c) In the event Buyer or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, and in each such case, to the extent necessary proper provision shall be made so that the successors and assigns of the Buyer or the Surviving Corporation, as the case may be, assume the obligations set forth in this Section 4.13.

(d) The obligations under this Section 4.13 shall not be terminated or modified in such a manner as to adversely affect any Company Insured Party to whom this Section 4.13 applies without the consent of such affected Company Insured Party (it being expressly agreed that the Company Insured Parties to whom this Section 4.13 applies shall be third party beneficiaries of this Section 4.13 and shall be entitled to enforce the covenants contained herein).

ARTICLE V
CONDITIONS TO CONSUMMATION OF MERGER

5.1 Conditions to Obligations of the Buyer and Merger Sub. The obligation of each of the Buyer and Merger Sub to consummate the Merger is subject to the satisfaction (or waiver by the Buyer) of the following additional conditions:

(a) this Agreement and the Merger shall have received the Requisite Stockholder Approval, and no more than five percent (5%) of the Company Shares issued and outstanding immediately prior to the Effective Time (including for the avoidance of doubt, any Company Shares issued pursuant to the Pre-Closing Exchange) shall be Dissenting Shares;

(b) the Company and the Subsidiaries shall have obtained at their own expense (and shall have provided copies thereof to the Buyer) all of the waivers, permits, consents, approvals or other authorizations, and effected all of the registrations, filings and notices, referred to or incorporated by reference in Section 5.1(b) of the Disclosure Schedule;

(c) (i) the representations and warranties of the Company set forth in this Agreement (other than those representations and warranties set forth in Sections 2.1, 2.3, 2.6(b) and 2.26 and in clauses (a), (b), (c), (d) and (f) of Section 2.2) shall be true and correct as of the Closing Date as though made on and as of the Closing Date (except (i) to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct as of such date, and (ii) where the failure to be true and correct (without regard to any materiality or Company Material Adverse Effect qualifications contained therein) has not had, or would not reasonably be expected to result in, a Company Material Adverse Effect), and (ii) the representations and warranties set forth in Sections 2.1, 2.3, 2.6(b) and 2.26 and in clauses (a), (b), (c), (d) and (f) of Section 2.2 shall be true and correct in all material respects as of the Closing Date as though made on and as of the Closing Date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct as of such date), and the Buyer shall have received a certificate signed on behalf of the Company by the chief executive officer or the chief financial officer of the Company to such effect;

(d) the Company shall have performed or complied with in all material respects its agreements and covenants required to be performed or complied with under this Agreement as of or prior to the Closing;

(e) no Legal Proceeding shall be pending or threatened in writing wherein an unfavorable judgment, order, decree, stipulation or injunction could reasonably be expected to (i) prevent consummation of the transactions contemplated by this Agreement, (ii) cause the transactions contemplated by this Agreement to be rescinded following consummation or (iii) have, individually or in the aggregate, a Company Material Adverse Effect, and no such judgment, order, decree, stipulation or injunction shall be in effect;

(f) the Company shall have delivered to the Buyer and Merger Sub the Company Closing Certificate;

(g) the Buyer shall have received copies of the resignations, effective as of the Closing, of each director and officer of the Company and the Subsidiaries from such positions as a director or officer, as applicable (other than any such resignations which the Buyer designates, by written notice to the Company, as unnecessary);

(h) all applicable waiting periods (and any extensions thereof) under the Hart-Scott-Rodino Act shall have expired or otherwise been terminated; and

(i) the Buyer shall have received such other certificates and instruments (including certificates of good standing of the Company and the Subsidiaries in their jurisdiction of organization and the various foreign jurisdictions in which they are qualified, certified charter documents, certificates as to the incumbency of officers and the adoption of authorizing resolutions) as it shall reasonably request in connection with the Closing.

5.2 Conditions to Obligations of the Company. The obligation of the Company to consummate the Merger is subject to the satisfaction of the following additional conditions:

(a) The representations and warranties of the Buyer and Merger Sub set forth in this Agreement shall be true and correct as of the Closing Date as though made on and as of the Closing Date (except (i) to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct as of such date and (ii) where the failure to be true and correct (without regard to any materiality qualifications contained therein), individually or in the aggregate, has not resulted in any material adverse effect on the ability of the Buyer or Merger Sub to consummate, including any material delay in the Buyer's ability to consummate, the transactions contemplated by this Agreement).

(b) each of the Buyer and Merger Sub shall have performed or complied with in all material respects its agreements and covenants required to be performed or complied with under this Agreement as of or prior to the Closing;

(c) no Legal Proceeding shall be pending or threatened in writing wherein an unfavorable judgment, order, decree, stipulation or injunction would (i) prevent consummation of the transactions contemplated by this Agreement or (ii) cause the transactions contemplated by this Agreement to be rescinded following consummation, and no such judgment, order, decree, stipulation or injunction shall be in effect;

(d) the Buyer shall have delivered to the Company the Buyer Closing Certificate;

(e) the Buyer shall have delivered to the Company the Escrow Agreement executed by the Buyer, the Company Stockholder Representative and the Escrow Agent;

(f) this Agreement and the Merger shall have received the Requisite Stockholder Approval;

(g) all applicable waiting periods (and any extensions thereof) under the Hart- Scott-Rodino Act shall have expired or otherwise been terminated; and

(h) the Company shall have received such other certificates and instruments (including certificates of good standing of the Buyer and Merger Sub in their jurisdiction of organization, certified charter documents, certificates as to the incumbency of officers and the adoption of authorizing resolutions) as it shall reasonably request in connection with the Closing.

ARTICLE VI
INDEMNIFICATION

6.1 Indemnification. Subject to the terms and conditions of this Agreement and the Escrow Agreement, from and after the Closing, the Buyer or any Affiliate thereof shall be indemnified in respect of, and held harmless against, in each case, solely from the Escrow Fund, any and all Losses incurred or suffered by the Surviving Corporation or the Buyer or any Affiliate thereof resulting from, relating to or constituting:

(a) any inaccuracy in any representation or breach of any warranty of the Company contained in this Agreement or any other agreement or instrument executed by the Company and furnished by the Company to the Buyer pursuant to this Agreement, whether as of the date of this Agreement or as of the Closing Date (except to the extent such representations or warranties are specifically made as of a particular date, in which case, as of such date);

(b) any breach or nonperformance of (or noncompliance with) any covenant or agreement of the Company contained in this Agreement or any agreement or instrument furnished by the Company to the Buyer pursuant to this Agreement;

(c) any amount by which the Working Capital Escrow Fund is insufficient to satisfy in full the Working Capital Escrow Deficit as determined in accordance with Section 1.8(b) and Section 1.13; or

(d) any claim made by holders of Dissenting Shares to the extent Losses exceed the amount the holders of such Dissenting Shares would have otherwise received under this Agreement; provided, that (i) the Buyer and the Surviving Corporation will have given the Company Stockholder Representative (A) written notice of any written demand for appraisal, withdrawal of a demand for appraisal and any other instrument served pursuant to Section 262 of the Delaware General Corporation Law received by the Buyer, the Surviving Corporation or any Affiliate thereof and (B) an opportunity to participate in the negotiations and proceedings with respect to such Dissenting Shares; (ii) the Buyer and the Surviving Corporation will have used commercially reasonable efforts to resolve the dispute regarding such Dissenting Shares; and (iii) such payments are made pursuant to either a (X) written settlement agreement that is approved by the Company Stockholder Representative (not to be unreasonably withheld, delayed or conditioned) or (Y) final, non-appealable judgment of a court of competent jurisdiction.

6.2 Indemnification Claims.

(a) Third Party Claims. All claims for indemnification made under this Agreement resulting from, related to or arising out of a third-party claim against an Indemnified Party shall be made in accordance with the following procedures. A Person entitled to indemnification under this Article VI (an "Indemnified Party") shall give prompt written notification to the Company Stockholder Representative (a "Third Party Claim Notice") of the commencement of any action, suit or proceeding relating to a third party claim for which indemnification may be sought or, if earlier, upon the assertion of any such claim by a third party; provided, that a failure to notify or delay in notifying the Company Stockholder Representative will not relieve the Company Stockholder Representative of its obligations pursuant to this Article VI, except to the extent that such claim is actually prejudiced as a result thereof. Such Third Party Claim Notice shall include a description in reasonable detail (to the extent known by the Indemnified Party) of the facts constituting the basis for such third party claim and the amount of the Losses claimed (the "Third Party Claim Amount"). Within 30 days after delivery of such Third Party Claim Notice, the Company Stockholder Representative may, upon written notice thereof to the Indemnified Party, assume control of the defense of any such action, suit, proceeding or claim in which (i) the third-party claimant seeks only the recovery of monetary damages and (ii) the Company Stockholder Representative agrees that, subject to the

limitations set forth in this Article VI, the Indemnified Party shall be entitled to indemnification for any Losses incurred or suffered by it resulting from such claim, with counsel reasonably satisfactory to the Indemnified Party. If the Company Stockholder Representative does not assume control of such defense, the Indemnified Party shall control such defense. The party not controlling such defense may participate therein at its own expense (provided that if the non-controlling participating party is the Company Stockholder Representative, the obligation to pay such expenses shall be solely on behalf of the Company Stockholders and in its capacity as the Company Stockholder Representative, not in its individual capacity); provided that if the Company Stockholder Representative assumes control of such defense and the Indemnified Party reasonably concludes, based on advice from counsel, that the Company Stockholder Representative and the Indemnified Party have conflicting interests with respect to such action, suit, proceeding or claim, the reasonable fees and expenses of counsel to the Indemnified Party solely in connection therewith shall be considered Losses for purposes of this Agreement; provided, however, that in no event shall the Indemnified Parties be entitled to be indemnified for the fees and expenses of more than one (1) counsel for all Indemnified Parties. The party controlling such defense shall keep the other party advised of the status of such action, suit, proceeding or claim and the defense thereof and shall consider recommendations made by the other party with respect thereto. If the Company Stockholder Representative does not assume the defense, the Indemnified Party may not agree to any settlement of such action, suit, proceeding or claim without the prior written consent of the Company Stockholder Representative (such consent not to be unreasonably withheld or delayed). The Company Stockholder Representative shall not agree to any settlement of such action, suit, proceeding or claim that (A) does not include a complete release of the Indemnified Party from all liability with respect thereto, (B) imposes any liability, injunction, equitable relief or other obligation on the Indemnified Party, (C) results in Losses in excess of the then Available Escrow Funds or (D) results in a material increase in Taxes of the Surviving Corporation or its Subsidiaries in a tax period ending after the Closing Date, without the prior written consent of the Indemnified Party (such consent not to be unreasonably withheld or delayed). Notwithstanding anything to the contrary in this Section 6.2(a), the Company Stockholder Representative shall not be entitled to control, and the Buyer shall instead control, the defense of any action, suit, proceeding or claim with respect to Taxes of the Company or any of its Subsidiaries attributable to any period ending after the Closing Date.

(b) Procedure for Claims Not Involving Third Parties. An Indemnified Party wishing to assert a claim for indemnification under this Article VI that does not involve a third- party claim shall deliver to the Company Stockholder Representative a Claim Notice. Within 30 days after delivery of a Claim Notice, the Company Stockholder Representative shall deliver to the Indemnified Party a written response in which the Company Stockholder Representative shall (A) agree that the Indemnified Party is entitled to receive all of the Claim Amount (in which case the Company Stockholder Representative shall take such actions as are required pursuant to the Escrow Agreement to cause the Claimed Amount to be released to the Buyer from the Escrow Fund), (B) agree that the Indemnified Party is entitled to receive part, but not all, of the Claim Amount (the "Agreed Amount") (in which case the Company Stockholder Representative shall take such actions as are required pursuant to the Escrow Agreement to cause the Agreed Amount to be released to the Buyer from the Escrow Fund) or (C) contest that the Indemnified Party is entitled to receive any of the Claim Amount. If the Company Stockholder Representative in such response contests the payment of all or part of the Claim Amount, the Company Stockholder Representative and the Indemnified Party shall use good faith and commercially reasonable

efforts to resolve such dispute. If such dispute is not resolved within 60 days following the delivery by the Company Stockholder Representative of such response, the Company Stockholder Representative and the Indemnified Party shall each have the right to submit such dispute to a court of competent jurisdiction in accordance with the provisions of Section 9.12.

(c) Authority of Company Stockholder Representative. The Company Stockholder Representative shall have full power and authority on behalf of each Company Stockholder to take any and all actions on behalf of, execute any and all instruments on behalf of, and execute or waive any and all rights of, the Company Stockholders under this Article VI. The Company Stockholder Representative shall have no liability to any Company Stockholder for any action taken or omitted on behalf of the Company Stockholders pursuant to this Article VI.

6.3 Survival of Representations and Warranties. Each Party's representations and warranties in this Agreement shall survive the Closing and shall expire on the date that is eighteen (18) months following the Effective Time. If an Indemnified Party delivers to Company Stockholder Representative, before the expiration of a representation or warranty, either a Claim Notice based upon a breach of such representation or warranty, or an Expected Claim Notice based upon a breach of such representation or warranty, then the applicable representation or warranty shall survive until, but only for purposes of, the resolution of any claims arising from or related to the matter covered by such notice. If the legal proceeding or written claim with respect to which an Expected Claim Notice has been given is definitively withdrawn or resolved in favor of the Indemnified Party, the Indemnified Party shall promptly (and in no event later than three (3) days after the date of such withdrawal or resolution) so notify the Company Stockholder Representative; and if the Indemnified Party has delivered a copy of the Expected Claim Notice to the Escrow Agent and funds have been retained in escrow after the Termination Dates (as defined in the Escrow Agreement) with respect to such Expected Claim Notice, the Company Stockholder Representative and the Indemnified Party shall promptly (and in no event later than three (3) days after the date of such withdrawal or resolution) deliver to the Escrow Agent a written notice executed by both parties instructing the Escrow Agent to disburse such retained funds to the Company Stockholders in accordance with the terms of the Escrow Agreement. The rights to indemnification set forth in this Article VI shall not be affected by (i) any investigation conducted by or on behalf of the Indemnified Party or any knowledge acquired (or capable of being acquired) by the Indemnified Party, whether before or after the date of this Agreement or the Closing Date, with respect to the inaccuracy or noncompliance with any representation, warranty, covenant or obligation which is the subject of indemnification hereunder or (ii) any waiver by the Buyer or Merger Sub of any closing condition relating to the accuracy of representations and warranties or the performance of or compliance with agreements and covenants. Nothing in this Section 6.3 shall be construed to limit the survival of covenants, agreements and obligations that by their terms are to be performed or observed after the Effective Time or for which another time period is specified in this Agreement.

6.4 Limitations.

(a) Notwithstanding anything to the contrary herein or in the Escrow Agreement, other than for claims involving fraud, and subject to the provisions of Section 9.14, the Indemnified Parties shall not be able to seek indemnification from the Escrow Fund under this Article VI and the Escrow Agreement unless and until the aggregate Losses for which they or it would otherwise be entitled under this Article VI exceed five hundred thousand dollars ($500,000) (the "Threshold"), at which point the Indemnified Parties shall be entitled to recover from the Escrow Fund all Losses indemnified under this Article VI and not just those Losses in excess of the Threshold. Notwithstanding anything to the contrary herein or the Escrow Agreement, other than for claims involving fraud, and subject to the provisions of Section 9.14, the Indemnified Parties shall not be able to seek indemnification pursuant to this Article VI or the Escrow Agreement for any amount of indemnifiable Losses in excess of the Escrow Fund and the right of the Indemnified Parties to recover for any indemnifiable Losses under this Article VI shall be limited solely and exclusively to the Escrow Fund.

(b) Notwithstanding anything to the contrary herein or in the Escrow Agreement, other than for claims involving fraud, and subject to the provisions of Section 9.14, claims pursuant to this Article VI and/or the Escrow Agreement shall be the sole and exclusive remedy of the Indemnified Parties for (x) indemnifiable Losses under this Article VI and the Escrow Agreement or (y) inaccuracies in or breaches of or failure to perform the representations, warranties, covenants, agreements and obligations of the Company under or in connection with this Agreement or any agreement, document, certificate or instrument executed by the Company and furnished by the Company to the Buyer pursuant to this Agreement, or otherwise in connection with the transactions contemplated by this Agreement. Except for claims for indemnification involving fraud, the Available Escrow Fund shall be the sole and exclusive source of recovery for indemnifiable Losses under this Article VI. In the case of claims for indemnification of Losses resulting from fraud, each Company Stockholder shall be liable only for such holder's respective Pro Rata Portion of the indemnifiable Losses, and in no event shall any holder's liability for such Losses exceed the aggregate amount paid to such holder pursuant to Article I of this Agreement.

(c) Nothing in this Section 6.4 shall be construed to limit the Buyer's rights under Section 9.14. No Company Stockholder shall have any right of contribution or subrogation against the Company or the Surviving Corporation with respect to any breach by the Company of any of its representations, warranties, covenants or agreements.

(d) Notwithstanding anything to the contrary herein or in the Escrow Agreement, no breach of any representation, warranty, covenant or agreement contained herein shall give rise to any right on the part of the Buyer, the Surviving Corporation or any Indemnified Party, after the consummation of the transactions contemplated hereby, to rescind this Agreement or any of the transactions contemplated hereby.

(e) Notwithstanding anything to the contrary herein or in the Escrow Agreement, any Loss for which any Indemnified Party is entitled to indemnification under this Article VI shall be determined without duplication of recovery by reason of the state of facts giving rise to such Loss constituting a breach of more than one representation, warranty, covenant or agreement.

(f) Notwithstanding anything to the contrary herein or in the Escrow Agreement, no Indemnified Party shall be entitled to indemnification pursuant to this Article VI for any Losses to the extent such Losses are included as current liabilities in the Final Revised Closing Net Working Capital.

(g) Notwithstanding anything to the contrary herein or in the Escrow Agreement, the amount of any Losses subject to indemnification under this Article VI shall be calculated net of (i) any insurance proceeds received by any Indemnified Party on account of such Losses and/or (ii) any indemnification payments received by the Indemnified Party from any third party with respect to such Losses. Furthermore, notwithstanding anything to the contrary herein or in the Escrow Agreement, no Indemnified Party shall be entitled to any indemnification under this Article VI or the Escrow Agreement for any Losses to the extent any Indemnified Party could have, with reasonable efforts, mitigated or prevented the Loss.

(h) Notwithstanding anything to the contrary herein or in the Escrow Agreement, any indemnification with respect to Taxes shall be limited to Taxes of the Company or any Subsidiary for taxable periods (or portions thereof) ending on or before the Closing Date.

6.5 Right of Offset. If the Buyer recovers a portion of the Working Capital Escrow Deficit from the Escrow Fund pursuant to Section 6.1(c) (such amount so recovered by the Buyer is referred to as the "Make Whole Amount"), then the Buyer shall be entitled to offset the Make Whole Amount against the Net Earn-Out Amount, if any.

6.6 Tax Treatment of Indemnification Payments. All amounts paid under this Article VI shall be treated as adjustments to the purchase price for all Tax purposes unless otherwise required by Law.

ARTICLE VII
TERMINATION

7.1 Termination of Agreement. The Parties may terminate this Agreement prior to the Closing (whether before or after Requisite Stockholder Approval), as provided below:

(a) the Buyer and the Company may terminate this Agreement by mutual written consent;

(b) the Buyer may terminate this Agreement by giving written notice to the Company in the event the Company is in breach of any representation, warranty or covenant contained in this Agreement, and such breach (i) individually or in combination with any other such breach, would cause the conditions set forth in Section 5.1(c) or Section 5.1(d) not to be satisfied and (ii) is not cured within twenty (20) days following delivery by the Buyer to the Company of written notice of such breach;

(c) the Company may terminate this Agreement by giving written notice to the Buyer in the event the Buyer or Merger Sub is in breach of any representation, warranty or covenant contained in this Agreement, and such breach (i) individually or in combination with any other such breach, would cause the conditions set forth in Section 5.2(a) or Section 5.2(b) not to be satisfied and (ii) is not cured within twenty (20) days following delivery by the Company to the Buyer of written notice of such breach;

(d) the Buyer may terminate this Agreement by giving written notice to the Company in the event that the Requisite Stockholder Approval has not been obtained within the time period specified in Section 4.3(a) provided that if after the expiration of such time period and prior to the time the Buyer terminates this Agreement pursuant to this Section 7.1 (d), the Requisite Stockholder Approval is obtained, then the right to terminate this Agreement pursuant to this Section 7.1(d) shall be unavailable to the Buyer;

(e) the Buyer may terminate this Agreement by giving written notice to the Company if the Closing shall not have occurred on or before July 31, 2011 by reason of the non- satisfaction of any condition precedent under Section 5.1 (unless the non-occurrence of the Closing results primarily from a breach or nonperformance by the Buyer or Merger Sub of any representation, warranty, covenant or agreement contained in this Agreement); or

(f) the Company may terminate this Agreement by giving written notice to the Buyer if the Closing shall not have occurred on or before July 31, 2011 by reason of the non- satisfaction of any condition precedent under Section 5.2 (unless the non-occurrence of the Closing results primarily from a breach by the Company of any representation, warranty, covenant or agreement contained in this Agreement).

7.2 Effect of Termination. If any Party terminates this Agreement pursuant to Section 7.1, all obligations of the Parties hereunder shall terminate without any liability of any Party to any other Party (except for any liability of any Party (other than the Company Stockholder Representative) for intentional breaches of this Agreement prior to such termination and obligations under the Confidentiality Agreement).

ARTICLE VIII
DEFINITIONS

For purposes of this Agreement, each of the following terms shall have the meaning set forth below.

"401(k) Plan" shall have the meaning given to it in Section 4.10(a).

"AAA" shall mean the American Arbitration Association.

"Affiliate" shall mean any affiliate, as defined in Rule 12b-2 under the Exchange Act.

"Aggregate Liquidation Preference Amount" shall have the meaning given to it in Section 1.5(a)(i).

"Aggregate Option Consideration" shall mean the aggregate exercise price of all Company Options that are cancelled and converted into the right to receive a payment pursuant to Section 1.7(a).

"Agreed Amount" shall have the meaning given to it in Section 6.2(b).

"Alternative Transaction" shall have the meaning given to it in Section 4.7(a).

"Antitrust Filings" shall have the meaning given to it in Section 4.2(a).

"Antitrust Law" shall mean any federal, state, provincial or foreign Law designed to prohibit, restrict or regulate actions for the purpose or effect of monopolization or restraint of trade.

"Applicable Revenue" shall have the meaning given to it in Section 1.14(a)(i).

"Arbitrator" shall have the meaning set forth in Section 6.2(f).

"Available Escrow Fund" shall mean, at any time, the amount then remaining in the Escrow Fund less the amount of any Losses or potential Losses identified in any unresolved Claim Notice or Expected Claim Notice.

"Auditing Firm" shall have the meaning given to it in Section 1.13(c)(iii)(B).

"Bankruptcy and Equity Exception" shall have the meaning given to it in Section 2.3.

"BC" shall have the meaning given to it in Section 2.26.

"best efforts" shall have the meaning given to it in Section 4.9(a).

"business day" (whether such term is capitalized or not) means any day other than Saturday, Sunday or a legal holiday that banks located in Boston, Massachusetts are closed for business.

"Buyer" shall have the meaning set forth in the first paragraph of this Agreement.

"Buyer Closing Certificate" shall mean a certificate to the effect that each of the conditions specified in Section 5.2 is satisfied in all respects.

"Buyer Form NDA" shall have the meaning given to it in Section 4.9(a).

"Canadian Subsidiary" shall have the meaning given to it in Section 1.4(b).

"CERCLA" shall mean the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

"Certificate of Merger" shall mean the certificate of merger attached hereto as Exhibit D and executed in accordance with Section 251(c) of the Delaware General Corporation Law.

"Claim Notice" shall mean written notification which contains (i) a description of the Claimed Amount, (ii) a statement that the Indemnified Party is entitled to indemnification under Article VI with respect to such Claimed Amount and a reasonable explanation of the basis therefor, and (iii) a demand for payment in the amount of such Claimed Amount.

"Claimed Amount" shall mean the amount of any Losses incurred or reasonably expected to be incurred by the Indemnified Party.

"Class A-1 Exchangeable Shares" shall mean the Class A-1 Exchangeable Shares in the capital of the Canadian Subsidiary.

"Closing" shall mean the closing of the transactions contemplated by this Agreement.

"Closing Date" shall mean the date two (2) business days after the satisfaction or waiver of all of the conditions to the obligations of the Parties to consummate the transactions contemplated hereby (excluding the delivery at the Closing of any of the documents set forth in Article V), or such other date as may be mutually agreeable to the Buyer and the Company.

"Closing Net Working Capital" shall have the meaning given to it in Section 1.13(a).

"Combined Buyer Product" shall have the meaning given to it in Section 1.14(a)(ii).

"Commercial Rules" shall mean the Commercial Arbitration Rules of the AAA.

"Common Cash Amount" shall have the meaning given to it in Section 1.5(a)(ii).

"Common Exchangeable Shares" shall mean the Common Exchangeable Shares in the capital of the Canadian Subsidiary.

"Common Shares" shall mean the shares of Standard Common Stock and the shares of Special Common Voting Stock.

"Company" shall have the meaning set forth in the first paragraph of this Agreement.

"Company Certificates" shall have the meaning given to it in Section 1.12(a).

"Company Closing Certificate" shall mean a certificate to the effect that each of the conditions specified in Section 5.1 is satisfied in all respects.

"Company Components" shall have the meaning given to it in Section 1.14(a)(iii).

"Company Insured Parties" shall have the meaning given to it in Section 4.13(b).

"Company Intellectual Property" shall mean the Company Owned Intellectual Property and the Company Licensed Intellectual Property.

"Company Licensed Intellectual Property" shall mean all Intellectual Property that is licensed to the Company or a Subsidiary by any third party.

"Company Material Adverse Effect" shall mean any change, event, circumstance, occurrence, state of facts or development that, individually or in the aggregate with all other adverse changes, events, circumstances, occurrences, states of facts or developments occurring prior to the determination of a Company Material Adverse Effect, has a material adverse effect on (i) the business, assets and liabilities (taken together), financial condition or results of operations of the Company and its Subsidiaries, taken as a whole, or (ii) the ability of the Company to consummate the transactions contemplated hereby; provided, however, that none of the following constitute, or will be considered in determining whether there has occurred, a Company Material Adverse Effect: (a) changes that are the result of factors generally affecting the industries or markets in which the Company and its Subsidiaries operate; (b) any adverse change, event, circumstance, occurrence, state of facts or development arising out of or resulting from actions contemplated by the Parties in connection with this Agreement or the pendency or announcement of the transactions contemplated by this Agreement, including actions of competitors or any delays or cancellations for products and/or services or losses of employees, business partners or customers; (c) changes in applicable Laws, GAAP or the interpretation of any of the foregoing; (d) any action taken at the written request of Buyer or Merger Sub; (e) any legal or investment banking fees or expenses, or severance, bonus, benefit or other change in control payments under specified executive benefits or employment agreement of the Company or any Subsidiary thereof incurred or made in connection with the transactions contemplated by this Agreement; (f) any failure of the Company or any Subsidiary thereof to meet any projection or forecast prior to the Closing; (g) changes that are the result of economic factors affecting the national, regional or world economy, (h) acts of God, hostilities or acts of war, sabotage or terrorism; and (i) changes in general political or geopolitical conditions; provided that the exceptions in clauses (a), (c), (g), (h) and (i) shall not apply to any change, event, circumstance, occurrence, state of facts or development which disproportionately affects the Company and its Subsidiaries, taken as a whole, when compared to other businesses operating in the industry in which the Company and its Subsidiaries operate.

"Company Option" shall mean each option (other than the conversion right of the Preferred Shares) to purchase or acquire Common Shares.

"Company Owned Intellectual Property" shall mean all Intellectual Property owned or purported to be owned by the Company or a Subsidiary, in whole or in part.

"Company Plan" shall mean any Employee Benefit Plan maintained, or contributed to, by the Company, any Subsidiary or any ERISA Affiliate.

"Company Registrations" shall mean Intellectual Property Registrations that are registered or filed in the name of the Company or any Subsidiary, alone or jointly with others.

"Company Shares" shall mean the Common Shares and the Preferred Shares together.

"Company Source Code" shall mean the source code for any Software included in the Customer Offerings or Internal Systems or other confidential information constituting, embodied in or pertaining to such Software.

"Company Stock Plan" shall mean any stock option plan or other stock or equity-related plan of the Company.

"Company Stockholder Representative" shall have the meaning set forth in the first paragraph of this Agreement.

"Company Stockholder Representative Amount" shall have the meaning set forth in Section 1.3(e).

"Company Stockholder Representative Fund" shall mean the fund established pursuant to Section 1.8(c) and the Escrow Agreement, including the Company Stockholder Representative Amount.

"Company Stockholders" shall mean the holders of record of the Common Shares and Preferred Shares outstanding immediately prior to the Effective Time (including, for the avoidance of doubt, all Common Shares and Preferred Shares issued in connection with the Pre-Closing Exchange) and for all purposes hereof other than Section 1.12, Section 1.13 and Section 1.14, the holders of Company Options that are converted and canceled pursuant to Section 1.7(a).

"Contingent Banking Fees" shall mean the aggregate amounts owed to DB and BC, pursuant to their respective written agreements with the Company in effect on the date hereof (and without regard to any amendment, modification or change to such agreements occurring after the date hereof unless the same has been expressly agreed to by the Company Stockholder Representative in writing), as a result of the payment of the Earn-Out Amount.

"Covered Items" shall have the meaning given to it in Section 2.22(b).

"Customer Offerings" shall mean (a) the products (including Software and Documentation) that the Company or any Subsidiary (i) currently develops, manufactures, markets, distributes, makes available, sells or licenses to third parties, or (ii) has developed, manufactured, marketed, distributed, made available, sold or licensed to third parties within the previous six (6) years, or (iii) currently plans to develop, manufacture, market, distribute, make available, sell or license to third parties in the future and (b) the services that the Company or any Subsidiary (i) currently provides or makes available to third parties, or (ii) has provided or made available to third parties within the previous six (6) years, or (iii) currently plans to provide or make available to third parties in the future. A true and complete list of all Customer Offerings is set forth in Section 2.12(c) of the Disclosure Schedule.

"D&O Tail Insurance" shall have the meaning given to it in Section 4.13(b).

"D&O Tail Insurance Premium Amount" shall have the meaning given to it in Section 4.13(b).

"DB" shall have the meaning given to it in Section 2.26.

"Designated Employees" shall have the meaning given to it in Section 4.9(a).

"Disclosure Schedule" shall mean the disclosure schedule provided by the Company to the Buyer on the date hereof, arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in Article II that may contain disclosures in such sections or subsections that shall qualify only the corresponding section or

subsection in Article II; provided, however, that any exception to or disclosure in one section shall be deemed to have been disclosed in other sections to the extent that the applicability of such disclosure to such other sections or such other representations and warranties is reasonably apparent from the face of such disclosure to a reader unfamiliar with the Company's business.

"Dispute" shall mean the dispute resulting if the Company Stockholder Representative in a Response disputes the Company Stockholders' liability for all or part of the Claimed Amount.

"Dissenting Shares" shall mean Company Shares held as of the Effective Time by a Company Stockholder who has not voted such Company Shares in favor of the adoption of this Agreement and with respect to which appraisal shall have been duly demanded and perfected in accordance with Section 262 of the Delaware General Corporation Law and not effectively withdrawn or forfeited prior to the Effective Time.

"Documentation" shall mean printed, visual or electronic materials, reports, white papers, documentation, specifications, designs, flow charts, code listings, instructions, user manuals, frequently asked questions, release notes, recall notices, error logs, diagnostic reports, marketing materials, packaging, labeling, service manuals and other information describing the use, operation, installation, configuration, features, functionality, pricing, marketing or correction of a product, whether or not provided to end user.

"Earn-Out Amount" shall have the meaning given to it in Section 1.14(a).

"Earn-Out Determination" shall have the meaning given to it in Section 1.14(b).

"Earn-Out Dispute Notice" shall have the meaning given to it in Section 1.14(b).

"Earn-Out Period" shall have the meaning given to it in Section 1.14(a)(iv).

"Earn-Out Statement" shall have the meaning given to it in Section 1.14(b).

"Effective Time" shall mean the time at which the Surviving Corporation files the Certificate of Merger with the Secretary of State of the State of Delaware.

"Employee Benefit Plan" shall mean any "employee pension benefit plan" (as defined in Section 3(2) of ERISA), any "employee welfare benefit plan" (as defined in Section 3(1) of ERISA), and any other written or oral plan, agreement or arrangement involving direct or indirect compensation, including insurance coverage, severance benefits, fringe benefits, disability benefits, deferred compensation, bonuses, stock options, stock purchase, phantom stock, stock appreciation or other forms of incentive compensation or post-employment compensation.

"Environmental Law" shall mean any federal, state, local or foreign law, statute, rule, order, directive, judgment, Permit or regulation or the common law relating to the environment, occupational health and safety, or exposure of Persons or property to Materials of Environmental Concern, including any statute, regulation, administrative decision or order pertaining to: (i) the presence of or the treatment, storage, disposal, generation, transportation, handling, distribution, manufacture, processing, use, import, export, labeling, recycling, registration, investigation or

remediation of Materials of Environmental Concern or documentation related to the foregoing; (ii) air, water or noise pollution; (iii) surface water, groundwater or soil contamination; (iv) the release, threatened release, or accidental release of Materials of Environmental Concern, including emissions, discharges, injections, spills, escapes or dumping of Materials of Environmental Concern; (v) transfer of interests in or control of real property which may be contaminated; (vi) community or worker right-to-know disclosures with respect to Materials of Environmental Concern; (vii) the protection of wild life, marine life and wetlands, and endangered and threatened species; (viii) storage tanks, vessels, containers, abandoned or discarded barrels and other closed receptacles; and (ix) health and safety of employees and other Persons. As used above, the term "release" shall have the meaning set forth in CERCLA.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" shall mean any entity which is, or at any applicable time was (but only with respect to such time), a member of (1) a controlled group of corporations (as defined in Section 414(b) of the Internal Revenue Code), (2) a group of trades or businesses under common control (as defined in Section 414(c) of the Internal Revenue Code), or (3) an affiliated service group (as defined under Section 414(m) of the Internal Revenue Code or the regulations under Section 414(o) of the Internal Revenue Code), any of which includes or included the Company or a Subsidiary.

"Escrow Agreement" shall have the meaning given to it in Section 1.3(e).

"Escrow Agent" shall mean Wells Fargo Bank, National Association, a national banking association.

"Escrow Amount" shall have the meaning given to it in Section 1.3(e).

"Escrow Fund" shall mean the fund established pursuant to Section 1.8(a) and the Escrow Agreement, including the Escrow Amount.

"Estimated Closing Net Working Capital" shall have the meaning given to it in Section

"Estimated Closing Net Working Capital Certificate" shall have the meaning given to it in Section 1.13(b).

"Estimated Closing Net Working Capital Statement" shall have the meaning given to it in Section 1.13(b).

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Exchangeable Shares" shall have the meaning given to it in Section 1.4(b).

"Expected Claim Notice" shall mean a notice that, as a result of a legal proceeding instituted by or written claim made by a third party, the Indemnified Party reasonably expects to incur Losses for which it is entitled to indemnification under Article VI.

"Exploit" shall mean develop, design, test, modify, make, use, sell, have made, used and sold, import, reproduce, market, distribute, commercialize, support, maintain, correct and create derivative works of.

"Export Control Laws" shall have the meaning given to it in Section 2.22(b).

"Final Earn-Out Amount" shall have the meaning given to it in Section 1.14(b).

"Final Revised Closing Net Working Capital" shall have the meaning given to it in Section 1.13(c)(ii).

"Final Revised Closing Net Working Capital Statement" shall have the meaning given to it in Section 1.13(c)(ii).

"Financial Statements" shall mean: (a) the audited consolidated balance sheets as of December 31, 2008, 2009 and 2010 and statements of income, changes in stockholders' equity and cash flows of the Company for the fiscal years ending December 31, 2008, 2009 and 2010 and (b) the Most Recent Balance Sheet and the unaudited consolidated statements of income, changes in stockholders' equity and cash flows for the 3 months ending on the Most Recent Balance Sheet Date, in each case, including any footnotes thereto.

"Firm" shall have the meaning given to in Section 9.16.

"GAAP" shall mean United States generally accepted accounting principles.

"Governmental Entity" shall mean United States, Canadian or supranational, foreign, domestic, federal, territorial, provincial, state, municipal or local governmental authority, quasi-governmental authority, government or self-regulatory organization, or any political or other subdivision, department or branch of any of the foregoing, or any court, arbitrational tribunal, administrative agency or commission or other governmental or regulatory authority or agency.

"Grants" shall have the meaning given to it in Section 2.30.

"Hart-Scott-Rodino Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"Hired Company Employees" shall have the meaning given to it in Section 4.9(b).

"IEEE" shall have the meaning given to it in Section 2.22(d).

"Import Control Laws" shall have the meaning given to it in Section 2.22(c).

"Indemnified Party" shall have the meaning given to it in Section 6.2(a).

"Initial Closing Net Working Capital Adjustment" shall have the meaning given to it in Section 1.13(b).

"Initial Closing Net Working Capital Excess" shall have the meaning given to it in Section 1.13(b).

"Initial Closing Net Working Capital Shortfall" shall have the meaning given to it in Section 1.13(b).

"Initial Payout Amount" shall have the meaning given to it in Section 1.5(a)(iii).

"Intellectual Property" shall mean the following subsisting throughout the world: (a) Patent Rights; (b) Trademarks and all goodwill in the Trademarks; (c) copyrights, designs, data and database rights and registrations and applications for registration thereof, including moral rights of authors; (d) mask works and registrations and applications for registration thereof and any other rights in semiconductor topologies under the Laws of any jurisdiction; (e) inventions, invention disclosures, statutory invention registrations, trade secrets and confidential business information, know-how, manufacturing and product processes and techniques, research and development information, financial, marketing and business data, pricing and cost information, business and marketing plans and customer and supplier lists and information, whether patentable or nonpatentable, whether copyrightable or noncopyrightable and whether or not reduced to practice; and (f) other proprietary rights relating to any of the foregoing (including remedies against infringement thereof and rights of protection of interest therein under the Laws of all jurisdictions).

"Intellectual Property Registrations" means Patent Rights, registered Trademarks, registered copyrights and designs, mask work registrations and applications for each of the foregoing.

"Internal Revenue Code" shall mean the Internal Revenue Code of 1986, as amended.

"Internal Systems" shall mean the Software and Documentation and the computer, communications and network systems (both desktop and enterprise-wide), laboratory equipment, reagents, materials and test, calibration and measurement apparatus used by the Company or any Subsidiary in their business or operations or to develop, manufacture, fabricate, assemble, provide, distribute, support, maintain or test the Customer Offerings, whether located on the premises of the Company or a Subsidiary or hosted at a third party site. All Internal Systems that are material to the business of the Company or any of the Subsidiaries are listed and described in Section 2.12 (c) of the Disclosure Schedule.

"Investment Canada Act" shall mean the Investment Canada Act, as amended, and the applicable regulations thereunder.

"Item of Dispute" shall have the meaning given to it in Section 1.14(b).

"Key Employees" shall have the meaning given to it in Section 4.9(a).

"Knowledge," in the context of phrases such as "to the knowledge of the Company" or any phrase of similar import (including, without limitation, phrases including the term "aware"), shall be deemed to refer to the actual knowledge of Sohail Kahn, William Burke, Peter Gammel and Stephen Kovacic.

"Laws" shall mean any statute, law (including common law), rule, code, Order, ordinance, treaty or regulation issued or promulgated by any Governmental Entity.

"Lease" shall mean any lease or sublease pursuant to which the Company or a Subsidiary leases or subleases from another party any real property.

"Legal Proceeding" shall mean any action, suit, proceeding, claim, arbitration or investigation before any Governmental Entity or before any arbitrator.

"Letter of Transmittal" shall have the meaning given to it in Section 1.12(b).

"Losses" shall mean, without duplication, any and all debts, obligations and other liabilities (whether absolute, accrued, contingent, fixed or otherwise, known or unknown, or due or to become due, or otherwise), judgments, monetary damages, fines, fees, penalties, interest obligations and expenses (including amounts paid in settlement, interest, court costs, costs of investigators, fees and reasonable expenses of attorneys, accountants, financial advisors and other experts, and other reasonable expenses of litigation, arbitration or other dispute resolution proceedings relating to a Third-Party Action or an indemnification claim under Article VI); provided, however, that, notwithstanding the foregoing, "Losses" shall not include any incidental, special, punitive, consequential or exemplary damages except (i) to the extent constituting lost profits or (ii) where such damages are awarded (either pursuant to a final, non-appealable judicial award or pursuant to written settlement agreement executed in conformity with Section 6.2(b)) in connection with a Third Party Action.

"Major Stockholder" shall have the meaning given to it in Section 1.12(b).

"Make Whole Amount" shall have the meaning given to it in Section 6.5.

"Materials of Environmental Concern" shall mean any: pollutants or contaminants (as such terms are defined under the Clean Water Act 33 U.S.C. Section 401 et seq), hazardous substances (as such terms are defined under CERCLA), pesticides (as such term is defined under the Federal Insecticide, Fungicide and Rodenticide Act), solid wastes and hazardous wastes (as such terms are defined under the Resource Conservation and Recovery Act), chemicals, other hazardous, radioactive or toxic materials, oil, petroleum and petroleum products (and fractions thereof), or any other material (or article containing such material) listed or subject to regulation under any law, statute, rule, regulation, order, Permit, or directive due to its potential, directly or indirectly, to harm the environment or the health of humans or other living beings.

"Merger" shall mean the merger of Merger Sub with and into the Company in accordance with the terms of this Agreement.

"Merger Sub" shall have the meaning set forth in the first paragraph of this Agreement.

"Most Recent Balance Sheet" shall mean the unaudited consolidated balance sheet of the Company as of the Most Recent Balance Sheet Date and including any footnotes thereto.

"Most Recent Balance Sheet Date" shall mean March 31, 2011.

"Net Earn-Out Amount" shall have the meaning given to it in Section 1.14(e).

"Net Revenue" shall have the meaning given to it in Section 1.14(a)(vi).

"Open Source Materials" means all Software, Documentation or other material that is distributed as "free software," "open source software" or under a similar licensing or distribution model, including, but not limited to, the GNU General Public License (GPL), GNU Lesser General Public License (LGPL), Mozilla Public License (MPL), or any other license described by the Open Source Initiative as set forth on www.opensource.org.

"Option Payment" shall have the meaning given to it in Section 1.7(a).

"Ordinary Course of Business" shall mean the ordinary course of business consistent with past custom and practice (including with respect to frequency and amount).

"Orders" shall mean any judgment, order, ruling, injunction, assessment, award, stay, writ or decree of any Governmental Entity.

"Owned Real Property" shall mean each item of real property owned by the Company or a Subsidiary.

"Parties" shall mean the Buyer, Merger Sub, the Company and the Company Stockholder Representative.

"Patent Rights" shall mean all patents, patent applications, utility models, design registrations and certificates of invention and other governmental grants for the protection of inventions or industrial designs (including all related continuations, continuations-in-part, divisionals, reissues and reexaminations).

"Payment Agent" shall have the meaning given to it in Section 1.12(a).

"Permits" shall mean all permits, licenses, registrations, certificates, orders, approvals, franchises, variances, waivers and similar rights issued by or obtained from any Governmental Entity (including those issued or required under Environmental Laws and those relating to the occupancy or use of owned or leased real property).

"Person" shall mean a natural person, partnership (general or limited), corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, Governmental Entity or other entity or organization.

"Pre-Closing Exchange" shall have the meaning given to it in Section 1.4(b).

"Preferred Shares" shall mean the shares of Series A-1 Preferred Stock of the Company and the Special A-1 Voting Stock.

"Proposal" shall have the meaning given to it in Section 4.7(e)(i).

"Pro Rata Portion" shall mean, with respect to any Company Stockholder or any holder of a Company Option, the percentage set forth across from the name of such Company Stockholder or holder of a Company Option on Appendix I, which the Company shall have the right to update prior to the Effective Time, but which percentages in any event shall sum to 100% in the aggregate without any of such percentages being attributable to the Buyer, the Merger Sub, the Company or any Subsidiary in their respective capacities as holders of Company Shares or Company Options prior to the Effective Time.

"Quarterly Earn-Out Determination" shall have the meaning given to it in Section 1.14(b).

"Quarterly Earn-Out Period" shall have the meaning given to it in Section 1.14(b).

"Quarterly Earn-Out Statement" shall have the meaning given to it in Section 1.14(b).

"Representative Reimbursable Expenses" shall have the meaning given to it in Section 1.15(f).

"Representatives" shall have the meaning given to it in Section 4.7(a).

"Required Minimum Closing Net Working Capital" shall have the meaning given to it in Section 1.13(a)(ii).

"Requisite Stockholder Approval" shall mean the adoption of this Agreement and the approval of the Merger by (i) a majority in voting power of the outstanding Company Shares and Special A-1 Voting Stock entitled to vote on this Agreement and the Merger and (ii) a majority in interest (as determined by the aggregate number of votes) of the outstanding shares of Series A-1 Preferred Stock and Special A-1 Voting Stock voting together as a single class.

"Response" shall mean a written response containing the information provided for in Section 6.2(d).

"Revised Closing Net Working Capital Adjustment" shall have the meaning given to it in Section 1.13(c)(ii).

"Revised Closing Net Working Capital" shall have the meaning given to it in Section

"Revised Closing Net Working Capital Statement" shall have the meaning given to it in Section 1.13(c)(i).

"Securities Act" shall mean the Securities Act of 1933, as amended.

"Security Interest" shall mean any mortgage, pledge, security interest, encumbrance, charge or other lien (whether arising by contract or by operation of law), other than (i) mechanic's, materialmen's, and similar liens, (ii) liens arising under worker's compensation, unemployment insurance, social security, retirement, and similar legislation and (iii) liens on goods in transit incurred pursuant to documentary letters of credit, in each case arising in the Ordinary Course of Business of the Company and not material to the Company.

"Seller Group" shall have the meaning given to in Section 9.16.

"Series A-1 Liquidation Preference Amount" shall have the meaning given to it in Section 1.5(a)(iv).

"Series A-1 Preferred Stock" shall mean the shares of the Company's Series A-1 Preferred Stock par value $0.0001 per share.

"Software" shall mean computer software code, applications, utilities, development tools, diagnostics, databases and embedded systems, whether in source code, interpreted code or object code form.

"Special A-1 Voting Stock" shall mean the shares of the Company's Special A-1 Voting Stock par value $0.0001 per share.

"Special Common Voting Stock" shall mean the shares of the Company's Special Common Voting Stock par value $0.0001 per share.

"Standard Common Stock" shall mean the shares of the Company's Standard Common Stock par value $0.0001 per share.

"Subsidiary" shall mean any corporation, partnership, trust, limited liability company or other non-corporate business enterprise in which the Company (or another Subsidiary) holds stock or other ownership interests representing (a) more than 50% of the voting power of all outstanding stock or ownership interests of such entity or (b) the right to receive more than 50% of the net assets of such entity available for distribution to the holders of outstanding stock or ownership interests upon a liquidation or dissolution of such entity.

"Superior Proposal" shall have the meaning given to it in Section 4.7(e)(ii).

"Surviving Corporation" shall mean the Company, as the surviving corporation in the Merger.

"Taxes" shall mean any and all taxes, charges, fees, duties, contributions, levies or other similar assessments or liabilities in the nature of a tax, including, without limitation, income, gross receipts, corporation, ad valorem, premium, value-added, net worth, capital stock, capital gains, documentary, recapture, alternative or add-on minimum, disability, registration, recording, excise, real property, personal property, sales, use, license, lease, service, service use, transfer, withholding, employment, unemployment, insurance, social security, national insurance, business license, business organization, environmental, workers compensation, payroll, profits, severance, stamp, occupation, escheat, windfall profits, customs duties, franchise, estimated and other taxes of any kind whatsoever imposed by the United States of America or any state, local or foreign government, or any agency or political subdivision thereof, and any interest, fines, penalties, assessments or additions to tax imposed with respect to such items.

"Tax Returns" shall mean any and all reports, returns (including information returns), declarations, or statements relating to Taxes including any amendments thereof or attachments thereto required to be filed with or submitted to any Governmental Entity in connection with the determination, assessment, collection or payment of Taxes or in connection with the administration, implementation or enforcement of or compliance with any legal requirement relating to any Tax, and including, for the avoidance of doubt, U.S. Department of the Treasury Form TD F 90-22.1.

"Third Party Action" shall mean any lawsuit or legal proceeding by a Person other than a Person for which indemnification may be sought by such Person under Article VI.

"Third Party Claim Notice" shall have the meaning given to it in Section 6.2(a).

"Third Party Claim Amount" shall have the meaning given to it in Section 6.2(a).

"Threshold" shall have the meaning given to it in Section 6.4(a).

"Trademarks" shall mean all registered trademarks and service marks, logos, Internet domain names, corporate names and doing business designations and all registrations and applications for registration of the foregoing, common law trademarks and service marks and trade dress.

"Transaction Expenses" shall have the meaning given to it in Section 1.5(a)(v).

"Treasury Regulations" shall mean the Treasury regulations promulgated under the Internal Revenue Code.

"Working Capital Escrow Amount" shall have the meaning given to it in Section 1.3(e).

"Working Capital Escrow Deficit" shall have the meaning given to it in Section 1.13(c)(iv).

"Working Capital Escrow Fund" shall mean the fund established pursuant to Section 1.8(b) and the Escrow Agreement, including the Working Capital Escrow Amount.

ARTICLE IX
MISCELLANEOUS

9.1 Press Releases and Announcements. No Party shall issue any press release or public announcement relating to the subject matter of this Agreement without the prior written approval of the other Parties; provided, however, that any Party may make any public disclosure it believes in good faith is required by applicable law, regulation or stock market rule (in which case the disclosing Party shall use commercially reasonable efforts to advise the other Parties and provide them with a copy of the proposed disclosure prior to making the disclosure); and provided, further, that following Closing and the previous public announcement of the Merger, the Company Stockholder Representative shall be permitted to publicly announce that it has been engaged to serve as the Company Stockholder Representative in connection with the Merger as long as such announcement does not disclose any of the other terms of the Merger or the other transactions contemplated herein.

9.2 Further Assurances; Post-Closing Cooperation. At any time or from time to time after the Closing, at the request of any Party, the other Parties (other than the Company Stockholder Representative) shall execute and deliver to the requesting Party such other documents and instruments, provide such materials and information and take such other actions as the requesting Party may reasonably request to consummate the transactions contemplated by this Agreement and otherwise to cause the other Party or Parties (other than the Company Stockholder Representative) to fulfill its or their respective obligations under this Agreement and the transactions contemplated hereby.

9.3 Third-Party Beneficiaries. The terms and provisions of this Agreement are intended solely for the benefit of the Buyer, Merger Sub, the Company, the Company Stockholder Representative and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights, and this Agreement does not confer any such rights, upon any other Person except, (a) prior to the Effective Time, for the right of Company Stockholders to pursue claims for damages (including damages, as may be determined by a court of competent jurisdiction, based on the consideration payable to the Company Stockholders pursuant to this Agreement) and other relief (including equitable relief) for any breach by the Buyer or the Merger Sub of their obligations to consummate the Merger pursuant to this Agreement, (b) from and after the Effective Time, the rights of Company Stockholders to receive the consideration set forth in Article I and (c) from and after the Effective Time, the rights of the Company Insured Parties to enforce their respective rights under Section 4.13 hereof. The rights granted pursuant to clause (a) of this Section 9.3 shall only be enforceable on behalf of the Company Stockholders by the Company in its sole and absolute discretion, as agent for the Company Stockholders and, consequently, any damages, settlements or other amounts recovered or received by the Company with respect to such claims (net of expenses incurred by the Company in connection therewith) may, in the Company's sole and absolute discretion, be (i) distributed, in whole or in part, by the Company to the Company Stockholders or (ii) retained by the Company for the use and benefit of the Company on behalf of the Company Stockholders in any manner the Company deems fit.

9.4 Entire Agreement. This Agreement (including the documents referred to herein) constitutes the entire agreement among the Parties and supersedes any prior understandings, agreements or representations by or among the Parties, written or oral, with respect to the subject matter hereof; provided that the Confidentiality Agreement dated April 7, 2011, between the Buyer and the Company shall remain in effect in accordance with its terms as against the Company and, until the Effective Time, as against the Buyer.

9.5 Succession and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties named herein and their respective successors and permitted assigns. No Party may assign any of its rights or delegate any of its performance obligations hereunder without the prior written approval of the other Parties. Any purported assignment of rights or delegation of performance obligations in violation of this Section 9.5 is void.

9.6 Counterparts and Facsimile Signature. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile signature.

9.7 Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

9.8 Notices. All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim or other communication hereunder shall be deemed duly delivered four (4) business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, or one (1) business day after it is sent for next business day delivery via a reputable nationwide overnight courier service, or on the same business day (if sent before 2 p.m. local time in the time zone of the recipient's physical address (as specified below) and otherwise on the next business day) if sent by e-mail or fax with electronic or telephonic confirmation of receipt, in each case to the intended recipient as set forth below:

If to the Company:
SiGe Semiconductor, Inc.
200 Brickstone Square
Suite 203
Andover, MA 01810
Attn: Sohail Khan
sohail.khan@sige.com
Telephone: 978-327-6850
Fax: 978-475-0859

Copy to: (which shall not constitute notice):
Goodwin Procter LLP
Exchange Place
Boston, MA 02109
Attn: Jocelyn M. Arel and James R. Kasinger
jarel@goodwinprocter.com
jkasinger@goodwinprocter.com
Telephone: 617-570-1000
Fax: 617-523-1231

If to the Buyer or Merger Sub:
Skyworks Solutions, Inc.
20 Sylvan Road
Woburn, MA 01801
Attn: Mark V.B. Tremallo, General Counsel, and Robert Terry, Assistant General Counsel
mark.tremallo@skyworksinc.com
robert.terry@skyworksinc.com
Telephone: 781-376-3000
Fax: 781-376-3310

Copy to: (which shall not constitute notice):
Wilmer Cutler Pickering Hale and Dorr LLP
60 State Street
Boston, Massachusetts 02109
Attn: Mark G. Borden and Graham Robinson
mark.borden@wilmerhale.com
graham.robinson@wilmerhale.com
Telephone: 617-526-6000
Fax: 617-526-5000

If to the Company Stockholder Representative:
Shareholder Representative Services LLC
601 Montgomery Street, Suite 2020
San Francisco, CA 94111
Attn: Managing Director
deal s@ sharehol derrep.com
Telephone: 415-367-9400
Fax: 415-962-4147

Copy to: (which shall not constitute notice):

Goodwin Procter LLP
Exchange Place
Boston, MA 02109
Attn: Jocelyn M. Arel and James R. Kasinger
jarel@goodwinprocter.com
jkasinger@goodwinprocter.com
Telephone: 617-570-1000
Fax: 617-523-1231

Any Party may give any notice, request, demand, claim or other communication hereunder using any other means (including personal delivery, expedited courier, messenger service, or ordinary mail), but no such notice, request, demand, claim or other communication that is given by such other means shall be deemed to have been duly given unless and until it actually is received by the party for whom it is intended. Any Party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other Parties a minimum of five (5) business days' prior written notice in the manner herein set forth.

9.9 Amendments and Waivers. The Parties may mutually amend any provision of this Agreement at any time prior to the Closing; provided, however, that any amendment effected subsequent to the Requisite Stockholder Approval shall be subject to any restrictions contained in the Delaware General Corporation Law. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by all of the Parties or, after the Effective Time, by the Buyer, the Surviving Corporation and the Company Stockholder Representative. No waiver of any right or remedy hereunder shall be valid unless the same shall be in writing and signed by the Party giving such waiver. No waiver by any Party with respect to any default, misrepresentation or breach of warranty or covenant hereunder shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

9.10 Severability; Invalid Provisions. If any provision of this Agreement is finally judicially determined to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, (a) such provision shall be fully severable, (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom, and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

9.11 Governing Law. All matters arising out of or relating to this Agreement and the transactions contemplated hereby (including without limitation its interpretation, construction, performance and enforcement) shall be governed by and construed in accordance with the internal Laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of Laws of any jurisdictions other than those of the State of Delaware.

9.12 Submission to Jurisdiction. Each Party (a) submits to the jurisdiction of any state or federal court sitting in the City of Dover or Wilmington in the State of Delaware in any action or proceeding arising out of or relating to this Agreement (including any action or proceeding for the enforcement of any arbitral award made in connection with any arbitration of a Dispute hereunder), (b) agrees that all claims in respect of such action or proceeding may be heard and determined in any such court, (c) waives any claim of inconvenient forum or other challenge to venue in such court, (d) agrees not to bring any action or proceeding arising out of or relating to

this Agreement in any other court; provided in each case that, solely with respect to any arbitration of a Dispute, the Arbitrator shall resolve all threshold issues relating to the validity and applicability of the arbitration provisions of this Agreement, contract validity, applicability of statutes of limitations and issue preclusion, and such threshold issues shall not be heard or determined by such court. Each Party agrees to accept service of any summons, complaint or other initial pleading made in the manner provided for the giving of notices in Section 9.8, provided that nothing in this Section 9.12 shall affect the right of any Party to serve such summons, complaint or other initial pleading in any other manner permitted by law.

9.13 WAIVER OF TRIAL BY JURY. TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN ANY ACTION OR PROCEEDING ARISING HEREFROM, THE PARTIES HERETO CONSENT TO TRIAL WITHOUT A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY ANY PARTY HERETO OR ITS SUCCESSORS AGAINST ANY OTHER PARTY HERETO OR ITS SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION OR PROCEEDING.

9.14 Specific Performance. The Parties acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is agreed by the Parties that each Party shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction without the requirement of posting a bond or other security, this being in addition to any other remedy to which such Party is entitled at Law or in equity.

9.15 Construction.

(a) The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

(b) Any reference to any Law shall be deemed also to refer to all rules and regulations promulgated thereunder, unless the context requires otherwise.

(c) Any reference to any Article, Section or paragraph shall be deemed to refer to an Article, Section or paragraph of this Agreement, unless the context clearly indicates otherwise.

(d) The Parties hereto agree that this Agreement is the product of negotiation between sophisticated parties and individuals, all of whom were or had the opportunity to be represented by counsel, and each of whom had an opportunity to participate in or did participate in the drafting of each provision hereof. Accordingly, ambiguities in this Agreement, if any, shall not be construed strictly or in favor of or against any Party but rather shall be given a fair and reasonable construction without regard to the rule of *contra proferentem.*

(e) Unless the context of this Agreement otherwise requires, (i) words of either gender or the neuter include the other gender and the neuter, (ii) words using the singular number also include the plural number and words using the plural number also include the

singular number, (iii) the terms “hereof,” “herein,” “hereby” and derivative or similar words refer to this entire Agreement as a whole and not to any particular Article, Section or other subdivision, (iv) the terms “Article” or “Section” or other subdivision refer to the specified Article, Section or other subdivision of the body of this Agreement, (v) the words “include,” “includes,” “including” and other similar words shall be deemed to be followed by the phrase “but not limited to,” (vi) when a reference is made in this Agreement to Exhibits, such reference shall be to an Exhibit to this Agreement unless otherwise indicated and (vii) for any document or other item to have been “made available” heretofore or prior to the execution or date of this Agreement such document or other item must be deposited at least six (6) hours prior to the time that this Agreement was executed by the Parties (or if deposited more recently, provided such notice of such deposit and a copy of thereof was give to the Buyer) into the data room heretofore established by the Company with written notice of such deposit and a copy of such deposit was made to the Buyer and (x) all references to “dollars” or “$” shall refer to the lawful currency of the United States. All accounting terms used herein and not expressly defined herein shall have the meanings given to them under GAAP, unless otherwise expressly stated. The terms “third party,” “third-party” or “third parties” refers to Persons other than the Buyer and Merger Sub, on the one hand, and the Company and the Company Stockholder Representative, on the other hand. The drafting and negotiation of the representations, warranties, covenants and conditions to the obligations of the Company, the Buyer and Merger Sub herein reflect compromises, and certain provisions may overlap with other provisions or may address the same or similar subject matters in different ways or for different purposes. It is the intention of the parties that, to the extent possible, unless provisions are by their terms mutually exclusive and effect cannot be given to both or all such provisions, (i) the representations, warranties, covenants and closing conditions in this Agreement shall be construed to be cumulative, (ii) each representation, warranty, covenant and closing condition in this Agreement shall be given full separate and independent effect, and (iii) except as otherwise provided in this Agreement, no limitation in or exception to any representation, warranty, covenant or closing condition shall be construed to limit or apply to any other representation, warranty, covenant or closing condition unless such limitation or exception is expressly made applicable to such other representation, warranty, covenant or closing condition. All remedies, either under this Agreement or by Law or otherwise afforded, shall be cumulative and not alternative.

9.16 Waiver of Conflict. Each of the Parties acknowledges and agrees, on its own behalf and on behalf of its directors, members, partners, officers, employees and Affiliates that the Company is the client of Goodwin Procter LLP (“Firm”), and not any of the Company Stockholders. After the Closing, it is possible that Firm will represent the Company Stockholders, the Company Stockholder Representative and their respective Affiliates (individually or collectively, the “Seller Group”) in connection with the transactions contemplated herein, or in the Escrow Agreement, the escrowed funds described in Section 1.8 hereof, any claims made thereunder pursuant to this Agreement or the Escrow Agreement. The Buyer, Merger Sub and the Company hereby agree that Firm (or any successor) may represent the Seller Group in the future in connection with issues that may arise under this Agreement, the Escrow Agreement, the administration of the escrowed funds described in Section 1.8 hereof and any claims that may be made thereunder pursuant to this Agreement or the Escrow Agreement. Firm (or any successor) may serve as counsel to all or a portion of the Seller Group or any director, member, partner, officer, employee, representative, or Affiliate of the Seller Group, in connection with any litigation, claim or obligation arising out of or relating to this Agreement,

the Escrow Agreement, or the transactions contemplated by this Agreement or the Escrow Agreement. Each of the Buyer, Merger Sub and the Company consents thereto, and waives any conflict of interest arising therefrom, and each such party shall cause any Affiliate thereof to consent to waive any conflict of interest arising from such representations. Each of the Buyer, the Merger Sub and the Company acknowledges that such consent and waiver is voluntary, that it has been carefully considered, and that the parties have consulted with counsel or have been advised they should do so in this connection. Communications between the Company and Firm will become the property of the Company Stockholder Representative and the Company Stockholders following the Closing and will not be disclosed to the Buyer or Merger Sub without the prior written consent of the Company Stockholder Representative.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

SKYWORKS SOLUTIONS, INC.

By: /s/ David Aldrich
Name: David Aldrich
Title: President and CEO

SILVER BULLET ACQUISITION CORP.

By: /s/ Mark Tremallo
Name: Mark Tremallo
Title: Secretary

SIGE SEMICONDUCTOR, INC.

By: /s/ Sohail Khan
Name: Sohail Khan
Title: President and CEO

SHAREHOLDER REPRESENTATIVE SERVICES LLC, solely in its capacity as the Company Stockholder Representative

By: /s/ Mark B. Vogel
Name: Mark B. Vogel
Title: Managing Director

EXHIBIT 31.1

CERTIFICATION OF THE CEO PURSUANT TO SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David J. Aldrich, certify that:

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

Date: August 9, 2011

/s/ David J. Aldrich
David J. Aldrich
Chief Executive Officer
President

EXHIBIT 31.2

CERTIFICATION OF THE CFO PURSUANT TO SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, RULES 13a-14(a) AND 15d-14(a) AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Donald W. Palette, certify that:

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

Date: August 9, 2011

/s/ Donald W. Palette
Donald W. Palette
Chief Financial Officer
Vice President

EXHIBIT 32.1

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

In connection with the quarterly report of Skyworks Solutions, Inc. (the "Company") on Form 10-Q for the period ending July 1, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David J. Aldrich, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

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

/s/ David J. Aldrich

David J. Aldrich
Chief Executive Officer
President

Date: August 9, 2011

EXHIBIT 32.2

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

In connection with the quarterly report of Skyworks Solutions, Inc. (the "Company") on Form 10-Q for the period ending July 1, 2011 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Donald W. Palette, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

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

/s/ Donald W. Palette

Donald W. Palette
Chief Financial Officer
Vice President

Date: August 9, 2011