

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the**

**Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): **November 8, 2006**

**MARVELL TECHNOLOGY GROUP LTD.**

(Exact name of registrant as specified in its charter)

**Bermuda**

(State or Other Jurisdiction of

Incorporation)

**0-30877**

(Commission File Number)

**77-0481679**

(I.R.S. Employer

Identification No.)

**Canon’s Court**

**22 Victoria Street**

**Hamilton HM 12**

**Bermuda**

(Address of principal executive offices)

**(441) 296-6395**

(Registrant’s telephone number,

including area code)

**N/A**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

* Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
* Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
* Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
* Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240-13e-4(c))



**Item 1.01** **Entry into a Material Definitive Agreement.**

**Item 2.03** **Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

***Credit Agreement***

On November 8, 2006, Marvell Technology Group Ltd. (the “Company”) entered into a credit agreement by and among the Company, the lenders party thereto, Credit Suisse, Cayman Islands Branch, as administrative agent, LaSalle Bank National Association, as syndication agent, and Keybank National Association and Commerzbank AG, as co-documentation agents (the “Credit Agreement”), pursuant to which the Company borrowed an aggregate amount of $400 million in the form of term loans (“Term Loans”). The proceeds of the Term Loans, together with existing cash on hand, were used to finance the Company’s acquisition of certain assets and intellectual property of Intel Corporation (“Intel”) related to the Business described in Item 2.01 of this report, as well as related fees and expenses.

Amounts borrowed under the Credit Agreement bear interest, in the case of alternate base rate loans, at a rate equal to (i) the “alternate base rate,” which is the higher of (A) the rate of interest per annum announced from time to time by Credit Suisse as its prime rate in effect at it principal office in New York, New York and (B) 0.5% per annum above the Federal Funds Effective Rate (as defined in the Credit Agreement), plus (ii) a 1.00% margin. In the case of Eurodollar loans, amounts borrowed bear interest at a rate equal to the Adjusted LIBO Rate (as defined in the Credit Agreement) plus a 2.00% margin.

Such margins are subject to reduction or increase depending on the Company’s credit rating.

The amounts borrowed under the Credit Agreement are repayable in full on November 6, 2009. The Company may prepay the Term Loans at any time without premium or penalty. In addition, the Company must prepay the Term Loans in an amount equal to: (i) 100% of the net cash proceeds from any asset disposition (as defined in the Credit Agreement) in excess of $20 million, subject to certain exceptions; (ii) 100% of the net cash proceeds from any casualty event (as defined in the Credit Agreement), subject to certain exceptions; (iii) 100% of the net cash proceeds from any debt incurred by or on behalf

of the Company or any of the Company’s subsidiaries, subject to certain exceptions; and (iv) 25% of the excess cash flow (as defined in the Credit Agreement) for each fiscal year commencing with the fiscal year ending on January 26, 2008 if at the end of such fiscal year the Company’s ratio of total debt at such date to consolidated EBITDA for such fiscal year is equal to or greater than 1.0 to 1.0.

The Credit Agreement contains certain covenants that, subject to certain exceptions, limit, among other things, the Company’s ability and the ability of its subsidiaries from:

* incurring additional indebtedness;
* creating or permitting certain liens;
* consolidating, merging, liquidating or dissolving;

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* making any investments, loans, advances, guarantees or acquisition;
* selling, transferring, leasing or otherwise disposing of assets;
* entering into sale and leaseback transactions;
* entering in hedging agreements;
* making dividends or other distributions with respect to equity securities;
* entering into transactions with affiliates;
* permitting the Company’s Total Debt (as defined in the Credit Agreement) to Total Capitalization (as defined in the Credit Agreement) to exceed 0.3 to 1.0; and
* permitting the ratio of the Company’s Consolidated EBITDA (as defined in the Credit Agreement) to Consolidated Fixed Charges (as defined in the Credit Agreement), in each case for any period of four consecutive fiscal quarters ending on the last day of any fiscal quarter to be less than 1.2 to 1.0.

The Credit Agreement also restricts the ability of the Company and its subsidiaries that are guarantors of its obligations under the Credit Agreement from engaging in certain transactions with other subsidiaries that are not guarantors.

Amounts outstanding under the Credit Agreement may become immediately due and payable upon the occurrence of specified events, including, among other things: failure to pay any obligations under the Credit Agreement that have become due; breach of any representation or warranty, or certain covenants; breach of any covenants in any of the related loan documents; any default in making any payment of principal or interest of any debt the outstanding amount of which exceeds $25 million or any event or condition that results in the acceleration of such debt; filings or proceedings in bankruptcy; judgments rendered against the Company or any subsidiary involving aggregate liability of $25 million or more; any lien created by the security documents ceasing to be in full force or effect; a change in control (as defined in the Credit Agreement); any subsidiary guarantee ceasing to be valid and binding; or any non-U.S. governmental restriction or action that impairs ability of the Company or its subsidiaries to perform their obligations under the loan documents.

Certain of the Company’s subsidiaries in Bermuda, Singapore and the United States, which account for 95% of its revenues and 90% of its assets on a consolidated basis, have guaranteed the obligations under the Credit Agreement. These subsidiaries consist of Marvell International Limited, Marvell Asia Pte. Ltd., Marvell International Technology Limited, Marvell Technology, Inc. and Marvell Semiconductor, Inc. If, at any time, the revenues or assets accounted for by these subsidiary-guarantors is less than 95% of Marvell’s revenues or 90% of its assets, Marvell must have additional subsidiaries guarantee its obligations under the Credit Agreement until the 95% and 90% criteria are satisfied.

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If at any time after the earlier to occur of May 8, 2007 and the date on which the Company has received a credit rating from Moody’s and Standard

* Poor’s (“S&P”), (i) the corporate family rating of the Company is not at least Ba1 by Moody’s or the corporate rating of the Company is not at least BB+ by S&P, in each case with no negative outlook, or (ii) if the Company does not have a corporate family rating from Moody’s or a corporate rating from S&P, then the Company must promptly cause each of its U.S. subsidiaries to do each of the following:
  + guarantee the Term Loans;
  + enter into a security agreement with Credit Suisse, pursuant to which these subsidiaries would grant Credit Suisse a security interest in, among other things, and subject to certain exceptions, then owned and thereafter acquired: (a) accounts receivable, (b) bank accounts and securities accounts,

(c) equipment, and (d) inventory; and

* + deliver a mortgage with respect to real property owned by the U.S. subsidiaries.

A copy of the Credit Agreement is attached hereto as Exhibit 10.1 and incorporated herein by reference. The foregoing description of the Credit Agreement is qualified in its entirety by reference to the full text of the Credit Agreement.

***Pledge Agreements***

In connection with the Credit Agreement, the Company and three of the Company’s subsidiaries entered into pledge agreements with Credit Suisse pursuant to which each such entity granted Credit Suisse a security interest in the equity interests held by such entity in certain affiliates.

Under the US Pledge Agreement dated as of November 8, 2006 among the Company, Marvell Technology, Inc. and Credit Suisse, Cayman Islands Branch, as administrative agent (the “US Pledge Agreement”), the Company granted Credit Suisse a security interest in 100% of the equity interests in Marvell Technology, Inc., and Marvell Technology, Inc., granted Credit Suisse a security interest in 83% of the equity interests in Marvell Semiconductor, Inc.

Under the Bermuda Pledge Agreement dated as of November 8, 2006 among the Company, Marvell International Ltd. and Credit Suisse, Cayman Islands Branch, as administrative agent (the “Bermuda Pledge Agreement”), the Company granted Credit Suisse a security interest in 100% of the equity interests in Marvell International Ltd, and Marvell International Ltd., granted Credit Suisse a security interest in 100% of the equity interests in Marvell International Technology Ltd.

Under the Share Charge Agreement dated as of November 8, 2006 between Marvell International Ltd. and Credit Suisse, Cayman Islands Branch, as administrative agent (the “Singapore Pledge Agreement”), Marvell International Ltd. granted Credit Suisse a security interest in 100% of the equity interests in Marvell Asia Pte Ltd.

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Copies of the US Pledge Agreement, the Bermuda Pledge Agreement and the Singapore Pledge Agreement are attached hereto as Exhibit 10.2, Exhibit 10.3 and Exhibit 10.4, respectively, and each is incorporated herein by reference. The foregoing descriptions of the US Pledge Agreement, the Bermuda Pledge Agreement and the Singapore Pledge Agreement are qualified in their entirety by reference to the full text of the applicable agreement.

**Item 2.01** **Completion of Acquisition or Disposition of Assets.**

On November 8, 2006, the Company completed the acquisition of the communications and application processor business (the “Business”) of Intel. The acquisition was completed in accordance with the terms and conditions of an Asset Purchase Agreement dated June 26, 2006 between the Company and Intel (the “Asset Purchase Agreement”). Under the terms of the Asset Purchase Agreement, the Company acquired certain assets and intellectual property of Intel related to the Business in exchange for $600 million in cash and the assumption of certain liabilities. The source of the funds for the $600 million cash purchase price included existing cash, cash equivalents and marketable securities, and the $400 million borrowed under the Credit Agreement as described in Item 2.03.

In connection with the acquisition, the parties entered into several ancillary agreements, including a transition services agreement and a supply agreement, which are designed to ensure a smooth transition of the Business to the Company and to enable Intel to continue manufacturing products for the Business until the Company can arrange other manufacturing resources.

The foregoing description of the Asset Purchase Agreement is qualified in its entirety to the full text of the Asset Purchase Agreement, a copy of which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

**Item 9.01** **Financial Statements and Exhibits.**

1. **Financial Statements of Business Acquired.**

Financial statements of the acquired business have not been included herein but will be included in an amendment to this Current Report on Form 8-K to be filed not later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed.

1. **Pro Form Financial Information.**

Pro forma financial information has not been included herein but is required by the Securities and Exchange Commission to be included in an amendment to this Current Report on Form 8-K to be filed not later than 71 calendar days after the date that this Current Report on Form 8-K is required to be filed. As previously announced by the Company, a special committee of the Company’s Board of Directors, with the assistance of independent legal counsel and outside accounting experts, has been conducting an internal review relating to the Company’s historical stock option practices and related accounting matters. The Company also announced that, based on the preliminary findings of the special committee, and upon the recommendation of management and the Audit Committee of the Board of Directors, the Board of Directors concluded on October 2, 2006 that the Company will need to restate historical financial

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statements to record additional non-cash charges for stock-based compensation expense related to past option grants. The Company has not yet been able to determine the amount of these charges, the resulting tax and accounting impact of these actions, or which specific reporting periods require restatement.

The Company does not know when it will complete the restatement of its historical financial statements. If the restatement is not completed by the date that is 71 calendar days after the date that this Current Report on Form 8-K is required to be filed, the Company will not be able to provide the pro forma financial information required by this Item 9.01(b) by such date. Instead, the pro forma financial information would be included in an amendment to this Current Report on Form 8-K to be filed as soon as practicable after all relevant restated financial statements have been filed.

1. **Shell Company Transactions.**

Not applicable.

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| **(d)** | **Exhibits.** | |  |  |
|  |  | **Exhibit No.** |  | **Description** |
|  | 2.1 | | Asset Purchase Agreement dated as of June 26, 2006, by and between Intel Corporation and | |
|  |  |  | Marvell Technology Group Ltd. | |
|  | 10.1 | | Credit Agreement dated as of November 8, 2006, among Marvell Technology Group Ltd., the | |
|  |  |  | Lenders party thereto, Credit Suisse, Cayman Islands Branch, as Administrative Agent, LaSalle | |
|  |  |  | National Association, as Syndication Agent, and KeyBank National Association and | |
|  |  |  | Commerzbank AG, as Co-Documentation Agents. | |
|  | 10.2 | | US Pledge Agreement dated as of November 8, 2006, among Marvell Technology Group Ltd., | |
|  |  |  | Marvell Technology, Inc. and Credit Suisse, Cayman Islands Branch, as Administrative Agent. | |
|  | 10.3 | | Bermuda Pledge Agreement dated as of November 8, 2006, among Marvell Technology Group | |
|  |  |  | Ltd., Marvell International Ltd. And Credit Suisse, Cayman Islands Branch, as Administrative | |
|  |  |  | Agent. | |
|  | 10.4 | | Share Charge dated as of November 8, 2006 between Marvell International Ltd. and Credit | |
|  |  |  | Suisse, Cayman Islands Branch, as Administrative Agent. | |
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**SIGNATURE**

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 hereunto duly authorized.

Dated: November 14, 2006

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | MARVELL TECHNOLOGY GROUP LTD. | | |  |
|  |  | By: | | /s/ GEORGE A. HERVEY |  |
|  |  |  |  | George A. Hervey |  |
|  |  |  |  | Vice President of Finance and |  |
|  |  |  |  | Chief Financial Officer |  |
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| 10.1 | Credit Agreement dated as of November 8, 2006, among Marvell Technology Group Ltd., the Lenders party thereto, Credit Suisse, | | | |  |
|  | Cayman Islands Branch, as Administrative Agent, LaSalle National Association, as Syndication Agent, and KeyBank National | | | |  |
|  | Association and Commerzbank AG, as Co-Documentation Agents. | | |  |  |
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|  | Suisse, Cayman Islands Branch, as Administrative Agent. | | |  |  |
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|  | Credit Suisse, Cayman Islands Branch, as Administrative Agent. | | |  |  |
| 10.4 | Share Charge dated as of November 8, 2006 between Marvell International Ltd. and Credit Suisse, Cayman Islands Branch, as | | | |  |
|  | Administrative Agent. | | |  |  |



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**Exhibit 2.1**

|  |  |  |
| --- | --- | --- |
|  | **ASSET PURCHASE AGREEMENT** |  |
|  | **By and Between** |  |
|  | **INTEL CORPORATION** |  |
|  | **and** |  |
|  | **MARVELL TECHNOLOGY GROUP LTD.** |  |
|  | **Dated as of June 26, 2006** |  |
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CONFIDENTIAL

**ASSET PURCHASE AGREEMENT**

THIS ASSET PURCHASE AGREEMENT, dated as of June 26, 2006 (the “Agreement”), is by and between INTEL CORPORATION, a Delaware corporation (the “Seller”), and MARVELL TECHNOLOGY GROUP LTD., a Bermuda corporation (the “Buyer”). Seller and Buyer are sometimes referred to as the “Parties” and each individually as a “Party.” All capitalized terms have the meanings ascribed to such terms in Article I or as otherwise defined herein.

**RECITALS**

1. Seller desires to sell to Buyer, and Buyer desires to acquire from Seller, the Transferred Assets, and Buyer is willing to assume the Assumed Liabilities, all upon the terms and conditions set forth in this Agreement.
2. In connection with the transactions contemplated by this Agreement, Buyer and Seller also are entering into, or intend to enter into, certain other Ancillary Agreements, including the Transition Services Agreement, the Intellectual Property Agreements and the Development Agreement.
3. Seller’s Subsidiaries identified on Schedule 3.23, (collectively, the “Subsidiary Sellers”) own 10,011 Ordinary Shares of DSPC Technologies Ltd., a corporation formed under the laws of Israel (the “Transferred Sub”), which represent all of the issued and outstanding shares of Transferred Sub (the “Transferred Shares”).
4. Seller desires to cause the Subsidiary Sellers to sell to Buyer, and Buyer desires to acquire from the Subsidiary Sellers, the Transferred Shares, all upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual representations, warranties, covenants and agreements hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE I**

**DEFINITIONS**

1.01 Definitions. The following terms, as used herein, have the following meanings:

“Accounts Payable” means all accounts payable owing by Seller or any of its Subsidiaries in connection with the Business for raw materials or supplies received by or services rendered to Seller or any of its Subsidiaries on or prior to the Closing Date.

“Accounts Receivable” means all accounts receivable, notes receivable and other current rights to payment of Seller or any of its Subsidiaries, together with any unpaid interest or fees accrued thereon or other amounts due with respect thereto, and any claim, remedy or other right related to any of the foregoing.

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“Acquisition Documents” means this Agreement, the Ancillary Agreements and any other document or agreement executed in connection with any of the foregoing, together with any exhibits and schedules thereto, and in each case as modified, amended, supplemented, restated or renewed from time to time.

“Affiliate” means, with respect to any Person, any Person directly or indirectly controlling, controlled by or under direct or indirect common control with such other Person.

“Ancillary Agreements” means the Assignment and Assumption Agreement, the Bill of Sale, the Intellectual Property Agreements, the Registration Rights Agreement, the Copyright Assignment, the Non-Compete Agreement, the Patent Assignment, the Development Agreement, the Supply Agreement, and the Transition Services Agreement, together with any exhibits and schedules thereto, and in each case as modified, amended, supplemented, restated or renewed from time to time.

“Applicable Law” means, with respect to any Person, any federal, state, local or foreign statute, law, ordinance, rule, administrative interpretation, regulation, order, writ, injunction, directive, judgment, decree or other requirement of any Governmental Authority applicable to such Person or any of its Affiliates or any of their respective properties, assets, officers, directors, employees, consultants or agents.

“Assignment and Assumption Agreement” means the Assignment and Assumption Agreement to be entered into by Buyer and/or one or more Buyer Designees, on the one hand, and the applicable Selling Parties, on the other hand, as of the Closing Date in substantially the form attached hereto as Exhibit A.

“Bill of Sale” means the Bill of Sale to be executed by the applicable Selling Party in favor of Buyer and/or one or more Buyer Designees as of the Closing Date in substantially the form attached hereto as Exhibit B.

“Business” means the Selling Parties’ and Transferred Sub’s development, sale and support of the Products as of the date hereof.

“Business Day” means each day other than a Saturday, Sunday or other day on which commercial banks in San Francisco, California are authorized or required by law to close.

“Buyer Designee” means an Affiliate of Buyer to which specified Transferred Assets and/or Transferred Shares will be transferred as identified in Schedule 1.01(a), as may be revised after the date hereof and prior to the Closing with the consent of Seller.

“Buyer Common Stock” means Buyer’s common stock, $0.002 par value per share.

“Buyer Material Adverse Effect” means, with respect to Buyer, any event, change or circumstance that, individually or in the aggregate with all other such events, changes or circumstances, results in a material adverse effect on, or material adverse change in, the operations, financial condition, earnings, results of operations, assets or Liabilities of Buyer or any event, change or circumstance that is materially adverse to the ability of Buyer and the Buyer Designees,

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collectively, to perform their obligations under this Agreement or the Ancillary Agreements to which Buyer or a Buyer Designee is or will be a Party or to consummate the transactions contemplated hereby or thereby other than such changes, effects or circumstances reasonably attributable to: (a) economic, capital market or political conditions generally in the United States or foreign economies in any locations where Buyer has material operations or sales, *provided* the changes, effects or circumstances do not have a materially disproportionate effect (relative to other industry participants) on Buyer;

1. conditions generally affecting the industry in which Buyer operates, *provided* the changes, effects or circumstances do not have a materially disproportionate effect (relative to other industry participants) on Buyer; (c) the outbreak of hostilities or war, acts of terrorism or acts of God; or (d) any decrease in the market price or trading volume of Buyer Common Stock.

“Buyer Stock Market Price” means an amount equal to the average closing price of the Buyer Common Stock on Nasdaq for the ten (10) trading day period ending on the date which is the sixth (6th) trading day immediately prior to the Closing Date (with the closing price for each day being the last reported sales price or, in case no such reported sale takes place on such day, the average of the reported closing bid and asked prices, in either case on Nasdaq) or, if not listed and admitted to trading on Nasdaq, on the principal national securities exchange on which such securities are listed and admitted to trading, or if not quoted on a principal national securities exchange, the average of the closing bid and asked prices in the over-the-counter market as furnished by any exchange member firm selected from time to time by Buyer for that purpose, or if such Buyer Common Stock is no longer publicly-traded, the price as is determined to be the fair market value as determined reasonably and in good faith by the Board of Directors of Buyer following the principle of reasonable valuation methods consistently applied under the guidelines of Treas. Reg. §1.409A-1(b)(5)(iv)(B).

“Cash and Cash Equivalents” means all cash on hand and cash equivalents of Seller and its Subsidiaries (whether or not related to the Business), including currency and coins, negotiable checks, bank accounts, marketable securities, commercial paper, certificates of deposit, treasury bills, surety bonds and money market funds.

“Cash Consideration” means the cash consideration paid by Buyer pursuant to Section 2.07 subject to Section 5.09(j).

“Change of Control” of Buyer shall mean the occurrence of (or any public announcement of, or entry into any agreement by Buyer or any Buyer Subsidiary to engage in or effect, a transaction that would result in) any of the following events or circumstances, whether accomplished directly or indirectly, or in one or a series of related transactions:

1. any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) becomes the “beneficial owner” (as defined in Rule l3d-3 under the Exchange Act) of more than fifty percent (50%) of the total voting power of the outstanding capital stock of Buyer;
2. Buyer merges with or into, or consolidates with, or consummates any reorganization or similar transaction with, another Person and, immediately after giving

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effect to such transaction, less than fifty percent (50%) of the total voting power of the outstanding capital stock of the surviving or resulting Person is “beneficially owned” (within the meaning of Rule 13d-3 under the Exchange Act) in the aggregate by the shareholders of Buyer immediately prior to such transaction;

1. Buyer (including through one or more of its Subsidiaries and including through any liquidation or dissolution, other than a liquidation or dissolution in connection with a reorganization or similar transaction in which the holders of the voting stock of Buyer immediately prior to such transaction continue to represent more than fifty percent (50%) of the combined voting power of the surviving entity immediately after giving effect to such transaction) sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of the assets and properties (including capital stock of Subsidiaries) of Buyer, but excluding sales, assignments, conveyances, transfers, leases or other dispositions of assets and properties (including capital stock of Subsidiaries) by Buyer or any of its Subsidiaries to any direct or indirect Subsidiary of Buyer; or
2. Individuals who as of the date hereof constituted the members of the Board of Directors of Buyer (together with any new or replacement directors whose election by such Board of Directors or whose nomination for election by the shareholders of Buyer was approved by a vote of a majority of the members of the Board of Directors then in office who either were members of the Board of Directors as of the date hereof or whose election or nomination was previously so approved) cease for any reason to constitute a majority of the Board of Directors of Buyer then in office.

“Closing Date” means the date of the Closing.

“Contract” means each contract, agreement, option, lease, license, sale and purchase order, commitment and other instrument of any kind, whether written or oral, to which Seller or its Subsidiaries is a party or is otherwise bound.

“Conveyance Documents” means the Assignment and Assumption Agreement, Bill of Sale, the Copyright Assignment, and the Patent Assignment, each in the form as attached hereto, together with any exhibits and schedules thereto.

“Copyright Assignment” means the Copyright Assignment Agreement, dated as of the Closing Date, to be executed by Buyer and/or one or more Buyer Designees, on the one hand, and the applicable Selling Parties, on the other hand, in substantially the form attached hereto as Exhibit C.

“Core Seller Products” shall mean for any product other than the Products: (a) any Seller Chipset, Seller Processor, or substantial portion thereof; and (b) any software or firmware capable of running on or interoperating with a Seller Chipset or Seller Processor; and (c) any product that is bus or pin compatible with an Seller Bus.

“Development Agreement” means the Development Agreement entered into by Buyer and/or a Buyer Designee and Seller simultaneously herewith.

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“Dollars” means United States Dollars.

“Effective Time” means, unless otherwise agreed by the Parties, 12:01 a.m., in each relevant location of the Selling Party and Transferred Assets or Transferred Sub, as applicable, on the Closing Date, or where conflicting, 12:01 a.m., Pacific Time.

“Employee Agreement” means each management, employment, severance, consulting, relocation, repatriation, expatriation or other agreement or Contract between Seller or any of its Subsidiaries and any Business Employee directly relating to such Business Employee’s terms or conditions of employment.

“Employee Plan” means any plan, program, policy, practice, agreement or other arrangements providing for compensation, severance, termination pay, pension benefits, retirement benefits, deferred compensation, performance awards, stock or stock-related awards, fringe benefits (including health, dental, vision, life, disability, sabbatical, accidental death and dismemberment benefits), or other employee benefits or remuneration of any kind, whether written, unwritten or otherwise, funded or unfunded, including each “employee benefit plan,” within the meaning of Section 3(3) of ERISA, excluding any Employee Agreement, which is or has been maintained by Seller or its Affiliates for the benefit of any Business Employee.

“Environmental Laws” mean any Applicable Laws of any Governmental Authority in effect as of the date hereof relating to pollution or protection of the environment, natural resources or public and occupational health and safety relating to hazardous or toxic substances.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Excluded Employees” means employees of Seller and its Subsidiaries who work with the Transferred Assets but will remain employees of Seller or one of its Subsidiaries (other than the Transferred Sub) after the Closing as set forth on Schedule 1.01(b).

“Excluded Equipment” means all machinery, tools and other fixed assets of Seller and its Subsidiaries not included on Schedule 2.01(b), including that manufacturing and technology development equipment used in connection with Seller’s development of the Products.

“Excluded Seller Product” shall mean (a) any product of Seller or any of its Subsidiaries (including revisions of such product) that is marketed or sold by Seller or any of its Subsidiaries as of the Closing Date other than the Products, (b) any product planned to be marketed or sold by Seller as of the Closing Date other than the Products, or (c) any product that contains substantially different functionality from any Product. For purposes of clarification and not limitation, “Excluded Seller Product” shall include any product of Seller or any of its Subsidiaries implementing fixed or mobile wireless technology (including WiMAX, WiFi, RAN-LTE, or personal area network technologies) other than the Products.

“GAAP” means generally accepted accounting principles in the United States of America applied on a consistent basis as in effect as of the date

hereof.

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“Governmental Approval” means an authorization, consent, approval, permit or license issued by, or a registration or filing with, or notice to, or waiver from, any Governmental Authority.

“Governmental Authority” means any foreign or domestic federal, territorial, state or local governmental authority, quasi-governmental authority, instrumentality, court, government or self-regulatory organization, commission, tribunal or organization or any regulatory, administrative or other agency, or any political or other subdivision, department or branch of any of the foregoing.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvement Act of 1976, as amended.

“Indebtedness” means all obligations of Seller and it Subsidiaries for borrowed money, including (a) any capital lease obligation, (b) any obligation (whether fixed or contingent) to reimburse any bank or other Person in respect of amounts paid or payable under a standby letter of credit, (c) any guarantee with respect to indebtedness for borrowed money (of the kind otherwise described in this definition) of another Person, and (d) any factored or sold receivables.

“Intellectual Property” means intellectual property rights arising from or in respect of the following, whether protected, created or arising under the laws of the United States or any other jurisdiction: (a) copyrights and registrations and applications therefor (collectively, “Copyrights”); (b) know-how, inventions, discoveries, concepts, ideas, methods, processes, designs, formulae, technical data, source code, drawings, specifications, data bases and other proprietary and confidential information, including customer lists, in each case excluding any rights in respect of any of the foregoing that comprise or are protected by Copyrights, mask work rights or Patents (collectively, “Trade Secrets”); (c) patents and applications therefor, including continuation, divisional, continuation-in-part, reexamination, or reissue patent applications and patents issuing thereon (collectively, “Patents”); and (d) trademarks and registrations and applications therefor (collectively, “Trademarks”).

“Intellectual Property Agreements” means the Patent License Agreement and the Trade Secrets and Copyright License Agreement.

“Inventory” means all raw materials, work-in-progress, finished goods, supplies, packaging materials and other inventories owned by Seller or its Subsidiaries.

“IRS” means the Internal Revenue Service of the United States.

“Knowledge” means, with respect to any Person, the actual knowledge of such Person; *provided, however,* that with respect to Seller, actual knowledge shall be deemed to be solely the actual knowledge of the individuals identified on Schedule 1.01(c) and that with respect to Buyer, actual knowledge shall be deemed to be solely the actual knowledge of the individuals identified on Schedule 1.01(d).

“Liability” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, asserted or unasserted, accrued or unaccrued, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, absolute, contingent, executory, determined,

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determinable or otherwise and whether or not the same is required to be accrued on the financial statements of such Person.

“Lien” means, with respect to any asset, any mortgage, title defect or objection, lien, pledge, charge, security interest, encumbrance or hypothecation in respect of such asset; *provided, however*, that any license of Intellectual Property shall not be considered a Lien on such Intellectual Property.

“Multiemployer Plan” means any employee pension benefit plan within the meaning of Section 3(2) of ERISA that is a “multiemployer plan,” as defined in Section 3(37) of ERISA.

“Nasdaq” means the Nasdaq National Market.

“Non-Compete Agreement” means the Non-Competition and Non-Solicitation Agreement entered into by Buyer and Seller simultaneously herewith

to become effective upon the Closing as of the Effective Time.

“Patent Assignment” means the Patent Assignment Agreement, dated as of the Closing Date, to be executed by Buyer and/or one or more Buyer Designees, on the one hand, and the applicable Selling Parties, on the other hand, in substantially the form attached hereto as Exhibit D.

“Patent License Agreement” means the Patent License Agreement in favor of Buyer or one or more Buyer Designees entered into by Buyer and/or one or more Buyer Designees, on the one hand, and the applicable Selling Parties, on the other hand, simultaneously herewith to become effective upon the Closing as of the Effective Time.

“Permitted Liens” means (a) Liens for Taxes or governmental assessments, charges or claims the payment of which is not yet due or which are being contested in good faith through appropriate proceedings and set forth in Schedule 3.12, (b) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen, repairers and other similar Persons and other Liens imposed by Applicable Law incurred in the ordinary course of business which are either for sums not yet delinquent or are immaterial in amount or are being contested in good faith, (c) zoning, entitlement, conservation restriction and other land use and Environmental Laws and (d) other easements, charges, rights-of-way, imperfections of title or other encumbrances, if any, which imperfections or encumbrances do not in any material respect impair the ability to transfer the Transferred Shares or use the Transferred Assets in the manner in which they are currently used by the Selling Parties.

“Person” means an individual, corporation, partnership, association, limited liability company, trust, estate or other similar business entity or organization, including a Governmental Authority.

“Post-Closing Tax Period” means any Tax period beginning on or after the Closing Date and the portion of any other Tax period ending on or after the Closing Date beginning on the Closing Date.

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“Pre-Closing Tax Period” means any Tax period (or portion thereof) ending before the Closing Date.

“Prepayments” means all prepaid items and deposits paid by a Selling Party in connection with the Business, and any claim, remedy or other right related to any of the foregoing.

“Product Obligations” means (a) obligations arising in respect of product support or maintenance obligations related to Products sold or licensed prior to the Closing and required to be performed after Closing, which obligations arise under any Assumed Contract or Transferred Sub Contract, provided that the cost

of these obligations shall be borne by Seller as an Excluded Liability and (b) Liabilities relating to any product liability, warranty, refund or similar claims or returns, adjustments, allowances, repairs or returns made with respect to Products sold on or after the Closing Date.

“Products” means, collectively, all applications processors and communications processors, in each case, as described on Schedule 1.01(e).

“PTO” means the United States Patent and Trademark Office.

“Registration Rights Agreement” means the Registration Rights Agreement, dated as of the Closing Date, to be entered into by Buyer on the one hand and Seller and/or Subsidiary Sellers on the other hand in the event Seller and/or Subsidiary Sellers receive any Stock Consideration in accordance with Section 2.07 hereof, in substantially the form to be agreed by the Parties.

“Securities Act” means the United States Securities Act of 1933, as amended.

“Seller Bus” shall mean a proprietary bus or other data path first introduced by Seller or any of its Subsidiaries that: (a) is capable of transmitting and/or receiving information within an integrated circuit or between two or more integrated circuits, together with the set of protocols defining the electrical, physical, timing and functional characteristics, sequences and control procedures of such bus or data path; and (b) to which neither Seller nor its Subsidiaries (during any time such Subsidiary has met the requirements of being a Subsidiary of Seller) has granted a license or committed to grant a license through its participation in a government sponsored, industry sponsored, or contractually formed group or any similar organization that is dedicated to creating publicly available standards or specifications.

“Seller Chipset” means any single product, other than the Products, consisting of an integrated circuit(s), that alone or together are capable of electrically interfacing directly (with or without buffering or pin re-assignment) with any portion of a Seller Bus or a Seller Processor, to form the connection between such microprocessor and any other device (or group of devices) including microprocessors, input/output devices, networks, and memory.

“Seller Material Adverse Effect” means, with respect to the Transferred Assets or Transferred Sub, any event, change or circumstance that, individually or in the aggregate with all other such events, changes or circumstances, results in a material adverse effect on, or material adverse change in, the Transferred Assets and Transferred Sub, taken as a whole, or any event, change or circumstance that is materially adverse to the ability of the Selling Parties to perform

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their collective obligations under this Agreement or the Ancillary Agreements to which the Selling Parties and Transferred Sub are or will be a party or to consummate the transactions contemplated hereby or thereby other than such changes, effects or circumstances reasonably attributable to: (a) economic, capital market or political conditions generally in the United States or foreign economies in any locations where the Business has material operations or sales, *provided* the changes, effects or circumstances do not have a materially disproportionate effect (relative to other industry participants) on Seller’s applicationsand communications processor business or the Business, respectively; (b) conditions generally affecting the industry in which Seller’s applications and communications processor business or the Business operate, *provided* the changes, effects or circumstances do not have a materially disproportionate effect (relative to other industry participants) on Seller’s applications and communications processor business or the Business, respectively; (c) the outbreak of hostilities or war, acts of terrorism or acts of God; (d) changes and effects attributable to the execution, announcement or performance of this Agreement; or (e) any action taken by a Selling Party with the prior written consent of Buyer.

“Seller Processor” shall mean a microprocessor first developed by, for or with substantial participation by Seller or any of its Subsidiaries, or the design of which has been purchased or otherwise acquired by Seller or any of its Subsidiaries, including the Seller® 8086, 80186, 80286, 80386, 80486, Celeron®, Pentium®, Xeon™, StrongARM, XScale®, Itanium®, MXP, IXP, 80860 and 80960 microprocessor families, and the 8087, 80287, and 80387 math coprocessor families.

“Selling Party” means Seller and any Subsidiary of Seller that owns or possesses any Transferred Asset and/or any of the Transferred Shares (collectively, the “Selling Parties”), and for purposes of clarification, excludes Transferred Sub.

“Stock Consideration” means the consideration paid by Buyer pursuant to Section 2.07 in the form of shares of Buyer Common Stock.

“Subsidiary” means, with respect to any Person, (a) any corporation, limited liability company or other similar entity as to which more than fifty percent (50%) of the outstanding capital stock or other securities having voting rights or power is owned or controlled, directly or indirectly, by such Person and/or by one or more of such Person’s direct or indirect subsidiaries and (b) any partnership, joint venture or other similar relationship between such Person and any other Person.

“Supply Agreement” means the Supply Agreement entered into by Buyer and/or a Buyer Designee and Seller simultaneously herewith to become effective upon the Closing as of the Effective Time.

“Taxes” means (a) all foreign, federal, state, local and other net income, gross income, gross receipts, sales, use, *ad valorem*, value added, intangible, unitary, capital gain, transfer, franchise, profits, license, lease, service, service use, withholding, backup withholding, payroll, employment, estimated, excise, severance, stamp, occupation, premium, property, prohibited transactions, windfall or excess profits or other taxes of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amounts with respect thereto, (b) any Liability for payment of amounts described in clause (a) whether as a result of transferee Liability,

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of being a member of an affiliated, consolidated, combined or unitary group for any period, or otherwise through operation of law and (c) any Liability for the payment of amounts described in clause (a) or (b) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied

agreement to indemnify any other Person for Taxes; and the term “Tax” means any one of the foregoing Taxes.

“Tax Returns” means all returns, declarations, reports, statements, information statements, forms or other documents filed or required to be filed with respect to any Tax.

“Trade Secrets and Copyright License Agreement” means the Copyright and Trade Secrets License Agreement in favor of Buyer and/or one or more Buyer Designees entered into by Buyer and /or one or more Buyer Designees, on the one hand, and the applicable Selling Parties, on the other hand, simultaneously herewith to become effective upon the Closing as of the Effective Time.

“Transferred Copyrights” means the Copyrights owned by a Selling Party as of the Closing Date that are embodied in the Products and used exclusively in the Business and not embodied or used in or with any other current product or service or planned product or service of Seller or any of its Subsidiaries.

“Transferred Employees” means the Business Employees who (i) accept an offer of employment from Buyer and who begin their employment with Buyer immediately upon Closing as of the Effective Time or (ii) are employees of Transferred Sub as of the Effective Time.

“Transferred Intellectual Property” means, collectively, the Transferred Copyrights and Transferred Trade Secrets.

“Transferred Patents” means those Patents identified on Schedule 1.01(f).

“Transferred Shares” means all of the issued and outstanding share capital and any other outstanding equity interests of Transferred Sub.

“Transferred Trade Secrets” means any Trade Secrets owned by the Selling Parties as of the Closing Date that are embodied in the Products and used exclusively in the Business and not embodied or used in or with any other current product or service or planned product or service of Seller or its Subsidiaries; *provided*, *however*, that such term shall not include any rights in Trade Secrets that are described within a Patent issuing after the Closing Date related to a patent application that was filed prior to the Closing Date.

“Transition Services Agreement” means the Transition Services Agreement entered into by Buyer and/or a Buyer Designee and Seller simultaneously herewith to become effective upon the Closing as of the Effective Time.

1.02 Index of Other Defined Terms. In addition to those terms defined in Section 1.01, the following terms shall have the respective meanings given thereto in the sections indicated below:

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| --- | --- | --- | --- | --- |
| **Defined Terms** | |  | **Section** |  |
|  |  |  |  |  |
| Agreement | Preamble | |  |
|  | Annual Financial Information Date | Section 3.15(a) | |  |
|  | Assumed Contracts | Section | |  |
|  | Assumed Liabilities | Section 2.03 | |  |
|  | Basket | Section 7.02(e) | |  |
|  | Business Employees | Section 3.14(c) | |  |
|  | Buyer | Preamble | |  |
|  | Buyer Approvals | Section 4.03 | |  |
|  | Buyer Disclosure Schedules | Article IV | |  |
|  | Buyer Indemnitees | Section 7.02(a) | |  |
|  | Buyer Preferred Stock | Section 4.11(a) | |  |
|  | Buyer Sales Tax | Section 5.09(f) | |  |
|  | Buyer SEC Documents | Section 4.05(a) | |  |
|  | Bye-Laws | Section 4.01 | |  |
|  | Claims | Section 2.01(l) | |  |
|  | Closing | Section 2.08 | |  |
|  | Confidentiality Agreement | Section 5.01(a) | |  |
|  | Consideration | Section 2.06(c) | |  |
|  | Copyrights | Section 1.01 | |  |
|  | Covenant Contract | Section 5.13(f) | |  |
|  | Customer Data | Section 5.16 | |  |
|  | Equipment | Section 2.01(b) | |  |
|  | Exchange Act | Section 4.05(a) | |  |
|  | Excluded Assets | Section 2.02 | |  |
|  | Excluded Claims | Section 2.02(i) | |  |
|  | Excluded Liabilities | Section 2.04 | |  |
|  | Excluded Seller Product | Section 1.01 | |  |
|  | Financial Statements | Section 3.15(a) | |  |
|  | Include | Section 9.13 | |  |
|  | Including | Section 9.13 | |  |
|  | Indemnification Cap | Section 7.05 | |  |
|  | Indemnitee | Section 7.02(c) | |  |
|  | Indemnitor | Section 7.02(c) | |  |
|  | Investment Center | Section 5.03 | |  |
|  | Israeli Tax Ruling | Section 5.09(l) | |  |

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| --- | --- | --- | --- | --- |
| Leased Real Property | | Section 3.06 |  |  |
|  | Losses | Section 7.02(d) |  |  |
|  | Material Contract Consents | Section 3.09 |  |  |
|  | Material Contracts | Section 3.08 |  |  |
|  | Notice of Claim | Section 7.03(b) |  |  |
|  | Parties | Preamble |  |  |
|  | Party | Preamble |  |  |
|  | Patents | Section 1.01 |  |  |
|  | Permits | Section 2.01(i) |  |  |
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|  |  |  |  |  |
| Permitted Post-Signing Supplement | Section 5.02(b) |  |  |
|  | Possessing Party | Section 5.01(c) |  |  |
|  | Proceedings | Section 3.07 |  |  |
|  | Quarter Financial Information Date | Section 3.15(a) |  |  |
|  | Receiving Party | Section 5.01(c) |  |  |
|  | Retained Marks | Section 5.04 |  |  |
|  | Sale | Section 5.20 |  |  |
|  | Sales Tax | Section 5.09(f) |  |  |
|  | Sarbanes-Oxley Act | Section 4.05(d) |  |  |
|  | SEC | Section 4.05(a) |  |  |
|  | Seller | Preamble |  |  |
|  | Seller Approvals | Section 3.03 |  |  |
|  | Seller Cash Consideration | Section 2.06(b) |  |  |
|  | Seller Disclosure Schedules | Article III |  |  |
|  | Seller Indemnitees | Section 7.02(b) |  |  |
|  | Seller Stock Consideration | Section 2.06(b) |  |  |
|  | Selling Parties | Section 1.01 |  |  |
|  | Share Encumbrances | Section 3.23(a)(iii) |  |  |
|  | Specially Designated Intellectual Property | Section 5.01(a) |  |  |
|  | Subsidiary Sellers | Recitals |  |  |
|  | Subsidiary Sellers Cash Consideration | Section 2.06(a) |  |  |
|  | Subsidiary Sellers Stock Consideration | Section 2.06(a) |  |  |
|  | Termination Date | Section 8.01(b)(i) |  |  |
|  | Trade Secrets | Section 1.01 |  |  |
|  | Trademarks | Section 1.01 |  |  |
|  | Transferred Assets | Section 2.01 |  |  |
|  | Transferred Shares | Recitals |  |  |
|  | Transferred Sub | Recitals |  |  |
|  | Transferred Sub Contracts | Section 3.08 |  |  |
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|  |  |  |  |  |
|  |  | **ARTICLE II** |  |  |
|  |  | **TRANSFER OF ASSETS** |  |  |



2.01 Transferred Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, Buyer agrees to purchase and acquire (or cause one or more Buyer Designees to purchase and acquire) from the Selling Parties, and Seller agrees to sell, transfer, assign, deliver and convey to Buyer (or one or more Buyer Designees), or cause to be sold, transferred, assigned, delivered and conveyed to Buyer (or one or more Buyer Designees), free and clear of all Liens and Share Encumbrances other than Permitted Liens, all of the Selling Parties’ right, title and interest in, to and under: (i) the Transferred Shares and (ii) the following assets, as the same shall exist on the Closing Date, that are owned, lawfully held or possessed by the Selling Parties as the case may be (the assets identified in subsections (a) through (l) below as may be updated pursuant to Section 5.02, collectively, the “Transferred Assets”):

1. the collateral materials, brochures, manuals, promotional materials, sales materials, display materials and product information materials exclusively related to the Products;
2. all of the fixed assets, machinery, equipment, tools and other tangible personal property that are described or listed on Schedule 2.01(b) (the “Equipment”);
3. subject to the need to obtain any required consent from any third party, the Contracts that are listed on Schedule 2.01(c), and any Prepayments paid by Seller or its Subsidiaries prior to the Closing with respect to such Contracts;
4. subject to the need to obtain any required consent from any third party, the Contracts, including the leasehold improvements therein and all rights appurtenant thereto, for Leased Real Property that are listed on Schedule 2.01(d) (such Contracts, together with the Contracts listed on Schedule

2.01(c), the “Assumed Contracts”), and any Prepayments paid by Seller or its Subsidiaries prior to the Closing with respect to such Contracts;

1. the Transferred Patents;
2. the Transferred Trade Secrets;
3. the Transferred Copyrights;
4. a list of current customers and suppliers of the Business;
5. all licenses and permits issued by a Governmental Authority necessary for the ownership, lease or use of the Transferred Assets, Transferred Sub and Transferred Shares and used exclusively in the Business to the extent that such licenses and permits are transferable (the “Permits”);
6. documents related exclusively to the Transferred Intellectual Property which are reasonably accessible to Seller;

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1. such documents not otherwise recited in Section 2.01 that were exclusively developed for use in the design and development of the Products as are reasonably accessible to Seller; and
2. all causes of action, claims, demands, rights and privileges against third parties, whether liquidated or unliquidated, fixed or contingent, choate or inchoate (“Claims”) that relate to the Transferred Assets or Transferred Shares other than Excluded Claims.

The Transferred Intellectual Property (including the assets identified in clauses (e) through (g) above) and Intellectual Property assets of Transferred Sub shall be subject to any (i) licenses retained by Seller or granted to Seller pursuant to any Ancillary Agreement, (ii) licenses and Contracts with use restrictions existing on the date hereof granted to or by Seller or its Subsidiaries (other than those licenses, if any, which Seller was required to disclose hereunder as an Assumed Contract or Transferred Sub Contract or Contracts with use restrictions that Seller was required to disclose hereunder but failed to so disclose as of the date hereof or as provided in Section 5.02) and (iii) licenses or Contracts with use restrictions entered into by a Seller or its Subsidiaries in the ordinary course of the Business not in violation of this Agreement prior to the Closing Date.

2.02 Excluded Assets. Buyer and Seller expressly understand and agree that all assets of Seller and its Subsidiaries, other than the Transferred Assets (the “Excluded Assets”), shall be excluded from the Transferred Assets, including, but not limited to:

1. all assets, tangible or intangible, real or personal that are not specifically identified in Section 2.01;
2. all Contracts that are not Assumed Contracts, including all purchase and sales orders under which Products remain to be delivered to customers of the Business as of the Closing Date;
3. all Prepayments associated with Contracts that are not Assumed Contracts or other obligations not assumed by Buyer;
4. any amounts owed by or to Seller and/or Subsidiary of Seller, to or from a Subsidiary of Seller, under any Liability, including but not limited to all Accounts Receivable;
5. all Cash and Cash Equivalents;
6. all Inventory as of the Closing Date;
7. subject to Section 2.05, all Employee Plans;
8. all causes of action, claims, demands, rights and privileges against third parties, whether liquidated or unliquidated, fixed or contingent, choate or inchoate that relate to any of the other Excluded Assets or any of the Excluded Liabilities;
9. all Claims to the extent that such claims relate to (i) any Excluded Assets or Excluded Liabilities or (ii) events or breaches or violations occurring on or prior to the Closing Date that relate to the Transferred Assets (the “Excluded Claims”);

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1. all rights to or claims for refunds of Taxes (including penalties) paid by Seller or its Subsidiaries, or any member of any consolidated, affiliated, combined or unitary group of which Seller is or has been a member, including those imposed on property, income or payrolls, to the extent such refunds are of amounts paid with respect to the Pre-Closing Tax Period;
2. all rights, properties, and assets which have been used in the Business and which shall have been transferred (including transfers by way of sale), licensed or otherwise disposed of in the ordinary course of the Business prior to the Closing and not in violation of the terms of this Agreement;
3. all enterprise software, databases and networks of Seller or its Subsidiaries, including all sales management, engineering, materials, business planning, manufacturing, logistics, finance and accounting systems utilized by the Business;
4. all Intellectual Property licensed by Seller to Buyer pursuant to any Intellectual Property Agreement; and

1. without limiting the generality of the foregoing, all Excluded Equipment, Excluded Seller Products, Core Seller Products, and all of the assets specifically identified on Schedule 2.02(n).

2.03 Assumed Liabilities. Upon the terms and subject to the conditions of this Agreement and the Transition Services Agreement, effective at the Effective Time, Buyer agrees to assume or cause one or more Buyer Designees to assume, and agrees to pay, perform, fulfill and discharge or cause one or more Buyer Designees to pay, perform, fulfill and discharge, the following Liabilities of Seller or its Subsidiaries (collectively and as may be updated pursuant to Section 5.02, the “Assumed Liabilities”):

1. all Liabilities arising after the Effective Time under the Assumed Contracts that relate to the period from and after the Closing, *provided* that the Assumed Liabilities shall not include any Liability arising from breaches by a Selling Party of such Assumed Contracts occurring prior to the Effective Time;
2. all Liabilities with respect to Taxes that are the responsibility of Buyer pursuant to Section 5.09;
3. all Liabilities arising out of Buyer’s operation and ownership of the Transferred Assets, the Transferred Shares and Transferred Sub on and after the Effective Time;
4. all Liabilities that are assumed by operation of Applicable Law related to those Business Employees whose primary place of employment is outside the United States including those Business Employees specified on Schedule 2.03(d); and
5. the Product Obligations.

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2.04 Excluded Liabilities. Except for those Liabilities expressly assumed by Buyer pursuant to Section 2.03, Buyer shall not assume and shall not be liable for, and Seller shall retain and remain, as between Seller and Buyer, solely liable for and obligated to discharge, all of the debts, expenses, contracts, agreements, commitments, obligations and other Liabilities of any nature with respect to the Transferred Assets incurred on or prior to the Closing Date (the “Excluded Liabilities”), including the following:

1. any Liability for breaches by Seller or its Subsidiaries prior to the Closing Date of any Contract or Applicable Law or arising out of any Contract of Seller or its Subsidiaries not identified in the Schedules (as may be updated pursuant to Section 5.02) as an Assumed Contract and any Liability for payments or amounts due under any Contract on or prior to the Closing Date;
2. any Liability for Taxes that are the responsibility of Seller pursuant to Section 5.09;
3. all Accounts Payable;
4. subject to Section 2.03(d) and Section 2.05, any Liabilities under Employee Plans and Employee Agreements;
5. any Liability of Seller and/or any Subsidiary of Seller owed to any Subsidiary of Seller and/or Seller;
6. any Liability for or in respect of Indebtedness of Seller or its Subsidiaries;
7. any Liability under, or in connection with or arising out of the Excluded Assets;
8. any Liability for any actual or alleged infringement of any Intellectual Property that arises from Seller’s or its Subsidiaries’ sales or shipments of Products prior to the Closing Date;
9. any Liability for or in respect of a violation by Seller or any of its Subsidiaries of any Environmental Law prior to the Closing Date;
10. any Liability for warranty claims or claims arising in respect of Products shipped or sold prior to the Closing (including for those with respect to which Buyer will assume Product Obligations);
11. any Liability arising from any transfers of assets or employees out of the Transferred Sub to Seller or its Subsidiaries prior to the Closing unless permitted by Section 5.13, other than any Buyer Sales Tax;
12. any Liability arising out of any third-party charge, complaint, suit, action (including regulatory action), hearing, investigation, claim, demand, proceeding (including under any alternative dispute resolution procedure) or other litigation pending as of the Closing; and
13. any Liability arising out of any third-party charge, complaint, suit, action (including regulatory action), hearing, investigation, claim, demand, proceeding (including under any alternative dispute resolution procedure) or other litigation filed or otherwise asserted after the

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Closing to the extent based upon or arising out of the ownership prior to the Closing of the Transferred Assets, Excluded Assets and/or the conduct of the Business prior to the Closing.

2.05 Transferred Sub. As clarification of the foregoing Sections 2.01, 2.02, 2.03 and 2.04, and notwithstanding any provision of this Agreement to the contrary, the Parties hereby agree and acknowledge that:

1. Assets and Liabilities of the Transferred Sub set forth on Schedule 2.05(a), and any assets and Liabilities of Transferred Sub not listed on Schedule 2.05(a) that do not relate exclusively to the Business, shall be transferred from the Transferred Sub and assumed by Seller or its Subsidiaries on or before the day preceding the Closing Date, and shall be treated in a manner consistent with the Excluded Assets and Excluded Liabilities for purposes of this Agreement; *provided* that all Liabilities related to such assets transferred pursuant to this Section 2.05(a) shall be fully paid or otherwise satisfied (or, if not, shall be transferred from Transferred Sub such that Transferred Sub has no further obligation or liability with respect thereto).
2. Any and all assets and Liabilities of Transferred Sub not set forth on Schedule 2.05(a) that relate exclusively to the Business, subject to Section 2.05(d) below, shall remain assets and Liabilities of the Transferred Sub upon and after the Closing.
3. Any assets and Liabilities relating to employee benefits of the nature described on Schedule 3.14(d) that the Parties may mutually agree will be transferred or subcontracted by Seller or its Subsidiaries and assumed by Buyer or its Buyer Designee or Transferred Sub shall be assumed assets or Liabilities of Buyer, a Buyer Designee or Transferred Sub, as applicable.
4. Liabilities of Transferred Sub with respect to any Transferred Sub employees who do not become Transferred Employees shall be fully paid or otherwise satisfied (or, if not, shall be transferred from Transferred Sub such that Transferred Sub has no further obligation or liability with respect thereto) on or before the Closing.
5. Buyer or its Buyer Designee shall acquire the Transferred Shares at the Closing, at which time the Transferred Sub shall become a wholly owned Subsidiary of Buyer or such Buyer Designee.

2.06 Assignment of Contracts and Rights.

1. Anything in this Agreement or any other Acquisition Document to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign any Transferred Asset or any claim or right or any benefit arising thereunder or resulting therefrom if an attempted assignment thereof, without the consent of a party thereto or the receipt of any Government Approvals or the satisfaction of any other requirement thereof, would constitute a breach or other contravention thereof or in any way adversely affect the rights of Buyer, Seller or any of Seller’s Subsidiaries thereunder. Seller and Buyer will use commercially reasonable efforts (but without any payment of money by Seller or Buyer except as provided in Section 5.07) to obtain the consent of the other parties to any such Transferred Asset or any claim or right or any benefit arising thereunder for the assignment thereof to Buyer as Buyer may reasonably request; *provided, however*, that Seller shall have no obligation to assign or transfer Contracts, including any licenses

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of Intellectual Property or any licenses granted by Seller in connection with the sale, distribution and license of Products in the ordinary course of business, that are not Assumed Contracts. If such consent or Government Approval is not obtained, or if an attempted assignment thereof would be ineffective or would adversely affect the rights of Seller thereunder so that Buyer would not in fact receive all such rights, for the Assumed Contracts set forth on Schedule 2.06, Seller and Buyer will cooperate to discuss and determine feasible arrangements under which Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement to the extent of Seller’s rights thereunder, including potential sub-contracting, sub-licensing, or sub-leasing to Buyer (but no more extensive than Seller’s existing rights with respect to the Business), or under which Seller would enforce for the benefit of Buyer, with Buyer assuming Seller’s obligations, any and all rights of Seller against a third party thereto.

1. After the Closing: (i) if Seller or any of its Subsidiaries receives any payment, refund or other amount that is a Transferred Asset or is otherwise properly due and owing to Buyer in accordance with the terms of this Agreement, Seller promptly shall remit, or shall cause to be remitted, such amount to Buyer and (ii) if Buyer or any of its Subsidiaries receive any payment, refund or other amount that is an Excluded Asset or is otherwise properly due and owing to Seller or any of its Subsidiaries in accordance with the terms of this Agreement, Buyer promptly shall remit, or shall cause to be remitted, such amount to Seller, in each case subject to Section 5.11.

2.07 Consideration. The consideration payable by Buyer to Seller and Subsidiary Sellers for the Transferred Assets and Transferred Shares shall reflect an aggregate purchase price of Six Hundred Million Dollars ($600,000,000) plus the assumption of the Assumed Liabilities, and shall consist of:

1. to Subsidiary Sellers, an aggregate amount equal to the value of the Transferred Sub immediately prior to the Closing as determined by Seller in good faith by written notice to Buyer, payable in cash and/or shares of Buyer Common Stock as elected by Seller in its sole discretion by written notice provided to Buyer no less than three (3) Business Days prior to Closing, and each such Subsidiary Seller shall receive the percentage of such aggregate amount set forth on Schedule 3.23 (to the extent in cash, collectively, the “Subsidiary Sellers Cash Consideration” and, to the extent in Buyer Common Stock, collectively, the “Subsidiary Sellers Stock Consideration”);
2. to Seller, an aggregate amount equal to Six Hundred Million Dollars ($600,000,000) less the aggregate amount paid with respect to the Transferred Sub in Section 2.07(a), payable either in cash or in a combination of cash and/or shares of Buyer Common Stock as elected by Seller in its sole discretion by written notice provided to Buyer no less than three (3) Business Days prior to Closing; *provided, however*, that in no event shall the aggregate value of the Stock Consideration issued pursuant to Section 2.07(a) and (b) exceed One Hundred Million Dollars ($100,000,000) (to the extent in cash, the “Seller Cash Consideration”, and to the extent in Buyer Common Stock, the “Seller Stock Consideration”); and
3. the assumption of the Assumed Liabilities by Buyer (together with the Cash Consideration and the Stock Consideration, the “Consideration”). For purposes of this Section 2.07, each determination with respect to Buyer Common Stock shall be based upon the Buyer Stock Market Price.

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2.08 Closing. The closing of the purchase and sale of the Transferred Assets and Transferred Shares hereunder (the “Closing”) shall take place at the offices of Gibson, Dunn & Crutcher LLP, 1881 Page Mill Road, Palo Alto, CA 94304 on the date that is five (5) days after satisfaction of the conditions

set forth in Article VI or at such other place or in such manner as the Parties may agree. At the Closing:

1. Seller shall deliver to Buyer the Bill of Sale and, simultaneously with the consummation of the transactions contemplated hereby, Seller, through its officers, agents and employees, will put Buyer in possession of all tangible Transferred Assets at the facilities where they are located as of the Effective Time;
2. To the extent not previously executed and delivered by the Parties to become effective upon Closing, Seller and Buyer each shall execute and deliver (or cause their applicable Affiliates or Subsidiaries to execute and deliver) each of the Acquisition Documents to which it is (or they are) a party;
3. Buyer shall pay to Seller (for the account of all Selling Parties) the Seller Cash Consideration and Subsidiary Sellers Cash Consideration, if any, by wire transfer of immediately available funds;
4. Buyer shall deliver the certificates representing any Seller Stock Consideration to Seller;
5. Buyer shall deliver the certificates representing any Subsidiary Sellers Stock Consideration to Subsidiary Sellers;
6. Buyer and Seller shall execute and deliver a delivery protocol relating to the manner for delivery of any software that is a Transferred Asset;
7. Subsidiary Sellers shall deliver all certificates or instruments representing the Transferred Shares duly endorsed and accompanied by necessary documentation for transfer; and
8. Seller shall furnish Buyer with the following documents regarding the Transferred Sub:
   1. the Memorandum and Articles of Association of Transferred Sub and all amendments thereto, duly certified by the proper officials of the State of Israel;
   2. resignations, effective on the Closing Date, of those officers and directors of the Transferred Sub; and
   3. the complete and correct corporate minute books and reports filed with the Registrar of Companies (including registration of stock transfers) of Transferred Sub.

**ARTICLE III**

**REPRESENTATIONS AND WARRANTIES OF SELLER**

Subject to such exceptions that are (i) disclosed in the disclosure schedules dated as of the date hereof and delivered with this Agreement (“Seller Disclosure Schedules”) or (ii) disclosed

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pursuant to Section 5.02 (but without limiting Buyer’s indemnification rights with respect to such supplements or amendments as provided in Section 5.02(a)), Seller hereby represents and warrants to Buyer as follows:

3.01 Existence and Good Standing. Each Selling Party and Transferred Sub is a corporation, limited liability company, partnership or other entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all corporate power and authority required to carry on its business as now conducted and to own and operate the Business as now owned and operated by it. Each Selling Party and Transferred Sub is qualified to conduct business and is in good standing in each jurisdiction in which it conducts the Business other than such jurisdictions where the failure to be so qualified would not reasonably be expected to have a Seller Material Adverse Effect.

3.02 Authorization and Enforceability. The execution and delivery by Seller, and the performance by each Selling Party of this Agreement and the other Acquisition Documents, and the consummation of the transactions contemplated hereby and thereby, are within the Selling Party’s corporate powers and have been, or will have been prior to Closing, duly authorized by all necessary corporate action on such Selling Party’s part. This Agreement has been and, when executed prior to or at the Closing, the other Acquisition Documents will have been, duly and validly executed by the Selling Party who is party thereto and, assuming the due execution and delivery of this Agreement and the other Acquisition Documents to which it is a party by Buyer and/or a Buyer Designee (as applicable), will constitute the legal, valid and binding agreement of such Selling Party, enforceable against it in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors’ rights generally or to general principles of equity.

3.03 Governmental or Other Authorization. Other than notification pursuant to the HSR Act and applications or other submissions or filings under similar merger notification laws or regulations of foreign Governmental Authorities, and other than as set forth on Schedule 3.03, the execution, delivery and performance by each Selling Party of this Agreement and the other Acquisition Documents, and the consummation by it of the transactions contemplated hereby and thereby, require no Governmental Approval from any Governmental Authority (such required consents, waivers and approvals, the “Seller Approvals”).

3.04 Non-Contravention. Except for matters that would not reasonably be expected to have a Seller Material Adverse Effect, the execution, delivery and performance of this Agreement and the other Acquisition Documents by the Selling Parties, and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) contravene or conflict with the certificate of incorporation, bylaws or other charter documents of the Selling Parties or Transferred Sub, (b) assuming receipt of the Seller Approvals that are Governmental Approvals, contravene or conflict with or constitute a violation of any Applicable Law binding upon or applicable to any Selling Party, the Transferred Assets or the Transferred Shares or (c) assuming receipt of any other required approvals that are not Governmental Approvals and of the Material Contract Consents, (i) constitute a default under, give rise to any right of termination, cancellation, modification, or acceleration of, or a loss of any material benefit under any Material Contract, (ii) result in the creation or imposition of any material Lien (other than Permitted Liens) on the

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Transferred Assets or the Transferred Shares, or (iii) constitute a breach, default or violation of any commitment, judgment, injunction or decree.

3.05 Personal Property. The Selling Parties and Transferred Sub have good and marketable title to all of the tangible personal property that is a Transferred Asset or the tangible personal property of the Transferred Sub, respectively. None of such personal property is subject to any Lien other than

1. Permitted Liens, (b) Liens that would not reasonably be expected to have a Seller Material Adverse Effect and (c) any restriction contemplated by this Agreement or any of the other Acquisition Documents.

3.06 Real Property. Schedule 3.06 lists the real property leased by the Selling Parties and/or Transferred Sub to be assigned to Buyer or a Buyer Designee in connection herewith (the “Leased Real Property”). The applicable Selling Party lessee has a valid leasehold estate in all Leased Real Property, free and clear of all Liens, other than (a) Permitted Liens and (b) any Liens that would not reasonably be expected to have a Seller Material Adverse Effect. The Transferred Sub does not own and has never owned any real property.

3.07 Litigation. Except as set forth on Schedule 3.07, (a) there are no actions, suits, claims, charges, hearings, arbitrations, audits, proceedings (public or private) or, to the Knowledge of Seller, investigations (collectively, “Proceedings”) pending or, to the Knowledge of Seller, threatened by or against any Selling Party relating to any of the Transferred Assets or Transferred Shares that seeks to prevent, enjoin, alter or delay the transactions contemplated by this Agreement or any of the other Acquisition Documents or encumber the Transferred Shares, except as would not reasonably be expected to have a Seller Material Adverse Effect; (b) there are no material Proceedings pending or, to the Knowledge of Seller, threatened by or against the Transferred Sub, except as would not reasonably be expected to have a Seller Material Adverse Effect; and (c) to Seller’s Knowledge, neither any Selling Party nor the Transferred Sub is a party or subject to any judgment relating to the Transferred Shares, the Products, any other Transferred Assets or Assumed Liabilities.

3.08 Assumed Contracts. Schedule 3.08 sets forth the Contracts to which the Transferred Sub is a party that relate exclusively, and are material, to the Business (the “Transferred Sub Contracts”) and the Assumed Contracts that are material to the Transferred Assets and the conduct of the Business as currently conducted (collectively with the Transferred Sub Contracts, the “Material Contracts”). Each Material Contract is a valid and binding obligation of the Transferred Sub or Selling Party thereto and, to the Knowledge of Seller, each other Person who is a party thereto, in accordance with its terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors’ rights generally or to general principles of equity. Except for breaches or defaults that would not reasonably be expected to have a Seller Material Adverse Effect, none of Seller, any of its Subsidiaries or, to the Knowledge of Seller, any other party thereto is in breach, violation or default (in each case, which is material) thereunder.

3.09 Material Contract Consents. Schedule 3.09 lists each Material Contract that requires the consent of the other party or parties thereto in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby (the “Material Contract Consents”).

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3.10 Compliance with Applicable Laws. Seller and its Subsidiaries have complied in all material respects with any Applicable Laws relating to the Transferred Assets (including, in the case of the Transferred Sub, Applicable Laws relating to its business operations and employees) and the Transferred Shares, except where the failure to comply would not reasonably be expected to have a Seller Material Adverse Effect. To the Knowledge of Seller, no Selling Party is subject to any order, writ, injunction or decree of any Governmental Authority directly relating to the Transferred Assets or Transferred Shares. The Transferred Sub is not subject to any material order, writ, injunction or decree of any Governmental Authority.

3.11 Advisory Fees. There is no investment banker, broker, finder or other intermediary or advisor that has been retained by or is authorized to act on behalf of Seller, who will be entitled to any fee, commission or reimbursement of expenses from Seller, or any Affiliate of Seller, upon consummation of the transactions contemplated by this Agreement, the nonpayment of which could result in a Lien on the Transferred Assets or Transferred Shares or a claim against Buyer.

3.12 Tax Matters. With respect to Seller and its Subsidiaries other than Transferred Sub, except to the extent that the failure to do so would not have a Seller Material Adverse Effect, since January 1, 2003, each of Seller and its Subsidiaries has filed all Tax Returns required to have been filed by it with respect to the Transferred Assets since Seller or one of its Subsidiaries, as the case may be, has owned such Transferred Assets, and has paid on a timely basis all Taxes due and payable with respect to the Transferred Assets and incurred in or attributable to the Pre-Closing Tax Period, the non-payment of which would (x) result in a Lien on any Transferred Asset or (y) result in Buyer being liable or responsible therefor. Except as set forth in Schedule 3.12, (i) with respect to those Taxes described in the preceding sentence of this Section 3.12, neither Seller nor any of its Subsidiaries has received any written notice from any Governmental Authority that it is or may be subject to additional Tax with respect to the Transferred Assets and (ii) there are no Liens for Taxes (other than Permitted Liens) upon any of the Transferred Assets. The representations and warranties contained in this Section 3.12 or Section 3.23(e) are the only representations and warranties being made with respect to compliance with or liability under laws related to Taxes related to the Business, Transferred Assets or the ownership or operation thereof by Seller or its Subsidiaries.

3.13 Intellectual Property.

1. All of the Transferred Intellectual Property other than Transferred Trade Secrets is free and clear of any Liens other than Permitted Liens. Except as set forth on Schedule 3.13(a), Seller, Transferred Sub or one of the other Selling Parties is the exclusive owner (or joint owner, including those items set forth on Schedule 3.13(c) or otherwise pursuant to joint development and other collaboration agreements entered into prior to the date hereof by a Selling Party or prior to the Closing Date in compliance with the terms of this Agreement) of all right, title, and interest in and to all of the Transferred Intellectual Property, subject in each case, to licenses granted by Seller and its Subsidiaries to third parties and licenses granted to, and use restrictions binding upon, Seller and its Subsidiaries by third parties.
2. To the Knowledge of Seller, neither (x) the current use of the Transferred Intellectual Property or the other Transferred Assets by Seller or any of its Subsidiaries nor (y) the current manufacture, marketing, distribution or sale of any of the Products by Seller or its Subsidiaries

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infringes on any Trade Secrets or Copyright of any third party. Except as set forth on Schedule 3.13(b), Seller, to its Knowledge, has not received any written claims currently pending from any Person claiming that the Products infringe or misappropriate the Intellectual Property of any Person.

1. Except as set forth on Schedule 3.13(c), Seller has taken commercially reasonable steps to protect its rights in the Transferred Trade Secrets including taking commercially reasonable steps to have all of its respective current and former employees, consultants and contractors employed in the Business execute and deliver to Seller a proprietary information and assignment agreement. To the Knowledge of Seller, it has not received written notice of any violation of or non-compliance with such agreements related to the Transferred Trade Secrets.
2. To Seller’s Knowledge, except as set forth on Schedule 3.13(d), neither Seller nor any of its Subsidiaries is a party to any proceeding, settlement agreement or stipulation or is subject to any outstanding decree, order, or judgment, that restricts in any manner the use, transfer or licensing of the Transferred Intellectual Property or the Products.
3. All registered Transferred Patents are currently in material compliance with all formal legal requirements (including payment of filing, examination and maintenance fees and proofs of use) and are not subject to any unpaid maintenance fees or taxes or any actions falling due within ninety (90) days after the Closing Date. To the Knowledge of Seller, there are no proceedings or actions pending before any court or tribunal (including the PTO or equivalent authority anywhere in the world) to which Seller or Transferred Sub has been named as a party and served with process that involve the validity, scope, or priority of the Transferred Intellectual Property. None of the Transferred Copyrights are registered Copyrights.
4. Except as set forth on Schedule 3.13(f), no government funding, facilities of a university, college, other educational institution or research center or funding from third parties was used in the development of the Transferred Intellectual Property or Transferred Sub Intellectual Property that is exclusively related to the Business and not set forth on Schedule 2.05(a), as a result of which any such educational institution, research center or third party would have any material claim of ownership of the Transferred Intellectual Property or such Transferred Sub Intellectual Property.
5. Except for the items listed in Schedule 3.13(g), no software covered by a Transferred Copyright is subject to any open source license (as that term is defined by the Open Source Initiative).

3.14 Employee Matters.

* 1. Multiemployer Plans. At no time has Seller or any other Person under common control with Seller within the meaning of Section 414(b), (c),

1. or (o) of the Internal Revenue Code of 1986 and the regulations issued thereunder, contributed to or been obligated to contribute to any Multiemployer Plan or any plan maintained pursuant to a collective bargaining agreement or any plan subject to Title IV of ERISA, in any case with respect to Business Employees or former Business Employees.

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* 1. Labor. No work stoppage or labor strike against Seller or any of its Subsidiaries is pending or, to Seller’s Knowledge, threatened or reasonably anticipated with respect to the Business Employees. Seller has no Knowledge of any activities or proceedings of any labor union to organize any Business Employees. There are no actions, suits, claims, labor disputes or grievances pending, or, to the Knowledge of Seller, threatened or reasonably anticipated relating to any labor, safety or discrimination matters involving any Business Employee, including charges of unfair labor practices or discrimination complaints, which, if adversely determined, would reasonably be expected to have a Seller Material Adverse Effect. Neither Seller nor any of its Subsidiaries is presently, nor has it been in the past, a party to, or bound by, any collective bargaining agreement or extension order (other than extension orders applicable to all employees or to all electronics employees in Israel) or union contract with respect to Business Employees and no collective bargaining agreement is being negotiated by Seller with respect to the Business Employees.
  2. Business Employee List. All of the employees of Seller and its Subsidiaries who work directly and primarily with the Transferred Assets or who are employees of Transferred Sub as of the date hereof, other than the Excluded Employees (including (i) those on military leave and family and medical leave,

1. those on approved leaves of absence, but only to the extent they have reemployment rights guaranteed under Applicable Law, under any applicable collective bargaining agreement or under any leave of absence policy of Seller or its Subsidiaries and (iii) those on short-term disability under the short-term disability program of Seller or its Subsidiaries) regardless of the company payroll on which such individuals appear (the “Business Employees”), together with the country in which each such Business Employee is based, are listed on Schedule 3.14(c).
   1. Transferred Sub. Except as set forth on Schedule 3.14(d), all of the Liabilities of Transferred Sub under Employee Plans or Employee Agreements with respect to Transferred Employees will survive the Closing pursuant to Applicable Law. The Transferred Sub has complied in all material respects with any material Applicable Laws relating to employment matters.
   2. Nature of Representations and Warranties. The representations and warranties contained in this Section 3.14 are the only representations and warranties being made with respect to compliance with or liability under Applicable Laws relating to the employment matters contemplated by this Section 3.14.

3.15 Financial Information.

1. Seller has delivered to Buyer copies of the *estimated* unaudited pro forma consolidated statement of operations of the Business at December 31, 2005 (the “Annual Financial Information Date”) and an estimated unaudited pro forma consolidated statement of operations and statement of net book value of assets at April 1, 2006 (the “Quarter Financial Information Date”), respectively (collectively, the “Financial Statements”). The Financial Statements have been prepared internally by Seller for management reporting purposes only and have not been audited by any independent certified public accountants or auditors.

1. The Financial Statements have been derived from the books and records of Seller and have not been separately audited. The Financial Statements do not contain all adjustments

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necessary to comply with GAAP. The Financial Statements do not reflect the assets, liabilities, revenues and expenses that would have resulted if the Business had operated as an unaffiliated independent company; *provided further*, that the Financial Statements include estimations for allocation of various revenues, costs and expenses on a reasonable basis.

3.16 Absence of Certain Changes. Since the Quarter Financial Information Date other than with respect to the transactions contemplated by the

Acquisition Documents, the Business has been conducted in the ordinary course of business consistent with past practice, and there has not been:

1. any creation, assumption or sufferance of (whether by action or omission) the existence of any Lien or Share Encumbrance on any of the Transferred Assets or Transferred Shares, other than (i) Permitted Liens and (ii) Liens that would not reasonably be expected to have a Seller Material Adverse Effect;
2. any waiver, amendment, termination or cancellation of any Material Contract or any relinquishment of any material rights thereunder by Seller, or to the Knowledge of Seller any other party, other than, in each such case, actions taken in the ordinary course of business or that are not material with respect to any such Material Contract;
3. any material change by Seller or Transferred Sub in its accounting principles, methods or practices or in the manner it keeps its accounting books and records relating to the Business, except any such change required by a change in GAAP or except any change that results from the audit contemplated in Section 6.01(f);
4. any material damage, destruction or other casualty loss with respect to any Transferred Asset;
5. any Contract for any Selling Party to take any of the actions specified in paragraphs (a) through (d) above; or
6. any event, occurrence, development or state of circumstances or facts that has had or has a Seller Material Adverse Effect.

3.17 Environmental Matters. Except as would not reasonably be expected to have a Seller Material Adverse Effect, to the Knowledge of Seller:

1. Seller and each of its Subsidiaries is in compliance with all applicable Environmental Laws and (b) there are no written claims pursuant to any Environmental Law pending or threatened against Seller or any of its Subsidiaries, in each case in connection with the conduct or operation of the Business or the ownership or use of the Transferred Assets. The representations and warranties contained in this Section 3.17 are the only representations and warranties being made with respect to compliance with or Liability under Environmental Laws or with respect to any environmental, health or safety matter, including natural resources, related to the Business, the Transferred Assets or the Selling Parties’ ownership or operation thereof.

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3.18 Product Warranties. Seller has delivered copies of Seller’s standard product warranties with respect to the Products set forth in its order acknowledgement forms for the Products. To the Knowledge of Seller, no outstanding material claims with respect to product warranties relating to the Products exist.

3.19 Transferred Assets. Except for the Excluded Assets (including the Intellectual Property licensed pursuant to the Intellectual Property Agreements), the Excluded Employees and the benefits received by the Business by virtue of it being operated by Seller or one of its Subsidiaries, and as set forth on Schedule 3.19, the Transferred Sub, Transferred Assets and the assets and services temporarily made available to Buyer pursuant to the Transition Services Agreement and the Supply Agreement constitute all of the material assets of this type (other than any Intellectual Property) used in the conduct of the Business as of the date hereof.

3.20 Customers. Schedule 3.20 lists the names of the ten (10) largest customers to whom the Business has sold Products during the year ended December 31, 2005 (based on dollar amount of revenue recognized in connection with the sale of such Products during such year). To Seller’s Knowledge, none of the Selling Parties has received any written statement from any customer whose name appears on Schedule 3.20 that such customer will not continue as a customer of the Business after the Closing.

3.21 Investor Representations.

1. Economic Risk. Each of Seller and the Subsidiary Sellers is an “accredited investor” as such term is defined in Regulation D promulgated under the Securities Act. Seller acknowledges that it and the Subsidiary Sellers are able to fend for themselves in the issuance of the Stock Consideration as contemplated by this Agreement and have the ability to bear the economic risks of their investment and ownership of Buyer Common Stock pursuant to this Agreement, and have had the opportunity to ask questions and receive answers of Buyer concerning Buyer and its business and financial condition.
2. Purchase for Own Account. The Stock Consideration will be acquired for Seller’s and Subsidiary Sellers’ own accounts, not as a nominee or agent, and not with a view to or in connection with the sale or distribution of any part thereof.
3. Exempt from Registration; Restricted Securities. Seller and the Subsidiary Sellers understand that the Stock Consideration will not be registered under the Securities Act, on the grounds that the sale provided for in this Agreement is exempt from registration under the Securities Act, and that the reliance of Buyer on such exemption is predicated in part on Seller’s representations set forth in this Agreement. Seller and the Subsidiary Sellers understand that the shares of Stock Consideration being acquired hereunder are restricted securities within the meaning of Rule 144 under the Securities Act; that the shares of

Stock Consideration are not registered and must be held indefinitely unless they are subsequently registered or an exemption from such registration is available.

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1. Restrictive Legends. It is understood that each certificate representing the Stock Consideration issued hereunder, and any other securities issued in respect of any of the foregoing upon any stock split, stock dividend, recapitalization, merger or similar event shall be stamped or otherwise imprinted with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF ANY STATES, THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

3.22 Complete Copies. To Seller’s Knowledge, except as set forth on Schedule 3.08, Seller has delivered true and complete copies of each Material Contract that has been requested in writing (including email) by Buyer or its counsel, and there are no amendments or modifications thereto that have not been disclosed in writing to Buyer.

3.23 Representations Regarding Transferred Sub and Transferred Shares.

* 1. Capitalization.
     1. The authorized capital stock of the Transferred Sub consists of 36,000 Ordinary Shares, of which only the Transferred Shares are issued and outstanding on the date hereof. No other shares of capital stock of the Transferred Sub have been authorized or designated as a series or are issued and outstanding as of the date hereof. All of the Transferred Shares are duly authorized, validly issued, fully paid and non-assessable, have been issued in material compliance with all Applicable Laws and were issued in compliance with all applicable preemptive rights created by statute, the Memorandum and Articles of Association of the Transferred Sub and any agreement to which Transferred Sub is bound or by which its properties or assets are bound.
     2. There are not outstanding (i) any options, warrants or other rights to purchase from Transferred Sub any capital stock or other securities of Transferred Sub, (ii) any securities, notes or other indebtedness convertible into or exchangeable for shares of such capital stock or securities,

1. any other commitments or rights of any kind for Transferred Sub to issue additional shares of capital stock, options, warrants or other securities or
2. any equity equivalent or other ownership interests in Transferred Sub or similar rights.
   * 1. Seller’s Subsidiaries are the sole registered and beneficial owners of the Transferred Shares. The Transferred Shares are free and clear of all Liens, claims, options, rights of other parties, voting trusts, proxies, shareholder or similar agreements, encumbrances or other restrictions (other than restrictions imposed by applicable securities laws) (collectively, “Share Encumbrances”). Upon delivery of certificates evidencing certificated Transferred Shares to Buyer or a Buyer Designee together with any executed share transfer deeds or instruments for the Transferred Shares necessary to transfer the Transferred Shares under Applicable Law, and payment by Buyer of the amount due and payable to Seller pursuant to Section 2.07, Buyer or its

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Buyer Designee will acquire good and marketable title to such Transferred Shares, free and clear of any Share Encumbrance.

1. Ownership; Subsidiaries. Schedule 3.23 sets forth the identity of each of the holders of equity interests of Transferred Sub and their respective ownership interests in Transferred Sub. Transferred Sub has no Subsidiaries and does not, directly or indirectly, own any equity investment or other ownership interest in any Person. Transferred Sub is not a participant in any joint venture, partnership or similar arrangement.
2. Indebtedness; Operations. On the basis of an unaudited balance sheet at and as of April 1, 2006 not prepared in accordance with GAAP, the Transferred Sub’s Indebtedness and other Liabilities were $13,161,211 as of such date and, except as set forth on Schedule 3.23(c), the Transferred Sub did not have any other Indebtedness and had not incurred any other Liabilities (other than pursuant to an Employee Plan) in excess of $500,000. Since January 1, 2005, other than as contemplated by this Agreement, Transferred Sub has not sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its Inventory in the ordinary course of business. Since April 1, 2006, other than in the ordinary course of business, Transferred Sub has not incurred any Indebtedness or other Liabilities (other than those which will be assumed by a Selling Party on or prior to the Closing and for which Transferred Sub and Buyer will have no Liability from and after the Closing).
3. Guarantees. Transferred Sub is not a guarantor or indemnitor of any Indebtedness of any Person which guarantee will not be released prior to or

at Closing.

1. Taxes. Except to the extent that the failure to do so would not, collectively with any breaches of Section 3.12, have a Seller Material Adverse Effect, since January 1, 2003, Transferred Sub has filed all Tax Returns required to have been filed by it, and has paid on a timely basis all Taxes due and payable. Except as set forth in Schedule 3.23(e), (i) with respect to those Taxes described in the preceding sentence of this Section 3.23(e), Transferred Sub has not received any written notice from any Governmental Authority that it is or may be subject to additional Tax, and (ii) there are no Liens for Taxes (other than Permitted Liens). Buyer has been provided with a copy of the IRS Form 8832 filed with respect to the election to treat Transferred Sub as a disregarded entity for U.S. federal income tax purposes. The representations and warranties contained in this Section 3.23(e) are the only representations and warranties being made with respect to compliance with or liability under laws related to Taxes related to Transferred Sub.
2. Permits. Transferred Sub has all franchises, permits, licenses and any similar authority necessary for the conduct of its business as now conducted, the lack of which has had or would have a Seller Material Adverse Effect. Transferred Sub is not in default in any material respect under any of

such franchises, permits, licenses or similar authority.

3.24 Disclaimer of Warranties. EXCEPT WITH RESPECT TO THE WARRANTIES AND REPRESENTATIONS SPECIFICALLY SET FORTH IN THIS ARTICLE III (WHICH MAY BE RELIED UPON BY BUYER) AND REPRESENTATIONS AND WARRANTIES SPECIFICALLY RELATING TO THE TRANSFERRED ASSETS IN ANCILLARY AGREEMENTS, IF ANY, ALL OF THE TRANSFERRED ASSETS, TRANSFERRED SHARES AND TRANSFERRED SUB ARE BEING SOLD “AS IS, WHERE IS,” AND NEITHER

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SELLER NOR ANY OF ITS SUBSIDIARIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WHETHER OF MERCHANTABILITY, SUITABILITY, NONINFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE, OR QUALITY AS TO THE TRANSFERRED ASSETS OR ANY PART OR ITEM THEREOF, OR AS TO THE CONDITION, DESIGN, OBSOLESCENCE, WORKING ORDER OR WORKMANSHIP THEREOF, OR THE ABSENCE OF ANY DEFECTS THEREIN, WHETHER LATENT OR OTHERWISE, AND BUYER HAS RELIED ON ITS OWN EXAMINATION THEREOF IN ELECTING TO ACQUIRE THE TRANSFERRED ASSETS ON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH IN THIS AGREEMENT.

**ARTICLE IV**

**REPRESENTATIONS AND WARRANTIES OF BUYER**

Subject to such exceptions that are (i) disclosed in the disclosure schedules dated as of the date hereof and delivered with this Agreement (the “Buyer Disclosure Schedules”) or (ii) disclosed pursuant to Section 5.02 (but without limiting Seller’s indemnification rights with respect to such supplements or amendments as provided in Section 5.02(a)) and except as set forth in the Buyer SEC Documents (as defined below) filed by Buyer with the SEC on or before the date of the making of these representations, Buyer hereby represents and warrants to Seller, as follows:

4.01 Existence and Good Standing. Each of Buyer and each Buyer Designee is a corporation, limited liability company, partnership or other entity duly organized, validly existing and in good standing under the laws of its jurisdiction of organization and has all corporate power and authority required to carry on its business as now conducted and to own and operate its businesses as now owned and operated by it. Neither Buyer nor any Buyer Designee is required to be qualified to conduct business in any jurisdiction other than such jurisdictions where the failure to be so qualified would not reasonably be expected to have a Buyer Material Adverse Effect. Buyer has heretofore delivered (or made available in its reports or registration statements filed with the SEC) to Seller complete and correct copies of its memorandum of association and bye-laws (the “Bye-Laws”) as currently in effect.

4.02 Authorization and Enforceability. The execution, delivery and performance by Buyer and each Buyer Designee of this Agreement and the other Acquisition Documents, and the consummation of the transactions contemplated hereby and thereby, including the issuance of the Stock Consideration to Seller, are within Buyer’s or Buyer Designee’s, as applicable, corporate powers and have been duly authorized by all necessary corporate action on its part. No vote of Buyer’s stockholders is required in connection with this Agreement or any issuance of the Stock Consideration hereunder. This Agreement has been and, when executed at the Closing, the other Acquisition Documents to which it is a party will have been, duly and validly executed by Buyer and/or one or more Buyer Designees, and, assuming the due execution and delivery of this Agreement and the other Acquisition Documents by Seller, will constitute the legal, valid and binding agreements of Buyer and each such Buyer Designee, enforceable against Buyer and each such Buyer Designee in accordance with their respective terms, subject to any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws now or hereafter in effect relating to creditors’ rights generally or to general principles of equity.

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4.03 Governmental or Other Authorization. Other than notification pursuant to the HSR Act and applications or other submissions or filings under similar merger notification laws or regulations of foreign Governmental Authorities, the execution, delivery and performance by Buyer and each Buyer Designee of this Agreement and the other Acquisition Documents to which it is a party, and the consummation by it of the transactions contemplated hereby and thereby, including the issuance of the Stock Consideration to Seller, require no Governmental Approval from any Governmental Authority or any consent, waiver or approval of any other Person (such required consents and approvals, the “Buyer Approvals”).

4.04 Non-Contravention.

1. Neither Buyer nor any Buyer Designee is in, nor does the conduct of its business as proposed to be conducted as disclosed in its SEC Documents result in, any violation, breach or default of any term of Buyer’s Memorandum of Association or Bye-laws or other charter documents of the Buyer Designees, or contravene or constitute a default under any material agreement to which Buyer or any Buyer Designee is a party or by which it may be bound, or of any provision of any Applicable Law binding upon or applicable to Buyer or any Buyer Designee.
2. Except for matters that would not reasonably be expected to have a Buyer Material Adverse Effect, the execution, delivery and performance of this Agreement and the other Acquisition Documents by Buyer and each Buyer Designee, where applicable, and the consummation of the transactions contemplated hereby and thereby, do not and will not (a) contravene or conflict with the Memorandum of Association or Bye-laws of Buyer or other charter documents of the Buyer Designees, (b) assuming receipt of Buyer Approvals that are Governmental Approvals, contravene or conflict with or constitute a violation of any provision of any Applicable Law binding upon or applicable to Buyer or any Buyer Designee, respectively, or (c) assuming receipt of Buyer Approvals that are not Governmental Approvals, contravene or constitute a default under any material agreement to which Buyer or any Buyer Designee is a party or by which it may be bound.

4.05 SEC Documents; Buyer Financial Statements.

1. Since April 30, 2005, Buyer has timely filed with the Securities and Exchange Commission (the “SEC”) all forms, exhibits, reports, statements, schedules, registration statements and other documents required to be filed with the SEC under the Securities Act, and the Securities Exchange Act of 1934,

as amended (the “Exchange Act”) (the documents referred to in this Section 4.05 and any documents filed by Buyer with the SEC between the date of this Agreement and the Closing Date, collectively, the “Buyer SEC Documents”), each of which complied or will comply at the time of filing in all material respects with all applicable requirements of the Securities Act and the Exchange Act, each law as in effect on the dates such forms, reports and documents were filed. Buyer is not a party to any material agreement or other arrangement which was required to have been filed with the SEC as an exhibit to any Buyer SEC Document which has not been so filed.

1. None of such Buyer SEC Documents, including any financial statements or schedules included or incorporated by reference therein, contained when filed (and, in the case of a proxy statement, on the date of mailing) any untrue statement of a material fact or omitted to state a

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material fact required to be stated or incorporated by reference therein or necessary in order to make the statements therein in light of the circumstances under which they were made not misleading.

1. The financial statements (including the related notes and schedules) of Buyer included in the Buyer SEC Documents were prepared in accordance with GAAP during the periods involved (except as may be indicated in the notes thereto) and fairly present, in accordance with GAAP (subject in the case of unaudited statements to normal, recurring and year-end audit adjustments), in all material respects the consolidated financial position of Buyer as of the dates thereof and the consolidated results of its operations and cash flows for the periods then ended.
2. The chief executive officer and chief financial officer of Buyer have made all certifications required by Sections 302 and 906 of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) and any related rules and regulations promulgated by the SEC, and the statements contained in any such certifications are complete and correct, and Buyer is otherwise in compliance in all material respects with all applicable effective provisions of the Sarbanes-Oxley Act and the applicable listing and corporate governance rules of Nasdaq.

4.06 Absence of Certain Changes. Since April 29, 2006, the business of Buyer, its Subsidiaries and each Buyer Designee has been conducted in the ordinary course consistent with past practice, and there has not been:

1. any event, occurrence, development or state of circumstances or facts that has had or has a Buyer Material Adverse Effect;
2. any amendment of any material term of any outstanding security of Buyer or any Buyer Designee;
3. any sale of a material amount of assets (tangible or intangible) of Buyer or any Buyer Designee, other than sales of products in the ordinary course of business consistent with past practices;
4. any change in any method of accounting or accounting principles or practice by Buyer, any of its Subsidiaries or any Buyer Designee, except for any such change required by reason of a concurrent change in GAAP; or
5. any agreement by Buyer or any Buyer Designee or any officers thereof in their capacities as such to do any of the things described in the preceding clauses (a) through (d).

4.07 Litigation. There are no Proceedings pending or, to Buyer’s Knowledge, threatened: (a) by or against Buyer or any Buyer Designee, their respective activities, properties or assets that would reasonably be expected to have a Buyer Material Adverse Effect; or (b) that seek to prevent, enjoin, alter or delay the transactions contemplated by this Agreement or any of the other Acquisition Documents. To Buyer’s Knowledge, neither Buyer nor any of its Subsidiaries is a party to or subject to the provisions of any order, writ, injunction, judgment or decree of any court or Government Authority.

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4.08 Compliance with Applicable Laws. Each of Buyer and each Buyer Designee has complied with all Applicable Laws relating to its business and properties, except where the failure to comply would not have a Buyer Material Adverse Effect.

4.09 No Undisclosed Liabilities. There are no Liabilities of Buyer or any of its Subsidiaries or any other Buyer Designee, and there is no existing condition, situation or set of circumstances that would reasonably be expected to result in such a Liability of a nature required to be disclosed on a balance sheet or in the related notes to consolidated financial statements prepared in accordance with GAAP, other than:

1. Liabilities disclosed and provided for in the balance sheet or in the notes thereto or in the Buyer SEC Documents filed prior to the date of this Agreement; and
2. Liabilities incurred in the ordinary course of business consistent with past practices since January 28, 2006 not required to be disclosed in the Buyer SEC Documents.

4.10 Cash. Buyer’s cash and other capital resources on hand do and will at Closing constitute sufficient funds to consummate, and to pay the fees and expenses related to, the transactions contemplated by this Agreement and the Ancillary Agreements, including payment of the Cash Consideration.

4.11 Representations Related to the Issuance of Buyer Common Stock.

1. Capitalization*.* As of the date hereof, the authorized capital stock of Buyer consists of 492,000,000 shares of Buyer Common Stock, and 8,000,000 shares of preferred stock, par value $0.002 per share (“Buyer Preferred Stock”). At the close of business on June 19, 2006, (i) 293,268,946 shares of Buyer Common Stock or restricted shares of Buyer Common Stock were issued and outstanding and (ii) no shares of Preferred Stock were issued and outstanding, (iii) options to purchase 52,538,383 shares and warrants to purchase 1,053,294 shares of Buyer Common Stock or restricted stock units of Buyer

Common Stock issued pursuant to employee benefit plans and agreements of Buyer were issued and outstanding. All of the outstanding shares of capital stock of Buyer have been duly authorized and validly issued and are fully paid and nonassessable. Other than as set forth above, (x) there are no options, warrants, rights, puts, calls, commitments or other contracts, arrangements or understandings issued by or binding upon Buyer or any Subsidiary of Buyer requiring or providing for, and (y) there are no outstanding debt or equity securities of Buyer or any Subsidiary of Buyer which upon the conversion, exchange or exercise thereof would require or provide for, the issuance by Buyer or any Subsidiary of Buyer of any new or additional shares of Buyer Common Stock or any other securities of Buyer (or any Subsidiary of Buyer) which, with or without notice, lapse of time and/or payment of monies, are or would be convertible into or exercisable or exchangeable for Buyer Common Stock or any other securities of Buyer (or any Subsidiary of Buyer). The shares of Buyer Common Stock to be issued pursuant to this Agreement will, upon issuance, be validly issued, fully paid, nonassessable, not subject to any preemptive rights and free and clear of all security interests, liens, claims, pledges or other encumbrances of any nature whatsoever (in each case to which Buyer is a party), other than restriction under applicable securities laws.

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1. Governmental or Other Authorizations. Except for (i) such filings and approvals as are required to be made or obtained under the securities or “Blue Sky” laws of various states in connection with any issuance of the shares of Buyer Common Stock pursuant to this Agreement, and (ii) the filing of the notification form for the listing of additional shares or similar application with Nasdaq or such other national exchange on which the Buyer Common Stock is quoted or listed upon the issuance of the Stock Consideration issuable under this Agreement, all filings, consents and approvals as are required by Applicable Law for the issuance of Stock Consideration and performance of the Registration Rights Agreement have been obtained or made.
2. Exempt Offering*.* The offer, sale and issuance of any Buyer Common Stock in satisfaction of the Stock Consideration will be exempt from the registration requirements of the Securities Act, and will have been registered or qualified (or are exempt from registration and qualification) under the registration, permit or qualification requirements of all applicable state securities laws, assuming the accuracy of Seller’s representations and warranties in Section 3.21.
3. Registration Rights*.* Except as provided in the Registration Rights Agreement, Buyer has not granted or agreed to grant any Person any rights (including piggyback registration rights) to have any securities of Buyer registered with the SEC or any other Governmental Authority.
4. Form S-3 Eligibility. Buyer meets the “registrant eligibility” requirements set forth in the general instructions to Form S-3 to register any and all shares of Buyer Common Stock issued pursuant hereto and has no Knowledge of any facts or circumstances that would reasonably be expected to change its compliance with such requirements or eligibility to use Form S-3 or delay the effectiveness of any registration statement filed pursuant to the Registration Rights Agreement.
5. Disclosure. The information contained in this Agreement and the SEC Documents and other information provided to Seller in connection with the transactions contemplated hereby with respect to the business, operations, results of operations and financial condition of Buyer, and the transactions contemplated by this Agreement, when taken together, are true and complete in all material respects and do not omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

4.12 Advisory Fees. There is no investment banker, broker, finder or other intermediary or advisor that has been retained by or is authorized to act on behalf of Buyer, who will be entitled to any fee, commission or reimbursement of expenses from Buyer, or any Affiliate of Buyer, upon consummation of the transactions contemplated by this Agreement, the nonpayment of which could result in a claim against, or obligation of, Seller or any of its Affiliates.

4.13 Export Compliance. Buyer acknowledges that the Transferred Assets include technology that is “controlled technology” under the U.S.

Export Administration Regulations, including technology that is classified as ECCN 3E002 and ECCN 5E002 of the U.S. Export Administration Regulations.

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**ARTICLE V**

**COVENANTS**

5.01 Access to Information.

1. Between the date hereof and the Closing, Seller agrees to provide to Buyer and its authorized agents (including its attorneys and accountants and auditors) reasonable access to the offices and properties of the Business and the books and records of (i) Seller exclusively relating to the Transferred Assets and (ii) Transferred Sub, upon reasonable prior notice, during normal business hours, under Seller’s supervision and at Buyer’s expense, in order to conduct a review of the Transferred Assets and the Business. Each of the Parties hereto will hold, and will cause its consultants and advisers and other representatives to hold, in confidence all documents and information furnished to it by or on behalf of another Party to this Agreement in connection with the transactions contemplated by this Agreement and the other Ancillary Agreements (and, after the Closing, the Parties shall hold in confidence all information regarding the Business, the Transferred Assets, the Excluded Assets, the Assumed Liabilities, the Excluded Liabilities and the Business Employees) as “confidential information” pursuant to the terms of the Confidentiality and Nondisclosure Agreement No. 98074 dated September 24, 1997 entered into between Seller and Buyer (together with Addendum No. 1 thereto effective December 21, 2005 and Addendum No. 2 thereto dated May 8, 2006, the “Confidentiality Agreement”), notwithstanding any contrary terms in Section 1 of the Confidentiality Agreement. Notwithstanding the foregoing, in the event Seller provides Buyer or any of Buyer’s Subsidiaries with access to Intellectual Property that constitutes highly sensitive proprietary information, as determined by Seller in its sole discretion, Seller will designate such Intellectual Property as highly sensitive in a written notice provided to Buyer (“Specially Designated Intellectual Property”), and Buyer’s or Buyer’s Subsidiary’s use of such Specially Designated Intellectual Property or other exercise of any rights granted under this Agreement or any of the Ancillary Agreements with respect to such Specially Designated Intellectual Property shall be conditioned upon its strict compliance with the reasonable Intellectual Property protection measures that Seller will designate for such Specially Designated Intellectual Property in such written notice. Subject to the foregoing, Buyer acknowledges and agrees that its acceptance, use, review or other exploitation of any Specially Designated Intellectual Property shall be deemed to constitute its irrevocable acceptance of and agreement to such additional terms, conditions and restrictions provided

by Seller with respect to such Specially Designated Intellectual Property, without any other acknowledgment or action by Buyer or any Buyer Subsidiary. Notwithstanding any contrary provision in the Confidentiality Agreement, Section 3 of the Confidentiality Agreement shall not apply to any Specially Designated Intellectual Property. Nothing in this Article V limits Buyer’s obligations or any restrictions relating to any Specially Designated Licensed Trade Secrets.

1. Buyer shall, and shall cause each Buyer Designee to, maintain all of the books and records pertaining to Transferred Sub, Transferred Shares, Transferred Assets and the Assumed Liabilities before the Closing that are in its possession for such period as may be required by Applicable Law relating to the relevant books and records. After the Closing and for so long as the same shall be retained by Buyer and/or any Buyer Designee pursuant to the foregoing sentence, Buyer or such Buyer Designee shall provide Seller and its representatives, upon notice from Seller,

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with reasonable access to such books and records upon the same terms and conditions as set forth in Section 5.01(a), *mutatis mutandis*. If, at any time after the Closing and until such expiration of the period of retention of records as required under Applicable Law, Buyer or such Buyer Designee proposes to dispose of any of such books and records, Buyer or such Buyer Designee shall first offer to deliver the same to Seller at the expense of Seller.

1. Following the Closing, each Party (the “Possessing Party”) will afford the other Party (the “Receiving Party”), its counsel and its accountants, during normal business hours, reasonable access to information relating to the Transferred Assets, the Transferred Shares or the Transferred Sub in the Possessing Party’s possession or under the Possessing Party’s control and, to the extent reasonably requested, will provide copies and extracts therefrom, all to the extent that such access may be reasonably required by the Receiving Party in connection with (i) the preparation of Tax Returns, the preparation for any audit by any taxing authority or the prosecution or defense of any claim or proceeding relating to any Tax Return or (ii) compliance with the requirements of any Governmental Authority.

5.02 Additions to and Modification of Schedules.

1. Subject to subsection (b), if on any date on or prior to the Closing Date, a Party determines that any of the information in any representation, warranty or schedule of such Party (including the Seller Disclosure Schedules and the Buyer Disclosure Schedules, as applicable) provided on the date hereof is not true, accurate and complete in all material respects, such Party shall be entitled to amend the schedules relating to such Party to make additions to or modifications of such schedules (and to add new schedules not previously included in the Seller Disclosure Schedules or Buyer Disclosure Schedules, respectively, with respect to the representations and warranties in Articles III and IV, respectively) necessary to make the information set forth in such representation, warranty or schedule true, accurate and complete in all material respects, and such representations, warranties and schedules shall thereupon be deemed amended to reflect such additions and modifications for all purposes except as provided herein, *provided*, *however*, that Seller shall not be permitted to amend Schedule 2.05(a) to add assets or Liabilities of the Transferred Sub that are exclusively related to the Business without the consent of Buyer. For any additions or modifications made to correct inaccuracies of the representations and warranties set forth in Article III or Article IV, respectively (including those representations and warranties which are expressed with respect to a date prior to the date hereof) for facts, events or circumstances occurring prior to or existing on and disclosable as of the date hereof, the non-amending Party shall be entitled to indemnification pursuant to the provisions set forth in Article VII. Notwithstanding the foregoing, no such supplement or amendment may be made with respect to a Contract in existence on the date hereof if such Contract (together with all other such Contracts disclosed in amendments and supplements pursuant to this Section 5.02(a) but which were not listed on Schedule 2.01(c) or Schedule 2.01(d) as of the date of the execution of this Agreement) involves or (to the extent reasonably apparent on the face of such Contract) would involve monetary liabilities or obligations in excess of Thirty Million Dollars ($30,000,000) in the aggregate. All Liabilities under such Contracts in excess of such aggregate amount shall be deemed “Excluded Liabilities” for all purposes hereunder.

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* 1. Notwithstanding subsection (a), not less than two (2) days prior to the Closing, Seller shall deliver to Buyer a supplement to the schedules to this Agreement (other than the Seller Disclosure Schedules or Buyer Disclosure Schedules, respectively) with respect to facts, events or circumstances arising after the date hereof, but any such supplement will be disregarded and have no further force and effect hereunder for any purposes unless such supplement:

1. is consented to in writing by Buyer or (ii) derives from actions by Seller and its Subsidiaries that are either expressly permitted in this Agreement or not prohibited by Article V (and if such supplement complies with either of the foregoing clauses (i) and (ii), it shall be deemed a “Permitted Post-Signing Supplement”). Permitted Post-Signing Supplements shall also include supplements delivered to Buyer within the foregoing time period that disclose any of the following: (i) those Contracts relating exclusively to the Business entered into by a Selling Party or Transferred Sub after the date of this Agreement, and such Contracts identified on such supplement to Schedule 2.01(c), Schedule 2.01(d) or Schedule 3.08, respectively, shall be deemed to be Assumed Contracts or Transferred Sub Contracts, respectively, for all purposes hereof, *provided* that such Contracts were entered into in accordance with the terms of Article V or otherwise with the consent of Buyer (which shall not be unreasonably withheld), (ii) other assets relating exclusively to the Business acquired by a Selling Party after the date of this Agreement which would have been “Transferred Assets” if such assets were owned or held by a Selling Party as of the date hereof, and such assets identified on such supplement to Schedule 2.01 of the Seller Disclosure Schedules shall be deemed to be Transferred Assets, and (iii) other Liabilities relating exclusively to the Business incurred by a Selling Party or Transferred Sub after the date of this Agreement which would have been “Assumed Liabilities” or Liabilities of Transferred Sub if such Liabilities had been in existence as Liabilities of such Selling Party or Transferred Sub as of the date hereof, and such Liabilities identified on such supplement to Schedule 2.03 shall be deemed to be Assumed Liabilities, *provided* that such Liabilities were incurred in accordance with Article V hereof or otherwise with the consent of Buyer (which shall not be unreasonably withheld). Notwithstanding the foregoing, Schedule 2.05(a) may not be updated to add assets or Liabilities of Transferred Sub that are exclusively related to the Business without the consent of Buyer.
   1. Other than as set forth in Section 5.02(a) and (b), no Party may make any changes, supplements, amendments or modifications to the schedules to this Agreement with respect to any fact, event or circumstance occurring after the date hereof. Notwithstanding anything to the contrary in this Agreement, in no event shall the inaccuracy of a representation and warranty give rise to a right of any Party to terminate this Agreement.

5.03 Compliance with Terms of Governmental Approvals and Consents. From and after the Closing Date, Buyer and each Buyer Designee shall comply at its own expense with all conditions and requirements imposed on Buyer or such Buyer Designee as set forth in (a) Buyer Approvals that are

Governmental Approvals, to the extent necessary such that all such Governmental Approvals will remain in full force and effect assuming, if applicable, continued compliance with the terms thereof by Seller and (b) all Buyer Approvals of Persons other than Governmental Authorities, to the extent necessary such that all such consents and approvals will remain effective and enforceable against the Persons giving such consents and approvals, assuming, if applicable, continued compliance with the terms thereof by Seller. The parties shall use all commercially reasonable efforts to obtain the consent prior to the Closing of the Investment Center in the Ministry of Industry, Trade & Labor of Israel (the “Investment Center”) to the

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transfer by the Subsidiary Sellers of the Transferred Shares**.** Further, Buyer agrees that it shall, and shall cause the Buyer Designees acquiring the Transferred Shares to, continue to operate Transferred Sub in accordance with the requirements of the Investment Center, including those set forth in the applicable letters of approval and the applicable certificates with respect to the completion of the capital investments issued by the Investment Center. Seller shall be responsible for liabilities (other than Taxes, which are governed by Section 5.09(h)(vi)) imposed on Transferred Sub on or following the Closing Date to the extent such liabilities constitute the recapture of an incentive that either reduced liabilities of Transferred Sub with respect to a period, or was paid to Transferred Sub, prior to the Closing Date, but only to the extent such recapture is a direct result of the failure of the Investment Center to approve the transfer of the Transferred Shares to Buyer or Buyer Designee pursuant to this Agreement; *provided*, that Buyer has complied with its obligations under this Section

5.03 with respect to obtaining such approval and has not taken or refrained from taking action that prevented such approval. Buyer and Transferred Sub shall be responsible for all other recapture of incentives received by Transferred Sub.

5.04 Use of Marks. Notwithstanding any other provision of this Agreement, no interest in or right to use the name “Taurus” or any derivation thereof or any other Trademarks, service marks or trade names of Seller (the “Retained Marks”) is being transferred or otherwise licensed to Buyer or any Buyer Designee pursuant to the transactions contemplated by this Agreement. Buyer agrees not to use and agrees to cause each Buyer Designee not to use any materials bearing Retained Marks or sell, transfer, or ship any products bearing Retained Marks (a) unless requested to do so by Seller, (b) except to the extent displayed on the hardcopy (non-electronic) form of such materials delivered to Buyer and/or a Buyer Designee at the Closing or (c) except as required under Assumed Contracts or Transferred Sub Contracts with customers, *provided* that such use, for each of (a) through (c), shall only be permitted until the date which is ninety (90) days after the Closing Date. The foregoing rights are subject to Seller’s standard Trademark usage guidelines, a copy of which has been provided to Buyer, and Seller reserves the right to practice quality control with regard to its marks. Upon the expiration of the foregoing license, all materials bearing any Retained Mark in the possession or control of Buyer or its agents shall be promptly destroyed. Prior to any distribution of any materials bearing Retained Marks, Buyer shall use its commercially reasonable efforts to redact or modify such materials in order to minimize or eliminate the use of the Retained Marks. Nothing in this section shall prevent Buyer from engaging in Fair Use or nominative fair use of the Retained Marks, to the extent permissible under the U.S. Trademark Act or common law.

5.05 Cooperation.

1. After the Closing, each Party shall provide such assistance and cooperation as the other Party or its counsel may reasonably request in connection with any claims or Proceedings relating to the Business or the Transferred Assets or the Transferred Shares or any pending Intellectual Property. Each Party shall reimburse the other for reasonable out-of-pocket costs and expenses incurred by the other in assisting such Party pursuant to this Section

5.05. No Party shall be required by this Section 5.05 to take any action that would unreasonably interfere with the conduct of its business or unreasonably disrupt its normal operations.

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1. Without limiting the foregoing, Buyer shall use all commercially reasonable efforts to seek and obtain from the SEC such waivers of, or relief from, the requirements pursuant to Rule 3-05 of Regulation S-X or such other securities laws applicable to the audited financial statements contemplated by Section 6.01(f) as reasonably requested by Seller.

5.06 Assignments. Seller will reasonably cooperate with Buyer in transferring the Transferred Intellectual Property, including any pending applications and registrations for the registered Intellectual Property, *provided*, *however*, that as of the Closing Date and except as provided in Section 5.05, Seller shall have or incur no further obligations or expenses in connection therewith, and it shall be the sole responsibility of Buyer to pursue, protect, or perfect any such rights as it may see fit in its sole discretion.

5.07 Consents and Filings; Further Assurances. Commencing as soon as practicable following the date hereof, Seller will use its commercially reasonable efforts to obtain Material Contract Consents. Each Party agrees to execute and deliver such other documents, certificates, agreements and other writings and to take such other commercially reasonable actions as may be reasonably necessary or desirable in order to (a) satisfy the conditions set forth in Article VI or otherwise consummate or implement expeditiously the transactions contemplated by this Agreement and the other Acquisition Documents or (b) obtain any Material Contract Consents and also to obtain from Governmental Authorities and other Persons all consents, approvals, authorizations, qualifications and orders as are necessary for the consummation of the transactions contemplated by this Agreement and the Acquisition Documents and to promptly make all necessary filings, and thereafter make any other required submissions, with respect to this Agreement required under the HSR Act, and any filings under similar merger notification laws or regulations of foreign Governmental Authorities. Seller and Buyer shall keep each other timely apprised of the status of any communications with, and any inquiries from, the United States Federal Trade Commission and the United States Department of Justice and similar Governmental Authorities in other jurisdictions, and shall comply promptly with any such inquiry or request. Notwithstanding the foregoing, except as set forth on Schedule 5.07, no Party shall have any obligation to expend any funds, commence or participate in any litigation, or offer or grant any accommodation (financial or otherwise) in connection with the consummation of the transactions contemplated hereby (including, by way of illustration only, any payment in connection with obtaining the Material Contract Consents, Seller Approvals or Buyer Approvals) other than normal out-of-pocket expenses (such as fees of counsel, accountants and auditors) reasonably necessary to consummate such transactions or consent fees, amendment fees, cost, reimbursement provisions or the like set forth in the applicable Assumed Contract or Transferred Sub Contract in question. Notwithstanding the foregoing, Buyer will be solely responsible for obtaining any third party licenses in connection with the operation of the Business after the Closing.

5.08 Public Announcements. Neither Buyer nor Seller nor any of their respective Affiliates shall issue any press release or otherwise make any public statements with respect to the transactions contemplated by this Agreement or any of the other Acquisition Documents without the prior written

consent of Buyer (in the case of Seller) or Seller (in the case of Buyer), except as may be required by Applicable Law, or by the rules and regulations of, or pursuant to any agreement with, Nasdaq. If any party determines, with the advice of counsel, that it is required by Applicable Law to make any public announcement of or disclosure of this Agreement, any of the

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other Acquisition Documents, or any terms hereof or thereof, it shall, a reasonable time before making any public announcement or disclosure, consult with the other Party regarding such disclosure and seek confidential treatment for such terms or portions of such announcement of or disclosure of this Agreement or such other Acquisition Document as may be requested by the other Party. For the avoidance of doubt, Buyer shall not contact any of the customers of Seller or employees of Seller without the presence of a representative of Seller with respect to the Business or any Transferred Asset.

5.09 Allocation of Expenses; Tax Matters.

1. Allocation of Non-Tax Operating Expenses. All utility charges, gas charges, electric charges, water charges, water rents and sewer rents, if any, shall be apportioned between Buyer and Seller as of the Closing Date (Seller being liable for that portion of the period up to and including the day before the Closing Date, and Buyer being liable for that portion of the period on and after the Closing Date), computed on the basis of the most recent meter charges or, in the case of annual charges, on the basis of the established fiscal year. All Prepayments (including lease expenses but excluding Taxes) paid by Seller prior to the Closing Date and all other operating expenses paid by Buyer with respect to the operation of the Business on or after the Closing shall be apportioned between Buyer and Seller as of the Closing Date computed on the basis of the applicable time period to which expenses apply. Within a reasonable period after the Closing, Seller and Buyer shall present a statement to the other setting forth the amount of reimbursement to which each is entitled under this Section 5.09(a), together with such supporting evidence as is reasonably necessary to calculate the proration amount. Such amount shall be paid by the Party owing it to the other within ten (10) days after delivery of such statement.
2. Allocation of Property Taxes. With respect to Seller and each Subsidiary of Seller other than Transferred Sub, all real property taxes, personal property taxes and similar *ad valorem* obligations levied with respect to the Transferred Assets for a taxable period that includes (but does not end on) the Closing Date shall be apportioned between Seller and Buyer as of the Closing Date based on the number of days of such taxable period included in the Pre-Closing Tax Period and the number of days of such taxable period included in the Post-Closing Tax Period. Seller shall be liable for the proportionate amount of such Taxes that is attributable to the Pre-Closing Tax Period, and Buyer shall be liable for the proportionate amount of such Taxes that is attributable to the Post-Closing Tax Period. Within a reasonable period after the Closing, Seller and Buyer shall present a statement to the other setting forth the amount of reimbursement to which each is entitled under this Section 5.09(b), together with such supporting evidence as is reasonably necessary to calculate the proration amount. The proration amount shall be paid by the Party owing it to the other within ten (10) days after delivery of such statement. Thereafter, Seller shall notify Buyer upon receipt of any bill for personal property taxes relating to the Transferred Assets, part or all of which are attributable to the Post-Closing Tax Period, and shall promptly deliver such bill to Buyer who shall pay the same to the appropriate taxing authority; *provided,* that if such bill covers any part of the Pre-Closing Tax Period, Seller shall also remit prior to the due date of such taxes to Buyer payment for the proportionate amount of such bill that is attributable to the Pre-Closing Tax Period. In the event that either Seller or Buyer shall thereafter make a payment for which it is entitled to reimbursement under this Section 5.09(b), the other Party shall make such reimbursement promptly, but in no event later than thirty (30) days after the presentation of a statement setting

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forth the amount of reimbursement to which the presenting Party is entitled along with such supporting evidence as is reasonably necessary to calculate the amount of reimbursement. Any payment required under this Section 5.09(b) and not made when due shall bear interest at the rate of ten percent (10%) per annum.

1. Payment of Taxes. Taxes described in Section 5.09(b), Section 5.09(f) or Section 5.09(h) shall be timely paid, and all applicable filings, reports and returns shall be filed, as provided by Applicable Law. The paying Party shall be entitled to reimbursement from the non-paying Party in accordance with Section 5.09(b), Section 5.09(f) or Section 5.09(h), as the case may be. Upon payment of such Tax, the paying Party shall present a statement to the non-paying Party setting forth the amount of reimbursement to which the paying Party is entitled under Section 5.09(b), Section 5.09(f) or Section 5.09(h), as the case may be, along with such supporting evidence as is reasonably necessary to calculate the amount of reimbursement. Any payment required under this Section 5.09(c) and not made when due shall bear interest at the rate of ten percent (10%) per annum.
2. Cooperation. As to the Taxes that are subject to Section 5.09(b), Section 5.09(f) or Section 5.09(h) from and after the Closing Date, the Parties hereto agree to furnish or cause to be furnished to one another, upon request, as promptly as practicable, such information and assistance relating to the Transferred Assets, Transferred Sub and the Business as is reasonably necessary for the filing of all Tax Returns, the preparation for any audit by any taxing authority, and the prosecution or defense of any claim or Proceeding relating to any Tax Return. The Parties hereto shall cooperate with each other in the conduct of any audit or other Proceeding related to Taxes involving the Business and each shall execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section 5.09(d).
3. Responsibility for Payment of Taxes. Taxes attributable to the Transferred Assets or the Business other than those treated specifically in Section 5.09(b) and Section 5.09(f), and Section 5.09(h), shall be borne by the Party incurring such Taxes (other than solely by reason of successor liability or similar provisions of law) under Applicable Law, and each Party shall indemnify, defend and hold the other Party harmless from and against all Taxes for which such Party is liable pursuant to this Section 5.09(e). Other than with respect to Tax Returns of the Transferred Sub, responsibility for which is governed by Section 5.09(h), Buyer shall prepare and file (or cause to be prepared and filed) on a timely basis all Tax Returns with respect to the Business or the Transferred Assets (other than Tax Returns that are required to be filed by Selling Parties under Applicable Law) for all taxable periods beginning on or after the Closing Date, shall pay all Taxes shown to be due on such Tax Returns, and shall indemnify and hold Seller harmless against, from and in respect of all Taxes (i) for any taxable year or period commencing on the Closing Date and (ii) for any taxable period beginning on or before and ending after the Closing Date, other than Taxes attributable to the Pre-Closing Tax Period and Taxes that are the responsibility of Seller pursuant to Sections 5.09(b), 5.09(f) and 5.09(h). The provisions of Section 5.09(c) regarding payment, verification, and interest shall apply to the Taxes that are subject to this Section 5.09(e).

1. Sales and Use Taxes. All excise, value added, registration, stamp, recording, documentary, conveyancing, transfer, sales, use and any other similar Taxes arising out of the transfer of the Transferred Assets, the Business, the Transferred Shares or the assumption of the

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Assumed Liabilities (the “Sales Tax”) shall be determined as soon as practicable after Closing and fifty percent (50%) of such Sales Tax shall be paid by Buyer and one half (50%) of such Sales Tax shall be paid by Seller; *provided, however*, that Buyer or its Affiliates shall pay one hundred percent (100%) of all Sales Taxes to the extent the payment thereof by Buyer or such Affiliates gives rise to a right to claim a refund of or credit against Taxes otherwise payable by Buyer or its Affiliates under Applicable Law (“Buyer Sales Tax”). To the extent permitted by Applicable Law, Buyer and Seller shall cooperate fully in minimizing the Sales Tax, including arranging for the electronic transfer of any Transferred Assets where not unduly burdensome. To the extent a taxing authority provides notice to a Party of an audit of the Sales Tax (other than a notice to Buyer solely with respect to a Buyer Sales Tax), such Party shall immediately notify the other Party and Seller and Buyer shall each assume responsibility for such audit and shall each pay when due one half of any additional Sales Tax ultimately assessed with respect to the transactions contemplated by this Agreement, except that Buyer shall pay one hundred percent (100%) of any Buyer Sales Tax resulting from such audit. Buyer shall have authority to control, settle or defend any proposed adjustment to the Sales Tax subject to Seller’s approval, and Seller shall cooperate as reasonably requested by Buyer in its defense or settlement of any proposed adjustment to the Sales Tax.

1. Withholding. In the event that any Party is prohibited by Applicable Law from making payments to the other Party unless the paying Party deducts or withholds Taxes therefrom and remits such Taxes to the local taxing jurisdiction, then such paying Party shall duly withhold and remit such Taxes and shall pay to the other Party the remaining net amount after the Taxes have been withheld. The paying Party shall promptly furnish the other Party with a copy of an official Tax receipt or other appropriate evidence of any Taxes imposed on payments made under this Agreement. Each Party is responsible for its own respective income taxes or taxes based upon gross revenues, including business and occupation taxes. Nothing in this Section 5.09(g) shall reduce or diminish the Parties’ obligations under Section 5.09(f), the intent of which is to cause each of Buyer and Seller to bear fifty percent (50%) of all Sales Tax other than Buyer Sales Tax, and for Buyer to bear one hundred percent (100%) of all Buyer Sales Tax, and any withholding of Sales Tax under this Section 5.09(g) shall be taken into account in applying Section 5.09(f).
2. Taxes of Transferred Sub.
   1. Each of Buyer and Seller will promptly notify the other in writing upon receipt of notice of any pending or threatened audits or assessments with respect to Taxes of Transferred Sub for which such other Party (or such other Party’s Affiliates) may be liable hereunder. Seller shall assume responsibility for and control the conduct of any audit related to Taxes of Transferred Sub for any taxable period the majority of the days of which occur prior to the Closing. In connection with any such audit involving the Israeli Tax Authority (or any similar or successor Governmental Authority) and for which Seller has responsibility, Buyer agrees to appoint or cause to be appointed as representatives for Transferred Sub, working on behalf of Seller, KPMG Somekh Chaikin (or such other firm of accountants or lawyers nationally recognized in Israel as Seller determines). The Party that is (or whose Affiliates are) in control of an audit of Transferred Sub shall not enter into any compromise or agree to settle any claim for Taxes that would adversely affect the other Party or its Affiliates without the written consent of such other Party, not to be unreasonably withheld or delayed.

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1. Seller shall be responsible for the following Taxes: (i) Taxes imposed on Transferred Sub with respect to taxable periods ending before the Closing Date, (ii) with respect to taxable periods beginning before the Closing Date and ending on or after the Closing Date, Taxes imposed on Transferred Sub which are allocable, pursuant to Section 5.09(h)(iv) hereof, to the Pre-Closing Tax Period, and (iii) Taxes arising on the Closing Date that arise out of the ordinary course of business of Transferred Sub as a result of actions taken by or at the request of Seller or its Affiliates; *provided, however*, that if there is an adjustment to a Tax Return for a Pre-Closing Tax Period that results in a Tax benefit with respect to a Post-Closing Tax Period, Seller’s obligation with respect to such adjustment shall be reduced by such Tax benefit; *provided, further,* that Seller shall be responsible for Taxes to the extent described in Section 5.09(h)(vi)(A), but not for Taxes described in Section 5.09(h)(vi)(B). Seller shall be treated as having paid any such amounts that are paid in respect of any such Taxes by Transferred Sub, Seller or Seller’s Affiliates prior to the Closing Date. Buyer and Transferred Sub shall be responsible for Taxes imposed on Transferred Sub arising on the Closing Date, except to the extent of (A) Sales Taxes imposed on Transferred Sub arising on the Closing Date for which Seller is responsible as provided in Section 5.09(f), and (B) Taxes (other than Sales Taxes) imposed on Transferred Sub arising on the Closing Date that arise out of the ordinary course of business of Transferred Sub as a result of actions taken by or at the request of Seller or its Affiliates; *provided,* *further,* that Buyer and Transferred Sub shall be responsible for Taxes to the extent described in Section 5.09(h)(vi)(B), but not for Taxes described in Section5.09(h)(vi)(A). Buyer and Transferred Sub shall also be responsible for all Taxes of Transferred Sub attributable to Post-Closing Tax Periods, other than such Taxes that are the responsibility of Seller pursuant to this Section 5.09(h)(ii). Seller shall prepare or cause to be prepared all Tax Returns of Transferred Sub for taxable periods ending prior to the Closing Date, and Buyer shall prepare or cause to be prepared all Tax Returns of Transferred Sub for taxable periods including and ending on or after the Closing Date. To the extent Seller cannot file such Tax Returns under Applicable Law, Seller shall deliver (or cause to be delivered) such Tax Returns to Buyer before the due date (including extensions) for the filing thereof, and Buyer shall sign and file or cause to be signed and filed such Tax Returns no later than such due date. All such Tax Returns shall be prepared in a manner consistent with past practice of Transferred Sub except as otherwise required by Applicable Law. To the extent permitted or required by Applicable Law or administrative practice, the taxable year of Transferred Sub that includes the Closing Date shall be closed as of the end of the day prior to (or at the beginning of) the Closing Date. If any Party is liable hereunder for any portion of the Tax shown due on any Tax Return required to be filed by any other Party, the Party preparing such Tax Return will deliver a copy of the relevant portions of such Tax Return to the Party so liable for its review and approval not less than fifteen (15) days prior to the date on which such Tax Return is due to be filed (taking into account any applicable extensions), together with a statement showing the other Party’s obligations for Taxes relating to such Tax Return, which shall be paid no later than the due date of such Taxes (or, if later, fifteen (15) days following receipt of such Tax Return), and shall accrue interest if not timely paid, as provided in Section 5.09(c). If the Parties disagree as to any item reflected on any such Tax Return, the Parties will jointly request a third party accounting firm to resolve any issue in dispute as promptly as possible. The decision of such third party accounting firm will be final and binding on the parties, and the expenses of such accounting firm will be shared equally by Seller and Buyer.

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* 1. Neither Seller nor Buyer shall, nor shall Seller or Buyer cause or permit the Transferred Sub or its Affiliates to, amend, refile, or otherwise modify any Tax Return relating to Transferred Sub with respect to any Pre-Closing Tax Period if such amendment, refiling or modification could adversely affect Seller.
  2. In the case of Taxes of Transferred Sub that are payable with respect to a taxable period that begins before and ends on or after the Closing Date, the portion of any such Tax that is allocable to the portion of the period ending on the day before the Closing Date shall be:
     1. in the case of Taxes that are either (x) based upon or related to income, sales, receipts, payroll or other items of income or expense, or (y) imposed in connection with any sale or other transfer or assignment of property (real or personal, tangible or intangible), deemed equal to the amount which would be payable if the taxable year ended at the close of business on the day before the Closing Date; and
     2. in the case of Taxes imposed on a periodic basis with respect to the assets of Transferred Sub, or otherwise measured by the level of any item, deemed to be the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period), multiplied by a fraction the numerator of which is the number of calendar days in the period ending the day before the Closing Date and the denominator of which is the number of calendar days in the entire period.
  3. Seller shall be entitled to any refund of, or credit for, Taxes to the extent such refund represents a refund of Taxes paid with respect to a Pre-Closing Tax Period, such credit arises as a result of Taxes paid with respect to a Pre-Closing Tax Period, or such Tax represents a Sales Tax that was the responsibility of Seller pursuant to this Agreement; *provided, however,* that if any such refund or credit results in a correlative Tax detriment to Buyer or its Affiliates with respect to a Post-Closing Tax Period, Buyer’s obligation with respect to such refund or credit shall be reduced by such Tax detriment. Buyer shall pursue such refund or credit as reasonably requested by Seller, *provided* that Seller shall reimburse Buyer for its reasonable out of pocket costs (including any Taxes arising from the receipt of such refund, net of any Tax benefit of the payment thereof to Seller hereunder).
  4. (A) Seller shall be responsible for Taxes imposed on Transferred Sub on or following the Closing Date to the extent such Taxes constitute the recapture of Tax incentives that reduced the liability of Transferred Sub for Taxes with respect to Pre-Closing Tax Periods, but only to the extent such recapture is a direct result of the failure of the Investment Center to approve the transfer of the Transferred Shares to Buyer or Buyer Designee pursuant to this Agreement; *provided,* that Buyer has complied with its obligations under Section 5.03 with respect to obtaining such approval and has not taken or refrained from taking action that prevented such approval; and (B) Buyer and Transferred Sub shall be responsible for all other Taxes attributable to the recapture of Tax incentives received by Transferred Sub.

1. Exclusivity of Tax Provisions. Notwithstanding anything to the contrary contained in this Agreement (including Article VII) this Section 5.09 contains the exclusive provisions governing the liability of the parties for Taxes, and no claim for indemnification may be made under any other provision hereof with respect to matters pertaining to Taxes. In the event of a

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conflict between the provisions of this Section 5.09 and any other section of this Agreement, this Section 5.09 shall govern and control.

1. Adjustment to Cash Consideration. The parties shall treat all indemnification payments made under this Agreement as an adjustment to the Cash Consideration for applicable Tax purposes.
2. Tax Treatment; Section 338 Election. The Parties acknowledge and agree that, for U.S. federal income Tax purposes, the purchase of the Transferred Shares pursuant to this Agreement shall be treated as a purchase of the assets of the Transferred Sub for an amount equal to the sum of (A) the Subsidiary Sellers Cash Consideration, (B) the fair market value as of the Closing Date of the Subsidiary Sellers Stock Consideration, and (C) each liability or other item of the Transferred Sub to the extent treated as an “amount realized” for U.S. federal income Tax purposes. If requested in writing by Seller, Buyer shall cause to be made, without cost or obligation to Seller, a protective election under Section 338 of the United States Internal Revenue Code of 1986, as amended, with respect to the purchase of the Transferred Shares hereby, as and when requested by Seller.
3. Israeli Tax Ruling. Buyer has been informed that Subsidiary Sellers intend to prepare and file with the Israeli Tax Authority an application for a ruling determining the tax consequences to Subsidiary Sellers of the sale of the Transferred Shares, specifically with respect to deferral of Israeli taxation on any Subsidiary Sellers Stock Consideration received by Subsidiary Sellers in such sale (the “Israeli Tax Ruling”). Buyer agrees to, and agrees to use commercially reasonable efforts to cause its outside counsel, advisors and accountants to, cooperate as Subsidiary Sellers reasonably request for the purpose of procuring the Israeli Tax Ruling.

5.10 Allocation of Consideration. The Parties agree that, for U.S. federal income Tax purposes, and where permitted all other income Tax purposes, the Subsidiary Sellers Stock Consideration and the Subsidiary Sellers Cash Consideration (together with certain liabilities of Transferred Sub and other amounts) shall be treated as consideration paid for the assets of Transferred Sub as provided in Section 5.09(k). All other consideration paid hereunder (including the assumption of Assumed Liabilities to the extent treated as consideration for applicable Tax purposes) shall be treated as consideration paid for the Transferred Assets (and not the Transferred Shares or the assets of Transferred Sub). Neither Party shall take any position inconsistent with this Section 5.10 in any Tax Return, unless otherwise required by Applicable Law.

5.11 Accounts Receivable. Following the Closing, Buyer shall forward to Seller, immediately upon receipt thereof, any payments of Accounts Receivable of Seller; and Seller shall forward to Buyer, immediately upon receipt thereof, any payments of accounts receivable of Buyer. Promptly following the Closing, the Parties shall cooperate in advising customers to direct to the appropriate Party any future payments by such customers. In determining whether a payment received by either Party is a payment of an Account Receivable of Seller or accounts receivable of Buyer, the receiving Party may rely on any invoice or contract number referred to on the payment or in correspondence accompanying such payment. If a payment, refund or other amount is received by either Buyer, a Buyer Designee or a Selling Party from an account debtor that has not designated the invoice being paid thereby, such payment shall be applied to the earliest invoice outstanding with respect to indebtedness of such account debtor, except for those invoices

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which are subject to a dispute to the extent of such dispute. Following the Closing, Buyer will, at Seller’s expense, provide such cooperation as Seller shall reasonably request in connection with Seller’s collection of outstanding Accounts Receivable of Seller.

5.12 Accounts Payable. To the extent that Buyer receives any invoices for Accounts Payable or statements evidencing amounts owed by Seller to another Party, Buyer will promptly deliver such documents to Seller. To the extent that Seller receives any invoices for Accounts Payable or statements evidencing amounts owed by Buyer to another Party, Seller will promptly deliver such documents to Buyer.

5.13 Operation of the Business Prior to Closing. Between the date of this Agreement and the Closing Date, except as permitted by this Agreement or any of the other Acquisition Documents or as set forth in Schedule 5.13, or unless Buyer shall otherwise consent in writing (which consent shall not be unreasonably withheld or delayed), the Selling Parties and Transferred Sub shall use commercially reasonable efforts to operate the Business in the ordinary course of business consistent with past practice and shall use commercially reasonable efforts to preserve the material business relationships with customers, suppliers, distributors and others with whom the Selling Parties deal in connection with the Business in the ordinary course. Without limiting the generality of the foregoing, between the date of this Agreement and the Closing Date, unless Buyer shall otherwise consent in writing (which consent shall not be unreasonably withheld or delayed), except as contemplated by this Agreement, any other Acquisition Document or as set forth on Schedule 5.13, Seller shall not (and shall cause each other Selling Party and the Transferred Sub not to):

1. fail to maintain the Transferred Assets as a whole in at least as good condition as they are being maintained by the Selling Parties on the date hereof, subject to normal wear and tear;
2. sell, assign, or transfer any of the Transferred Shares and not permit any of the Transferred Shares to be subjected to any Share Encumbrances;
3. sell, assign, or transfer any of the Transferred Assets, except in the ordinary course of business, consistent with past practice, and not permit any of the Transferred Assets to be subjected to any Lien, other than (i) the Permitted Liens and (ii) Liens that would not reasonably be expected to have a Seller Material Adverse Effect;
4. fail to pay or discharge when due any Liability of which the failure to pay or discharge would reasonably be expected to cause any material damage or loss to the Transferred Assets and Transferred Shares or Transferred Sub, taken as a whole;
5. accelerate, amend, terminate, modify or cancel any Material Contract;
6. enter into or renew (other than an automatic renewal) any Contract that exclusively relates to the Business that (i) provides for payment obligations (whether by a Selling Party or the counterparty thereto) in an aggregate amount for such Contract greater than One Million Dollars ($1,000,000) or which is reasonably likely to extend beyond 2010 (a “Covenant Contract”); (ii) would be a Covenant Contract that, according to its terms, prohibits assignment to Buyer or Buyer Designees (or a purchaser of the Transferred Assets) without the consent of the counterparty

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thereto; or (iii) is a Contract entered into by the Handheld Platform Group of Seller or the Mobile Wireless Group of Seller that would impose on Buyer or any Buyer Designee a non-competition obligation or other use restriction;

1. fail to maintain its books and records in the usual, regular and ordinary manner on a basis consistent with prior years, except for any change required by a change in GAAP, change resulting from the audit of the financial statements of the Business as contemplated in Section 6.01(f), or a change in the accounting practices of Seller or Transferred Sub generally;
2. grant to any Business Employee any increase in compensation (except for one-time bonuses to selected Business Employees) or in severance or termination pay, grant any severance or termination pay, or enter into any employment agreement with any such employee, except as may be required under Applicable Law, Seller’s termination policy or any employment or termination agreement in effect on the date hereof or in the ordinary course of business;
3. acquire or agree to acquire any asset that would constitute Transferred Assets, except in the ordinary course of business;
4. reduce or discount any prices of the Products, except in the ordinary course consistent with past practice; and
5. agree or consent to do any of the foregoing.

Notwithstanding the foregoing, between the date hereof and the Closing Date, subject to Section 2.05, Seller and its Subsidiaries may transfer from the Transferred Sub (i) the assets set forth on Schedule 2.05(a), (ii) all Cash, Accounts Receivable and Inventory, and (iii) all other Contracts, employees and other assets and Liabilities, in each case, that are not exclusively related to the Business.

5.14 Employee Information and Access. Seller agrees to provide to Buyer certain general information concerning Seller’s compensation and benefit programs and specific information relating to individual Business Employees, subject to Applicable Law and, to the extent required, any such employee’s proper consent, solely for the purpose of Buyer formulating offers of employment to such employees; *provided*, *however*, that Seller will not make personnel records available for inspection or copying.

5.15 Employees.

1. Employment Offers.

1. Subject to Applicable Law, Buyer shall make offers of employment to each Business Employee who is not an Excluded Employee to be effective as of the Closing. The offers of employment for each such Business Employee who is not an Excluded Employee will (i) subject to requirements of Applicable Law for the jurisdiction in which the Business Employee is located, include employment terms reasonably determined by Buyer but that, in all events, are substantially similar to and at least as favorable to such Business Employee as his or her existing cash compensation, and also at least as favorable with respect to his or her equity compensation, and

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including participation in all compensation and benefit programs made available to similarly situated employees of Buyer at levels which are in the aggregate substantially equivalent to the value of their compensation and benefits under Seller’s programs, and (ii) supersede any prior agreements regarding the terms and conditions of employment with such Business Employee as in effect prior to the Closing Date. Notwithstanding the previous sentence, in no event shall any prior agreement with respect to Intellectual Property be superseded, except that all Transferred Employees shall be permitted to disclose to Buyer all information in their possession or otherwise known by them which is directly related to the Transferred Assets and Assumed Liabilities after the Closing, but not related to the Excluded Assets or other confidential information of Seller. For purposes of clarification, prior to the Closing, Buyer shall not cause any Business Employee to disclose to Buyer confidential information related to the Business, except as permitted by Seller.

1. To the greatest extent permitted by Applicable Law, Buyer shall provide service credit for all periods of service by the Transferred Employees under Buyer’s employee policies and plans except to the extent such service credit would result in the duplication of benefit accrual for the same period of service. Buyer shall be responsible for all Liabilities, salaries, benefits and similar employer obligations that arise after Closing under Buyer’s compensation and benefit plans and policies for all Transferred Employees or pursuant to Section 2.03(d) and as may be agreed by the Parties pursuant to Section 2.05(c). In particular, Buyer shall be responsible for Liabilities with respect to the termination of any Transferred Employees by Buyer after the Closing, including health care continuation coverage with respect to plans established or maintained by Buyer after the Closing to the extent that the Transferred Employees participate therein, and damages or settlements arising out of any claims of wrongful or illegal termination by Buyer following the Closing, and for complying with the requirements of all Applicable Laws with respect to any such termination by Buyer after the Closing.
2. Except with respect to Transferred Employees who are employees of the Transferred Sub, subject to Applicable Law, Seller shall be solely responsible for (i) any liabilities or obligations with respect to the Business Employees including the Transferred Employees, that arise prior to the Closing, (ii) any liabilities or obligations with respect to any Business Employees who do not become Transferred Employees, and (iii) subject to Section

2.03(d), any liabilities or obligations with respect to Transferred Employees under the Employee Plans or the Employee Agreements that arise following the Closing.

1. Subject to Applicable Law, Seller shall permit the Transferred Employees who are participants in Seller’s SERP Profit Sharing Plan and 401(k) Plan to make direct “roll-overs” of their plan accounts to a designated Buyer tax qualified retirement plan.
2. With respect to Transferred Employees who are employees of the Transferred Sub, subject to Applicable Law, Buyer shall provide continuity of comparable benefits coverage for such Transferred Employees, including contributions to existing employee accounts or to accounts established by Buyer. Seller and Buyer shall cooperate to identify all amounts relating to accrued benefits under Employee Plans that are held by third parties, such as insurance companies and pension funds. To the extent that such amounts held by third parties are less than the Liabilities of the Employee Plans to which they relate for such Transferred Employees, Seller shall identify and obtain an alternative funding mechanism for such Liabilities in compliance with

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Applicable Law. As of the Closing, the Transferred Sub shall employ only Transferred Employees.

1. Additional Employees. Seller shall use its commercially reasonable efforts to identify a category of employees of the Selling Parties and make available for the making of employment offers by Buyer at Closing those employees of Seller and/or its Subsidiaries whose services would be needed by Buyer in connection with the Transferred Assets, but who are not listed on Schedule 3.14(c), and whom Buyer, in its sole discretion, may choose to hire, subject to the limitations on provision of information as set forth in Section 5.14. Any such additional employees who are hired by Buyer at Closing shall be considered Transferred Employees for purposes of this Agreement.
2. Vacation Cash-Outs. Vacation that has been earned, but not taken, by a Transferred Employee as of the Closing Date (a) will be paid by Seller, as required by Applicable Law, as soon as reasonably practicable following the Closing Date to Transferred Employees employed in California or Massachusetts or other jurisdictions where payment is required under Applicable Law, and (b) for all other Transferred Employees, will be credited to the Transferred Employee under Buyer’s vacation policy.
3. No Condition. Nothing in this Article V shall be construed to establish or impose a condition to Closing regarding the Business Employees’ acceptance of employment with Buyer.

5.16 Protection of Privacy. The data related to customers of the Business which is included in the Transferred Assets (the “Customer Data”) has been collected by the Selling Parties over the internet under the conditions set forth in the Seller Privacy Policy attached as Schedule 5.16 to this Agreement (the “Privacy Policy”) and is transferred to Buyer and/or Buyer Designees subject to the obligations set forth in the Privacy Policy. Buyer covenants and agrees that it will not use, and will cause each Buyer Designee not to use, the Customer Data in any manner that conflicts with the terms of the Privacy Policy.

5.17 Cash Consideration. Buyer shall maintain sufficient cash, available lines of credit or other sources of immediately available funds to enable it to consummate the transactions contemplated by this Agreement, including payment of the Cash Consideration to Seller or the Subsidiary Sellers.

5.18 Stock Consideration.

1. Prior to Closing, Buyer shall complete the filing of any required notification form for the listing of additional shares or similar application with Nasdaq or such other national exchange on which the Buyer Common Stock is quoted or listed for the issuance of the Stock Consideration.
2. Buyer agrees that it shall, promptly after the Registration Statement (as defined in the Registration Rights Agreement) has been declared effective, deliver to its transfer agent a letter of instruction as necessary such that (subject to the terms of the Registration Rights Agreement) at any time the Registration Statement is effective, the Stock Consideration may be sold pursuant to the prospectus contained in the Registration Statement. In addition, the legend set forth in Section 3.21 shall be removed and Buyer shall issue (or instruct the transfer agent to issue) a certificate without such legend to the holder of any Stock Consideration upon which it is stamped, if, unless otherwise

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required by state securities laws, (a) such holder provides Buyer with an opinion of counsel, in form, substance and scope reasonably acceptable to Buyer, to the effect that a public sale or transfer of such Stock Consideration may be made without registration under the Securities Act; or (b) such holder provides Buyer with reasonable assurances reasonably acceptable to Buyer that such Stock Consideration can be sold under Rule 144(k).

5.19 Release of Liens. On or prior to the Closing, Seller shall use all commercially reasonable efforts to cause any and all Liens (other than Permitted Liens) and Share Encumbrances recorded against or otherwise respecting the Transferred Assets, Assumed Liabilities and Transferred Shares to be satisfied and released in full and shall cause the holders of such Liens and Share Encumbrances to file all documents and make all filings in all relevant jurisdictions necessary to release such Liens and Share Encumbrances. All such releases, filings and documentation shall be in form and substance reasonably acceptable to Buyer.

5.20 Exclusive Dealing. From and after the date hereof to the earlier of the Closing Date or the termination of this Agreement pursuant to Article VIII, neither Seller, any of its Subsidiaries nor any of its or their respective officers, directors, attorneys, accountants, investment bankers, advisors and other agents shall, directly or indirectly, (i) solicit or encourage inquiries or proposals, participate in any negotiations, or cooperate in any manner relating to the possible acquisition of the Business or of all or a material portion of the following, taken as a whole, to anyone other than Buyer or a Buyer Designee (a “Sale”): (a) Transferred Sub, (b) Transferred Assets and (c) Excluded Assets which are Intellectual Property contemplated to be licensed to Buyer pursuant to an Intellectual Property Agreement except (1) where Seller retains a license with rights to sublicense such Intellectual Property or (2) for transfers and licenses by a Selling Party in the ordinary course of business consistent with past practice; (ii) provide information with respect to the Transferred Assets, Transferred Sub or the Business to any Person other than Buyer and its agents and representatives relating to a Sale; (iii) otherwise cooperate with, facilitate or encourage any effort or attempt by any Person with regard to a Sale; or (iv) enter into any agreement with any Person providing for a Sale. For sake of clarification, nothing in this Section 5.20 shall prevent discussion by Seller or its Subsidiaries with third parties as otherwise permitted hereunder in connection with the completion of the transactions contemplated by this Agreement.

5.21 Satisfaction of Warranty Obligations. After the Closing, Buyer agrees to satisfy any and all product liability, warranty, refund and similar claims and obligations which arise with respect to Products sold by Seller prior to the Closing Date in a manner consistent with the applicable Seller written warranty terms. Unless otherwise agreed by the Parties in the Transition Services Agreement, Buyer shall, on a periodic basis as agreed by the Parties, deliver to Seller a written statement of warranty costs, which statement shall set forth all such obligations satisfied by Buyer during such period. Promptly following receipt of such statement, Seller shall reimburse Buyer for all such costs.

5.22 Further Assurances. Upon the reasonable request of Buyer, Seller shall on and after the Closing Date, without further consideration, execute and deliver, and cause to be executed and delivered, to Buyer such deeds, assignments and other instruments, and take such other reasonable actions, as may be reasonably requested by Buyer and are required or desirable to effectuate

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completely the transfer and assignment of the Transferred Assets and the Transferred Shares and to otherwise carry out the purposes of this Agreement.

5.23 Export Compliance. From and after the Closing Date, Buyer and each Buyer Designee shall comply at its own expense with all conditions and requirements imposed on Buyer or such Buyer Designee required to comply with ECCN 3E002 of the U.S. Export Administration Regulations and such other similar regulations that are imposed on the Transferred Assets and the Transferred Sub. Buyer agrees that it will not export, either directly or indirectly, any Product or associated technology (including Sorted Wafers (as described in the Supply Agreement) or systems incorporating such Product or Sorted Wafers) without first obtaining any required license or other approval from the appropriate host Governmental Authority with appropriate authority.

**ARTICLE VI**

**CONDITIONS TO CLOSING**

6.01 Conditions to Obligations of Buyer. The obligations of Buyer to consummate the Closing are subject to the satisfaction or written waiver of each of the following conditions:

1. Performance by Seller. (i) Seller shall have performed, complied with or satisfied in all material respects each of its covenants, obligations and agreements hereunder required to be performed, complied with or satisfied by it on or prior to the Closing Date, and (ii) Buyer shall have received a certificate signed by a duly authorized executive officer of Seller to the foregoing effect and to the effect that the conditions specified within this

Section 6.01(a) have been satisfied. A failure of the representations and warranties to be true and correct at signing or to remain true and correct thereafter shall not itself be deemed to be a failure of any condition.

1. No Violation. No Governmental Authority shall have enacted, issued, promulgated or entered any Applicable Law which is in effect on the Closing Date which has or would have the effect of prohibiting, restraining or enjoining the consummation of the transactions contemplated by this Agreement. No temporary restraining order, preliminary or permanent injunction, cease and desist order or other order issued by any court or other

Governmental Authority that has the effect of making the transactions contemplated hereby illegal or otherwise prohibiting consummation of the transfers contemplated hereby or the consummation of the Closing, or imposing upon Buyer material fines or penalties in respect thereof, shall be in effect as of the Closing Date, and there shall be no pending or threatened actions or proceedings by any Governmental Authority (or determinations by any Governmental Authority) challenging or in any manner seeking to prohibit the transfer contemplated hereby or the consummation of the Closing.

1. Acquisition Documents. Each Selling Party shall have executed and delivered to Buyer all Acquisition Documents to which such Selling Party is a party and shall not have rejected or repudiated any Acquisition Document executed prior to Closing to become effective upon Closing as of the Effective Time.
2. HSR Approvals. The waiting period (and any extension thereof) applicable to the consummation of the transactions contemplated hereby under the HSR Act, and any other applicable similar merger notification laws or regulations of foreign Governmental Authorities,

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shall have expired or been terminated, and any applicable filings or approvals under the HSR Act, and any other applicable similar merger notification laws or regulations of foreign Governmental Authorities that are required to be made or obtained prior to Closing shall have been made or obtained.

1. Consents. Seller shall have delivered Buyer all Material Contract Consents listed on Schedule 6.01(e) in writing from the applicable

counterparty.

1. Audited Financial Statements. Buyer shall have received from Seller audited financial statements with respect to the Business satisfying Buyer’s requirements of the SEC with respect to the historical financial statements of the acquired business be included in Buyer’s SEC filings following the Closing pursuant to the requirements of Form 8-K pursuant to the Exchange Act and Regulation S-X, as altered as a result of the grant of any waiver or relief by the SEC.

6.02 Conditions to Obligations of Seller. The obligations of Seller to consummate the Closing are subject to the satisfaction or written waiver of each of the following conditions:

1. Performance by Buyer. (i) Buyer shall have performed, complied with or satisfied in all material respects each of its covenants, obligations and agreements hereunder required to be performed, complied with or satisfied by it on or prior to the Closing Date, and (ii) Seller shall have received a certificate signed by a duly authorized executive officer of Buyer to the foregoing effect and to the effect that the conditions specified within this Section 6.02(a) have been satisfied.
2. No Violation. No Governmental Authority shall have enacted, issued, promulgated or entered any Applicable Law which is in effect on the Closing Date which has or would have the effect of prohibiting, restraining or enjoining the consummation of the transactions contemplated by this Agreement. No temporary restraining order, preliminary or permanent injunction, cease and desist order or other order issued by any court or other Governmental Authority that has the effect of making the transactions contemplated hereby illegal or otherwise prohibiting consummation of the transfers contemplated hereby or the consummation of the Closing, or imposing upon Seller or its Subsidiaries material fines or penalties in respect thereof, shall be in effect as of the Closing Date, and there shall be no pending or threatened actions or proceedings by any Governmental Authority (or determinations by any Governmental Authority) challenging or in any manner seeking to prohibit the transfer contemplated hereby or the consummation of the Closing.
3. Acquisition Documents. Buyer and each Buyer Designee shall have executed and delivered to Seller all Acquisition Documents to which Buyer or such Buyer Designee is a party and shall not have rejected or repudiated any Acquisition Document executed prior to the Closing Date to become effective upon Closing as of the Effective Time.
4. Opinion of Counsel to Buyer. In the event Seller elects to receive any Stock Consideration in accordance with Section 2.07, Seller shall have received from counsel to Buyer an opinion addressed to Seller, dated the Closing Date, in form and substance reasonably acceptable to Seller with respect to the issuance of Buyer Common Stock.

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1. HSR Approvals. The waiting period (and any extension thereof) applicable to the consummation of the transactions contemplated hereby under the HSR Act, and any other applicable similar merger notification laws or regulations of foreign Governmental Authorities, shall have expired or been terminated, and any applicable filings or Governmental Approvals under the HSR Act, and any other similar applicable merger notification laws or regulations of foreign Governmental Authorities that are required to be made or obtained prior to Closing shall have been made or obtained.
2. Closing Consideration. Buyer shall have available for delivery to Seller and Subsidiary Sellers, as applicable, (i) sufficient working capital to pay the Cash Consideration and (ii) certificates representing the Stock Consideration in the name of Seller and/or Subsidiary Sellers, as applicable.
3. Securities Exemption; Listing. The issuance of any Stock Consideration pursuant to this Agreement will be exempt from the registration requirements of the Securities Act and the registration and/or qualification requirements of all applicable state securities laws, and Buyer shall have filed all required notification forms for the listing of additional shares or similar application with Nasdaq or such other national exchange on which the Buyer Common Stock is quoted or listed for the issuance of the Stock Consideration.

**ARTICLE VII**

**INDEMNIFICATION**

7.01 Survival. The representations and warranties of the Parties contained in this Agreement shall survive the execution and delivery of this Agreement for a period beginning on the date hereof and ending at 5:00 p.m., California time, on the date that is twelve (12) months after the Closing Date; *provided, however*, that the representations and warranties set forth in Section 3.12 and Section 3.23(e) shall not survive the Closing; *provided, further,* thatthe representations and warranties set forth in Section 3.23(a) shall survive until the date that is five (5) years from the Closing Date. Upon the expiration of a representation or warranty pursuant to this Section 7.01, unless written notice of a claim based on such representation or warranty specifying in reasonable detail the facts on which the claim is based shall have been delivered to the Indemnitor prior to the expiration of such representation or warranty, such representation or warranty shall be deemed to be of no further force or effect, as if never made, and no action (other than for fraud) may be brought based on the same, whether for indemnification, breach of contract, tort or under any other legal theory. All covenants and agreements of the Parties set forth in this Agreement shall survive indefinitely to the extent necessary to give effect to their terms.

7.02 Indemnification.

1. Indemnification Provisions for Buyer. Subject to the provisions of Section 7.01, from and after the Closing Date, Buyer and its Affiliates, officers, directors, representatives and agents (collectively the “Buyer Indemnitees”) shall be indemnified and held harmless by Seller from and against and in respect of any and all Losses (as defined below) incurred by any Buyer Indemnitee resulting from:

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* 1. any inaccuracy in or breach of any of Seller’s representations or warranties contained in this Agreement or any Conveyance Document and supplements or modifications to Seller’s representations or warranties as provided in Section 5.02(a);
  2. any misrepresentation contained in any certificate furnished to Buyer by or on behalf of Seller pursuant to this Agreement;
  3. any breach of any covenant or agreement made or to be performed by Seller pursuant to this Agreement or any Conveyance

Document;

* 1. any failure of any Selling Party to satisfy any Excluded Liabilities or other Liabilities of any Selling Party (other than Assumed Liabilities) arising from the conduct of the Business prior to the Closing; and
  2. any expenses required to be paid by Seller under this Agreement or any Conveyance Document.

1. Indemnification Provisions for Seller. Subject to the provisions of Section 7.01, from and after the Closing Date, the Selling Parties and their Affiliates, officers, directors, representatives and agents (collectively, the “Seller Indemnitees”) shall be indemnified and held harmless by Buyer from and against and in respect of any and all Losses (as defined below) incurred by any Seller Indemnitee, resulting from:
   1. any inaccuracy in or breach of any of Buyer’s representations or warranties contained in this Agreement or any Conveyance Document and supplements or modifications to Buyer’s representations or warranties as provided in Section 5.02(a);
   2. any misrepresentation contained in any certificate furnished to Seller by or on behalf of Buyer pursuant to this Agreement;
   3. any breach of any covenant or agreement made or to be performed by Buyer pursuant to this Agreement or any Conveyance

Document;

* 1. any failure of Buyer or any Buyer Designee to satisfy any Assumed Liabilities and any Liabilities (other than the Excluded Liabilities) arising from or relating to the Transferred Assets or Transferred Sub to the extent arising subsequent to the Closing; and
  2. any expenses required to be paid by Buyer under this Agreement or any Conveyance Document.

1. For purposes of this Agreement, the term “Indemnitee” shall mean either a Buyer Indemnitee or a Seller Indemnitee, as the case may be, and the term “Indemnitor” shall mean either Buyer Indemnitor or a Seller Indemnitor, as the case may be.
2. For purposes of this Agreement, the term, “Losses” means any and all deficiencies, judgments, settlements, demands, claims, suits, actions or causes of action, assessments, liabilities, losses, damages (excluding indirect, incidental or consequential damages), interest, fines, penalties,

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costs and expenses (including reasonable legal, accounting and other costs and expenses) incurred in connection with investigating, defending, settling or satisfying any and all demands, claims, actions, causes of action, suits, proceedings, assessments, judgments or appeals, and in seeking indemnification therefor.

1. No Indemnitee(s) shall be entitled to indemnification for any Losses covered by Sections 7.02(a)(i)-(ii) or 7.02(b)(i)-(ii) until the aggregate amount of all such Losses of such Indemnitees shall exceed One Million Five Hundred Thousand Dollars ($1,500,000) (the “Basket”), at which time all such Losses incurred in excess of the Basket shall be subject to indemnification by the relevant Indemnitor hereunder. The Basket shall not apply to Losses covered by Sections 7.02(a)(iii)-(v) or Sections 7.02(b)(iii)-(v) or that result from fraud.
2. The amount of any Losses otherwise recoverable under this Section 7.02 shall be reduced by any amounts that the Indemnitees are entitled to receive under insurance policies, the Parties hereby acknowledging and agreeing that prior to seeking reimbursement for any Indemnification Claim (but not with

respect to issuing a Notice of Claim), the Indemnitee must first seek reimbursement for any and all Losses from any applicable insurance coverage (and that any compensation provided under this Agreement or any Ancillary Agreement is not to be deemed insurance for any purpose).

7.03 Manner of Indemnification.

1. Each indemnification claim shall be made only in accordance with this Article VII.
2. If an Indemnitee wishes to make a claim for Losses under Article VII of this Agreement, Indemnitee shall deliver a written notice (a “Notice of Claim”) to the applicable Indemnitor promptly after becoming aware of the facts giving rise to such claim. The Notice of Claim shall (i) specify in reasonable detail the nature of the claim being made, and (ii) state the aggregate dollar amount of such claim; *provided, however,* that the failure to provide such notice shall not relieve the Indemnitor of liability under this Article VII unless (and only to the extent that) the Indemnitor is actually prejudiced thereby, and *provided, further,* notwithstanding the foregoing, that any Notice of Claim must be delivered prior to expiration of the survival period specified in Section7.01.
3. Following receipt by Indemnitor of a Notice of Claim, the Parties shall promptly meet to agree on the rights of the respective Parties with respect to each of such claims. If the Parties should so agree, a memorandum setting forth such agreement shall be prepared and signed by both Parties and amounts agreed upon shall be promptly paid. Any unresolved dispute between the Parties shall be resolved in accordance with Section 9.11 and Section 9.12 and the other applicable provisions of this Agreement.

7.04 Third-Party Claims. If Buyer becomes aware of a claim of a third party (including for all purposes of this Section 7.04, any Governmental Authority) that Buyer believes, in good faith, may result in a claim by it or any other Buyer Indemnitee against Seller, Buyer shall notify Seller of such claim as promptly as practicable, *provided* that any failure to provide such notice shall not relieve Seller from its obligations under this Article VII except to the extent that Seller is actually prejudiced thereby. Seller shall have the right to assume and conduct the defense of such claim. Seller shall conduct such defense in a commercially reasonable manner, and shall be

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authorized to settle any such claim without the consent of Buyer, *provided, however*, that without the consent of Buyer (which consent shall not be unreasonably withheld): (a) Seller shall not be authorized to encumber any assets of Buyer (including the Transferred Assets or Transferred Shares or assets related exclusively to the Business of Transferred Sub) or agree to any restriction that would apply to Buyer or the conduct of Buyer’s business; (b) Seller shall have paid or caused to be paid any amounts arising out of such settlement; and (c) a condition to any such settlement shall be a complete release of Buyer Indemnitees with respect to such third party claim. Buyer or other applicable Buyer Indemnitee shall be entitled to participate in (but, subject to the succeeding sentence, not control) the defense of any third party claim, with its own counsel and at its own expense; *provided*, that Seller shall be liable for the reasonable fees and expenses of one (1) firm of outside counsel (and not any fees and expenses allocated to any internal counsel) employed by the Buyer Indemnitees for any period during which Seller has not assumed the defense thereof following the date which is ten (10) days after delivery of such notice (other than during any period in which Buyer shall have failed to give notice of the third party claim) or to the extent that counsel to the Buyer Indemnitee concludes that representation of such Indemnitee by the counsel retained by Seller would be inappropriate due to actual or potential conflicts of interest between the Seller and any other party represented by such counsel in such Proceeding. Buyer shall cooperate fully with Seller in the defense of any third party claim. If Seller does not assume the defense of any third party claim in accordance with the provisions hereof, Buyer may defend such third party claim in a commercially reasonable manner and may settle such third party claim after giving written notice of the terms thereof to Seller.

7.05 Exclusive Remedy. Notwithstanding any other provision of this Agreement to the contrary, except with respect to fraud by Buyer or Seller or as provided in Section 5.09(b) through Section 5.09(k), as the case may be, the provisions of this Article VII shall be the sole and exclusive remedy for any monetary damages of the Indemnitees from and after the Closing Date for any Losses arising under this Agreement or any Conveyance Document or relating to the transactions contemplated by this Agreement, including claims of breach of any representation, warranty or covenant in this Agreement or any Conveyance Document; *provided, however*, that the foregoing clause of this sentence shall not be deemed a waiver by any Party of any right to specific performance or injunctive relief but shall be deemed a waiver of any rights of rescission. Notwithstanding any other provision of this Agreement, except as provided in Section 5.09, the maximum aggregate liability of Seller to Buyer Indemnitees pursuant to this Article VII or otherwise under this Agreement, Applicable Law or otherwise shall be limited to Thirty Million Dollars ($30,000,000) (the “Indemnification Cap”), it being understood and agreed, for the avoidance of doubt, that Liabilities that Seller or its Subsidiaries are required to pay or satisfy (or for which Seller and its Subsidiaries are otherwise responsible) under Section 5.09 are not subject to any limitation, whether under the Indemnification Cap or otherwise, and shall not be counted against the Indemnification Cap. Nothing in this Agreement limits or otherwise affects in any way the rights and remedies of either Party with respect to causes of action arising under any Ancillary Agreement, or any rights and remedies of Seller or Buyer with respect to any infringement or misappropriation of any Intellectual Property of Seller or Buyer, as the case may be (including any right of Seller or Buyer to seek equitable or injunctive relief in connection therewith), all of which rights and remedies are expressly reserved.

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7.06 Subrogation. If the Indemnitor makes any payment under this Article VII in respect of any Losses, the Indemnitor shall be subrogated, to the extent of such payment, to the rights of the Indemnitee against any insurer or third party with respect to such Losses; *provided, however*, that the Indemnitor shall not have any rights of subrogation with respect to the other Party hereto or any of its Affiliates or any of its or its Affiliates’ officers, directors, agents or employees.

7.07 Damages. Notwithstanding anything to the contrary elsewhere in this Agreement or any other Acquisition Document, no Party (or its Affiliates) shall, in any event, be liable to the other Party (or its Affiliates) for any consequential damages, including, but not limited to, loss of revenue or income, cost of capital, or loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement. Each Party agrees that it will

not seek punitive damages as to any matter under, relating to or arising out of the transactions contemplated by this Agreement or the other Acquisition Documents.

**ARTICLE VIII**

**TERMINATION**

8.01 Grounds for Termination. This Agreement may be terminated at any time prior to the Closing:

1. by mutual written agreement of the Parties;
2. by written notice from either Buyer or Seller to the other if:
   1. the Closing has not been effected on or prior to the close of business on March 31, 2007 (the “Termination Date”); *provided*, *however*, that the right to terminate this Agreement pursuant to this Section 8.01(b)(i) shall not be available to any Party whose failure to fulfill any of itsobligations contained in this Agreement has been the cause of, or resulted in, the failure of the Closing to have occurred on or prior to the aforesaid date *provided, further*, that if the sole condition to Closing in Article VI that remains unsatisfied (or waived by Buyer) as of the aforesaid date is set forth inSection 6.01(f) (apart from delivery of Acquisition Documents contemplated to be delivered at Closing), then either Party may, in its sole discretion and upon written notice to the other Party, extend the aforesaid date to a date no later than July 31, 2007 (and in such event, all references herein to the Termination Date shall be to such date as so extended);
   2. any Applicable Law shall be enacted or become applicable that makes the transactions contemplated hereby or the consummation of the Closing illegal or otherwise prohibited;
   3. any judgment, injunction, order or decree enjoining either Party hereto from consummating the transactions contemplated hereby is entered, and such judgment, injunction, order or decree shall become final and nonappealable; or
   4. the other Party is in material breach or material default of any covenant or agreement contained herein required to be performed or satisfied, such that the conditions set forth in Section 6.01 or 6.02, as applicable, shall not be capable of being satisfied on or prior to the

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Closing Date, and such breach or default shall not be cured or waived within ten (10) Business Days after written notice is delivered by the non-breaching Party specifying, in reasonable detail, such claimed material breach or default and demanding its cure or satisfaction; *provided* that if it is not reasonably practicable to cure such breach or default within ten (10) Business Days but such breaching Party is using its commercially reasonable efforts to promptly cure, then such Party shall have an additional ten (10) Business Days to cure the breach.

1. by written notice from Seller prior to Closing, in its sole and absolute discretion, given not more than twenty (20) calendar days after receiving notice of a Change of Control of Buyer (from Buyer or otherwise).

8.02 Effect of Termination. If this Agreement is terminated pursuant to Section 8.01, all obligations of the Parties hereunder (except for this Section 8.02, Section 5.01(a) (as to confidentiality), Section 5.08 (Public Announcements), Section 9.01 (Notices), Section 9.03 (Expenses), Section 9.05 (Governing Law) and Section 9.11 (Dispute Resolution)) shall terminate without Liability of any Party to any other Party, the representations and warranties made herein shall not survive beyond a termination of this Agreement and no Party shall have any Liability for breach of any representation or warranty upon a termination of this Agreement prior to the Closing. Nothing contained in this Section 8.02 shall relieve any Party of Liability for any breach of any covenant contained in this Agreement that occurred prior to the date of termination of this Agreement.

**ARTICLE IX**

**MISCELLANEOUS**

9.01 Notices. All notices and other communications pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally, telecopied, sent by nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses set forth below or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith. Any such notice or communication shall be deemed to have been delivered and received (a) in the case of personal delivery, on the date of such delivery, (b) in the case of telecopier, on the date sent if confirmation of receipt is received and such notice is also promptly mailed by registered or certified mail (return receipt requested), (c) in the case of a nationally-recognized overnight courier in circumstances under which such courier guarantees next Business Day delivery, on the next Business Day after the date when sent and (d) in the case of mailing, on the third Business Day following that on which the piece of mail containing such communication is posted:

if to Seller, to:



INTEL CORPORATION



2200 Mission College Boulevard

Santa Clara, CA 95054



Fax: (408) 653-8050

Attention: General Counsel



57



and



INTEL CORPORATION



2200 Mission College Boulevard

Santa Clara, CA 95054



Attention: Treasurer

Fax: (408) 765-6038



with copies to (which shall not constitute notice hereunder):



Gibson, Dunn & Crutcher LLP



1881 Page Mill Road

Palo Alto, CA 94304



Attention: Russell C. Hansen, Esq.

Lisa A. Fontenot, Esq.



Fax: (650) 849-5333



if to Buyer, to:



MARVELL TECHNOLOGY GROUP LTD.

c/o Marvell Semiconductor, Inc.



5488 Marvell Lane, M.S. 5.2.589

Santa Clara, CA 95054



Attention: Vice President and General Counsel

Fax: (408) 222-9177



with a copy to (which shall not constitute notice hereunder):



Pillsbury Winthrop Shaw Pittman LLP



50 Fremont Street

San Francisco, CA 94105



Attention: David R. Lamarre, Esq.

Fax: (415) 983-1200



or to such other address as the Person to whom notice is given may have previously furnished to the others in writing in the manner set forth above. Any Party hereto may give any notice, request, demand, claim or other communication hereunder using any other means (including ordinary mail or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the individual for whom it is intended.

9.02 Amendments; Waivers.

1. Any provision of this Agreement may be amended or waived if, and only if, such amendment or waiver is in writing and signed, in the case of an amendment, by all Parties, or in the case of a waiver, by the Party against whom the waiver is to be effective.

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1. No waiver by a Party of any default, misrepresentation or breach of a warranty or covenant hereunder, whether intentional or not, shall be deemed to extend to any prior or subsequent default, misrepresentation or breach of a warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent occurrence. No failure or delay by a Party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as provided in Section 7.05, the rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided under Applicable Law.

9.03 Expenses. All costs and expenses incurred in connection with this Agreement and the other Acquisition Documents and in closing and carrying out the transactions contemplated hereby and thereby shall be paid by the Party incurring such cost or expense (whether or not the Closing occurs); *provided, that,* that the Parties shall each bear one-half (50%) of the required filing fee(s) of the notifications of the transactions contemplated by thisAgreement made by any Party as required pursuant to the HSR Act and any other similar merger notification laws or competition regulations of applicable foreign Governmental Authorities.

9.04 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, heirs, personal representatives and permitted assigns. No Party hereto may transfer or assign either this Agreement or any of its rights, interests or obligations hereunder, whether directly or indirectly, by operation of law, merger or otherwise, without the prior written approval of each other Party. No such transfer or assignment shall relieve the transferring or assigning Party of its obligations hereunder if such transferee or assignee does not perform such obligations. The closing or other consummation of a transaction constituting a Change of Control, including a Change of Control pursuant to which the contracting Parties to this Agreement remain unchanged, shall be deemed to be an assignment of this Agreement; *provided*, that notwithstanding anything in this Agreement to the contrary, neither Party shall be entitled to seek or obtain injunctive or other equitable relief to prevent or restrain any Change of Control constituting an assignment of this Agreement under the foregoing clause, it being understood and agreed that nothing in this proviso shall limit or restrict Seller’s right to seek or obtain specific enforcement of Buyer’s obligations in Section 9.13, or to consent to such assignment.

9.05 Governing Law. This Agreement shall be construed in accordance with and this Agreement and any disputes or controversies related hereto shall be governed by the internal laws of the State of Delaware without giving effect to the conflicts of laws principles thereof that would apply the laws of any other jurisdiction.

9.06 Counterparts; Effectiveness. This Agreement may be signed in any number of counterparts and the signatures delivered by telecopy, each of which shall be an original, with the same effect as if the signatures were upon the same instrument and delivered in person. This Agreement shall become effective when each Party hereto shall have received a counterpart hereof signed by the other Parties.

9.07 Entire Agreement. This Agreement (including the schedules and exhibits referred to herein, which are hereby incorporated by reference), the other Acquisition Documents and the Confidentiality Agreement constitute the entire agreement between the Parties and other parties

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thereto with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous agreements, understandings and negotiations, both written and oral, between and among the Parties and other parties thereto with respect to the subject matter of this Agreement. Except as specifically provided in Article VII, following the Closing, neither this Agreement nor any provision hereof is intended to confer upon any Person other than the Parties any rights or remedies hereunder. No representation, warranty, promise, inducement or statement of intention has been made by either Party that is not embodied in this Agreement or such other documents, and neither Party shall be bound by, or be liable for, any alleged representation, warranty, promise, inducement or statement of intention not embodied herein or therein.

9.08 Captions. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. All references to an article, section, exhibit or schedule are references to an article, section, exhibit or schedule of this Agreement, unless otherwise specified, and include all subparts thereof.

9.09 Severability. If any provision of this Agreement, or the application thereof to any Person, place or circumstance, shall be held by a court of competent jurisdiction to be invalid, unenforceable or void, the remainder of this Agreement and such provisions as applied to other Persons, places and circumstances shall remain in full force and effect only if, after excluding the portion deemed to be unenforceable, the remaining terms shall provide for the consummation of the transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date this Agreement was executed or last amended.

9.10 Construction. The Parties intend that each representation, warranty, and covenant contained herein shall have independent significance. If any Party has breached any representation, warranty or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) that the Party has not breached shall not detract from or mitigate the fact that the Party is in breach of the first representation, warranty or covenant.

9.11 Dispute Resolution.

1. All disputes arising directly under the express terms of this Agreement, including the grounds for termination hereof, shall be resolved as follows: The senior management of all Parties to the dispute shall meet to attempt to resolve such disputes. In the event that senior management cannot resolve these disputes, any Party may make a written demand for formal dispute resolution and specify therein the scope of the dispute. Within thirty (30) days after such written notification, the Parties agree to meet for one (1) day with an impartial mediator and consider dispute resolution alternatives other than litigation. If an alternative method of dispute resolution is not agreed upon within thirty (30) days after the one (1) day mediation, either Party may begin litigation proceedings.
2. Notwithstanding the provisions of Section 9.11(a), each Party shall have the right at any time to seek preliminary injunctive or other equitable relief in any proper court.

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1. In the event a proceeding is brought to enforce or interpret any provision of this Agreement, the prevailing Party shall be entitled to recover reasonable attorney’s fees and costs in an amount to be fixed by the court or arbitrator, as applicable.

9.12 Submission to Jurisdiction; Waiver of Jury Trial.

1. The Parties hereby irrevocably submit to the jurisdiction of the courts of the State of Delaware and the Federal courts of the United States of America located in the State of Delaware solely in respect of the interpretation and enforcement of the provisions of this Agreement and of the documents referred to in this Agreement, and in respect of the transactions contemplated hereby, and hereby waive, and agree not to assert, as a defense in any proceeding for the interpretation or enforcement hereof or of any such document, that it is not subject thereto or that such proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement or any such document may not be enforced in or by such courts, and the Parties hereto irrevocably agree that all claims with respect to such proceeding shall be heard and determined in such a Delaware state or Federal court. The Parties hereby consent to and grant any such court jurisdiction over the Person of such Parties and over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 9.01 or in such other manner as may be permitted by Applicable Law, shall be valid and sufficient service thereof.
2. The Parties agree that irreparable damage may occur and that the Parties would not have any adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to seek an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this

Agreement in any Federal court located in the State of Delaware or in Delaware state court, this being in addition to any other remedy to which they are entitled at law or in equity.

1. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE EACH SUCH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH SUCH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.12.

9.13 Notice of Change of Control. Promptly upon the earliest of Buyer’s approving or entering into any transaction constituting a Change of Control or an announcement by Buyer or any

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other Person of a Change of Control of Buyer, Buyer shall give Seller written notice thereof, describing in reasonable detail the applicable Change of Control and identifying each “person” or, to the Knowledge of Buyer, “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act) that is a party to such transaction or transactions.

9.14 Meaning of Include and Including. Whenever in this Agreement the word “*include*” or “*including*” is used, it shall be deemed to mean

“*include, without limitation*” or “*including, without limitation*,” as the case may be, and the language following “*include*” or “*including*” shall not be deemed

to set forth an exhaustive list.

9.15 Knowledge of Breach; Schedules. No fact, event, misrepresentation or occurrence that, in the absence of this Section 9.15, would constitute a breach or breaches of any representation or warranty of a Party under this Agreement shall be deemed to constitute a breach or breaches by such Party of its representations or warranties under this Agreement if the officers, directors or employees of the other Party familiar with the execution of the transactions contemplated by this Agreement have actual knowledge of such breach or breaches on the date hereof and/or as of the Closing Date, excluding, for these purposes, any Knowledge resulting from disclosures made in any of the schedules hereto by the other Party pursuant to Section 5.02, except as to which the officers, directors or employees of the non-disclosing Party familiar with the execution of the transactions contemplated by this Agreement had actual knowledge prior to such disclosure pursuant to Section 5.02. The disclosure of any information on any of the Seller Disclosure Schedules or any of the Buyer Disclosure Schedules, as applicable, shall be deemed to constitute the disclosure of such information on all of the Seller Disclosure Schedules or all of the Buyer Disclosure Schedules, respectively, applicable to such information.

9.16 Third Party Beneficiaries. No provision of this Agreement shall create any third party beneficiary rights in any Person, including any employee or former employee of Seller or any Affiliate thereof (including any beneficiary or dependent thereof), except as specifically provided, following the Closing, in Article VII.

9.17 Specific Performance. The Parties hereby acknowledge and agree that the failure of any Party to perform its agreements and covenants hereunder, including its failure to take all actions as are necessary on its part to the consummation of the transactions contemplated herein, may cause irreparable injury to the other Party, for which damages, even if available, may not be an adequate remedy. Accordingly, each Party hereby consents to the issuance of injunctive relief by any court of competent jurisdiction to compel performance of such Party’s obligations and to the granting by any court of the remedy of specific performance of its obligations hereunder.

9.18 No Presumption Against Drafting Party. Each of Buyer and Seller acknowledges that it has been represented by counsel in connection with the negotiation and execution of this Agreement and the other Acquisition Documents. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is expressly waived.

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IN WITNESS WHEREOF, the Parties here caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

**SELLER:**

INTEL CORPORATION,

a Delaware corporation

By:. /s/ Arvind Sodhani

Name: Arvind Sodhani



Title: Senior Vice President and President, Intel

Capital

**BUYER:**

MARVELL GROUP TECHNOLOGY GROUP LTD.,

a Bermuda corporation

By:. /s/ Juanette Spencer

Name: Juanette Spencer



Title: Assistant General Manager

And Acknowledged By:

|  |  |  |
| --- | --- | --- |
| **BUYER DESIGNEE:** |  |  |
| MARVELL INTERNATIONAL LTD, |  |  |
| a Bermuda corporation |  |  |
| By:. | /s/ Tom Crickett |  |
| Name: Tom Crickett |  |  |
| Title: Alternate Director |  |  |
| [Signature Page to Taurus / Marvell Asset Purchase Agreement] |  |  |
|  |  |  |



**EXHIBIT 10.1**



CREDIT AGREEMENT

dated as of

November 8, 2006

among

MARVELL TECHNOLOGY GROUP LTD.,

THE LENDERS PARTY HERETO,

CREDIT SUISSE, CAYMAN ISLANDS BRANCH,

as Administrative Agent,

LASALLE BANK NATIONAL ASSOCIATION,

as Syndication Agent

and

KEYBANK NATIONAL ASSOCIATION

and

COMMERZBANK AG,

as Co-Documentation Agents



CREDIT SUISSE,

as Sole Lead Arranger and Bookrunner



|  |  |  |  |
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|  |  | Exhibit B-1 | | – | Form of |
|  |  |  |  |  | opinion of |
|  |  |  |  |  | special |

New York

and

California

counsel for

|  |  |  |
| --- | --- | --- |
|  |  | the |
|  |  | Borrower |
| Exhibit B-2 | – | Form of |
|  |  | opinion of |
|  |  | special |
|  |  | Bermuda |
|  |  | counsel for |
|  |  | the |
|  |  | Borrower |
| Exhibit B-3 | – | Form of |
|  |  | opinion of |
|  |  | special |
|  |  | Singapore |
|  |  | counsel for |
|  |  | the |
|  |  | Borrower |
| Exhibit C | – | Form of |
|  |  | Guarantee |
|  |  | Agreement |
| Exhibit D | – | Form of US |
|  |  | Pledge |
|  |  | Agreement |
| Exhibit E | – | Form of |
|  |  | Singapore |
|  |  | Share |
|  |  | Charge |
| Exhibit F | – | Form of |
|  |  | Bermuda |
|  |  | Pledge |
|  |  | Agreement |
| Exhibit G | – | Form of |
|  |  | Security |
|  |  | Agreement |
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|  |  | Interest |
|  |  | Election |
|  |  | iv |
|  |  |  |



CREDIT AGREEMENT dated as of November 8, 2006 among MARVELL TECHNOLOGY GROUP LTD., the LENDERS party hereto, CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent, LASALLE BANK NATIONAL ASSOCIATION, as Syndication Agent and KEYBANK NATIONAL ASSOCIATION and COMMERZBANK AG, as Co-Documentation Agents.

WHEREAS, the Borrower (such term and other capitalized terms used in these recitals without definition having the meanings set forth in Section 1.01) desires that the Lenders extend credit in the form of term loans on the Closing Date in an aggregate principal amount of $400,000,000;

WHEREAS, the proceeds of the Loans, together with not less than $206,000,000 of the Borrower’s cash on hand, will be used to pay (i) amounts payable under the Acquisition Documentation as consideration for the Acquisition and (ii) fees and expenses payable in connection with the Transactions;

WHEREAS, the Borrower is willing to secure (i) its obligations under this Agreement and (ii) its obligations under certain hedging arrangements, by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents;

WHEREAS, each Guarantor is willing to guarantee the foregoing obligations of the Borrower and to secure its guarantee thereof by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents; and

WHEREAS, the Lenders are not willing to make loans hereunder, and the counterparties to the hedging arrangements referred to above are not willing to enter into or maintain them, unless (i) the foregoing obligations of the Borrower are secured and guaranteed as described above and (ii) each guarantee thereof is secured by Liens on assets of the relevant Guarantor as provided in the Security Documents;

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

Section 1.01*. Defined Terms.* As used in this Agreement, the following terms have the meanings specified below:



“**ABR**”, when used with respect to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

“**Acquired Business**” means the communications and applications processor business of the Seller.

“**Acquisition**” means the acquisition by the Borrower on the Closing Date of the Acquired Business from the Seller in accordance with the terms of the Asset Purchase Agreement and the other Acquisition Documentation.

“**Acquisition Documentation**” means, collectively, the Asset Purchase Agreement and all schedules, exhibits, annexes and amendments thereto and all side letters and agreements (including all Ancillary Agreements referred to in the Asset Purchase Agreement) affecting the terms thereof or entered into in connection therewith.

“**Adjusted LIBO Rate**” means, with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Adjustment.

“**Administrative Agent**” means Credit Suisse, Cayman Islands Branch, in its capacity as administrative agent and collateral agent under the Loan Documents.

“**Administrative Questionnaire**” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with such specified Person.

“**Agents**” means the Administrative Agent, the Syndication Agent and the Co-Documentation Agents, and “**Agent**” means any of them as the context may require.

“**Alternate Base Rate**” means, for any day, a rate per annum equal to the greater of (a) the Prime Rate in effect on such day and (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate will be effective from and including the effective date of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

“**Amortization Date**” means (a) prior to the Maturity Date, the last Business Day of each March, June, September and December, commencing the last Business Day of December 2006 and (b) the Maturity Date.

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“**Applicable Base Rate Margin**” has the meaning specified in the Pricing Schedule.

“**Applicable Eurodollar Margin**” has the meaning specified in the Pricing Schedule.

“**Arranger**” means Credit Suisse, in its capacity as sole lead arranger and bookrunner of the Loans hereunder.

“**Asset Disposition**” means any sale, transfer or other disposition (including pursuant to a sale and leaseback transaction) of any property of the Borrower or any Subsidiary, except (a) dispositions described in Sections 6.05(a)(i), 6.05(a)(ii) and Section 6.05(a)(iii) and in the second proviso to Section 6.05(a) and (b) other dispositions resulting in aggregate Net Proceeds not exceeding $20,000,000 during any Fiscal Year.

“**Asset Purchase Agreement**” means the asset purchase agreement dated as of June 26, 2006 between the Borrower and the Seller.

“**Assignment**” means an assignment and assumption agreement entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“**Bermuda Pledge Agreement**” means the Bermuda Pledge Agreement among certain of the Marvell Companies and the Administrative Agent, substantially in the form of Exhibit F.

“**Borrower**” means Marvell Technology Group Ltd., a Bermuda exempted company.

“**Borrowing**” means Loans of the same Interest Type made, converted or continued on the same day and, in the case of Eurodollar Loans, as to which the same Interest Period is in effect.

“**Borrowing Request**” means a request by the Borrower for a Borrowing in accordance with Section 2.03.

“**Business Acquisition**” means (a) an Investment by any Marvell Company in a Person (including an Investment by way of acquisition of securities) pursuant to which such Person becomes a Subsidiary or is merged into or consolidated with any Marvell Company or (b) an acquisition by any Marvell Company of the property and assets of any Person (other than any then-existing Subsidiary) that constitutes substantially all of the assets of such Person, or any division, line of business, or other business unit of such Person.

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“**Business Day**” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; *provided* that, when used in connection with a Eurodollar Loan, the term “Business Day” shall also exclude any day on which banks are not open for dealings in dollar deposits in the London interbank market.

“**Capital Expenditures**” means, for any period, (a) the additions to property, plant and equipment and other capital expenditures of the Borrower and its Subsidiaries that are (or would be) set forth as such in a consolidated statement of cash flows of the Borrower and its Subsidiaries for such period prepared in accordance with GAAP and (b) any Capital Lease Obligations incurred by the Borrower and its Subsidiaries during such period; *provided* that solely for purposes of determining whether the Borrower is in Pro Forma Compliance with the Fixed Charge Coverage Ratio in connection with the consummation of a Business Acquisition as required by Section 6.04(g), “**Capital Expenditures**” shall include (to the extent not already included) the cash consideration paid by the Borrower and its Subsidiaries for such Business Acquisition and any other Business Acquisition consummated during the relevant calculation period.

“**Capital Lease Obligations**” of any Person means obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required under GAAP to be classified and accounted for as capital leases on a balance sheet of such Person. The amount of such obligations will be the capitalized amount thereof determined in accordance with GAAP.

**“Casualty Event**” means any casualty or other insured damage to any property of the Borrower or any Subsidiary, or any taking of any suchproperty under power of eminent domain or by condemnation or similar proceeding, or any transfer of any such property in lieu of a condemnation or similar taking thereof.

“**Change in Control**” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the SEC thereunder as in effect on the date hereof), other than Sehat Sutardja, Weili Dai or Pantas Sutardja, of Equity Interests representing more than 35% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower; (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed by directors so nominated; or (c) the occurrence of a change of control (or similar event however denominated) under any indenture or other agreement in respect of any Permitted Subordinated Debt or any other Material Debt.

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“**Change in Law**” means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after such date or (c) compliance by any Lender (or, for purposes of Section

2.14(b), by any lending office of such Lender or by such Lender’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after such date.

“**Closing Date**” means the date on which each of the conditions specified in Section 4.01 is satisfied (or waived in accordance with Section 9.02).

“**Collateral**” means any and all “Collateral”, as defined in any Security Document.

“**Commitment**” means, with respect to each Lender, the commitment of such Lender to make a Loan on the Closing Date, expressed as an amount representing the maximum principal amount of such Loan. The amount of each Lender’s Commitment is set forth on Schedule 2.01. The aggregate amount of the Commitments is $400,000,000.

“**Consolidated EBITDA**” means, for any period, Consolidated Net Income for such period plus (a) without duplication and to the extent deducted in determining such Consolidated Net Income, the sum of (i) consolidated interest expense for such period, (ii) consolidated income tax expense for such period,

1. all amounts attributable to depreciation and amortization for such period, (iv) any extraordinary non-cash charges for such period for severance, restructuring costs, goodwill impairment or other costs related to the Acquisition or any Business Acquisition, subject to the reasonable approval of the Administrative Agent, (v) fees and expenses incurred during such period in connection with the Acquisition in an aggregate amount not to exceed $8,000,000 and (vi) any non-cash expenses resulting from the grant of stock options or other equity related incentives to any current or former director, officer or employee of any Marvell Company incurred for such period and minus (b) without duplication and to the extent included in determining such Consolidated Net Income, the sum of (i) any extraordinary gains for such period, (ii) all cash payments made during such period on account of severance, restructuring charges and other non-cash charges added to Consolidated Net Income pursuant to clause (a)(iv) above, (iii) any non-cash gains for such period that represent the reversal of any accrual in a prior period for, or the reversal of any cash reserves established in a prior period for, anticipated cash charges, (iv) non-cash exchange, translation or performance gains relating to any foreign currency hedging or commodities hedging transactions (net of any non-cash losses relating to foreign exchange or commodities hedging transactions), (v) any gain during such period from discontinued operations of the Borrower and its Subsidiaries (net of all non-cash losses from such discontinued operations) and (vi) any gain resulting from the

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disposition of any asset of the Borrower and its Subsidiaries not in the ordinary course of business, all determined on a consolidated basis in accordance with GAAP; *provided* that the effect of all financial statement expenses or adjustments for the Stated Restatement Reasons for any period, to the extent such expenses or adjustments are non-cash, shall be excluded from the computation of Consolidated EBITDA for such period.

Notwithstanding the foregoing, for each of the periods set forth below, Consolidated EBITDA shall be deemed to be the amount set forth opposite such period:

**Fiscal Quarter Ended** **Consolidated EBITDA**



|  |  |  |  |
| --- | --- | --- | --- |
| October 29, 2005 | | $ | 135,000,000 |
|  |  |  |  |
| January 28, | 2006 | $ | 158,000,000 |
|  |  |  |  |
| April 29, | 2006 | $ | 161,000,000 |
|  | |  |  |
| July 29, 2006 | | $ | 156,000,000 |



“**Consolidated Fixed Charges**” means, for any period, the sum of (a) Consolidated Interest Expense for such period, (b) Capital Expenditures for such period, (c) to the extent paid or payable in cash, income tax expense of the Borrower and its Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP, (d) the aggregate amount of scheduled principal payments made during such period in respect of Long-Term Debt of the Borrower and its Subsidiaries (except payments made by the Borrower or any Subsidiary to the Borrower or any Subsidiary) and (e) the aggregate amount of principal payments (except scheduled principal payments) made during such period in respect of Long-Term Debt of the Borrower and its Subsidiaries (other than the Loans), in each case to the extent that such payment reduced any scheduled principal payments that would have become due within one year after the date of such payment.

Notwithstanding the foregoing, if any determination of Consolidated Fixed Charges is required by the terms hereof to be made for a period of four consecutive Fiscal Quarters at a time when fewer than four full Fiscal Quarters have elapsed since the Closing Date, such determination shall be made for the period elapsed from the Closing Date through the most recent Fiscal Quarter then ended (annualized on a simple arithmetic basis).

“**Consolidated Interest Expense**” means, for any period, the sum of (a) the interest expense (including imputed interest expense in respect of Capital Lease Obligations) of the Borrower and its Subsidiaries for such period,

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determined on a consolidated basis in accordance with GAAP and (b) any interest accrued during such period, in respect of Debt of the Borrower or any Subsidiary, that is required under GAAP to be capitalized rather than included in consolidated interest expense for such period.

“**Consolidated Net Income**” means, for any period, the net income or loss of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP; *provided* that there shall be excluded (a) the income of any Person (except the Borrower) in which any other Person (except the Borrower, a Subsidiary or a director holding qualifying shares in compliance with applicable law) owns an Equity Interest, except to the extent that dividends or other distributions were actually paid by such Person to the Borrower or any Subsidiary during such period, and (b) the income or loss of any Person accrued before (i) the date it becomes a Subsidiary, (ii) the date it is merged into or consolidated with the Borrower or any Subsidiary or (iii) the date its assets are acquired by the Borrower or any Subsidiary.

“**Control**” means possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “**Controlling**” and “**Controlled**” have meanings correlative thereto.

“**Credit Parties**” means the Borrower and the Guarantors.

“**Debt**” of any Person means, without duplication, (a) all obligations of such Person for borrowed money or with respect to deposits or advances of any kind, (b) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (c) all obligations of such Person on which interest charges are customarily paid, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations of such Person in respect of the deferred purchase price of property or services (excluding current accounts payable incurred in the ordinary course of business), (f) all Debt of others secured by (or for which the holder of such Debt has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Debt secured thereby has been assumed, (g) all Guarantees by such Person of Debt of others, (h) all Capital Lease Obligations of such Person, (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guaranty and (j) all obligations, contingent or otherwise, of such Person in respect of bankers’ acceptances. The Debt of any Person shall include the Debt of any other entity (including any partnership in which such Person is a general partner) to the extent that such Person is liable therefor as a result of such Person’s ownership interest in or other relationship with such entity, except to the extent that contractual provisions binding on the holder of such Debt provide that such Person is not liable therefor.

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“**Debt Incurrence**” means the incurrence by any Marvell Company of any Debt, other than Debt described in Section 6.01(a)(i) through Section 6.01(a)(vi), inclusive, Section 6.01(a)(viii) or Section 6.01(a)(ix).

“**Default**” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“**Disqualified Equity Interests**” means Equity Interests that (a) by their terms or upon the happening of any event are (i) required to be redeemed or are redeemable at the option of the holder on or prior to the first anniversary of the Maturity Date for consideration other than Qualified Equity Interests or (ii) convertible at the option of the holder into Disqualified Equity Interests or exchangeable for Debt or (b) require (or permit at the option of the holder) the payment of any dividend, interest, sinking fund or other similar payment (other than the accrual of such obligations) on or prior to the first anniversary of the Maturity Date (other than payments made solely in Qualified Equity Interests).

“**dollars**” or “**$**” refers to lawful money of the United States.

“**Domestic Subsidiary**” means any Subsidiary incorporated or organized under the laws of the United States, any State thereof or the District of Columbia.

“**Environmental Laws**” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, the preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or health and safety matters.

“**Environmental Liability**” means any liability, contingent or otherwise (including any liability for damages, costs of remediation, fines, penalties or indemnities), of any Credit Party directly or indirectly resulting from or based on (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Material, (c) exposure to any Hazardous Material, (d) the release or threatened release of any Hazardous Material into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“**Equity Interests**” means (a) shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person or (b) any warrants, options or other rights to acquire such shares or interests.

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“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“**ERISA Affiliate**” means any trade or business (whether or not incorporated) that, together with the Borrower or any Subsidiary, is treated as a single employer under Section 414(b) or (c) of the Internal Revenue Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Internal Revenue Code, is treated as a single employer under Section 414 of the Internal Revenue Code.

“**ERISA Event**” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (except an event for which the 30-day notice period is waived); (b) the existence with respect to any Plan of an “accumulated funding deficiency” (as defined in Section 412 of the Internal Revenue Code or Section 302 of ERISA), whether or not waived; (c) the filing pursuant to Section 412(d) of the Internal Revenue Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan; (d) the incurrence by the Borrower or any ERISA Affiliate of any liability under Title IV of ERISA with respect to the termination of any Plan; (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan; (f) the incurrence by the Borrower or any ERISA Affiliate of any liability with respect to withdrawal or partial withdrawal from any Plan or Multiemployer Plan; or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“**Eurodollar**”, when used with respect to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

“**Events of Default**” has the meaning specified in Article 7.

“**Excess Cash Flow**” means, for any Fiscal Year, the sum (without duplication) of:

1. the Consolidated Net Income of the Borrower and its Subsidiaries for such Fiscal Year, adjusted to exclude any gains or losses attributable to any event as a result of which a prepayment of the Loans is required pursuant to Section 2.09(b), 2.09(c) or 2.09(d); plus

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1. depreciation, amortization and other non-cash charges or losses deducted in determining such Consolidated Net Income for such

Fiscal Year; plus

1. the amount, if any, by which Net Working Capital decreased during such Fiscal Year; minus
2. the sum of (i) any non-cash gains included in determining such Consolidated Net Income for such Fiscal Year and (ii) the amount, if any, by which Net Working Capital increased during such Fiscal Year; minus
3. Capital Expenditures for such Fiscal Year (except to the extent attributable to the incurrence of Capital Lease Obligations or otherwise financed by incurring Long-Term Debt or by the Net Proceeds of any issuance by the Borrower of Qualified Equity Interests); minus
4. cash consideration paid during such Fiscal Year to make acquisitions permitted hereunder (except to the extent financed by incurring Long-Term Debt or by the Net Proceeds of any issuance by the Borrower of Qualified Equity Interests); minus
5. the aggregate amount of Restricted Payments made in cash by the Borrower during such Fiscal Year pursuant to Section 6.08(a)

(iii); minus

* 1. the aggregate principal amount of Long-Term Debt repaid by the Borrower and its Subsidiaries during such Fiscal Year, excluding

1. mandatory prepayments of Loans pursuant to Section 2.09(b), 2.09(c), 2.09(d) or 2.09(e), (ii) repayments of revolving borrowings except to the extent the commitments with respect thereto are correspondingly reduced and (iii) repayments of Long-Term Debt financed by incurring other Long-Term Debt or by the Net Proceeds of any issuance by the Borrower of Qualified Equity Interests.

“**Excluded Taxes**” means, with respect to any Lender Party or other recipient of a payment made by or on account of any obligation of the Borrower hereunder:

1. income or franchise taxes imposed on (or measured by) its net income by the United States, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable lending office is located;

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1. any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction described in clause (a)

above; and

1. in the case of a Foreign Lender, any withholding tax that (i) is in effect and would apply to amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement or designates a new lending office or (ii) is attributable to such Foreign Lender’s failure to comply with Section 2.16(e).

Notwithstanding the foregoing, a withholding tax will not be an “Excluded Tax” to the extent that (A) it is imposed on amounts payable to a Foreign Lender by reason of an assignment made to such Foreign Lender at the Borrower’s request pursuant to Section 2.18(b), (B) it is imposed on amounts payable to a Foreign Lender by reason of any other assignment and does not exceed the amount for which the assignor would have been indemnified pursuant to Section 2.16(a) or (C) in the case of designation of a new lending office, it does not exceed the amount for which such Foreign Lender would have been indemnified if it had not designated a new lending office.

“**Federal Funds Effective Rate**” means, for any day, the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published on such Business Day, the average of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“**Federal Reserve Board**” means the Board of Governors of the Federal Reserve System of the United States.

“**Fee Letter**” means the Fee Letter dated as of October 18, 2006 among the Borrower, Credit Suisse Securities (USA) LLC and Credit Suisse, Cayman Islands Branch.

“**Financial Officer**” means the chief financial officer, principal accounting officer, treasurer or controller of the Borrower.

“**Financing Transactions**” means the execution, delivery and performance by each Credit Party of the Loan Documents to which it is to be a party, the granting of the Liens provided for in the Security Documents, the borrowing of Loans and the use of the proceeds thereof.

“**Fiscal Quarter**” means a fiscal quarter of the Borrower.

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“**Fiscal Year**” means a fiscal year of the Borrower. A Fiscal Year is identified by the calendar year in which the last day of such Fiscal Year occurs (e.g., Fiscal Year 2003 refers to the Fiscal Year that ended on the Saturday closest to January 31, 2003).

“**Foreign Lender**” means any Lender that is organized under the laws of a jurisdiction outside the United States.

“**GAAP**” means generally accepted accounting principles as in effect from time to time in the United States, applied on a basis consistent (except for changes concurred in by the Borrower’s independent public accountants) with the most recent audited consolidated financial statements of the Borrower and its consolidated Subsidiaries delivered to the Lenders.

“**Governmental Authority**” means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“**Guarantee**” by any Person (the “**guarantor**”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Debt or other obligation of any other Person (the “**primary obligor**”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation or to purchase (or advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Debt or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Debt or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Debt or other obligation; *provided* that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business.

“**Guarantors**” means each Subsidiary listed on the signature pages of the Guarantee Agreement and each Subsidiary that shall, at any time after the date hereof, become a Guarantor pursuant to Section 5 of the Guarantee Agreement.

“**Guarantee Agreement**” means the Guarantee Agreement among the Credit Parties and the Administrative Agent, substantially in the form of Exhibit C.

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“**Hazardous Materials**” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“**Hedging Agreement**” shall mean any agreement with respect to any swap, forward, future, cap, collar, floor or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, fuel or other commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; *provided*, *however*, that no phantom stock or similar plan providing for payments and on account of services provided by current or former directors, officers, employees or consultants of the Borrower or any Subsidiary shall be a Hedging Agreement.

“**Indemnified Taxes**” means all Taxes except Excluded Taxes.

“**Information Memorandum**” means the Confidential Information Memorandum dated October 2006 relating to the Borrower and the Transactions.

“**Interest Election**” means an election by the Borrower to change or continue the Interest Type of a Borrowing in accordance with Section 2.05, in the form of Exhibit H or any other form approved by the Administrative Agent.

“**Interest Payment Date**” means (a) with respect to any ABR Loan, the last Business Day of each March, June, September and December and (b) with respect to any Eurodollar Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, if such Interest Period is longer than three months, each day during such Interest Period that occurs at intervals of three months’ duration after the first day of such Interest Period.

“**Interest Period**” means, with respect to any Eurodollar Borrowing, the period beginning on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months thereafter, as the Borrower may elect; *provided* that (a) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (b) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially

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shall be the date on which such Borrowing is made and thereafter shall be deemed to be the effective date of the most recent conversion or continuation of such Borrowing.

“**Interest Type**”, when used with respect to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

“**Internal Revenue Code**” means the Internal Revenue Code of 1986, as amended from time to time.

“**Investment**” means any investment in any Person, whether by means of purchase of equity interests, capital contribution (in cash, property or services), loan, Guarantee, time deposit or otherwise.

“**Lender Affiliate**” means, (a) with respect to any Lender, (i) an Affiliate of such Lender or (ii) any entity (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by such Lender or an Affiliate of such Lender and (b) with respect to any Lender that is a fund which invests in bank loans and similar extensions of credit, any other fund that invests in bank loans and similar extensions of credit and is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

“**Lender Parties**” means the Lenders and the Agents.

“**Lenders**” means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment, other than any such Person that ceases to be a party hereto pursuant to an Assignment.

“**Leverage Ratio**” means, on any day, the ratio of (a) Total Debt as of such day to (b) Consolidated EBITDA for the period of four consecutive Fiscal Quarters ended on such day (or, if such day is not the last day of a Fiscal Quarter, ended on the last day of the Fiscal Quarter most recently ended before such day).

“**LIBO Rate**” means, with respect to any Eurodollar Borrowing for any Interest Period, the rate per annum determined by the Administrative Agent at approximately 11:00 a.m. (London time) on the date that is two Business Days prior to the beginning of the relevant Interest Period by reference to the

British Bankers’ Association Interest Settlement Rates for deposits in Dollars (as set forth by the Bloomberg Information Service or any successor thereto or any other service selected by the Administrative Agent which has been nominated by the British Bankers’ Association as an authorized information vendor for the purpose

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of displaying such rates) for a period equal to such Interest Period; *provided* that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the “LIBO Rate” shall be the interest rate per annum determined by the Administrative Agent to be the average of the rates per annum at which deposits in Dollars are offered for such relevant Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m. (London time) on the date that is two Business Days prior to the beginning of such Interest Period. Notwithstanding the foregoing, if all the Lenders have consented to making a Eurodollar Borrowing on the Closing Date, then “LIBO Rate” for such Eurodollar Borrowing shall be the higher of (x) the rate per annum as would have been determined by the preceding sentence of this definition two Business Days prior to the Closing Date and (y) the rate per annum as determined by the preceding sentence of this definition on the Closing Date, in each case for an Interest Period of one month.

“**Lien**” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“**Loan Documents**” means this Agreement, the Guarantee Agreement and the Security Documents.

“**Loans**” means loans made by the Lenders to the Borrower pursuant to this Agreement.

“**Long-Term Debt**” means any Debt that, in accordance with GAAP, constitutes (or, when incurred, constituted) a long-term liability.

“**Marvell Companies**” means the Borrower and the Subsidiaries.

“**Material Adverse Effect**” means a material adverse effect on (a) the business, assets, operations or condition, financial or otherwise, of the Marvell Companies taken as a whole, (b) the ability of any Credit Party to perform any of its obligations under any Loan Document or (c) the rights of or benefits available to any Lender Party under any Loan Document.

“**Material Debt**” means Debt (other than obligations in respect of the Loans), or obligations in respect of one or more Hedging Agreements, of any one or more Marvell Companies in an aggregate principal amount exceeding $25,000,000. For purposes of determining Material Debt, the “principal amount” of the obligations of any Marvell Company in respect of any Hedging Agreement

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at any time will be the maximum aggregate amount (after giving effect to any netting agreements) that such Marvell Company would be required to pay if such Hedging Agreement were terminated at such time.

“**Material Disposition**” means any sale, transfer or other disposition (including pursuant to a sale and leaseback transaction), in a transaction or series of related transactions, of any property of the Borrower or any Subsidiary if the portion of Consolidated EBITDA attributable to such property for the period of four consecutive Fiscal Quarters most recently ended at or prior to the date of the consummation of such disposition for which financial statements have been delivered to the Administrative Agent exceeds 2% of the Consolidated EBITDA of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“**Maturity Date**” means the third anniversary of the Closing Date or, if such date is not a Business Day, the immediately preceding Business Day.

“**Minimum Guarantee Condition**” means at any time the satisfaction of the following: (a) the sum of the total assets of the Credit Parties (excluding any assets of any Subsidiary of any Credit Party that is not itself a Credit Party) is not less than 90% of the total assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent and (b) the total revenues of the Credit Parties (excluding any revenues of any Subsidiary of any Credit Party that is not itself a Credit Party) for the period of four consecutive Fiscal Quarters most recently ended at or prior to such time for which financial statements have been delivered to the Administrative Agent is not less than 95% of the total revenues of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“**Minimum Stock Collateral Condition**” means at any time the satisfaction of the following: (a) the sum of the total assets of the Marvell Companies all (or, in the case of MSI, at least 83%) of whose Equity Interests are then subject to a perfected first-priority pledge pursuant to a Pledge Agreement (each a “**Pledged Marvell Company**”) (excluding any assets of any Subsidiary of any Pledged Marvell Company that is not itself a Pledged Marvell Company) is not less than 90% of the total assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent and (b) the total revenues of the Pledged Marvell Companies (excluding any revenues of any Subsidiary of any Pledged Marvell Company that is not itself a Pledged Marvell Company) for the period of four consecutive Fiscal Quarters most recently ended at or prior to such time for which financial statements have been delivered to the Administrative Agent is not

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less than 95% of the total revenues of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP; *provided* that, so long as at least 83% of the issued and outstanding Equity Interests of MSI are subject to a perfected first-priority pledge pursuant to the USPledge Agreement, the percentage of the assets and revenues of MSI that shall count towards satisfaction of the Minimum Stock Collateral Condition shall equal the percentage that such pledged Equity Interests represent of all of the issued and outstanding Equity Interests of MSI.

“**Moody’s**” means Moody’s Investors Service, Inc.

“**Mortgage**” means a mortgage, deed of trust, assignment of leases and rents, leasehold mortgage or other security document granting a Lien on any Mortgaged Property to secure the Secured Obligations. Each Mortgage must be satisfactory in form and substance to the Administrative Agent.

“**Mortgaged Property**” means each parcel of real property and improvements thereto owned by a Domestic Subsidiary that is either (i) identified on Schedule 3.05 or (ii) subject to a Transaction Lien granted after the Closing Date pursuant to Section 5.12 or 5.13.

“**MSI**” means Marvell Semiconductor, Inc., a California corporation.

“**Multiemployer Plan**” means a multiemployer plan as defined in Section 4001(a)(3) of ERISA.

“**Net Proceeds**” means, with respect to any event, (a) the cash proceeds received in respect of such event including (i) any cash received in respect of any non-cash proceeds, but only as and when received, (ii) in the case of a casualty, insurance proceeds, and (iii) in the case of a condemnation or similar event, condemnation awards and similar payments, in each case net of (b) the sum of (i) all reasonable fees and out-of-pocket expenses paid by the Marvell Companies to third parties (other than Affiliates) in connection with such event, (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a sale and leaseback transaction, a casualty or a condemnation or similar proceeding), the amount of all payments required to be made by the Marvell Companies as a result of such event to repay Debt (other than Loans) secured by such asset or otherwise subject to mandatory prepayment as a result of such event, and (iii) the amount of all taxes paid (or reasonably estimated to be payable) by the Marvell Companies, and the amount of any reserves established by the Marvell Companies to fund contingent liabilities reasonably estimated to be payable, in each case during the year that such event occurred or the next succeeding year and that are directly attributable to such event (as determined reasonably and in good faith by the chief financial officer of the Borrower).

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“**Net Working Capital**” means, at any date, (a) the consolidated current assets of the Borrower and its Subsidiaries as of such date (excluding cash and Permitted Investments) minus (b) the consolidated current liabilities of the Borrower and its Subsidiaries as of such date (excluding current liabilities in respect of Debt). Net Working Capital at any date may be a positive or negative number. Net Working Capital increases when it becomes more positive or less negative and decreases when it becomes less positive or more negative.

“**Obligations**” means all obligations defined as “Obligations,” “Guaranteed Obligations” or “Secured Obligations” in the Guarantee Agreement or the Security Documents.

“**Other Taxes**” means any and all present or future recording, stamp, documentary, excise, transfer, sales, property or similar taxes, charges or levies arising from any payment made under any Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, any Loan Document.

“**Participants**” has the meaning specified in Section 9.04(e).

“**Patriot Act**” has the meaning specified in Section 9.19.

“**PBGC**” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“**Perfection Certificate**” means a certificate in the form of Exhibit B to the Security Agreement or any other form approved by the Administrative

Agent.

“**Permitted Investments**” means investments in:

1. direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;
2. commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s;
3. certificates of deposit, banker’s acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any State thereof which has a combined capital and surplus and undivided profits of at least $500,000,000;

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1. fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; and
2. other short term investments by Marvell Companies organized outside the United States made in accordance with prudent investment practices for cash management and in investments of a type and with financial institutions analogous to the foregoing.

“**Permitted Liens**” means:

1. Liens imposed by law for taxes that are not yet due or are being contested in compliance with Section 5.05;
2. carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 30 days or are being contested in compliance with Section 5.05;
3. pledges and deposits made in the ordinary course of business in compliance with workers’ compensation, unemployment insurance and other social security laws or regulations;
4. deposits to secure the performance of bids, trade contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case in the ordinary course of business;
5. judgment liens in respect of judgments that do not constitute an Event of Default under clause (k) of Article 7;
6. easements, zoning restrictions, rights-of-way and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligation;
7. any interest or title of a lessor under any lease or sublease entered into in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Borrower or any Subsidiary;
8. Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;
9. customary set-off rights in favor of depositary banks;

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1. ordinary course Liens of a collection bank arising under Section 4-208 of the Uniform Commercial Code on items in the course of

collection; and

1. Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business in accordance with past practices;

*provided* that the term “**Permitted Liens**” shall not include any Lien that secures Debt.

“**Permitted Subordinated Debt**” means unsecured subordinated Debt of the Borrower that (a) is not guaranteed by any Subsidiary other than a Guarantor (on an unsecured subordinated basis, as provided below) and which guarantee provides for the release and termination thereof, without action by any party, upon any release and termination of such Subsidiary’s Transaction Guarantee, (b) does not mature or amortize or require any payment of principal, and is not subject to any sinking fund requirement, prior to the first anniversary of the Maturity Date, (c) is not convertible into or exchangeable into any Debt or Equity Interest other than Qualified Equity Interests, (d) is subordinated to the Obligations on terms customary in the subordinated high yield debt market at the time of incurrence, (e) the covenants, prepayment and repurchase provisions and events of default of which are no more burdensome or restrictive to the Credit Parties than those that are customary in the subordinated high yield debt market at the time of incurrence and (f) has other terms and conditions that, taken as a whole, are not more burdensome or restrictive to the Credit Parties that those set forth in this Agreement.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“**Plan**” means any employee pension benefit plan (except a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Internal Revenue Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) a “contributing sponsor” as defined in Section 4001(a)(13) of ERISA.

“**Pledge Agreement**” means the US Pledge Agreement, the Bermuda Pledge Agreement, the Singapore Share Charge and any other pledge agreement, charge agreement, instrument or document executed and delivered pursuant to Section 5.12 or Section 5.13 pursuant to which the Equity Interests of any Marvell Company are pledged to secure any of the Secured Obligations.

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“**Pricing Schedule**” means the Pricing Schedule attached hereto.

“**Prime Rate**” means the rate of interest per annum announced from time to time by Credit Suisse as its prime rate in effect at its principal office in New York City, New York. Each change in the Prime Rate will be effective for purposes hereof from and including the date such change is announced as being effective.

“**Pro Forma Basis**” means, with respect to compliance with any test or covenant hereunder and in connection with any event or transaction requiring a calculation on a Pro Forma Basis for any period, compliance with such test or covenant after giving effect to such event or transaction, and (i) in the case of any Business Acquisition (other than the Acquisition) or Material Disposition, including pro forma adjustments consistent with Article 11 of Regulation S-X of the Securities Act and any other adjustments reasonably acceptable to the Administrative Agent and which are certified by a Financial Officer as being reasonable and made in good faith, and using for purposes of determining such compliance (x) in the case of any Business Acquisition, the historical financial statements of all entities or assets so acquired or to be acquired and (y) the consolidated financial statements of the Borrower and its Subsidiaries which shall be reformulated as if such Business Acquisition or Material Disposition, and any other Business Acquisitions or Material Dispositions that have been consummated during such period, had been consummated on the first day of such period, (ii) in the case of any incurrence of Debt, assuming such Debt was incurred on the first day of such period and assuming that such Debt bears interest during the portion of such period prior to the date of incurrence at, in the case of Debt bearing interest at a floating rate, the weighted average of the interest rates applicable to outstanding Loans during such period and, in the case of Debt bearing interest at a fixed rate, such fixed rate and (iii) in the case of any prepayment of Debt, assuming that such prepayment had occurred on the first day of such period. To the extent applicable, such pro forma calculations may be based on financial statements of the Marvell Companies prepared with respect to any period ending on or prior to the Closing Date, notwithstanding that such historical financial statements may be restated for the Stated Restatement Reasons.

“**Pro Forma Compliance**” means, at any date of determination, that the Borrower shall be in pro forma compliance with the financial covenants set forth in Section 6.13 and Section 6.14 as of the last day of the most recent Fiscal Quarter end (computed on the basis of (a) balance sheet amounts as of the most recently completed Fiscal Quarter and (b) income statement amounts for the most recently completed period of four consecutive Fiscal Quarters, in each case for which financial statements have been delivered to the Administrative Agent and calculated on a Pro Forma Basis in respect of the event giving rise to such determination).

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“**Qualified Equity Interests**” means all Equity Interests of a Person other than Disqualified Equity Interests.

“**Register**” has the meaning specified in Section 9.04(c).

“**Related Parties**” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, agents, advisors, controlling persons and members of such Person and its Affiliates.

“**Required Lenders**” means, at any time, Lenders having outstanding Loans representing at least 51% of the sum of all outstanding Loans at such

time.

“**Restricted Payment**” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interest in any Marvell Company, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any Equity Interest in any Marvell Company.

“**S&P**” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

“**SEC**” means the Securities and Exchange Commission.

“**Secured Obligations**” has the meaning specified in the Security Documents.

“**Secured Parties**” has the meaning specified in the Security Documents.

“**Security Agreement**” means the Security Agreement among the Domestic Subsidiaries and the Administrative Agent, substantially in the form of Exhibit G.

“**Security Documents**” means the Pledge Agreements, the Security Agreement, the Mortgages and each other security agreement, instrument or document executed and delivered pursuant to Section 5.12 or Section 5.13 to secure any of the Secured Obligations.

“**Seller**” means Intel Corporation, a Delaware corporation.

“**Singapore Share Charge**” means the Share Charge among certain of the Marvell Companies and the Administrative Agent, substantially in the form of Exhibit E.

“**Stated Restatement Reasons**” means any restatement of the financial statements of the Marvell Companies prepared with respect to any period

ending

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on or prior to the Closing Date primarily to record additional non-cash charges for stock-based compensation expense related to certain stock option grants by the Borrower made prior to the Closing Date and associated tax liability.

“**Statutory Reserve Adjustment**” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Federal Reserve Board to which the Administrative Agent is subject with respect to eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Federal Reserve Board). Such reserve percentages will include those imposed pursuant to such Regulation D. Eurodollar Loans will be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Adjustment will be adjusted automatically on and as of the effective date of any change in any applicable reserve percentage.

“**subsidiary**” means, with respect to any Person (the “**parent**”) at any date, (a) any corporation, limited liability company, partnership or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date and (b) any other corporation, limited liability company, partnership or other entity (i) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (ii) that is otherwise Controlled as of such date, by the parent and/or one or more of its subsidiaries.

“**Subsidiary**” means any subsidiary of the Borrower. For purposes of the representations and warranties made herein on the Closing Date, the term “**Subsidiary**” includes any subsidiary acquired by the Borrower pursuant to the Acquisition.

“**Taxes**” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“**Total Capitalization**” means, as of any date, the sum of (a) Total Debt as of such date and (b) total shareholders’ equity of the Borrower as of such

date.

“**Total Debt**” means, as of any date, the aggregate principal amount of Debt of the Borrower and its Subsidiaries outstanding as of such date, determined on a consolidated basis in accordance with GAAP; *provided* that the term “**Total**

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**Debt**” will not include contingent obligations of the Borrower or any Subsidiary as an account party in respect of any letter of credit or letter of guarantyunless such letter of credit or letter of guaranty supports an obligation that constitutes Debt.

“**Transaction Guarantee**” means, with respect to each Guarantor, its guarantee of the Obligations under the Guarantee Agreement or a supplement

thereto.

“**Transaction Liens**” means the Liens on Collateral granted by the Credit Parties under the Security Documents.

“**Transactions**” means the Acquisition and the Financing Transactions.

“**Trigger Date**” means the earlier to occur of (a) the date that is six months after the Closing Date and (b) the date on which the Borrower shall have received a corporate family rating from Moody’s and a corporate rating from S&P.

“**United States**” means the United States of America.

“**US Pledge Agreement**” means the Pledge Agreement among certain of the Marvell Companies and the Administrative Agent, substantially in the form of Exhibit D.

“**Withdrawal Liability**” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

Section 1.02*. Classification of Loans and Borrowings.* For purposes of this Agreement, Loans may be classified and referred to by Interest Type (*e.g.*, a “**Eurodollar Loan**”). Borrowings also may be classified and referred to by Interest Type (*e.g.*, a “**Eurodollar Borrowing**”).

Section 1.03*. Terms Generally.* The definitions of terms herein (including those incorporated by reference to another document) apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”. The word “**will**” shall be construed to have the same meaning and effect as the word “**shall**”. Unless the context requires otherwise, (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements

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or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “**herein**”, “**hereof**” and “**hereunder**”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the word “**property**” shall be construed to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

Section 1.04*. Accounting Terms; Changes in GAAP.* Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP as in effect from time to time; *provided* that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment of any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment of any provision hereof for such purpose), regardless of whether such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be applied on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

Section 1.05*. Pro Forma Calculations.* In the event of any Business Acquisition (other than the Acquisition) or Material Disposition by any Marvell Company, determinations of compliance with the financial covenants and tests contained herein for any applicable calculation period shall be made on a Pro Forma Basis.

ARTICLE 2

THE LOANS

Section 2.01*. Commitments.* (a) Subject to the terms and conditions set forth herein and in reliance upon the representations and warranties set forth herein, each Lender agrees to make a Loan to the Borrower on the Closing Date in a principal amount not exceeding its Commitment. Amounts repaid in respect of Loans may not be reborrowed.

1. The Commitments of the Lenders are several, *i.e.*, the failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder, and no Lender shall be responsible for any other Lender’s failure to make Loans as and when required hereunder.

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Section 2.02*. Loans.* (a) Each Loan shall be made as part of a Borrowing consisting of Loans of the same Interest Type made by the Lenders ratably in accordance with their respective Commitments, as the Borrower may request (subject to Section 2.12 and Section 2.13) in accordance herewith; *provided* that all Borrowings made on the Closing Date must be ABR Borrowings unless all Lenders consent to Eurodollar Borrowings being made on the Closing Date and no Borrowings may be converted into or continued as a Eurodollar Borrowing having an Interest Period in excess of one month prior to the date that is 60 days after the Closing Date. Each Lender at its option may make any Eurodollar Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan. Any exercise of such option shall not affect the Borrower’s obligation to repay such Loan as provided herein.

1. At the beginning of each Interest Period for any Eurodollar Borrowing, the aggregate amount of such Borrowing shall be an integral multiple of $1,000,000 and not less than $3,000,000. When each ABR Borrowing is made, the aggregate amount of such Borrowing shall be an integral multiple of $500,000 and not less than $1,000,000. Borrowings of more than one Interest Type may be outstanding at the same time; *provided* that there shall not at any time be more than a total of five Eurodollar Borrowings outstanding.
2. Notwithstanding any other provision hereof, the Borrower will not be entitled to request, or to elect to convert or continue, any Eurodollar Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

Section 2.03*. Requests to Borrow Loans.* To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone

1. in the case of a Eurodollar Borrowing, not later than 12:00 p.m., New York City time, three Business Days (or, if all the Lenders so consent, one Business Day) before the date of the proposed Borrowing or (b) in the case of an ABR Borrowing, not later than 12:00 p.m., New York City time, one Business Day before the date of the proposed Borrowing. Each such telephonic Borrowing Request shall be irrevocable and shall be confirmed promptly by hand delivery or facsimile to the Administrative Agent of a written Borrowing Request in a form approved by the Administrative Agent and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02:
   1. the aggregate amount of such Borrowing;
   2. the date of such Borrowing, which shall be a Business Day;
   3. whether such Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing;

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1. in the case of a Eurodollar Borrowing, the initial Interest Period to be applicable thereto (which shall be a period of one month);

and

1. the location and number of the account to which funds are to be disbursed.

If no election as to the Interest Type of a Borrowing is specified, the requested Borrowing will be an ABR Borrowing. Promptly after it receives a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender as to the details of such Borrowing Request and the

amount of such Lender’s Loan to be made pursuant thereto.

Section 2.04. *Funding of Loans*. (a) Each Lender making a Loan hereunder shall wire the principal amount thereof in immediately available funds, by 12:00 noon, New York City time, on the proposed date of such Loan, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent shall make such funds available to the Borrower by promptly crediting the amounts so received, in like funds, to the account designated by the Borrower in the applicable Borrowing Request.

1. Unless the Administrative Agent receives notice from a Lender before the proposed date of any Borrowing that such Lender will not make its share of such Borrowing available to the Administrative Agent, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.04(a) and may, in reliance on such assumption, make a corresponding amount available to the Borrower. In such event, if a Lender has not in fact made its share of such Borrowing available to the Administrative Agent, such Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the day such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, a rate determined by the Administrative Agent to represent its cost of overnight or short-term funds (which determination shall be conclusive absent manifest error) or (ii) in the case of the Borrower, the interest rate applicable to the Loans comprising such Borrowing. If such Lender pays such amount to the Administrative Agent, such amount shall constitute such Lender’s Loan included in such Borrowing.

Section 2.05. *Interest Elections.* (a) Each Borrowing initially shall be of the Interest Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, shall have an initial Interest Period as specified in such Borrowing Request or as provided in Section 2.03. Thereafter, the Borrower may elect to convert such Borrowing to a different Interest Type or, in the case of a Eurodollar Borrowing, to continue such Borrowing for one or more additional

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Interest Periods, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing.

1. To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent thereof by telephone by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting that a Borrowing of the Interest Type resulting from such election be made on the effective date of such election. Each such telephonic Interest Election shall be irrevocable and shall be confirmed promptly by hand delivery or facsimile to the Administrative Agent of a written Interest Election signed by the Borrower.
2. Each telephonic and written Interest Election shall specify the following information in compliance with Section 2.02 and subsection (e) of

this Section:

* 1. the Borrowing to which such Interest Election applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);
  2. the effective date of the election made pursuant to such Interest Election, which shall be a Business Day;
  3. whether the resulting Borrowing is to be an ABR Borrowing or a Eurodollar Borrowing; and
  4. if the resulting Borrowing is to be a Eurodollar Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of “Interest Period”.

If an Interest Election requests a Eurodollar Borrowing but does not specify an Interest Period, the Borrower will be deemed to have selected an Interest Period of one month’s duration.

1. Promptly after it receives an Interest Election, the Administrative Agent shall advise each Lender as to the details thereof and such Lender’s portion of each resulting Borrowing.

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1. If the Borrower fails to deliver a timely Interest Election with respect to a Eurodollar Borrowing before the end of an Interest Period applicable thereto, such Borrowing (unless repaid) will be converted to an ABR Borrowing at the end of such Interest Period. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing then, so long as an Event of Default is continuing, (i) no outstanding Borrowing may be converted to or continued as a Eurodollar Borrowing and (ii) each Eurodollar Borrowing (unless repaid) will be converted to an ABR Borrowing at the end of the Interest Period applicable thereto.

Section 2.06. *Termination of Commitments*. The Commitments will terminate on the Closing Date immediately after the closing hereunder. Notwithstanding the foregoing, the Commitments will terminate at 5:00 p.m., New York City time, on November 15, 2006, if the Closing Date shall not have occurred by such time.

Section 2.07. *Payment at Maturity; Evidence of Debt*. (a) The Borrower unconditionally promises to pay to the Administrative Agent on the Maturity Date, for the account of each Lender, the then unpaid principal amount of such Lender’s Loans.

1. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time.
2. The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Interest Type thereof and each Interest Period (if any) applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender’s share thereof.
3. The entries made in the accounts maintained pursuant to subsections (b) and (c) of this Section shall be *prima facie* evidence of the existence and amounts of the obligations recorded therein; *provided* that any failure by any Lender or the Administrative Agent to maintain such accounts or any error therein shall not affect the Borrower’s obligation to repay the Loans in accordance with the terms of this Agreement.
4. Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Borrower shall prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such

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promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.08. *Scheduled Amortization of Loans*. (a) Subject to adjustment pursuant to Section 2.08(b), on each Amortization Date prior to the Maturity Date, the Borrower shall repay, and there shall become due and payable, an aggregate principal amount of Loans equal to 0.25% of the aggregate principal amount of Loans made on the Closing Date.

1. Any prepayment of Loans pursuant to Section 2.09 will be applied to reduce the subsequent scheduled payments of the Loans to be made pursuant to this Section in inverse order of maturity.
2. Before repaying any Loans pursuant to this Section, the Borrower shall select the Borrowing or Borrowings to be repaid and shall notify the Administrative Agent by telephone (confirmed by telecopy) of such selection not later than 11:00 a.m., New York City time, three Business Days before the scheduled date of such repayment. Each such repayment of a Borrowing shall be applied ratably to the Loans included in such Borrowing and shall be accompanied by accrued interest on the amount repaid.

Section 2.09. *Optional and Mandatory Prepayments*. (a) *Optional Prepayments*. The Borrower will have the right at any time to prepay any Borrowing in whole or in part, subject to the provisions of this Section.

1. *Asset Dispositions.* Within seven Business Days after any Net Proceeds are received by or on behalf of the Borrower or any Subsidiary inrespect of any Asset Disposition, the Borrower shall prepay Borrowings in an aggregate amount equal to such Net Proceeds; *provided* that, if within one Business Day of receipt of such Net Proceeds, the Borrower shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that (i) the Borrower and its Subsidiaries intend to apply the Net Proceeds from such Asset Disposition (or a portion thereof specified in such certificate), within 180 days after receipt of such Net Proceeds, to acquire assets that are useful in the business of the Borrower and its Subsidiaries, (ii) the property so acquired will be included in the Collateral at least to the extent that the property disposed of was included therein and (iii) no Default has occurred and is continuing, then no prepayment will be required pursuant to this subsection in respect of such Net Proceeds (or the portion of such Net Proceeds specified in such certificate, if applicable) except that, if any such Net Proceeds have not been so applied by the end of such 180-day period, a prepayment will be required at that time in an amount equal to the amount of such Net Proceeds that have not been so applied.

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* 1. *Casualty Events.* Within seven Business Days after any Net Proceeds are received by or on behalf of the Borrower or any Subsidiary inrespect of any Casualty Event, the Borrower shall prepay Borrowings in an aggregate amount equal to such Net Proceeds; *provided* that, if within one Business Day of receipt of such Net Proceeds, the Borrower shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that (i) the Borrower and its Subsidiaries intend to apply the Net Proceeds from such event (or a portion thereof specified in such certificate), within 180 days after receipt of such Net Proceeds, to repair, restore or replace the property with respect to which such Net Proceeds were received, (ii) if such property is to be replaced, the property acquired to replace it will be included in the Collateral at least to the extent that the property to be replaced was included therein and

1. no Default has occurred and is continuing, then no prepayment will be required pursuant to this subsection in respect of such Net Proceeds (or the portion of such Net Proceeds specified in such certificate, if applicable) except that, if any such Net Proceeds have not been so applied by the end of such 180-day period, a prepayment will be required at that time in an amount equal to the amount of such Net Proceeds that have not been so applied.
   1. *Debt Incurrence.* Within seven Business Days after any Net Proceeds are received by or on behalf of the Borrower or any Subsidiary inrespect of any Debt Incurrence, the Borrower shall prepay Borrowings in an aggregate amount equal to such Net Proceeds; *provided* that, if such Debt Incurrence is in respect of Permitted Subordinated Debt and within one Business Day of receipt of such Net Proceeds the Borrower shall deliver to the Administrative Agent a certificate of a Financial Officer to the effect that (i) the Borrower and its Subsidiaries intend to apply the Net Proceeds from such Debt Incurrence (or a portion thereof specified in such certificate), within 90 days after receipt of such Net Proceeds, to pay the consideration for one or more Business Acquisitions permitted hereunder and (ii) no Default has occurred and is continuing, then no prepayment will be required pursuant to this subsection in respect of such Net Proceeds (or the portion of such Net Proceeds specified in such certificate, if applicable) except that, if any such Net Proceeds have not been so applied by the end of such 90-day period, a prepayment will be required at that time in an amount equal to the amount of such Net Proceeds that have

not been so applied. However, the Borrower will not be entitled to make elections pursuant to the immediately preceding proviso with respect to Net Proceeds aggregating more than $100,000,000 in any Fiscal Year.

1. *Excess Cash Flow.* The Borrower shall prepay Borrowings in an aggregate amount equal to 25% of Excess Cash Flow for each Fiscal Yearcommencing with the Fiscal Year ending on the Saturday closest to January 31, 2008; *provided* that no such prepayment shall be required if the Leverage Ratio at the end of such Fiscal Year is less than 1.0 to 1.0. Each such prepayment shall be made on or before the date on which financial statements are delivered pursuant

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to Section 5.01 with respect to the relevant Fiscal Year (and in any event within 95 days after the end of such Fiscal Year).

1. *Option to Reject.* Notwithstanding anything herein to the contrary, any Lender may elect, by notice to the Administrative Agent byfacsimile or by electronic communication at least three Business Days prior to the applicable prepayment date, to decline (in whole but not in part) any prepayment of its Loans pursuant to subsections (b), (c), (d) and (e) of this Section, in which case the aggregate amount of the prepayment that would have been applied to prepay the Loans of such declining Lender shall be re-offered to those Lenders (if any) who have initially accepted such prepayment (such re-offer to be made to each such Lender based on the percentage which such Lender’s Loans represents of the aggregate Loans of all Lenders who initially accepted such prepayment). In the event of such a re-offer, the relevant Lenders may elect, by notice to the Administrative Agent by facsimile or by electronic communication within one Business Day of receiving notification of such re-offer, to decline (in whole but not in part) the amount of such prepayment that is re-offered to them. The aggregate amount of the prepayment that would have been applied to prepay accepting Lenders but was so declined shall be retained by the Borrower.
2. *Allocation of Prepayments.* Any voluntary prepayment of the Borrowings shall be applied first to ABR Loans to the full extent thereofbefore application to Eurodollar Loans, in each case in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.15. Any mandatory prepayments of the Borrowings shall be applied on a pro rata basis to the then outstanding Loans being prepaid irrespective of whether such outstanding Loans are ABR Loans or Eurodollar Loans; *provided* that if no Lender exercises its option to reject a mandatory prepayment of the Loans pursuant to Section 2.09(f), then, with respect to such mandatory prepayment, the amount of such mandatory prepayment shall be applied first to Loans that are ABR Loans to the full extent thereof before application to Loans that are Eurodollar Loans in a manner that minimizes the amount of any payments required to be made by the Borrower pursuant to Section 2.15.
3. *Partial Prepayments*. Each partial prepayment of a Borrowing shall be in an amount that would be permitted under Section 2.02(b) for aBorrowing of the same Interest Type, except as needed to apply fully the required amount of a mandatory prepayment. Each partial prepayment of a Borrowing shall be applied ratably to the Loans included in such Borrowing.
4. *Accrued Interest*. Each prepayment of a Borrowing shall be accompanied by accrued interest to the extent required by Section 2.11.
5. *Notice of Prepayments.* The Borrower shall notify the Administrative Agent by telephone (confirmed by facsimile) of any prepayment

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of any Borrowing pursuant to Section 2.09(a) hereunder (i) in the case of a Eurodollar Borrowing, not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment and (ii) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment. The Borrower shall notify the Administrative Agent by telephone (confirmed by facsimile) of any prepayment of any Borrowing pursuant to subsections (b), (c), (d) and (e) of this Section at least six Business Days before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date, the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment.

Section 2.10. *Fees*. (a) The Borrower shall pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon by the Borrower and the Administrative Agent, including pursuant to the Fee Letter.

1. All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent. Fees paid shall not be refundable under any circumstances.

Section 2.11. *Interest*. (a) The ABR Loans shall bear interest for each day at the Alternate Base Rate plus the Applicable Base Rate Margin.

1. The Loans comprising each Eurodollar Borrowing shall bear interest for each Interest Period in effect for such Borrowing at the Adjusted LIBO Rate for such Interest Period plus the Applicable Eurodollar Margin.
2. Notwithstanding the foregoing, if any Default has occurred and is continuing, all amounts outstanding hereunder shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding subsections of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans.
3. Interest accrued on each Loan shall be payable in arrears on each Interest Payment Date for such Loan; *provided* that (i) interest accrued pursuant to Section 2.11(c) shall be payable on demand, (ii) upon any repayment of any Loan, interest accrued on the principal amount repaid shall be payable on the date of such repayment and (iii) upon any conversion of a Eurodollar Loan before the end of the current Interest Period therefor, interest accrued on such Loan shall be payable on the effective date of such conversion.

1. All interest hereunder will be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base

Rate at

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times when the Alternate Base Rate is based on the Prime Rate will be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case will be payable for the actual number of days elapsed (including the first day but excluding the last day). Each applicable Alternate Base Rate or Adjusted LIBO Rate shall be determined by the Administrative Agent, and its determination thereof will be conclusive absent manifest error.

Section 2.12. *Alternate Rate of Interest.* If before the beginning of any Interest Period for a Eurodollar Borrowing:

1. the Administrative Agent determines (which determination will be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or
2. the Required Lenders advise the Administrative Agent that the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or facsimile as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing will be ineffective and (ii) if any Borrowing Request requests a Eurodollar Borrowing, such Borrowing will be made as an ABR Borrowing.

Section 2.13. *Illegality.* (a) If any Change in Law shall make it unlawful for any Lender to make or maintain any Eurodollar Loan or to give effect to its obligations as contemplated hereby with respect to any Eurodollar Loan, then, by written notice to the Borrower and to the Administrative Agent:

1. such Lender may declare that Eurodollar Loans will not thereafter (for the duration of such unlawfulness) be made by such Lender hereunder (or be continued for additional Interest Periods and ABR Loans will not thereafter (for such duration) be converted into Eurodollar Loans), whereupon any request for a Eurodollar Borrowing (or to convert an ABR Borrowing to a Eurodollar Borrowing or to continue a Eurodollar Borrowing for an additional Interest Period) shall, as to such Lender only, be deemed a request for an ABR Loan (or a request to continue an ABR Loan as such for an additional Interest Period or to convert a Eurodollar Loan into an ABR Loan, as the case may be), unless such declaration shall be subsequently withdrawn; and

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1. such Lender may require that all outstanding Eurodollar Loans made by it be converted to ABR Loans, in which event all such Eurodollar Loans shall be automatically converted to ABR Loans as of the effective date of such notice as provided in subsection (b) below.

If any Lender exercises its rights under (i) or (ii) above, all payments and prepayments of principal that would otherwise have been applied to repay the Eurodollar Loans that would have been made by such Lender or the converted Eurodollar Loans of such Lender shall instead be applied to repay the ABR Loans made by such Lender in lieu of, or resulting from the conversion of, such Eurodollar Loans. Any such conversion of a Eurodollar Loan under (i) or (ii) above shall be subject to Section 2.15.

1. For purposes of this Section 2.13, a notice to the Borrower by any Lender shall be effective as to each Eurodollar Loan made by such Lender, if lawful, on the last day of the Interest Period then applicable to such Eurodollar Loan; in all other cases such notice shall be effective on the date of receipt by the Borrower.

Section 2.14. *Increased Costs*. (a) If any Change in Law shall:

1. impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate); or
2. impose on any Lender or the London interbank market any other condition affecting this Agreement or Eurodollar Loans made by

such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Loan (or of maintaining its obligation to make Eurodollar Loans) or to reduce any amount received or receivable by such Lender hereunder (whether of principal, interest or otherwise), then the Borrower shall pay to such Lender such additional amount or amounts as will compensate it for such additional cost incurred or reduction suffered.

1. If any Lender determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender’s capital or on the capital of such Lender’s holding company, if any, as a consequence of this Agreement or the Loans made by such Lender to a level below that which such Lender or such Lender’s holding company could have achieved but for such Change in Law (taking into consideration such Lender’s policies and the policies of such Lender’s holding company with respect to capital adequacy), then from time to time the Borrower shall pay to such Lender such

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additional amount or amounts as will compensate it or its holding company for any such reduction suffered.

1. A certificate of a Lender setting forth the amount or amounts necessary to compensate it or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.
2. Failure or delay by any Lender to demand compensation pursuant to this Section will not constitute a waiver of its right to demand such compensation; *provided* that the Borrower will not be required to compensate a Lender pursuant to this Section for any increased cost or reduction incurred more than 270 days before it notifies the Borrower of the Change in Law giving rise to such increased cost or reduction and of its intention to claim compensation therefor. However, if the Change in Law giving rise to such increased cost or reduction is retroactive, then the 270-day period referred to above will be extended to include the period of retroactive effect thereof.

Section 2.15. *Break Funding Payments*. If (a) any principal of any Eurodollar Loan is repaid on a day other than the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) any Eurodollar Loan is converted on a day other than the last day of an Interest Period applicable thereto, (c) the Borrower fails to borrow, convert, continue or prepay any Loan on the date specified in any notice delivered pursuant hereto, or (d) any Eurodollar Loan is assigned on a day other than the last day of an Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.18, then the Borrower shall compensate each Lender for its loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, such loss, cost and expense to any Lender shall be deemed to include an amount reasonably determined by such Lender to be the excess, if any, of (i) the amount of interest that would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the end of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, the Interest Period that would have begun on the date of such failure), over (ii) the amount of interest that would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the beginning of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

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Section 2.16. *Taxes*. (a) All payments by the Borrower under the Loan Documents, wherever made, shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; *provided* that, if the Borrower shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable will be increased as necessary so that, after all required deductions (including deductions applicable to additional sums payable under this Section) are made, each relevant Lender Party receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower shall make such deductions and (iii) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

1. In addition, the Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.
2. The Borrower shall indemnify each Lender Party, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by such Lender Party with respect to any payment by or obligation of the Borrower under the Loan Documents (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment delivered to the Borrower by a Lender Party on its own behalf, or by the Administrative Agent on behalf of a Lender Party, shall be conclusive absent manifest error.
3. As soon as practicable after the Borrower pays any Indemnified Taxes or Other Taxes to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.
4. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the laws of the United States, or any treaty to which the United States is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower (including Internal Revenue Service Form W-8) as will permit such payments to be made without withholding or at a reduced rate, *provided* that such Foreign Lender has received written notice from the Borrower advising it of the availability of such exemption or reduction and supplying all applicable documentation. If any such Foreign Lender becomes subject to any Tax because

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it fails to comply with this subsection as and when prescribed by applicable law, the Borrower shall take such steps as such Foreign Lender shall reasonably request to assist such Foreign Lender to recover such Tax.

Section 2.17. *Payments Generally; Pro Rata Treatment; Sharing of Set-offs*. (a) The Borrower shall make each payment required to be made by it under the Loan Documents (whether of principal, interest or fees or amounts payable under Section 2.14, 2.15 or 2.16 or otherwise) before the time expressly required under the relevant Loan Document for such payment (or, if no such time is expressly required, before 12:00 noon, New York City time), on the date when due, in immediately available funds, without set-off or counterclaim. Any amount received after such time on any day may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments

shall be made to the Administrative Agent at its offices at Eleven Madison Avenue, New York, NY 10010, except as expressly provided herein and except that payments pursuant to Sections 2.14, 2.15, 2.16 and 9.03 shall be made directly to the Persons entitled thereto and payments pursuant to other Loan Documents shall be made to the Persons specified therein. The Administrative Agent shall distribute any such payment received by it for the account of any other Person to the appropriate recipient promptly after receipt thereof. If any payment under any Loan Document shall be due on a day that is not a Business Day, the date for payment will be extended to the next succeeding Business Day and, if such payment accrues interest, interest thereon will be payable for the period of such extension. All payments under each Loan Document shall be made in dollars.

1. If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, to pay interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, to pay principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.
2. If any Lender shall, by exercising any right of set-off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall

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be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this subsection shall not apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this subsection shall apply). The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

1. Unless, before the date on which any payment is due to the Administrative Agent for the account of one or more Lender Parties hereunder, the Administrative Agent receives from the Borrower notice that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance on such assumption, distribute to each relevant Lender Party the amount due to it. In such event, if the Borrower has not in fact made such payment, each Lender Party severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender Party with interest thereon, for each day from and including the day such amount is distributed to it to but excluding the day it repays the Administrative Agent, at a rate determined by the Administrative Agent to represent its cost of overnight or short-term funds (which determination shall be conclusive absent manifest error).
2. If any Lender fails to make any payment required to be made by it pursuant to Section 2.04(b), 2.17(d) or 9.03(c), the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender’s obligations under such Sections until all such unsatisfied obligations are fully paid.

Section 2.18. *Lender’s Obligation to Mitigate; Replacement of Lenders.* (a) If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.14 or 2.16, as the case may be, in the future, (ii) would not subject such Lender to any unreimbursed cost or expense and (iii) would not otherwise be disadvantageous to such Lender. The Borrower

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shall pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

1. If any Lender requests compensation under Section 2.14, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.16, or if any Lender defaults in its obligation to fund Loans hereunder, or any Lender does not consent to a proposed amendment, modification or waiver of any Loan Document requested by the Borrower which requires the consent of all the Lenders to become effective and which is approved by at least the Required Lenders, then the Borrower may, at its sole expense and effort (including paying the processing and recordation fee referred to in Section 9.04(b)), upon notice to such Lender and the Administrative Agent, require such Lender to assign, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.14 or payments required to be made pursuant to Section 2.16, such assignment will result in a material reduction in such compensation or payments and (iv) such assignment shall not conflict with any law, rule or regulation or order of any Governmental Authority having jurisdiction. A Lender shall not be required to make any such assignment if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment cease to apply.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lender Parties that:

Section 3.01. *Organization; Powers*. Each Marvell Company is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own its property and assets and to carry on its business as now conducted and as proposed to be conducted and, except where failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do

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business in, and is in good standing in, every jurisdiction where such qualification is required.

Section 3.02. *Authorization; Enforceability*. The Transactions to be entered into by each Marvell Company are within its corporate or other powers and have been duly authorized by all necessary corporate or other and, if required, stockholder action. This Agreement has been duly executed and delivered by the Borrower and constitutes, and each other Loan Document to which any Credit Party is to be a party, when executed and delivered by such Credit Party, will constitute, a legal, valid and binding obligation of the Borrower or such Credit Party, as the case may be, in each case enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03. *Approvals; No Conflicts*. The Transactions (a) do not require any consent or approval of, registration or filing with, or other action by, any Governmental Authority or any other Person under any material agreement or other instrument binding upon any Marvell Company or any of its properties, except (i) such as have been obtained or made and are in full force and effect and (ii) filings necessary to perfect the Transaction Liens, (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of any Marvell Company or any order, judgment or decree of any Governmental Authority, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon any Marvell Company or any of its properties, or, except to the extent set forth in the Acquisition Documentation or the Loan Documents, give rise to a right thereunder to require any Marvell Company to make any payment and (d) will not result in or require the creation or imposition of any Lien (other than the Transaction Liens) on any property of any Marvell Company.

Section 3.04. *Financial Statements; No Material Adverse Change*. (a) The Borrower has heretofore furnished to the Lenders (i) its consolidated balance sheets as of January 31, 2004, January 29, 2005 and January 28, 2006 and the related consolidated statements of income, shareholders’ equity and cash flows for each of the Fiscal Years then ended, reported on by PricewaterhouseCoopers LLP, an independent registered public accounting firm, and (ii) its consolidated balance sheet as of April 30, 2006 and the related consolidated statements of income, stockholders’ equity and cash flows for the Fiscal Quarter then ended, all certified by its chief financial officer. Except for such adjustments as may be required for the Stated Restatement Reasons, such financial statements present fairly, in all material respects, the financial position of the Borrower and its consolidated Subsidiaries as of such dates and their results of operations and cash flows for such periods in accordance with GAAP, subject to normal year-end

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adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

1. The Borrower has heretofore furnished to the Lenders (i) the statements of assets to be acquired and liabilities to be assumed of the Acquired Business as of the end of its 2004 and 2005 fiscal years and the related statements of net revenues and direct expenses for each of such fiscal years, reported on by Ernst & Young LLP, an independent registered public accounting firm, and (ii) an interim statement of assets to be acquired and liabilities to be assumed and an interim statement of net revenues and direct expenses, in each case with respect to the Acquired Business, for the six month period ended July 1, 2006.
2. Immediately prior to giving effect to the Transactions, none of the Marvell Companies has, as of the Closing Date, any material liabilities (direct or contingent), unusual long-term commitments or unrealized losses, except as disclosed in the financial statements referred to above or the notes thereto or in the Information Memorandum. After giving effect to the Transactions, none of the Marvell Companies has, as of the Closing Date, any liabilities (direct or contingent) or unusual long-term commitments or unrealized losses that, in the aggregate, could reasonably be expected to result in a Material Adverse Effect, except as disclosed in the financial statements referred to above or the notes thereto or in the Information Memorandum.
3. Since April 1, 2006 there has not been any event, occurrence, development or state of circumstances or facts that has had or has a Seller Material Adverse Effect (as defined in the Asset Purchase Agreement).
4. Since April 29, 2006, there has not been any event, occurrence, development or state of circumstances or facts that has had or has a Buyer Material Adverse Effect (as defined in the Asset Purchase Agreement), other than any event, change or circumstance arising primarily out of the Borrower’s stock option practices prior to the date hereof.

Section 3.05. *Properties.* (a) Each Marvell Company has good title to, or valid leasehold interests in, all real and personal property material to its business (including all its Mortgaged Properties), except for defects in title that do not materially interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes. Except to the extent permitted by this Agreement, all such properties are free and clear of Liens.

1. Each Marvell Company owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property material to its business, and the use thereof by the Marvell Companies does not infringe upon the rights of any other Person, except for such failures to own or license or

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infringements that, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

1. Schedule 3.05 sets forth the correct address and a brief description of each real property that is owned by any Domestic Subsidiary as of the Closing Date after giving effect to the Transactions.

Section 3.06. *Litigation and Environmental Matters*. (a) Except as disclosed in Schedule 3.06, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting any Marvell Company (i) which if determined adversely to the Marvell Companies, in the aggregate, could reasonably be expected to result in a Material Adverse Effect or (ii) that involve any of the Loan Documents or the Transactions.

1. Except for matters that, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, no Marvell Company (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) is subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

Section 3.07. *Compliance with Laws and Agreements*. Each Marvell Company is in compliance with all laws, regulations, judgments, orders and decrees of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding on it or its property, except where failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect and except for non-compliance as a result of Borrower’s stock option practices prior to the date hereof. No Default has occurred and is continuing.

Section 3.08. *Investment Company Status; Regulatory Restrictions on Borrowing*. No Marvell Company is required to be registered as an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940. No Marvell Company is subject to regulation under any law, treaty, rule or regulation or determination of an arbitrator or court or other Governmental Authority (other than Regulations G, U and X of the Federal Reserve Board) which limits its ability to incur any Debt under this Agreement or any promissory note.

Section 3.09. *Taxes*. Each Marvell Company has timely filed or caused to be filed all Tax returns and reports required to have been filed by it and has paid or caused to be paid all Taxes required to have been paid by it, except (a) any Taxes that are being contested in good faith by appropriate proceedings and for

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which the relevant Marvell Company has set aside on its books adequate reserves or (b) to the extent that failures to do so, in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 3.10. *ERISA*. No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. Based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87, with respect to each Plan, the present value of the accumulated benefit obligations thereunder did not, as of the date of the most recent financial statements reflecting such amounts, exceed the fair market value of the assets thereof.

Section 3.11. *Disclosure*. The Borrower has disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which any Marvell Company is subject, and all other matters known to any of them, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. Neither the Information Memorandum nor any of the other reports, financial statements, certificates or other information furnished by or on behalf of any Credit Party to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or any other Loan Document or delivered hereunder or thereunder (as modified or supplemented by other information so furnished), when read together, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based on assumptions believed to be reasonable at the time; *provided further* that the financial statements of the Marvell Companies prepared with respect to any period ending on or prior to the Closing Date may be restated for the Stated Restatement Reasons.

Section 3.12. *Subsidiaries*. Schedule 3.12 sets forth the name of, and the ownership interest of the Borrower in, each of its Subsidiaries and identifies each Subsidiary that is a Guarantor, in each case as of the Closing Date. All the Borrower’s Subsidiaries are, and will at all times be, fully consolidated in its consolidated financial statements. The shares of capital stock or other ownership interests in each of the Borrower’s Subsidiaries are fully paid and non-assessable and are owned free and clear of all Liens (other than the Transaction Liens).

Section 3.13. *Insurance*. As of the Closing Date, the insurance required under Section 5.07 has been obtained and is in full force and effect and all premiums in respect of such insurance have been paid. The Borrower believes that the insurance maintained by or on behalf of the Borrower and its Subsidiaries is adequate.

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Section 3.14. *Labor Matters*. As of the Closing Date, there are no strikes, lockouts or slowdowns against any Marvell Company pending or, to the knowledge of the Borrower, threatened. The hours worked by and payments made to employees of the Marvell Companies have not violated the Fair Labor Standards Act or any other applicable Federal, state, local or foreign law dealing with such matters, other than alleged violations disclosed in Schedule 3.06.

All payments due from any Marvell Company, or for which any claim may be made against any Marvell Company, on account of wages and employee health and welfare insurance and other benefits, have been paid or accrued as a liability on the books of such Marvell Company.

Section 3.15. *Solvency*. Immediately after the Transactions to occur on the Closing Date are consummated and after giving effect to the application of the proceeds of each Loan made on the Closing Date, (a) the fair value of the assets of each Credit Party, at a fair valuation, will exceed its debts and liabilities, subordinated, contingent or otherwise; (b) the present fair saleable value of the property of each Credit Party will exceed the amount that will be required to pay the probable liability of its debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (c) each Credit Party will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured; and (d) no Credit Party will have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and proposed to be conducted after the Closing Date.

Section 3.16. *Acquisition Documentation*. As of the Closing Date, (a)Schedule 3.16 lists all of the Acquisition Documentation and (b) the Acquisition Documentation is in full force and effect.

Section 3.17. *No Set-Off; Ranking; Immunity*. (a) Once the Loans have been made to the Borrower, the obligations of the Credit Parties under the Loan Documents are not subject to any defense, set-off or counterclaim by any Credit Party or any circumstance whatsoever which might constitute a legal or equitable discharge from its obligations thereunder.

1. The obligations of each Credit Party under the Loan Documents constitute direct and unconditional obligations of such Credit Party and, except for rights with respect to Collateral, with respect to which the Lenders will be entitled to the benefits set forth in the applicable Security Document, will rank at least *pari passu* in right of payment with all other Debt and other obligations of such Credit Party, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

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1. No Credit Party or any of its property has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of Bermuda, Singapore or other relevant jurisdiction in respect of its obligations under the Loan Documents. The Loan Documents are in proper legal form under the laws of Bermuda and Singapore for the enforcement thereof in accordance with their respective terms against the Credit Parties under such laws. To ensure the legality, validity, enforceability or admissibility into evidence in Bermuda and Singapore of the Loan Documents, it is not necessary that the Loan Documents or any other document be filed or recorded with any Governmental Authority in Bermuda or Singapore, as the case may be.
2. It is not necessary in order for the Administrative Agent or any Lender to enforce any rights or remedies under the Loan Documents or solely by reason of the execution, delivery and performance by any Credit Party of the Loan Documents that the Administrative Agent or any Lender be licensed or qualified with any Governmental Authority in Bermuda or Singapore, or be entitled to carry on business in any of the foregoing.

Section 3.18. *Other*. (a) The Borrower and each other Marvell Company incorporated in Bermuda is designated as non-resident in Bermuda for exchange control purposes.

1. The Borrower and each other Marvell Company incorporated in Bermuda has received an assurance from the Minister of Finance of Bermuda that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation or any tax in the nature of estate duty or inheritance tax, such tax shall not until 28 March 2016 be applicable to the Borrower or such Marvell Company, as applicable, or to any of its operations.
2. The Borrower and each other Marvell Company incorporated in Bermuda is not licensed to and does not carry on long-term insurance

business.

1. The Borrower and each other Marvell Company incorporated in Bermuda does not maintain a place of business (as defined in section 4(6) of the Investment Business Act 2003 of Bermuda) in Bermuda.
2. The Borrower and each other Marvell Company incorporated in Bermuda is not carrying on a deposit-taking business in or from within Bermuda under the provisions of the Banks and Deposit Companies Act 1999 of Bermuda.
3. Each transaction entered into pursuant to this Agreement and any other Loan Document has been entered into in good faith without the view or intention of giving any party thereto a preference over other creditors, without

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fraudulent purposes, for the bona fide benefit of the parties thereto for full consideration and not at an undervalue.

1. No purpose of the transaction or transactions pursuant to which the Borrower and each other Marvell Company incorporated in Bermuda has entered into this Agreement and any other Loan Document would be contrary to the public policy of Bermuda.
2. No Credit Party has a place of business in the State of New York or conducts any business in the State of New York that would subject such Credit Party to regulation under the laws of the State of New York.

ARTICLE 4

CONDITIONS

Section 4.01. *Closing Date*. The obligations of the Lenders to make Loans hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

1. The Administrative Agent (or its counsel) shall have received from each party hereto either (i) a counterpart of this Agreement signed on behalf of such party or (ii) written evidence satisfactory to the Administrative Agent (which may include facsimile transmission of a signed signature page) that such party has signed a counterpart of this Agreement.
2. The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Closing Date) of each of (i) Pillsbury Winthrop Shaw Pittman LLP, special New York and California counsel for the Borrower, substantially in the form of Exhibit B-1, (ii) Appleby Hunter Bailhache, special Bermuda counsel for the Borrower, substantially in the form of Exhibit B-2, (iii) Wong Partnership, special Singapore counsel for the Borrower, substantially in the form of Exhibit B-3 and (iv) any other counsel reasonably specified by the Administrative Agent, and, in the case of each opinion required by this subsection, covering such other matters relating to the Credit Parties, the Loan Documents or the Transactions as the Required Lenders shall reasonably request. The Borrower requests such counsel to deliver such opinions.
3. The Administrative Agent shall have received such documents and certificates as the Administrative Agent or its counsel may reasonably request relating to the organization, existence and, if applicable, good standing of each Credit Party, the authorization of the Transactions and any other legal matters relating to the Credit Parties, the Loan Documents or the Transactions, all in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

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1. The Administrative Agent shall have received a certificate, dated the Closing Date and signed by the President, a Vice President or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in clauses (f), (g), (m) and (n).
2. The Administrative Agent shall have received a certificate, dated the Closing Date and signed by the President, a Vice President or a Financial Officer of the Borrower, certifying (i) as to the percentage that the sum of the total assets of the Credit Parties (excluding any assets of any Subsidiary of any Credit Party that is not itself a Credit Party) constitute of the total assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP on the Closing Date, (ii) as to the percentage that the total revenues of the Credit Parties (excluding any revenues of any Subsidiary of any Credit Party that is not itself a Credit Party) for the period of four consecutive Fiscal Quarters most recently ended prior to the Closing Date constitute of the total revenues of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP, (iii) as to the percentage that the sum of the total assets of the Marvell Companies whose Equity Interests are subject to a perfected first-priority pledge pursuant to a Pledge Agreement (each a “**Pledged Marvell Company**”) (excluding any assets of any Subsidiary of any Pledged Marvell Company that is not itself a Pledged Marvell Company) constitutes of the total assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP on the Closing Date and (iv) as to the percentage that the total revenues of the Pledged Marvell Companies (excluding any revenues of any Subsidiary of any Pledged Marvell Company that is not itself a Pledged Marvell Company) for the period of four consecutive Fiscal Quarters most recently ended at or prior to the Closing Date constitutes of the total revenues of the Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP. The percentages referred to in such certificate shall be in a minimum amount necessary to confirm that the Minimum Guarantee Condition and the Minimum Stock Collateral Condition are satisfied on the Closing Date.
3. After giving effect to the Transactions and the other transactions contemplated hereby, the Marvell Companies shall have no outstanding Debt or preferred stock other than (i) the Loans and (ii) other Debt permitted under Section 6.01(a) (other than Section 6.01(a)(vii)).
4. After giving effect to the Transactions and the other transactions contemplated hereby, the ratio of Total Debt on the Closing Date to Consolidated EBITDA for the four Fiscal Quarter period ended July 29, 2006 shall not exceed 1.5:1.0.
5. The Credit Parties shall have paid all fees and other amounts due and payable to the Lender Parties on or before the Closing Date, including, to the extent invoiced, all out-of-pocket expenses (including fees, charges and

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disbursements of counsel) required to be reimbursed or paid by any Credit Party under the Loan Documents.

1. The Administrative Agent (or its counsel) shall have received from each party to each of the agreements referred to below a counterpart thereto signed on behalf of such party (or written evidence satisfactory to the Administrative Agent (which may include facsimile transmission of a signed signature page) that such party has signed such a counterpart)): (i) the Guarantee Agreement, (ii) the US Pledge Agreement, (iii) the Bermuda Pledge Agreement and (iv) the Singapore Share Charge. All outstanding Equity Interests in Marvell International Ltd., Marvell Asia Pte Ltd., Marvell Technology, Inc. and Marvell International Technology Limited and 83% of all outstanding Equity Interests in MSI shall have been pledged pursuant to the Pledge Agreements and the Administrative Agent shall have received all certificates or other instruments representing such Equity Interests, together with stock

powers or other instruments of transfer with respect thereto endorsed in blank. The Administrative Agent shall have received the results of recent Lien and judgment searches in each relevant jurisdiction with respect to the Credit Parties, and such searches shall reveal no Liens on any of the assets of the Credit Parties other than Liens that are permitted by Section 6.02 or that have been released.

1. The Administrative Agent shall have received a certificate, dated the Closing Date and signed by the President, a Vice President or a Financial Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, to the effect that (i) the insurable properties of the Marvell Companies are adequately insured by financially sound and reputable insurance companies to such extent and against such risks (and with such deductibles, retentions and exclusions), as is reasonable and customary for companies in the same or similar business operating in the same or similar locations and (ii) the Marvell Companies maintain such other insurance on their insurable properties as may be required by law.
2. All consents and approvals required to be obtained from any Governmental Authority or other Person in connection with the Acquisition shall have been obtained, and all applicable waiting periods and appeal periods shall have expired, in each case without the imposition of any burdensome condition. The Acquisition shall have been, or substantially simultaneously with the funding of Loans on the Closing Date shall be, consummated in accordance with the Asset Purchase Agreement dated as of June 26, 2006 and related Acquisition Documentation entered into in connection therewith and with applicable law, without any amendment to or waiver of any term or condition or consent thereunder that is materially adverse to the rights of or benefits available to the Lenders (as reasonably determined by the Administrative Agent) unless approved by the Administrative Agent (such approval not to be unreasonably withheld). The Administrative Agent shall have received copies of the Acquisition

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Documentation and all certificates, opinions and other documents delivered thereunder, certified by a Financial Officer as complete and correct.

1. The Administrative Agent shall have received a solvency certificate, in form and substance satisfactory to the Lenders, from a Financial Officer, with respect to the solvency of the Credit Parties after giving effect to the Transactions.
2. The representations and warranties of each Credit Party set forth in the Loan Documents shall be true and correct on and as of the Closing

Date.

1. Immediately prior to and immediately after giving effect to the Borrowings on the Closing Date, no Default shall have occurred and be

continuing.

1. The Administrative Agent shall have received a letter from the Process Agent referred to in Section 9.11 confirming its appointment as such.
2. The Administrative Agent shall have received a Borrowing Request.
3. The Administrative Agent shall have received, at least five Business Days prior to the Closing Date, all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act.

Promptly after the Closing Date occurs, the Administrative Agent shall notify the Borrower and the Lenders thereof, and such notice shall be conclusive and binding.

ARTICLE 5

AFFIRMATIVE COVENANTS

Until all the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full, the Borrower covenants and agrees with the Lenders that:

Section 5.01. *Financial Statements and Other Information*. The Borrower will furnish to the Administrative Agent for distribution to each Lender:

1. within 90 days after the end of the Fiscal Year ending January 27, 2007, its consolidated balance sheet as of the end of such Fiscal Year and the related statements of operations, stockholders’ equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, all certified by a Financial Officer as presenting

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fairly in all material respects the financial position, results of operations and cash flows of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP before any adjustments that may be required because of the Stated Restatement Reasons, subject to normal year-end adjustments and the absence of footnotes; *provided* that the requirements of this paragraph will be satisfied by the filing by the Borrower of its Form 10-K for such Fiscal Year, so long as such filing is made within the time period required by the SEC;

1. commencing with the Fiscal Year ending January 26, 2008, within 90 days after the end of each Fiscal Year, its audited consolidated balance sheet as of the end of such Fiscal Year and the related statements of operations, stockholders’ equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all reported on by PricewaterhouseCoopers LLP or other independent public accountants of recognized national standing (without a “going concern” or like qualification or exception and without any qualification or exception as to the scope of such audit) as presenting fairly in all material respects the financial position, results of operations and cash flows of the Borrower and its consolidated Subsidiaries

on a consolidated basis in accordance with GAAP; *provided* that the requirements of this paragraph will be satisfied by the filing by the Borrower of its Form 10-K for such Fiscal Year, so long as such filing is made within the time period required by the SEC;

1. commencing with the Fiscal Quarter ending October 28, 2006, within 45 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, its consolidated balance sheet as of the end of such Fiscal Quarter and the related statements of operations, stockholders’ equity and cash flows for such Fiscal Quarter and for the then elapsed portion of such Fiscal Year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, all certified by a Financial Officer as presenting fairly in all material respects the financial position, results of operations and cash flows of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP before any adjustments that may be required because of the Stated Restatement Reasons, subject to normal year-end adjustments and the absence of footnotes; *provided* that the requirements of this paragraph will be satisfied by the filing by the Borrower of its Form 10-Q for such Fiscal Quarter, so long as such filing is made within the time period required by the SEC;
2. concurrently with each delivery of financial statements under clause (a), (b) or (c) above (or the filing of the corresponding Form 10-K or Form 10-Q), a certificate of a Financial Officer (i) certifying as to whether a Default exists and, if a Default exists, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Section 6.13 and Section 6.14, (iii) commencing

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with the delivery of such financial statements for the Fiscal Quarter ending January 27, 2007, setting forth any material variance in such financial statements from the corresponding budget prepared with respect thereto pursuant to Section 5.01(f) (or, if applicable, from the corresponding projected results contained in the projections model distributed to potential lenders in connection with the syndication of the Loans) and specifying the reasons therefor (it being agreed that, in addition to comparisons on a quarterly basis, comparisons on an annual basis will be required commencing with the delivery of such financial statements for the Fiscal Year ending January 28, 2008), (iv) setting forth reasonably detailed calculations demonstrating compliance with the Minimum Guarantee Condition and, if applicable, the Minimum Stock Collateral Condition and (v) stating whether any change in GAAP or in the application thereof has occurred since the date of the Borrower’s most recent audited financial statements referred to in Section 3.04 or delivered pursuant to this Section and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate;

1. concurrently with each delivery of financial statements under clause (b) above and with the filing of the Borrower’s Form 10-K for the Fiscal Year ending January 27, 2007, a certificate of the accounting firm that reported on such financial statements (or the financial statements included in the Form 10-K for the Fiscal Year ending January 27, 2007, as the case may be) stating whether during the course of their examination of such financial statements they obtained knowledge of any Default (which certificate may be limited to the extent required by accounting rules or guidelines);
2. within 45 days after the beginning of each Fiscal Year, a detailed consolidated budget for such Fiscal Year prepared on a quarterly basis (including a projected consolidated balance sheet and related statements of projected operations and cash flows as of the end of and for each Fiscal Quarter in such Fiscal Year and setting forth the material assumptions used in preparing such budget) and, promptly when available, any significant revisions of such budget; *provided* that for the Fiscal Year beginning January 28, 2007, the Borrower may, upon providing notice to the Administrative Agent of its intention to do so, elect to satisfy the requirements of this clause by instead furnishing (to the extent not already furnished) the projected results for such Fiscal Year contained in the projections model distributed to potential lenders in connection with the syndication of the Loans;
3. promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by any Marvell Company with the SEC, or any Governmental Authority succeeding to any or all of the functions of the SEC, or with any national securities exchange, or distributed by the Borrower to its shareholders generally;

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1. promptly (i) of any public announcement by Moody’s of any change or possible change in its corporate family rating of the Borrower or by S&P of any change or possible change in its corporate rating of the Borrower or, in each case, of any such rating no longer having a stable outlook and (ii) of any public announcement by Moody’s or S&P of any change or possible change in its rating of the Loans or of any such rating no longer having a stable outlook; and
2. promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of any Marvell Company, or compliance with the terms of any Loan Document, as the Administrative Agent or any Lender may reasonably request (including any information required by any bank regulatory authority under any applicable “know your customer” or anti-money laundering rule or regulation (including the Patriot Act)).

Section 5.02. *Notice of Material Events*. The Borrower will furnish to the Administrative Agent and each Lender prompt written notice of the following:

1. the occurrence of any Default;
2. the filing or commencement of, or any written notice of intention of any Person to file or commence, any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting any Marvell Company or any Affiliate thereof that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;
3. the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liabilities of the Marvell Companies in an aggregate amount exceeding $25,000,000; and

1. any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03. *Information Regarding Collateral*. (a) The Borrower will furnish to the Administrative Agent prompt written notice of any change in

1. the corporate name or any trade name used to identify any Credit Party in the conduct of its business, (ii) the identity or corporate structure of any Credit Party or (iii) the Federal Taxpayer Identification Number of any Credit Party. If such Credit Party has granted or has purported to grant a security interest in any Collateral,

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the Borrower will not effect or permit any change referred to in the preceding sentence unless all filings have been made under the Uniform Commercial Code and all other actions have been taken that are required so that such change will not at any time adversely affect the validity, perfection or priority of any Transaction Lien on any of such Collateral.

1. The Borrower will promptly notify the Administrative Agent if any material portion of the Collateral is damaged or destroyed.
2. Each year, at the time annual financial statements with respect to the preceding Fiscal Year are delivered pursuant to Section 5.01, if the Security Agreement or a Mortgage is required to be in effect to satisfy Section 5.12(d) at such time, the Borrower will deliver to the Administrative Agent a certificate of a Financial Officer (i) setting forth the information required pursuant to Section A of the Perfection Certificate or confirming that there has been no change in such information since the date of the most recent Perfection Certificate delivered pursuant to this subsection and (ii) certifying that all Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations, including all refilings, rerecordings and reregistrations, containing a description of the Collateral have been filed of record in each appropriate office in each jurisdiction identified pursuant to clause (i) above to the extent necessary to protect and perfect the Transaction Liens for a period of at least 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period).

Section 5.04. *Existence; Conduct of Business*. Each Marvell Company will do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and, except where the failures to do so in the aggregate for all Marvell Companies could not reasonably be expected to have a Material Adverse Effect, the rights, licenses, permits, privileges, franchises, patents, copyrights, trademarks and trade names material to the conduct of its business; *provided* that the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03.

Section 5.05. *Payment of Obligations.* Each Marvell Company will pay its Debt and other obligations, including Tax liabilities, before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the relevant Marvell Company has set aside on its books adequate reserves with respect thereto in accordance with GAAP, (c) such contest effectively suspends collection of the contested obligation and the enforcement of any Lien securing such obligation and (d) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

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Section 5.06. *Maintenance of Properties*. Each Marvell Company will maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted.

Section 5.07. *Insurance*. (a) The Marvell Companies will keep their insurable properties adequately insured at all times by financially sound and reputable insurance companies to such extent and against such risks (and with such deductibles, retentions and exclusions), including fire, general liability insurance and business interruption insurance and other risks insured against by extended coverage, as is reasonable and customary for companies in the same or similar business operating in the same or similar locations, will maintain such other insurance as may be required by law, and will maintain such other insurance as otherwise required by the Security Documents.

1. Without limiting subsection (a), if at any time the area in which any Mortgaged Property is located is designated a “flood hazard area” in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), the Borrower shall obtain flood insurance in such total amount as the Administrative Agent or the Required Lenders may from time to time require, and otherwise comply with the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time. If at any time the area in which any Mortgaged Property is located is designated a “Zone 1” area, the Borrower shall obtain earthquake insurance in such total amount as the Administrative Agent or the Required Lenders may from time to time require.

Section 5.08. *Casualty and Condemnation*. The Borrower (a) will furnish to the Administrative Agent and the Lenders prompt written notice of any casualty or other insured damage to any material portion of the Collateral or the commencement of any action or proceeding for the taking of any Collateral or any part thereof or interest therein under power of eminent domain or by condemnation or similar proceeding and (b) will ensure that the Net Proceeds of any such event (whether in the form of insurance proceeds, condemnation awards or otherwise) are collected and applied in accordance with Section 2.09.

Section 5.09. *Proper Records; Rights to Inspect*. Each Marvell Company will keep proper books of record and account in which complete and correct entries are made of all transactions relating to its business and activities. Each Marvell Company will permit any representatives designated by the Administrative Agent or any Lender, at the cost and expense of the Administrative Agent or such Lender (or if an Event of Default shall have occurred and be continuing, at the cost and expense of the Borrower), as applicable, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at

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reasonable times, but not more than three times during any calendar year unless an Event of Default has occurred and is continuing, in which event, as often as reasonably requested.

Section 5.10. *Compliance with Laws*. (a) Each Marvell Company will comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, except where failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

1. Without limiting subsection (a), each Marvell Company will comply, and cause all lessees and other persons occupying its properties to comply, in all respects with all Environmental Laws and permits applicable to its operations and properties, except where failures to do so, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, and conduct any remedial action in accordance with Environmental Laws.

Section 5.11. *Use of Proceeds*. The proceeds of the Loans will be used only to pay (a) amounts payable under the Acquisition Documentation as consideration for the Acquisition and (b) fees and expenses payable in connection with the Transactions. No part of the proceeds of any Loan will be used, directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Federal Reserve Board, including Regulations T, U and X.

Section 5.12. *Additional Guarantees and Collateral.* (a) If the Minimum Guarantee Condition is not satisfied at any time, the Borrower will promptly notify the Administrative Agent and the Lenders of this fact and promptly (and in any event within seven Business Days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed) cause one or more Subsidiaries reasonably acceptable to the Administrative Agent to deliver to the Administrative Agent a supplement to the Guarantee Agreement in the form specified therein, duly executed and delivered on behalf of each such Subsidiary, to the extent necessary to ensure that immediately after giving effect thereto the Minimum Guarantee Condition is satisfied, whereupon each such Subsidiary will become a “Guarantor” for purposes of the Loan Documents.

1. If the Minimum Stock Collateral Condition is not satisfied (i) at any time prior to the Trigger Date or (ii) at any time on or after the Trigger Date and (1) the corporate family rating of the Borrower is not at least Baa3 by Moody’s or the corporate rating of the Borrower is not at least BBB- by S&P, in each case with no negative outlook or (2) the Borrower does not have a corporate family rating from Moody’s or a corporate rating from S&P, the Borrower will promptly notify the Administrative Agent and the Lenders of this fact and promptly (and in any event within ten Business Days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed)

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cause one or more Credit Parties to deliver to the Administrative Agent a Pledge Agreement in the form specified herein (or, in the case of a Credit Party that is already party to a Pledge Agreement, a supplement to such Pledge Agreement in the form specified therein), duly executed and delivered on behalf of each such Credit Party, pursuant to which such Credit Parties shall have pledged all the Equity Interests in one or more Marvell Companies organized under the laws of Bermuda, Singapore or that is a Domestic Subsidiary or in any other Marvell Company reasonably acceptable to the Administrative Agent, to the extent necessary to ensure that immediately after giving effect thereto the Minimum Stock Collateral Condition is satisfied, whereupon, unless already a Lien Grantor, each such Credit Party will become a “Lien Grantor” for purposes of the Loan Documents.

* 1. Concurrently with the delivery to the Administrative Agent of any Pledge Agreement or supplement thereto pursuant to subsection (b), the Borrower shall cause each pledgor party thereto to deliver to the Administrative Agent all certificates or other instruments representing the Equity Interests pledged thereunder, together with stock powers or other instruments of transfer with respect thereto endorsed in blank.
  2. Without limiting the foregoing provisions, if at any time on or after the Trigger Date (1) the corporate family rating of the Borrower is not at least Ba1 by Moody’s or the corporate rating of the Borrower is not at least BB+ by S&P, in each case with no negative outlook or (2) the Borrower does not have a corporate family rating from Moody’s or a corporate rating from S&P, the Borrower will promptly notify the Administrative Agent and the Lenders of this fact and thereafter for so long as such condition exists (x) promptly (and in any event within seven Business Days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed) cause each Domestic Subsidiary not already party thereto to deliver to the Administrative Agent a supplement to the Guarantee Agreement in the form specified therein, duly executed and delivered on behalf of each such Domestic Subsidiary, (y) promptly (and in any event within ten Business Days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed) cause each Domestic Subsidiary to deliver to the Administrative Agent a counterpart to the Security Agreement duly executed and delivered on behalf of such Domestic Subsidiary (or in the case of any Person that subsequently becomes a Domestic Subsidiary, a supplement to the Security Agreement, in the form specified therein, duly executed and delivered on behalf of such Domestic Subsidiary) and

1. promptly (and in any event within 45 days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed) cause each Domestic Subsidiary to deliver to the Administrative Agent (A) counterparts of a Mortgage with respect to each Mortgaged Property duly executed and delivered by the record owner of such Mortgaged Property, (B) a policy or policies of title insurance issued by a

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nationally recognized title insurance company insuring the Lien of each such Mortgage as a valid first Lien on the Mortgaged Property described therein, free of any other Liens except as expressly permitted by Section 6.02, together with such endorsements, coinsurance and reinsurance as the Administrative Agent or the Required Lenders may reasonably request and (C) such surveys, abstracts and appraisals as the Administrative Agent or the Required Lenders may reasonably request with respect to any such Mortgage or Mortgaged Property.

1. If any real property or improvements thereto are owned or are acquired by any Domestic Subsidiary at a time when subsection (d) is applicable and the fair market value thereof exceeds $10,000,000, the Borrower will notify the Administrative Agent and the Lenders thereof, and will promptly (and in any event within 45 days or such longer period as the Administrative Agent shall agree, such agreement not to be unreasonably withheld or delayed) cause such Domestic Subsidiary to deliver to the Administrative Agent the items referred to in subsection (d)(z) with respect to such assets.
2. In connection with any of the foregoing, the Borrower shall deliver or cause to be delivered to the Administrative Agent evidence that all documents and instruments, including Uniform Commercial Code financing statements and Mortgages, required by law or reasonably requested by the Administrative Agent to be filed, registered or recorded to create the Liens intended to be created by the applicable Security Documents and perfect or record such Liens to the extent, and with the priority, required by the Security Documents, shall have been filed, registered or recorded or delivered to the Administrative Agent for filing, registration or recording; *provided* that the actions required of the Borrower and the Domestic Subsidiaries under subsection (d)(y) and this subsection (f) to perfect and ensure the priority of the security interests granted by the Domestic Subsidiaries under the Security Agreement shall be limited to filings of Uniform Commercial Code financing statements, possession of Collateral the security interests in which can be perfected only by taking possession, execution and delivery of agreements required to give the Administrative Agent control over any deposit account, securities account and security entitlement included in the Collateral under the Security Agreement and, to the extent any additional actions are required to effect such perfection or priority as a result of a change in law, such actions.
3. In connection with any of the foregoing, the Borrower shall deliver or cause to be delivered to the Administrative Agent any legal opinions and other documents as the Administrative Agent may reasonably request relating to the existence of the relevant Credit Party, the corporate or other authority for and the validity of the relevant Security Documents and the creation and perfection of the Lien purportedly created thereby and any other matters relevant thereto, all in form and substance reasonably acceptable to the Administrative Agent.

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Section 5.13. *Further Assurances*. Each Marvell Company will execute and deliver any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements, fixture filings, mortgages, deeds of trust and other documents), that may be required under any applicable law, or that the Administrative Agent or the Required Lenders may reasonably request, to cause the requirements of Section 5.12 to be and remain satisfied, all at the Borrower’s expense. The Borrower will provide to the Administrative Agent, from time to time upon request, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Transaction Liens created or intended to be created by the Security Documents.

Section 5.14. *Separateness*. Each Marvell Company will maintain its separate legal existence and character, including by maintaining customary corporate, limited liability company or other applicable formalities and by maintaining separate corporate and business records.

Section 5.15. *Ratings*. From and after the date on which each such rating is obtained, the Borrower shall use its commercially reasonable efforts to thereafter cause to be maintained (x) a credit rating by S&P and by Moody’s with respect to the Loans hereunder and (y) a corporate family rating by Moody’s and a corporate rating by S&P, in each case of the Borrower.

Section 5.16*. Permitted Subordinated Debt.* The Borrower will cause the Obligations to at all times constitute “Senior Debt” for all purposes of the Permitted Subordinated Debt and any indenture or other definitive documentation relating thereto. The Obligations under the Loan Documents are hereby designated as “Designated Senior Debt” and the Borrower will cause such Obligations to at all times constitute “Designated Senior Debt” for all purposes of the Permitted Subordinated Debt and any indenture or other definitive documentation relating thereto. The Borrower will not permit any other Debt or obligations (other than the Obligations under the Loan Documents) to constitute “Designated Senior Debt” for any purposes of the Permitted Subordinated Debt or any indenture or other definitive documentation relating thereto.

ARTICLE 6

NEGATIVE COVENANTS

Until all the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full, the Borrower covenants and agrees with the Lenders that:

Section 6.01. *Debt; Certain Equity Securities*. (a) Neither the Borrower nor any Subsidiary will create, incur, assume or permit to exist any Debt,

except:

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1. Debt created under the Loan Documents;
2. Debt existing on the date hereof and listed in Schedule 6.01 and extensions, renewals and replacements of any such Debt on terms that are not materially more restrictive to the Borrower or such Subsidiary and that do not increase the outstanding principal amount thereof or result in an earlier maturity date or decreased weighted average life thereof;
3. Debt of the Borrower to any Subsidiary and Debt of any Subsidiary to the Borrower or any other Subsidiary; *provided* that Debt of any Subsidiary that is not a Credit Party to a Credit Party shall be subject to Section 6.04;
4. Guarantees by the Borrower of Debt of any Subsidiary and Guarantees by any Subsidiary of Debt of the Borrower or any other Subsidiary; *provided* that Guarantees by a Credit Party of Debt of any Subsidiary that is not a Credit Party shall be subject to Section 6.04;

1. Debt in respect of letters of credit supporting payments obligations incurred in the ordinary course of business by the Borrower or

any Subsidiary;

1. Debt of the Borrower or any Subsidiary incurred to finance the acquisition, construction or improvement of any fixed or capital assets, including Capital Lease Obligations and any Debt assumed in connection with the acquisition of any such assets or secured by a Lien on any such assets before the acquisition thereof, and extensions, renewals and replacements of any such Debt on terms that are not materially more restrictive to the Borrower or such Subsidiary and that do not increase the outstanding principal amount thereof or result in an earlier maturity date or decreased weighted average life thereof; *provided* that (A) such Debt is incurred before or within 90 days after such acquisition or the completion of such construction or improvement and (B) the aggregate principal amount of Debt permitted by this clause shall not exceed $75,000,000 at any time outstanding;
2. Permitted Subordinated Debt; *provided* that (A) at the time of, and after giving effect to, the incurrence of such Debt, no Default shall have occurred and be continuing, (B) the ratio of Consolidated EBITDA to Consolidated Interest Expense (calculated on a Pro Forma Basis for the most recently completed period of four consecutive Fiscal Quarters) shall be equal to or greater than 5.0:1.0, and (C) the Net Proceeds of such Debt are applied in accordance with Section 2.09;

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1. Debt under performance bonds, surety, appeal or similar bonds, or with respect to workers compensation or other like employee benefit claims, in each case incurred in the ordinary course of business; and
2. other unsecured Debt in an aggregate principal amount not exceeding $25,000,000 at any time outstanding.
3. No Marvell Company will issue any preferred stock or other preferred Equity Interests.

Section 6.02. *Liens*. Neither the Borrower nor any Subsidiary will create or permit to exist any Lien on any property now owned or hereafter acquired by it, or assign or sell any income or revenues (including accounts receivable) or rights in respect of any thereof, except:

* 1. Transaction Liens;
  2. Permitted Liens;
  3. any Lien on any property of the Borrower or any Subsidiary existing on the date hereof and listed in Schedule 6.02; *provided* that

1. such Lien shall not apply to any other property of the Borrower or any Subsidiary and (B) such Lien shall secure only those obligations which it secures on the date hereof, and extensions, renewals and replacements thereof that do not increase the outstanding principal amount thereof;
   1. Liens on fixed or capital assets acquired, constructed or improved by the Borrower or any Subsidiary; *provided* that (A) the Debt secured by such liens is permitted by Section 6.01(a)(vi), (B) such Liens and the Debt secured thereby are incurred before or within 90 days after such acquisition or the completion of such construction or improvement, (C) the Debt secured thereby does not exceed the cost of acquiring, constructing or improving such fixed or capital assets and (D) such Liens will not apply to any other property of the Borrower or any Subsidiary;
   2. any Lien existing on any property before the acquisition thereof by the Borrower or any Subsidiary or existing on any property of any Person that becomes a Subsidiary after the date hereof before the time such Person becomes a Subsidiary; *provided* that (A) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Subsidiary, as the case may be, (B) such Lien will not apply to any other property of the Borrower or any Subsidiary and (C) such Lien will secure only those obligations which it secures on the date

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of such acquisition or the date such Person becomes a Subsidiary, as the case may be, and extensions, renewals and replacements thereof on terms that are not materially more restrictive to the Borrower or such Subsidiary and that do not increase the outstanding principal amount thereof;

1. Liens on cash deposits in an aggregate amount not exceeding $75,000,000 at any time securing Debt permitted by Section 6.01(a)

(v); and

1. other Liens securing Debt or other obligations outstanding in an aggregate principal amount not in excess of $10,000,000.

Section 6.03. *Fundamental Changes*. (a) No Marvell Company will merge into or consolidate with any other Person, or liquidate or dissolve, or permit any other Person to merge into or consolidate with it, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing, (i) any Person may merge into the Borrower in a transaction in which the Borrower is the surviving corporation, (ii) any Person (other than the Borrower) may merge into any Subsidiary in a transaction in which the surviving entity is a Subsidiary and (if any party to such merger is a Guarantor) is a Guarantor and (iii) any Subsidiary (except a Guarantor) may liquidate or dissolve if the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders; *provided* that, if any such merger or consolidation involves a Person that is not a wholly owned Subsidiary immediately before such merger or consolidation, such transaction shall not be permitted unless also permitted by Section 6.04.

1. Neither the Borrower nor any Subsidiary will engage to any material extent in any business except businesses of the types conducted by the Borrower on the date of this Agreement (after giving effect to the Acquisition) and businesses reasonably related thereto.

Section 6.04. *Investments, Loans, Advances, Guarantees and Acquisitions*. Neither the Borrower nor any Subsidiary will make, hold or acquire any

Investment in any Person or make any Business Acquisition, except:

1. the Acquisition;
2. Permitted Investments;
3. investments existing on the date hereof and listed on Schedule 6.04;
4. investments by the Borrower and its Subsidiaries in Equity Interests in their respective Subsidiaries; *provided* that (i) any such Equity

Interest held by

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a Credit Party shall be pledged pursuant to a Pledge Agreement to the extent required to satisfy the Minimum Stock Collateral Condition and (ii) the aggregate amount of investments by Credit Parties in, and loans and advances by Credit Parties to, and Guarantees by Credit Parties of Debt of, Subsidiaries that are not Credit Parties made after the Closing Date shall not exceed $50,000,000 at any time outstanding;

1. loans or advances made by the Borrower to any Subsidiary or made by any Subsidiary to the Borrower or any other Subsidiary; *provided* that the amount of such loans and advances made by Credit Parties to Subsidiaries that are not Credit Parties shall be subject to the limitation set forth in clause 6.04(d) above;
2. Guarantees constituting Debt permitted by Section 6.01; *provided* that the aggregate principal amount of Debt of Subsidiaries that are not Credit Parties that is Guaranteed by Credit Parties shall be subject to the limitation set forth in clause 6.04(d) above;
3. Business Acquisitions; *provided* that (i) at the time of, and after giving effect to, each such Business Acquisition, no Default shall have occurred and be continuing, (ii) the aggregate consideration for Business Acquisitions made during any Fiscal Year shall not exceed $100,000,000 (except to the extent the consideration thereof consists of Qualified Equity Interests of the Borrower), (iii) after giving effect to each such Business Acquisition, the Borrower shall be in Pro Forma Compliance and (iv) after giving effect to each such Business Acquisition, the Credit Parties shall have at least $250,000,000 of unrestricted cash and other Permitted Investments;
4. loans or advances made to employees of any Marvell Company in the ordinary course of business in an aggregate amount not to exceed

$15,000,000 at any time outstanding (determined without reference to any write-downs or write-offs thereof);

1. investments received in connection with the bankruptcy or reorganization of, or settlement of delinquent accounts and disputes with, customers and suppliers, in each case in the ordinary course of business;
2. Hedging Agreements permitted under Section 6.07; and
3. other Investments not exceeding $30,000,000 in the aggregate during the term of this Agreement.

Section 6.05. *Asset Sales*. (a) Neither the Borrower nor any Subsidiary will sell, transfer, lease or otherwise dispose of any property, including any

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Equity Interest owned by it, nor will any Subsidiary issue any additional Equity Interest in such Subsidiary, except:

1. sales of inventory, used or surplus equipment and Permitted Investments in the ordinary course of business;
2. sales, transfers and other dispositions to the Borrower or a Subsidiary; *provided* that any such sales, transfers or dispositions involving a Subsidiary that is not a Credit Party shall comply with Section 6.09;
3. licenses, cross-licenses or sublicenses of software, trademarks and other intellectual property in the ordinary course of business and consistent with past practices and which do not materially interfere with the business of the Marvell Companies, taken as a whole; and
4. sales, transfers and other dispositions of assets (except Equity Interests in a Subsidiary) that are not permitted by any other clause of this Section; *provided* that the aggregate book value of all assets sold, transferred or otherwise disposed of in reliance on this clause during any Fiscal Year shall not exceed an amount equal to 10% of the total assets of the Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent;

*provided* that all sales, transfers, leases and other dispositions permitted by this Section (except those permitted by clause (ii) above) shall be made for fair

market value (as determined in good faith by the Borrower or such Subsidiary (which determination, if the sale price or other consideration exceeds

$100,000,000 for a transaction or a series of related transactions, shall be evidenced by a certificate from a Financial Officer)) and for at least 90% cash

consideration; *provided further* that the foregoing shall not prohibit (x) the Borrower from issuing Qualified Equity Interests or (y) any exchange of assets by

any Marvell Company for similar assets of comparable market value (as determined in good faith by such Marvell Company (which determination, if the

market value exceeds $100,000,000 for a transaction or a series of related transactions, shall be evidenced by a certificate from a Financial Officer)) in the

ordinary course of business and consistent with past practices and so long as the assets acquired pursuant to such exchange will be included in the Collateral at least to the extent that the assets disposed of were included therein.

(b) Notwithstanding the foregoing, prior to the Trigger Date and at any time during which the Security Agreement or a Mortgage is required to

be in

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effect to satisfy Section 5.12(d), (i) no Domestic Subsidiary will sell, transfer, lease or otherwise dispose of any assets of the type described in Section 2 of the Form of Security Agreement attached hereto as Exhibit G or any Mortgaged Property, except for sales permitted by Section 6.05(a)(i) and (ii) the Borrower shall not permit any sale or other disposition of any Equity Interests in any Domestic Subsidiary and shall not permit any Domestic Subsidiary to effect any transaction (including any merger or consolidation), if such sale, disposition or transaction directly or indirectly results in such Domestic Subsidiary ceasing to be a Domestic Subsidiary.

Section 6.06. *Sale and Leaseback Transactions*. Neither the Borrower nor any Subsidiary will enter into any arrangement, directly or indirectly, whereby it shall sell or transfer any property, real or personal, used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property sold or transferred, except for any such sale of any fixed or capital asset that is made for cash consideration in an amount not less than the cost of such fixed or capital asset and is consummated within 90 days after such Marvell Company acquires or completes the construction of such fixed or capital asset.

Section 6.07. *Hedging Agreements*. Neither the Borrower nor any Subsidiary will enter into any Hedging Agreement, except Hedging Agreements entered into in the ordinary course of business to hedge or mitigate risks to which a Marvell Company is exposed in the conduct of its business or the management of its liabilities and not for speculative purposes.

Section 6.08. *Restricted Payments; Certain Payments of Debt*. (a) No Marvell Company will declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that (i) the Borrower may declare and pay dividends with respect to its capital stock payable solely in additional shares of its common stock, (ii) any Subsidiary may declare and pay dividends with respect to its capital stock, (iii) the Borrower may declare or make Restricted Payments if at the time of, and after giving effect thereto, no Default shall have occurred and be continuing and the aggregate amount expended for all Restricted Payments made pursuant to this clause (iii) during any Fiscal Year would not exceed an amount equal to 15% of Consolidated Net Income calculated for the immediately preceding Fiscal Year and (iv) the Borrower may declare or make Restricted Payments if at the time of, and after giving effect thereto, no Default shall have occurred and be continuing and the aggregate amount expended for all Restricted Payments made pursuant to this clause (iv) shall not at any time exceed the aggregate amount of net cash proceeds received by the Borrower after the Closing Date from the exercise of any stock options or warrants with respect to the Borrower’s common stock.

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1. No Marvell Company will make or agree to pay or make, directly or indirectly, any payment or other distribution (whether in cash, securities or other property) of or in respect of principal of or interest on any Debt, or any payment or other distribution (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, defeasance or termination of any Debt, except:
   1. payment of Debt created under the Loan Documents;
   2. payment of regularly scheduled interest and principal payments as and when due in respect of any Debt, except payments in respect of the Permitted Subordinated Debt prohibited by the subordination provisions thereof;
   3. prepayments in connection with refinancings of Debt to the extent permitted by Section 6.01; and
   4. payment of secured Debt that becomes due as a result of the voluntary sale or transfer of the property securing such Debt.

Section 6.09. *Transactions with Affiliates*. No Marvell Company will sell, lease or otherwise transfer any property to, or purchase, lease or otherwise acquire any property from, or otherwise engage in any other transaction with, any of its Affiliates, except (a) transactions in the ordinary course of business that are at prices and on terms and conditions not less favorable to such Marvell Company than could be obtained on an arm’s-length basis from unrelated third parties, (b) transactions between or among the Credit Parties not involving any other Affiliate, (c) reasonable and customary fees paid to members of the Board of Directors of the Borrower, (d) any Restricted Payment permitted by Section 6.08 and (e) transactions between or among Marvell Companies not involving any Credit Party.

Section 6.10. *Restrictive Agreements*. (a) No Marvell Company will, directly or indirectly, enter into any agreement or other arrangement that prohibits, restricts or imposes any condition on (i) the ability of any Marvell Company to create or permit to exist any Lien on any of its property or (ii) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Debt of the Borrower or any other Subsidiary; *provided* that (1) the foregoing shall not apply to restrictions and conditions imposed by any Loan Document, (2) the foregoing shall not apply to restrictions and conditions existing on the date hereof and identified on Schedule 6.10 (but shall apply to any amendment or modification expanding the scope of any such restriction or condition), (3) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a

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Subsidiary pending such sale, *provided* that such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (4) the foregoing shall not apply to customary provisions in any agreement, indenture or other instrument relating to Debt permitted under Section 6.01 so long as such provisions are consistent with customary market terms for Debt similar to such permitted Debt and are no more restrictive than those set forth herein, (5) clause (i) of this Section shall not apply to restrictions or conditions imposed by any agreement relating to secured Debt permitted by this Agreement if such restrictions or conditions apply only to the property securing such Debt and (6) clause (i) of this Section shall not apply to customary provisions in leases restricting the assignment thereof.

1. Without limiting the foregoing, no Marvell Company will, directly or indirectly, enter into any agreement or other arrangement that prohibits, restricts or imposes any condition on the ability of any Marvell Company to satisfy the requirements of Section 5.12 or Section 5.13 at any time that such provisions are required to be satisfied.

Section 6.11. *Amendment of Material Documents*. No Marvell Company will amend, modify or waive any of its rights under (a) any indenture or other agreement relating to any Permitted Subordinated Debt, (b) its certificate of incorporation, by-laws or other organizational documents, (c) any Acquisition Documentation or (d) any other agreement material to the operation of its business, if in each case such amendment, modification or waiver could reasonably be expected to result in a Material Adverse Effect.

Section 6.12. *Change in Fiscal Year*. The Borrower shall not change the end of its fiscal year from the Saturday closest to January 31.

Section 6.13. *Debt to Total Capitalization*. The Borrower will not at any time permit the ratio of Total Debt to Total Capitalization to exceed

0.3:1.0.

Section 6.14. *Fixed Charge Coverage Ratio.* The Borrower will not permit the ratio of (a) Consolidated EBITDA to (b) Consolidated Fixed Charges, in each case for any period of four consecutive Fiscal Quarters ending on the last day of any Fiscal Quarter to be less than 1.2:1.0.

ARTICLE 7

EVENTS OF DEFAULT

If any of the following events (“**Events of Default**”) shall occur:

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1. the Borrower shall fail to pay any principal of any Loan when the same shall become due, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
2. the Borrower shall fail to pay when due any interest on any Loan or any fee or other amount (except an amount referred to in clause (a) above) payable under any Loan Document, and such failure shall continue unremedied for a period of five Business Days;
3. any representation, warranty or certification made or deemed made by or on behalf of any Marvell Company in or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;
4. the Borrower shall fail to observe or perform any covenant or agreement contained in Section 5.02, 5.04 (with respect to the existence of any Credit Party), 5.11, 5.12, 5.13 or 5.16 or in Article 6;
5. any Credit Party shall fail to observe or perform any covenant or agreement contained in any Loan Document (other than those specified in clause (a), (b) or (d) above), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);
6. any Marvell Company shall fail to make a payment or payments (whether of principal or interest and regardless of amount) in respect of Material Debt when the same shall become due, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
7. any event or condition occurs that results in Material Debt becoming due before its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of Material Debt or any trustee or agent on its or their behalf to cause Material Debt to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, before its scheduled maturity; *provided* that this clause shall not apply to secured Debt that becomes due as a result of a voluntary sale or transfer of the property securing such Debt;
8. an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization, winding up or other relief in respect of any Marvell Company or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or

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similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator, judicial manager, administrator or similar official for any Marvell Company or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed

for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

1. any Marvell Company shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization, winding up or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) above, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator, judicial manager, administrator or similar official for any Marvell Company or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;
2. any Marvell Company shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;
3. one or more judgments for the payment of money in an aggregate amount exceeding $25,000,000 (to the extent not covered by independent third-party insurance as to which the insurer has not denied or disputed its obligations to cover such judgment) shall be rendered against one or more Marvell Companies and shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any asset of any Marvell Company to enforce any such judgment;
4. an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding $25,000,000;
5. any Lien purported to be created under any Security Document shall cease to be, or shall be asserted by any Credit Party not to be, a valid and perfected Lien on any Collateral, with the perfection and priority required by the applicable Security Document, except (i) as a result of a sale or other disposition of the applicable Collateral in a transaction permitted under the Loan Documents or (ii) as a result of the Administrative Agent’s failure to maintain possession of any stock certificates, promissory notes or other documents delivered to it under the Security Documents;

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1. a Change in Control shall occur;
2. any Guarantor’s Transaction Guarantee shall at any time fail to constitute a valid and binding agreement of such Guarantor or any party shall so assert in writing, unless (i) the Minimum Guarantee Condition remains satisfied without such Transaction Guarantee and (ii) the total assets of the Guarantors whose Transaction Guarantees cease to be valid and binding during the term of this Agreement does not exceed 2% of the consolidated assets of the Borrower and its Subsidiaries as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent.
3. any restriction or requirement shall be imposed, promulgated or amended by any Governmental Authority in Bermuda, Singapore or other relevant jurisdiction on or after the date hereof that restricts, limits or prohibits the acquisition or the transfer of foreign exchange by the Borrower and that impair or could reasonably be expected to impair in any material respect the Credit Parties’ ability to perform their respective obligations under the Loan Documents in accordance with the terms thereof (including, without limitation, in dollars), unless such restrictions or requirements, in the aggregate, are limited to Guarantors the total assets of which do not exceed 2% of the consolidated assets of the Borrower and its Subsidiaries as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent; or
4. (i) any Governmental Authority in Bermuda, Singapore or other relevant jurisdiction shall take any action, including a moratorium, having an effect on the schedule of payments of any Credit Party under any Loan Document, (ii) any Credit Party shall, voluntarily or involuntarily, participate or take any action to participate in any facility or exercise involving the rescheduling of such Credit Party’s debts or the restructuring of the currency in which such Credit Party may pay its obligations, unless, the circumstances in clause (i) and (ii), in the aggregate, are limited to Guarantors the total assets of which do not exceed 2% of the consolidated assets of the Borrower and its Subsidiaries as at the end of the most recently completed Fiscal Quarter for which financial statements have been delivered to the Administrative Agent or (iii) any Governmental Authority in Bermuda, Singapore or other relevant jurisdiction shall nationalize, expropriate, seize or otherwise compulsorily acquire all or any substantial part of the assets of the Borrower and its Subsidiaries, taken as a whole;

then, and in every such event (except an event with respect to the Borrower described in clause (h) or (i) above), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be

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due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are waived by the Borrower; and in the case of any event with respect to the Borrower described in clause (h) or (i) above, the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are waived by the Borrower.

ARTICLE 8

THE ADMINISTRATIVE AGENT

Section 8.01. *Appointment and Authorization.* Each Lender Party irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent (i) to sign and deliver the Guarantee Agreement and the Security Documents and (ii) to take such actions on its behalf and to exercise

such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.

Section 8.02*. Rights and Powers as a Lender.* A bank serving as the Administrative Agent shall, in its capacity as a Lender, have the same rights and powers as any other Lender and may exercise the same as though it were not the Administrative Agent. Such bank and its Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Marvell Company or Affiliate thereof as if it were not the Administrative Agent.

Section 8.03. *Limited Duties and Responsibilities*. The Administrative Agent shall not have any duties or obligations except those expressly set forth in the Loan Documents. Without limiting the generality of the foregoing, (a) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (b) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Loan Documents that the Administrative Agent is required in writing to exercise by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) and (c) except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to any Marvell Company that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative

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Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with any Loan Document, (ii) the contents of any certificate, report or other document delivered thereunder or in connection therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth in any Loan Document, (iv) the validity, enforceability, effectiveness or genuineness of any Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article 4 or elsewhere in any Loan Document, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 8.04. *Authority to Rely on Certain Writings, Statements and Advice*. The Administrative Agent shall be entitled to rely on, and shall not incur any liability for relying on, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely on any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for any Marvell Company), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 8.05. *Sub-Agents and Related Parties*. The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through one or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding Sections of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

Section 8.06. *Resignation; Successor Administrative Agent*. Subject to the appointment and acceptance of a successor Administrative Agent as provided in this Section, the Administrative Agent may resign at any time by notifying the Lenders and the Borrower. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If

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no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed by the Borrower and such successor. After the Administrative Agent’s resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 8.07. *Credit Decisions by Lenders*. Each Lender acknowledges that it has, independently and entirely without reliance on the Administrative Agent or any other Lender, made its own credit analysis and decision to enter into this Agreement. Each Lender further acknowledges that it has made its credit analysis and decision based entirely on documents and information provided by the Borrower as requested and deemed appropriate by such Lender and has not relied upon any document provided by the Administrative Agent or any other Lender. Each Lender also acknowledges that it will, independently and entirely without reliance on the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate to request from the Borrower, continue to make its own decisions in taking or not taking action under or based on this Agreement, any other Loan Document or related agreement or any document furnished hereunder or thereunder.

Section 8.08. *Other Agents and Arranger*. No Agent other than the Administrative Agent and no Arranger shall have any responsibility, obligation or liability whatsoever under the Loan Documents in such capacity.

ARTICLE 9

MISCELLANEOUS

Section 9.01. *Notices*. (a) Except in the case of notices and other communications expressly permitted to be given by telephone, all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile, as follows:

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* 1. if to the Borrower, to it at Marvell Technology Group Ltd., c/o Marvell Semiconductor, Inc., 5488 Marvell Lane, Santa Clara, CA 95054, Attention of Chief Financial Officer (facsimile no. 408 832 4309);
  2. if to the Administrative Agent, to Credit Suisse, Cayman Islands Branch, at Eleven Madison Avenue, New York, New York 10010, Attention of Thomas Lynch (facsimile no. 212 325 8304; email: thomas.lynch@credit-suisse.com); and
  3. if to any Lender, to it at its address (or facsimile number) set forth in its Administrative Questionnaire.

1. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; *provided* that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.
2. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the Administrative Agent and the Borrower. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement will be deemed to have been given on the date of receipt; *provided* that if a notice or other communication is received after normal business hours of the recipient or on a day that is not a business day of the recipient, such notice or communication shall be deemed to have been given on the next business day of the recipient.

Section 9.02. *Waivers; Amendments*. (a) No failure or delay by any Lender Party in exercising any right or power hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Lender Parties under the Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Loan Document or consent to any departure by any Credit Party therefrom shall in any event be effective unless the same shall be permitted by subsection (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be

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construed as a waiver of any Default, regardless of whether any Lender Party had notice or knowledge of such Default at the time.

1. No Loan Document or provision thereof may be waived, amended or modified except, in the case of this Agreement, by an agreement or agreements in writing entered into by the Borrower and the Required Lenders or, in the case of any other Loan Document, by an agreement or agreements in writing entered into by the parties thereto with the consent of the Required Lenders; *provided* that no such agreement shall:
   1. increase the Commitment of any Lender without its written consent;
   2. reduce the principal amount of any Loan or reduce the rate of interest thereon, or reduce any fee payable hereunder, without the written consent of each Lender Party affected thereby;
   3. postpone the maturity of any Loan, or any scheduled date of payment of the principal amount of any Loan under Section 2.08(a), or any date for the payment of any interest or fee payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender Party affected thereby;
   4. change Section 2.17(b) or 2.17(c) in a manner that would alter the pro rata sharing of payments required thereby, without the written consent of each Lender;
   5. change any provision of this Section or the percentage set forth in the definition of “Required Lenders” or any other provision of any Loan Document specifying the number or percentage of Lenders required to take any action thereunder, without the written consent of each Lender;
   6. release all or substantially all of the value of the Transaction Guarantees, without the written consent of each Lender; or
   7. release all or substantially all of the Collateral from the Transaction Liens (except as expressly provided in the Security Documents), without the written consent of each Lender; or

*provided further* that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent without its prior writtenconsent.

1. Notwithstanding the foregoing, if the Required Lenders enter into or consent to any waiver, amendment or modification pursuant to subsection (b) of this Section, no consent of any other Lender will be required if, when such

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waiver, amendment or modification becomes effective, (i) the Commitment of each Lender not consenting thereto terminates and (ii) all amounts owing to it or accrued for its account hereunder are paid in full.

Section 9.03. *Expenses; Indemnity; Damage Waiver*. (a) The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, the preparation and administration of the Loan Documents and any amendments, modifications or waivers of the provisions thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by any Lender Party, including the fees, charges and disbursements of any counsel for any Lender Party, in connection with the enforcement or protection of its rights in connection with the Loan Documents (including its rights under this Section) or the Loans, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Loans (including the amount of any taxes (including transfer taxes, stamp taxes and similar taxes) that the Administrative Agent may have been required to pay by reason of the Transaction Liens or the enforcement thereof or to free any Collateral from any other Lien thereon and expenses incurred to preserve the value of the Collateral or the validity, perfection, rank or value of any Transaction Lien or the collection, sale or other disposition of any Collateral).

1. The Borrower shall indemnify each of the Lender Parties and their respective Related Parties (each such Person being called an

“**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of counsel for any Indemnitee, incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of any actual or prospective claim, litigation, investigation or proceeding relating to (i) the execution or delivery of any Loan Document or any other agreement or instrument contemplated hereby, the performance by the parties to the Loan Documents of their respective obligations thereunder or the consummation of the Transactions or any other transactions contemplated hereby, (ii) any Loan or the use of the proceeds therefrom or (iii) any actual or alleged presence or release of Hazardous Materials on or from any Mortgaged Property or any other property currently or formerly owned or operated by the Borrower or any Subsidiary, or any Environmental Liability related in any way to the Borrower or any Subsidiary, regardless of whether such claim, litigation, investigation or proceeding is based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto or whether commenced by a Marvell Company or any of its Affiliates; *provided* that such indemnity shall not be available to any Indemnitee to the extent that such losses, claims, damages, liabilities or related

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expenses are determined by the judgment of a court of competent jurisdiction to have resulted from such Indemnitee’s gross negligence or willful misconduct.

1. To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent under subsection (a) or (b) of this Section, each Lender severally agrees to pay to the Administrative Agent such Lender’s pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; *provided* that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent in its capacity as such. For purposes hereof, a Lender’s “**pro rata share**” shall be determined based on its share of the outstanding Loans at the time.
2. To the extent permitted by applicable law, the Borrower shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or the use of the proceeds thereof.
3. All amounts due under this Section shall be payable within 10 Business Days after written demand therefor.

Section 9.04. *Successors and Assigns*. (a) The provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (except the parties hereto, their respective successors and assigns permitted hereby and, to the extent expressly provided herein, the Related Parties of the Lender Parties) any legal or equitable right, remedy or claim under or by reason of this Agreement.

1. Any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of any Commitment it has at the time and any Loans at the time owing to it), which assignment shall operate as a ratable assignment of such Lender’s rights and obligations under the Loan Documents; *provided* that:
   1. the Administrative Agent must give prior written consent to any such assignment (which consent shall not be unreasonably

withheld);

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1. the Administrative Agent shall use its reasonable best efforts to notify the Borrower of any such assignment; *provided* that any failure to provide or any delay in providing such notice shall not affect the validity of such assignment;
2. unless the Administrative Agent otherwise consents, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date on which the relevant Assignment is delivered to the Administrative Agent) shall not be less than $1,000,000; *provided* that this clause (iii) shall not apply to an assignment to a Lender or a Lender Affiliate or an assignment of the entire remaining amount of the assigning Lender’s Commitment or Loans; *provided* further that simultaneous assignments to or by two or more Approved Funds shall be combined for purposes of determining whether the minimum assignment amount is met;
3. the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment via an electronic settlement system acceptable to the Administrative Agent (or, if previously agreed with the Administrative Agent, manually), together with a processing and recordation fee of $3,500 (which fee may be waived or reduced in the sole discretion of the Administrative Agent); and
4. the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent (1) a completed Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower, the Credit Parties and the other Marvell Companies and their related parties or their respective securities) will be made available and who may receive such information in accordance with the assignee’s compliance procedures and applicable laws, including Federal and state securities laws and (2) if applicable, any documentation required under Section 2.16(e).

For the purposes of this Section 9.04(b), the term “**Approved Fund**” has the following meaning:

“**Approved Fund**” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) a Lender Affiliate or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

Subject to acceptance and recording thereof pursuant to subsection (d) of this Section, from and after the effective date specified in each Assignment

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assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment, be released from its obligations under this Agreement (and, in the case of an Assignment covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.14, 2.15, 2.16 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (e) of this Section.

1. The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices in New York City a copy of each Assignment delivered to it and a register for the recordation of the names and addresses of the Lenders, their respective Commitments and the principal amounts of the Loans owing to each Lender pursuant to the terms hereof from time to time (the “**Register**”). The entries in the Register shall be conclusive, and the parties hereto may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by any party hereto at any reasonable time and from time to time upon reasonable prior notice.
2. Upon its receipt of a duly completed Assignment executed by an assigning Lender and an assignee and the assignee’s completed Administrative Questionnaire and, if applicable, any documentation required under Section 2.16(e) (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in subsection (b) of this Section and any written consent to such assignment required by subsection (b) of this Section, the Administrative Agent shall promptly accept such Assignment and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this subsection.
3. Any Lender may, without the consent of the Borrower or any other Lender Party, sell participations to one or more banks or other entities

(“**Participants**”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans owing to it); *provided* that (i) such Lender’s obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower and the other Lender Parties shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this

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Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce the Loan Documents and to approve any amendment, modification or waiver of any provision of the Loan Documents; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Subject to subsection (f) of this Section, each Participant shall be entitled to the benefits of Sections 2.14, 2.15 and 2.16 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section.

To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, *provided* that such Participant agrees to be subject to Section 2.17(c) as though it were a Lender.

1. A Participant shall not be entitled to receive any greater payment under Section 2.14 or 2.16 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower’s prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.16 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.16(e) as though it were a Lender.
2. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.05. *Survival*. All covenants, agreements, representations and warranties made by the Credit Parties in the Loan Documents and in certificates or other instruments delivered in connection with or pursuant to the Loan Documents shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Loan Documents and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that any Lender Party may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any principal of or accrued interest on any Loan or any fee or other amount payable hereunder is outstanding and unpaid or any Commitment has not expired or terminated. The provisions of Sections 2.14, 2.15, 2.16 and 9.03 and Article 8 shall survive and remain in full force and effect regardless of the

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consummation of the Transactions, the repayment of the Loans, the expiration or termination of the Commitments or the termination of this Agreement or any provision hereof.

Section 9.06. *Counterparts; Integration; Effectiveness*. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, the Fee Letter and any other separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement (i) will become effective when the Administrative Agent shall have signed this Agreement and received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto and (ii) thereafter will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile will be effective as delivery of a manually executed counterpart of this Agreement. Notwithstanding anything herein to the contrary, solely as between the Borrower and Credit Suisse, if a Lender fails to make its share of any Loans to be made on the Closing Date available to the Administrative Agent, Credit Suisse agrees to make such Loan to the Borrower. Nothing in the preceding sentence shall be deemed to relieve any Lender from its obligation to fulfill its Commitment hereunder or to prejudice any rights that the Administrative Agent may have against such Lender as a result of such failure to lend.

Section 9.07. *Severability.* If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Lender Parties in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 9.08. *Right of Set-off*. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of the Borrower against any obligations of the Borrower now or hereafter existing hereunder and held by such Lender,

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irrespective of whether or not such Lender shall have made any demand hereunder and although such obligations may be unmatured. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender may have.

Section 9.09. *Governing Law; Jurisdiction; Consent to Service of Process*. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

1. The Borrower irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any relevant appellate court, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Loan Document shall affect any right that any Lender Party may otherwise have to bring any action or proceeding relating to any Loan Document against any Credit Party or its properties in the courts of any jurisdiction.

1. The Borrower irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to any Loan Document in any court referred to in subsection (b) of this Section. Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.
2. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 9.01. Nothing in any Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 9.10. *WAIVER OF JURY TRIAL*. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT

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NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 9.11. *Appointment of Agent for Service of Process*. (a) The Borrower hereby irrevocably designates, appoints, authorizes and empowers as its agent for service of process, CT Corporation System, at its offices currently located at 111 Eighth Avenue, 13th Floor, New York, NY 10011 (the “**Process** **Agent**”), to accept and acknowledge for and on behalf of the Borrower service of any and all process, notices or other documents that may be served in anysuit, action or proceeding relating hereto in any New York State or Federal court sitting in the State of New York. Such designation and appointment shall be irrevocable until all principal of and interest on the Loans and other sums payable under the Loan Documents shall have been paid in full in accordance with the provisions thereof. The Borrower covenants and agrees that it shall take any and all reasonable action, including the execution and filing of any and all documents, that may be necessary to continue the foregoing designations and appointments in full force and effect and to cause the Process Agent to continue to act in such capacity.

1. The Borrower consents to process being served in any suit, action or proceeding of the nature referred to in Section 9.09 by serving a copy thereof upon the Process Agent. Without prejudice to the foregoing, the Lenders and the Administrative Agent agree that to the extent lawful and possible, written notice of said service upon the Process Agent shall also be mailed by registered or certified airmail, postage prepaid, return receipt requested, to the Borrower at its address specified in or pursuant to Section 9.01 or to any other address of which the Borrower shall have given written notice to the Administrative Agent. If said service upon the Process Agent shall not be possible or shall otherwise be impractical after reasonable efforts to effect the same, the Borrower consents to process being served in any suit, action or proceeding of the nature referred to in Section 9.09 by the mailing of a copy thereof by registered or certified airmail, postage prepaid, return receipt requested, to the address of the Borrower specified in or pursuant to Section 9.01 or to any other address of which the Borrower shall have given written notice to the Administrative Agent, which service shall be effective 14 days after deposit in the United States Postal Service. The Borrower agrees that such service (i) shall be deemed in every respect effective service of process upon the Borrower in any such suit, action or proceeding and (ii) shall to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to the Borrower.

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1. Nothing in this Section shall affect the right of any party hereto to serve process in any manner permitted by law, or limit any right that any party hereto may have to bring proceedings against any other party hereto in the courts of any jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

Section 9.12. *Waiver of Immunity*. To the extent that the Borrower has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid or execution, or otherwise) with respect to itself or its property, the Borrower hereby irrevocably waives such immunity in respect of its obligations under the Loan Documents to the extent permitted by applicable law and, without limiting the generality of the foregoing, agrees that the waivers set forth in this Section shall have effect to the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and are intended to be irrevocable for purposes of such Act.

Section 9.13. *Judgment Currency*. (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in dollars into another currency, the parties hereto agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase dollars with such other currency in New York, New York, on the Business Day immediately preceding the day on which final judgment is given.

1. The obligation of the Borrower in respect of any sum due to any Lender hereunder in dollars shall, to the extent permitted by applicable law, notwithstanding any judgment in a currency other than dollars, be discharged only to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency such Lender may in accordance with normal banking procedures purchase dollars in the amount originally due to such Lender with the judgment currency. If the amount of dollars so purchased is less than the sum originally due to such Lender, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Lender against the resulting loss; and if the amount of dollars so purchased is greater than the sum originally due to such Lender, such Lender agrees to repay such excess.

Section 9.14. *English Language*. Any translation of this Agreement into another language shall have no interpretive effect. All documents or notices to be delivered pursuant to or in connection with this Agreement shall be in the English language or, if any such document or notice is not in the

English language, accompanied by an English translation thereof, and the English language version of any such document or notice shall control for purposes hereof.

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Section 9.15. *Headings*. Article and Section headings and the Table of Contents herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 9.16. *Confidentiality*. Each Lender Party agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates’ directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedy hereunder or any suit, action or proceeding relating to any Loan Document or the enforcement of any right thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any actual or prospective assignee of or Participant in any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information either (i) becomes publicly available other than as a result of a breach of this Section or (ii) is or becomes available to any Lender Party on a nonconfidential basis from a source other than the Borrower. For the purposes of this Section, “**Information**” means all information received from the Borrower relating to the Borrower or its business; *provided* that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

**EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN THIS SECTION FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.**

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**ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER, THE LOAN PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.**

Section 9.17*. Release of Guarantees and Collateral.* (a) A Guarantor shall be automatically released from its Transaction Guarantee in the circumstances set forth in Section 2(c) of the Guarantee Agreement.

1. All the Transaction Guarantees will be automatically released when all the Release Conditions (as defined in the Guarantee Agreement) are satisfied (subject to reinstatement as set forth in the Guarantee Agreement).
2. The Transaction Liens granted by a Guarantor pursuant to a Pledge Agreement shall terminate upon the earlier of (i) the release of its Transaction Guarantee pursuant to Section 2(c) of the Guarantee Agreement and (ii) the satisfaction of all of the Ratings Release Conditions (as defined in such Pledge Agreement) (subject to reinstatement as set forth in Section 5.12).
3. The Transaction Liens granted by the Borrower pursuant to a Pledge Agreement shall terminate upon the earlier of (i) the satisfaction of all of the Release Conditions (as defined in such Pledge Agreement) and (ii) the satisfaction of all of the Ratings Release Conditions (as defined in such Pledge Agreement) (subject to reinstatement as set forth in Section 5.12).
4. The Transaction Liens granted by each Domestic Subsidiary pursuant to the Security Agreement or a Mortgage shall terminate upon the earlier of (i) the satisfaction of all of the Release Conditions (as defined in the Security Agreement) and (ii) the satisfaction of all of the Ratings Release Conditions (as defined in the Security Agreement) (subject to reinstatement as set forth in Section 5.12).
5. The Administrative Agent shall be fully protected in relying upon a certificate of a Financial Officer of the Borrower as to whether the Ratings Release Conditions are satisfied under any Security Document.

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Section 9.18*. Interest Rate Limitation.* Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively the “**Charges**”), shall exceed the maximum lawful rate (the “**Maximum Rate**”) that may be contracted for, charged or otherwise received by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such Lender shall have received such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of payment.

Section 9.19*. USA Patriot Act.* Each Lender hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “**Patriot Act**”), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender to identify the Borrower in accordance with the Act.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MARVELL TECHNOLOGY GROUP

LTD.

|  |  |  |  |
| --- | --- | --- | --- |
| By: |  | /s/ George Hervey | |
|  |  | Name: | George Hervey |
|  | Title: | | V.P. and CFO |

CREDIT SUISSE, CAYMAN ISLANDS

BRANCH, as a Lender and as

Administrative Agent

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| By: |  | /s/ Phillip Ho | |  |
|  |  | Name: | Phillip Ho |  |
|  | Title: | | Director |  |
| By: |  | /s/ Shaheen Malik | |  |
|  |  | Name: | Shaheen Malik |  |
|  | Title: | | Associate |  |
|  |  |  |  |  |



LASALLE BANK NATIONAL

ASSOCIATION

|  |  |  |  |
| --- | --- | --- | --- |
| By: | /s/ Sarabelle Hitchner | |  |
|  | Name: | Sarabelle Hitchner |  |
|  | Title: | [illegible] Vice President |  |
|  |  |  |  |



KEYBANK NATIONAL

ASSOCIATION

|  |  |  |  |
| --- | --- | --- | --- |
| By: | /s/ Rasd Y. Alfayonmi | |  |
|  | Name: | Rasd Y. Alfayonmi |  |
|  | Title: | Vice President |  |
|  |  |  |  |



COMMERZBANK AG, NEW YORK

AND GRAND CAYMAN

BRANCHES

|  |  |  |  |
| --- | --- | --- | --- |
| By: | /s/ Karla Wirth | |  |
|  | Name: | Karla Wirth |  |
|  | Title: | AVP |  |
| By: | /s/ Yangling J. Si | |  |
|  | Name: | Yangling J. Si |  |
|  | Title: | AVP |  |
|  |  |  |  |



E.SUN COMMERCIAL BANK, LTD.

|  |  |  |
| --- | --- | --- |
| By: | /s/ Benjamin Lin | |
|  | Name: | Benjamin Lin |
|  | Title: | EVP & General Manager |



**Pricing Schedule**

“**Applicable Base Rate Margin**” means (i) on any date prior to the Trigger Date, 1.00% per annum and (ii) on any date on or after the Trigger Date, the applicable rate per annum set forth below under the caption “Applicable Base Rate Margin”.

“**Applicable Eurodollar Margin**” means (i) on any date prior to the Trigger Date, 2.00% per annum and (ii) on any date on or after the Trigger Date, the applicable rate per annum set forth below under the caption “Applicable Eurodollar Margin”.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Applicable Base Rate** | | **Applicable Eurodollar** | |
|  | **Margin** |  | **Margin** |  |
| Category 1 | 0.50% | | 1.50% | |
|  |  |  |  |  |
| Category 2 | 0.75% | | 1.75% | |
|  |  |  |  |  |
| Category 3 | 1.00% | | 2.00% | |
|  |  |  |  |  |
| Category 4 | 1.25% | | 2.25% | |
|  |  |  |  |  |
| Category 5 | 1.50% | | 2.50% | |

For purposes of this Schedule, the following terms have the following meanings:

“**Category 1**” exists at any date if, at such date, the corporate family rating of the Borrower is at least Baa2 by Moody’s and the corporate rating of the Borrower is at least BBB by S&P, in each case with no negative outlook.

“**Category 2**” exists at any date if, at such date, (i) the corporate family rating of the Borrower is at least Baa3 by Moody’s and the corporate rating of the Borrower is at least BBB- by S&P, in each case with no negative outlook and (ii) Category 1 does not exist.

“**Category 3**” exists at any date if, at such date, (i) the corporate family rating of the Borrower is at least Ba1 by Moody’s and the corporate rating of the Borrower is at least BB+ by S&P, in each case with no negative outlook and (ii) neither Category 1 nor Category 2 exists.

“**Category 4**” exists at any date if, at such date, (i) the corporate family rating of the Borrower is at least Ba2 by Moody’s and the corporate rating of the Borrower is at least BB by S&P, in each case with no negative outlook and (ii) none of Category 1, Category 2 and Category 3 exists.



“**Category 5**” exists at any date, if at such date, no other Category exists (including by reason of the Borrower not having a corporate family rating from Moody’s or the Borrower not having a corporate rating from S&P).

“**Category**” refers to the determination of which of Category 1, Category 2, Category 3, Category 4 or Category 5 exists at any date.

Each change in the Applicable Base Rate Margin or the Applicable Eurodollar Margin resulting from a publicly announced change in the rating shall be effective, in the case of an upgrade, during the period commencing on the date of delivery by the Borrower to the Administrative Agent of notice thereof pursuant to Section 5.01(h) and ending on the date immediately preceding the effective date of the next such change and, in the case of a downgrade, during

the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change.

For the avoidance doubt, if there is a split in the corporate family rating of the Borrower from Moody’s and the corporate rating of the Borrower from S&P, then the lower of such ratings shall be used to determine the Category.



**Schedule 2.01**

**Commitment Schedule**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Name of Lender** | |  |  | **Commitment** |  |
|  | Credit Suisse, Cayman Islands Branch |  |  | $ | 255,000,000 |  |
|  | LaSalle Bank National Association | | $ | | 50,000,000 |  |
|  | KeyBank National Association | | $ | | 40,000,000 |  |
|  | Commerzbank AG, New York and Grand Cayman Branches | | $ | | 40,000,000 |  |
|  | E.Sun Commercial Bank, Ltd. | | $ | | 15,000,000 |  |
|  | **Total** | |  | $ | 400,000,000 |  |
|  |  |  |  |  |  |  |



**EXHIBIT 10.2**



US PLEDGE AGREEMENT

dated as of

November 8, 2006

among

MARVELL TECHNOLOGY GROUP LTD.,

THE GUARANTORS PARTY HERETO,

and

CREDIT SUISSE, CAYMAN ISLANDS BRANCH,

as Administrative Agent



|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
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**SCHEDULES**:

**Schedule 1** Specified Equity Interests Owned by Original Lien Grantors

**Schedule 2** UCC Information

**EXHIBITS**:

**Exhibit A**

Pledge Agreement Supplement

**Exhibit B**

Issuer Control Agreement

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**US PLEDGE AGREEMENT**

US PLEDGE AGREEMENT dated as of November 8, 2006 among MARVELL TECHNOLOGY GROUP LTD., as Borrower and Lien Grantor, the GUARANTORS party hereto and CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent.

WHEREAS, the Borrower is entering into the Credit Agreement described in Section 1 hereof, pursuant to which the Borrower intends to borrow funds for the purposes set forth therein;

WHEREAS, the Borrower is willing to secure (i) its obligations under the Credit Agreement and (ii) its obligations under certain Hedging Agreements by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents;

WHEREAS, each of the Guarantors is willing to guarantee the foregoing obligations of the Borrower pursuant to the Guarantee Agreement and to secure its guarantee by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents;

WHEREAS, the Lenders are not willing to make loans under the Credit Agreement, and the counterparties to the Hedging Agreements referred to above are not willing to enter into or maintain them, unless (i) the foregoing obligations of the Borrower are secured and guaranteed as described above and (ii) each guarantee thereof is secured by Liens on assets of the relevant Guarantor as provided herein; and

WHEREAS, upon any foreclosure or other enforcement of the Security Documents, the net proceeds of the relevant Collateral are to be received by or paid over to the Administrative Agent and applied as provided herein;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1*. Definitions.*

1. *Terms Defined in Credit Agreement*. Terms defined in the Credit Agreement and not otherwise defined in subsection (b) or (c) of this Sectionhave, as used herein, the respective meanings provided for therein.
2. *Terms Defined in UCC*. As used herein, each of the following terms has the meaning specified in the UCC:



|  |  |  |  |
| --- | --- | --- | --- |
| **Term** | | **UCC** | |
| Authenticate |  | 9-102 |  |
| Certificated Security | | 8-102 |  |
| Control | | 8-106 |  |
| Securities Intermediary | | 8-102 |  |
| Security | | 8-102 & 103 | |
| Uncertificated Security | | 8-102 |  |

1. *Additional Definitions*. The following additional terms, as used herein, have the following meanings:“**Agreement**” means this US Pledge Agreement.

“**Borrower**” means Marvell Technology Group Ltd., a Bermuda exempted company.

“**Cash Distributions**” means dividends, interest and other distributions and payments (including proceeds of liquidation, sale or other disposition) made or received in cash upon or with respect to any Collateral.

“**Collateral**” means all property, whether now owned or hereafter acquired, on which a Lien is granted or purports to be granted to the Administrative Agent pursuant to the Security Documents. When used with respect to a specific Lien Grantor, the term “Collateral” means all its property on which such a Lien is granted or purports to be granted by such Lien Grantor.

“**Contingent Secured Obligation**” means, at any time, any Secured Obligation (or portion thereof) that is contingent in nature at such time, including any Secured Obligation that is:

1. an obligation under a Hedging Agreement to make payments that cannot be quantified at such time;
2. any other obligation (including any guarantee) that is contingent in nature at such time; or
3. an obligation to provide collateral to secure any of the foregoing types of obligations.

“**Credit Agreement**” means the Credit Agreement dated as of November 8, 2006 among Marvell Technology Group Ltd., the Lenders party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent.

“**Effective Date**” means the date hereof.

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“**Equity Interest**” means (i) in the case of a corporation, any shares of its capital stock, (ii) in the case of a limited liability company, any membership interest therein, (iii) in the case of a partnership, any partnership interest (whether general or limited) therein, (iv) in the case of any other business entity, any participation or other interest in the equity or profits thereof, or (v) any warrant, option or other right to acquire any Equity Interest described in this definition.

“**Guarantee Agreement**” means that certain Guarantee Agreement dated as of November 8, 2006 among Marvell Technology Group Ltd., as Borrower, the Guarantors party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent.

“**Guarantors**” means each Subsidiary listed on the signature pages of the Guarantee Agreement under the caption “Guarantors” and each Subsidiary that shall, at any time after the date thereof, become a Guarantor pursuant to the Guarantee Agreement.

“**Issuer Control Agreement**” means an Issuer Control Agreement substantially in the form of Exhibit B (with any changes that the Administrative Agent shall have approved).

“**Lien Grantors**” means the Borrower and the Guarantors.

“**LLC Interest**” means a membership interest or similar interest in a limited liability company.

“**Non-Contingent Secured Obligation**” means at any time any Secured Obligation (or portion thereof) that is not a Contingent Secured Obligation at such time.

“**Opinion of Counsel**” means a written opinion of legal counsel (who may be counsel to a Lien Grantor or other counsel, in either case approved by the Administrative Agent) addressed and delivered to the Administrative Agent.

“**Original Lien Grantor**” means any Lien Grantor that grants a Lien on any of its assets hereunder on the Effective Date.

“**own**” refers to the possession of sufficient rights in property to grant a security interest therein as contemplated by UCC Section 9-203, and “**acquire**” refers to the acquisition of any such rights.

“**Partnership Interest**” means a partnership interest, whether general or limited.

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“**Permitted Liens**” means (i) the Transaction Liens and (ii) any other Liens on the Collateral permitted to be created or assumed or to exist pursuant to Section 6.02 of the Credit Agreement.

“**Pledge Agreement Supplement**” means a Pledge Agreement Supplement, substantially in the form of Exhibit A, signed and delivered to the Administrative Agent for the purpose of adding a Subsidiary as a party hereto pursuant to Section 16 and/or adding additional property to the Collateral.

“**Pledged**”, when used in conjunction with any type of asset, means at any time an asset of such type that is included (or that creates rights that are included) in the Collateral at such time.

“**Post-Petition Interest**” means any interest that accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any one or more of the Lien Grantors (or would accrue but for the operation of applicable bankruptcy or insolvency laws), whether or not such interest is allowed or allowable as a claim in any such proceeding.

“**Proceeds**” means all proceeds of, and all other profits, products, rents or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or other realization upon, any Collateral, including all claims of the relevant Lien Grantor against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any Collateral, and any condemnation or requisition payments with respect to any Collateral.

“**Ratings Release Conditions**” means the following conditions for terminating all the Transaction Liens:

1. the Borrower shall have given notice to the Administrative Agent at least 15 days prior to a date (the “**Release Date**”) specifying such Release Date;
2. as of the Release Date, the corporate family rating of the Borrower shall be at least Baa3 by Moody’s and the corporate rating of the Borrower shall be at least BBB- by S&P, in each case with no negative outlook;

1. as of the Release Date, no Default shall have occurred and be continuing; and 4
2. on the Release Date, the Administrative Agent shall have received a certificate, dated the Release Date and executed by a Financial Officer, confirming the satisfaction of the preceding conditions.



“**Release Conditions**” means the following conditions for terminating all the Transaction Liens:

1. all Commitments under the Credit Agreement shall have expired or been terminated;
2. all Non-Contingent Secured Obligations shall have been paid in full; and
3. no Contingent Secured Obligation (other than contingent indemnification and expense reimbursement obligations as to which no claim shall have been asserted) shall remain outstanding.

“**Secured Agreement**”, when used with respect to any Secured Obligation, refers collectively to the instruments, agreements and other documents that set forth the obligations of a Credit Party and/or the rights of a Secured Party with respect to such Secured Obligation.

“**Secured Obligations**” means (i) all principal of all Loans outstanding from time to time under the Credit Agreement, all interest (including Post-Petition Interest) on such Loans and all other amounts now or hereafter payable by the Borrower pursuant to the Loan Documents, and (ii) all obligations of any Lien Grantor under any Hedging Agreement that is entered into with any counterparty that is the Arranger, the Administrative Agent or a Lender or an Affiliate of the Arranger, the Administrative Agent or a Lender, in each case at the time such Hedging Agreement is entered into.

“**Secured Parties**” means the holders from time to time of the Secured Obligations.

“**Secured Party Requesting Notice**” means, at any time, a Secured Party that has, at least five Business Days prior thereto, delivered to the Administrative Agent a written notice (i) stating that it holds one or more Secured Obligations and wishes to receive copies of the notices referred to in Section 14(e) and (ii) setting forth its address, facsimile number and e-mail address to which copies of such notices should be sent.

“**Security Documents**” means this Agreement, the Pledge Agreement Supplements, the Issuer Control Agreements and all other supplemental or additional pledge agreements, control agreements or similar instruments delivered with respect to any Specified Equity Interests pursuant to the Loan Documents.

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“**Specified Equity Interests**” means (i) any Equity Interests in Marvell Technology, Inc., a Delaware corporation, (ii) any Equity Interests in Marvell Semiconductor, Inc., a California corporation, that are owned by Marvell Technology, Inc., a Delaware corporation, and (iii) any Equity Interests pledged pursuant to any Pledge Agreement Supplement.

“**Transaction Guarantee**” means, with respect to each Guarantor, its guarantee of the Secured Obligations pursuant to the Guarantee Agreement or a Guarantee Agreement Supplement.

“**Transaction Liens**” means the Liens granted by the Lien Grantors under the Security Documents.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any Transaction Lien on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

1. *Terms Generally.* The definitions of terms herein (including those incorporated by reference to the UCC or to another document) applyequally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”. The word “**will**” shall be construed to have the same meaning and effect as the word “**shall**”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in any Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “**herein**”, “**hereof**” and “**hereunder**”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement and (v) the word “**property**” shall be construed to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

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1. If the Loans or any portion thereof shall have been declared to be due and payable (or shall automatically have become due and payable) as set forth in Article 7 of the Credit Agreement, then for all purposes hereof the Administrative Agent shall be deemed to have notified each of the Lien Grantors concurrently with the occurrence of such event of its intention to exercise its rights under the Security Documents.

Section 2*. Grant of Transaction Liens.*

1. The Borrower, in order to secure the Secured Obligations, and each Guarantor listed on the signature pages hereof, in order to secure its Transaction Guarantee, grants to the Administrative Agent for the benefit of the Secured Parties a continuing security interest in all the following property of the Borrower or such Guarantor, as the case may be, whether now owned or existing or hereafter acquired or arising and regardless of where located:
   1. all Specified Equity Interests; and
   2. all Proceeds of the Specified Equity Interests.
2. The Transaction Liens are granted as security only and shall not subject the Administrative Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of any Lien Grantor with respect to any of the Collateral or any transaction in connection therewith.

Section 3*. General Representations and Warranties.*

Each Original Lien Grantor represents and warrants that:

* 1. Such Lien Grantor is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.
  2. Schedule 1 lists all Specified Equity Interests owned by such Lien Grantor as of the Effective Date. Such Lien Grantor holds all such Equity Interests directly (*i.e.*, not through a Subsidiary, a Securities Intermediary or any other Person).
  3. All Specified Equity Interests owned by such Lien Grantor are owned by it free and clear of any Lien other than (i) the Transaction Liens and

1. any inchoate tax liens. All shares of capital stock included in such Specified Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable. None of such Specified Equity Interests is subject to any option to purchase or similar right of any Person. Such Lien Grantor is not and will not become a party to or otherwise bound by any agreement (except the Loan Documents) which restricts in any manner the rights of any present or future holder of any Specified Equity Interest with respect thereto.

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1. No financing statement, security agreement, mortgage or similar or equivalent document or instrument covering all or part of the Collateral owned by such Lien Grantor is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect or record a Lien on such Collateral, except financing statements, mortgages or other similar or equivalent documents with respect to the Transaction Liens.
2. The Transaction Liens on all Specified Equity Interests owned by such Lien Grantor (i) have been validly created, (ii) will attach to each item of such Collateral on the Effective Date (or, if such Lien Grantor first obtains rights thereto on a later date, on such later date) and (iii) when so attached, will secure all the Secured Obligations or such Lien Grantor’s Transaction Guarantee, as the case may be.
3. When UCC financing statements describing the Collateral as set forth in Schedule 2 hereto have been filed in the offices specified therein, the Transaction Liens will constitute perfected security interests in the Collateral owned by such Lien Grantor, prior to all Liens and rights of others therein. Except for the filing of such UCC financing statements, no registration, recordation or filing with any governmental body, agency or official is required in connection with the execution or delivery of the Security Documents or is necessary for the validity or enforceability thereof or for the perfection or due recordation of the Transaction Liens or for the enforcement of the Transaction Liens.

Section 4. *Further Assurances; General Covenants.* Each Lien Grantor covenants as follows:

1. Such Lien Grantor will, from time to time, at the Borrower’s expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action (including any filing of financing or continuation statements under the UCC) that from time to time may be necessary or reasonably desirable, or that the Administrative Agent may reasonably request, in order to:
   1. create, preserve, perfect, confirm or validate the Transaction Liens on such Lien Grantor’s Collateral;
   2. cause the Administrative Agent to have Control thereof;
   3. enable the Administrative Agent and the other Secured Parties to obtain the full benefits of the Security Documents; or

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1. enable the Administrative Agent to exercise and enforce any of its rights, powers and remedies with respect to any of such Lien Grantor’s Collateral.

To the extent permitted by applicable law, such Lien Grantor authorizes the Administrative Agent to execute and file such financing statements or continuation statements without such Lien Grantor’s signature appearing thereon. Such Lien Grantor agrees that a carbon, photographic, photostatic or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement. Such Lien Grantor constitutes the Administrative Agent its attorney-in-fact to execute and file all filings required or so requested for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; and such power, being coupled with an interest, shall be irrevocable until all the Transaction Liens granted by such Lien Grantor terminate pursuant to Section 15. The Borrower will pay the costs of, or incidental to, any recording or filing of any financing or continuation statements or other documents recorded or filed pursuant hereto.

1. Such Lien Grantor will not (i) change its name or corporate structure, (ii) change its location (determined as provided in UCC Section 9-307) or (iii) become bound, as provided in UCC Section 9-203(d), by a security agreement entered into by another Person as lien grantor, unless it shall have given the Administrative Agent prior notice thereof and delivered a certificate of a Financial Officer with respect thereto in accordance with Section 4(c).
2. At least 30 days before it takes any action contemplated by Section 4(b), such Lien Grantor will, at the Borrower’s expense, cause to be delivered to the Administrative Agent a certificate of a Financial Officer, in form and substance reasonably satisfactory to the Administrative Agent, to the effect that (i) all financing statements and amendments or supplements thereto, continuation statements and other documents required to be filed or recorded in order to perfect and protect the Transaction Liens against all creditors of and purchasers from such Lien Grantor after it takes such action (except any continuation statements specified in such certificate that are to be filed more than six months after the date thereof) have been filed or recorded in each office necessary for such purpose, (ii) all fees and taxes, if any, payable in connection with such filings or recordations have been paid in full and (iii) except as otherwise agreed by the Required Lenders, such action will not adversely affect the perfection or priority of the Transaction Lien on any Collateral to be owned by such Lien Grantor after it takes such action or the accuracy of such Lien Grantor’s representations and warranties herein relating to such Collateral.
3. Such Lien Grantor will, promptly upon request, provide to the Administrative Agent all information and evidence concerning such Lien

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Grantor’s Collateral that the Administrative Agent may reasonably request from time to time to enable it to enforce the provisions of the Security Documents.

1. From time to time upon the reasonable request by the Required Lenders, such Lien Grantor will, at the Borrower’s expense, cause to be delivered to the Secured Parties an Opinion of Counsel reasonably satisfactory to the Administrative Agent as to such matters relating to the transactions contemplated hereby as the Required Lenders may reasonably request.

Section 5*. Specified Equity Interests.* Each Lien Grantor represents, warrants and covenants as follows:

1. *Certificated Securities.* On the Effective Date (in the case of an Original Lien Grantor) or the date on which it signs and delivers its firstPledge Agreement Supplement (in the case of any other Lien Grantor), such Lien Grantor will deliver to the Administrative Agent as Collateral hereunder all certificates representing Pledged Certificated Securities then owned by such Lien Grantor. Thereafter, whenever such Lien Grantor acquires any other certificate representing a Pledged Certificated Security, such Lien Grantor will immediately deliver such certificate to the Administrative Agent as Collateral hereunder.
2. *Uncertificated Securities*. On the Effective Date (in the case of an Original Lien Grantor) or the date on which it signs and delivers its firstPledge Agreement Supplement (in the case of any other Lien Grantor), such Lien Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of each Pledged Uncertificated Security then owned by such Lien Grantor and deliver such Issuer Control Agreement to the Administrative Agent (which shall enter into the same). Thereafter, whenever such Lien Grantor acquires any other Pledged Uncertificated Security, such Lien Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of such Pledged Uncertificated Security and deliver such Issuer Control Agreement to the Administrative Agent (which shall enter into the same).
3. *Perfection as to Certificated Securities.* When such Lien Grantor delivers the certificate representing any Pledged Certificated Securityowned by it to the Administrative Agent and complies with Section 5(e) in connection with such delivery, (i) the Transaction Lien on such Pledged Certificated Security will be perfected, subject to no prior Liens or rights of others, (ii) the Administrative Agent will have Control of such Pledged Certificated Security and (iii) the Administrative Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.
4. *Perfection as to Uncertificated Securities*. When such Lien Grantor, the Administrative Agent and the issuer of any Pledged Uncertificated

Security

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owned by such Lien Grantor enter into an Issuer Control Agreement with respect thereto, (i) the Transaction Lien on such Pledged Uncertificated Security will be perfected, subject to no prior Liens or rights of others, (ii) the Administrative Agent will have Control of such Pledged Uncertificated Security and (iii) the Administrative Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.

1. *Delivery of Pledged Certificates*. All Pledged Certificates, when delivered to the Administrative Agent, will be in suitable form for transferby delivery, or accompanied by duly executed instruments of transfer or assignment in blank, with signatures appropriately guaranteed, all in form and

substance satisfactory to the Administrative Agent.

1. *Communications*. Each Lien Grantor will promptly give to the Administrative Agent copies of any notices and other communicationsreceived by it with respect to Pledged Securities registered in the name of such Lien Grantor or its nominee.
2. *Compliance with Applicable Foreign Laws.* If and so long as the Collateral includes any Equity Interest in a legal entity organized under thelaws of a jurisdiction outside the United States, the relevant Lien Grantor will take all such action as may be required under the laws of such foreign jurisdiction to ensure that the Transaction Lien on such Collateral ranks prior to all Liens and rights of others therein.

Section 6*. Transfer Of Record Ownership.* At any time when an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Lien Grantors of its intent to enforce its security interest in the Collateral, the Administrative Agent may (and to the extent that action by it is required, the relevant Lien Grantor, if directed to do so by the Administrative Agent, will as promptly as practicable) cause each of the Pledged Securities (or any portion thereof specified in such direction) to be transferred of record into the name of the Administrative Agent or its nominee. Each Lien Grantor will take any and all actions reasonably requested by the Administrative Agent to facilitate compliance with this Section. If the provisions of this Section are implemented, Section 5(b) shall not thereafter apply to any Pledged Security that is registered in the name of the Administrative Agent or its nominee. The Administrative Agent will promptly give to the relevant Lien Grantor copies of any notices and other communications received by the Administrative Agent with respect to Pledged Securities registered in the name of the Administrative Agent or its nominee.

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Section 7*. Right to Vote Securities.*

1. Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified it of its intent to exercise its rights under the Security Documents, each Lien Grantor will have the right, from time to time, to vote and to give consents, ratifications and waivers with respect to any Pledged Security owned by it, and the Administrative Agent will, upon receiving a written request from such Lien Grantor, deliver to such Lien Grantor or as specified in such request such proxies, powers of attorney, consents, ratifications and waivers in respect of any such Pledged Security that is registered in the name of the Administrative Agent or its nominee, in each case as shall be specified in such request and be in form and substance satisfactory to the Administrative Agent. Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified such owner of its intent to exercise its rights under the Security Documents, the Administrative Agent will have no right to take any action which the owner of a Pledged Partnership Interest or Pledged LLC Interest is entitled to take with respect thereto, except the right to receive payments and other distributions to the extent provided herein.
2. If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified a Lien Grantor of its intent to exercise its rights under the Security Documents, the Administrative Agent will have the right to the extent permitted by law (and, in the case of a Pledged Partnership Interest or Pledged LLC Interest, by the relevant partnership agreement, limited liability company agreement, operating agreement or other governing document) to vote, to give consents, ratifications and waivers and to take any other action with respect to the Pledged Equity Interests of such Lien Grantor, with the same force and effect as if the Administrative Agent were the absolute and sole owner thereof, and such Lien Grantor will take all such action as the Administrative Agent may reasonably request from time to time to give effect to such right.

Section 8*. Right to Receive Distribution on Collateral.* If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Lien Grantors of its intent to exercise its rights under the Security Documents, the Administrative Agent shall have the right to receive and to retain as Collateral hereunder all Cash Distributions and each Lien Grantor shall take all such action as the Administrative Agent may deem necessary or appropriate to give effect to such right. All such Cash Distributions which are received by a Lien Grantor during the continuance of an Event of Default shall be received in trust for the benefit of the Administrative Agent and the Lenders and, if the Administrative Agent so directs during the continuance of an Event of Default, shall be segregated from other funds of such Lien Grantor and shall, forthwith upon demand by the Administrative Agent during the continuance of an Event of Default, be paid over to the Administrative Agent as Collateral in the same form as received (with any necessary endorsement). After all Events of

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Default have been cured, the Administrative Agent’s right to retain Cash Distributions under this Section 8 shall cease and the Administrative Agent shall pay over to the appropriate Lien Grantor any such Collateral retained by it during the continuance of an Event of Default.

Section 9*. Remedies upon Event of Default.*

1. If an Event of Default shall have occurred and be continuing, the Administrative Agent may exercise (or cause its sub-agents to exercise) any or all of the remedies available to it (or to such sub-agents) under the Security Documents.
2. Without limiting the generality of the foregoing, if an Event of Default shall have occurred and be continuing, the Administrative Agent may exercise on behalf of the Secured Parties all the rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) with respect to any Collateral and, in addition, the Administrative Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, withdraw all cash held by it pursuant to Section 8 and apply such cash as provided in Section 10 and, if there shall be no such cash or if such cash shall be insufficient to pay all the Secured Obligations in full, sell or otherwise dispose of the Collateral or any part thereof. Notice of any such sale or other disposition shall be given to the relevant Lien Grantor(s) as required by Section 12.

Section 10*. Application of Proceeds.*

1. If an Event of Default shall have occurred and be continuing, the Administrative Agent may apply (i) any cash held by it and (ii) the proceeds of any sale or other disposition of all or any part of the Collateral, in the following order of priorities:

*first*, to pay the expenses of such sale or other disposition, including reasonable compensation to agents of and counsel for theAdministrative Agent, and all expenses, liabilities and advances incurred or made by the Administrative Agent in connection with the Security Documents, and any other amounts then due and payable to the Administrative Agent pursuant to Section 9.03 of the Credit Agreement;

*second*, to pay the unpaid principal of the Secured Obligations ratably (or provide for the payment thereof pursuant to Section 10(b)), untilpayment in full of the principal of all Secured Obligations shall have been made (or so provided for);

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*third*, to pay ratably all interest (including Post-Petition Interest) on the Secured Obligations payable under the Credit Agreement, untilpayment in full of all such interest and fees shall have been made;

*fourth*, to pay all other Secured Obligations ratably (or provide for the payment thereof pursuant to Section 10(b)), until payment in full ofall such other Secured Obligations shall have been made (or so provided for); and

*finally*, to pay to the relevant Lien Grantor, or as a court of competent jurisdiction may direct, any surplus then remaining from the proceedsof the Collateral owned by it;

*provided* that Collateral owned by a Guarantor and any proceeds thereof shall be applied pursuant to the foregoing clauses *first*, *second*, *third* and *fourth* onlyto the extent permitted by the limitation in Section 2(i) of the Guarantee Agreement. The Administrative Agent may make such distributions hereunder in cash or in kind or, on a ratable basis, in any combination thereof.

1. If at any time any portion of any monies collected or received by the Administrative Agent would, but for the provisions of this Section 10(b), be payable pursuant to Section 10(a) in respect of a Contingent Secured Obligation, the Administrative Agent shall not apply any monies to pay such Contingent Secured Obligation but instead shall request the holder thereof, at least 10 days before each proposed distribution hereunder, to notify the Administrative Agent as to the maximum amount of such Contingent Secured Obligation if then ascertainable. If the holder of such Contingent Secured Obligation does not notify the Administrative Agent of the maximum ascertainable amount thereof at least two Business Days before such distribution, such holder will not be entitled to share in such distribution. If such holder does so notify the Administrative Agent as to the maximum ascertainable amount thereof, the Administrative Agent will allocate to such holder a portion of the monies to be distributed in such distribution, calculated as if such Contingent Secured Obligation were outstanding in such maximum ascertainable amount. However, the Administrative Agent will not apply such portion of such monies to pay such Contingent Secured Obligation, but instead will hold such monies or invest such monies in Permitted Investments. All such monies and Permitted Investments and all proceeds thereof will constitute Collateral hereunder, but will be subject to distribution in accordance with this Section 10(b) rather than Section 10(a). The Administrative Agent will hold all such monies and Permitted Investments and the net proceeds thereof in trust until all or part of such Contingent Secured Obligation becomes a Non-Contingent Secured Obligation, whereupon the Administrative Agent at the request of the relevant Secured Party will apply the amount so held in trust to pay such Non-Contingent Secured Obligation; *provided* that, if the other Secured

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Obligations theretofore paid pursuant to the same clause of Section 10(a) (*i.e.*, clause *second* or *fourth*) were not paid in full, the Administrative Agent will apply the amount so held in trust to pay the same percentage of such Non-Contingent Secured Obligation as the percentage of such other Secured Obligations theretofore paid pursuant to the same clause of Section 10(a). If (i) the holder of such Contingent Secured Obligation shall advise the Administrative Agent that no portion thereof remains in the category of a Contingent Secured Obligation and (ii) the Administrative Agent still holds any amount held in trust pursuant to this Section 10(b) in respect of such Contingent Secured Obligation (after paying all amounts payable pursuant to the preceding sentence with respect to any portions thereof that became Non-Contingent Secured Obligations), such remaining amount will be applied by the Administrative Agent in the order of priorities set forth in Section 10(a).

1. In making the payments and allocations required by this Section, the Administrative Agent may rely upon information supplied to it pursuant to Section 14(c). All distributions made by the Administrative Agent pursuant to this Section shall be final (except in the event of manifest error) and the Administrative Agent shall have no duty to inquire as to the application by any Secured Party of any amount distributed to it.

Section 11*.* [Intentionally Omitted.]

Section 12*. Authority to Administer Collateral.* Each Lien Grantor irrevocably appoints the Administrative Agent its true and lawful attorney, with full power of substitution, in the name of such Lien Grantor, any Secured Party or otherwise, for the sole use and benefit of the Secured Parties, but at the Borrower’s expense, to the extent permitted by law to exercise, at any time and from time to time while an Event of Default shall have occurred and be continuing, all or any of the following powers with respect to all or any of such Lien Grantor’s Collateral:

1. to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or by virtue thereof,
2. to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,
3. to sell, lease, license or otherwise dispose of the same or the proceeds or avails thereof, as fully and effectually as if the Administrative Agent were the absolute owner thereof, and

1. to extend the time of payment of any or all thereof and to make any allowance or other adjustment with reference thereto; 15



*provided* that the Administrative Agent will give the relevant Lien Grantor at least ten days’ prior written notice of the time and place of any public salethereof or the time after which any private sale or other intended disposition thereof will be made. Any such notice shall (i) contain the information specified in UCC Section 9-613, (ii) be Authenticated and (iii) be sent to the parties required to be notified pursuant to UCC Section 9-611(c); *provided* that, if the Administrative Agent fails to comply with this sentence in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the UCC.

Section 13*. Limitation on Duty in Respect of Collateral.* Beyond the exercise of reasonable care in the custody and preservation thereof, the Administrative Agent will have no duty as to any Collateral in its possession or control or in the possession or control of any sub-agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Administrative Agent will be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession or control if such Collateral is accorded treatment substantially equal to that which it accords its own property, and will not be liable or responsible for any loss or damage to any Collateral, or for any diminution in the value thereof, by reason of any act or omission of any sub-agent or bailee selected by the Administrative Agent in good faith, except to the extent that such liability arises from the Administrative Agent’s gross negligence or willful misconduct.

Section 14*. General Provisions Concerning the Administrative Agent.*

* 1. The provisions of Article 8 of the Credit Agreement shall inure to the benefit of the Administrative Agent, and shall be binding upon all Lien Grantors and all Secured Parties, in connection with this Agreement and the other Security Documents. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Security Documents that the Administrative Agent is required in writing to exercise by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02 of the Credit Agreement), and

1. except as expressly set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to the Borrower or any of the Guarantors that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be responsible for the existence, genuineness or value of any Collateral or for the validity, perfection, priority or enforceability of any Transaction Lien, whether impaired by operation

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of law or by reason of any action or omission to act on its part under the Security Documents. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Secured Party.

* 1. *Sub-Agents and Related Parties*. The Administrative Agent may perform any of its duties and exercise any of its rights and powers throughone or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any of its duties and exercise any of its rights and powers through its Related Parties. The exculpatory provisions of Section 13 and this Section shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent.
  2. *Information as to Secured Obligations and Actions by Secured Parties.* For all purposes of the Security Documents, including determiningthe amounts of the Secured Obligations and whether a Secured Obligation is a Contingent Secured Obligation or not, or whether any action has been taken under any Secured Agreement, the Administrative Agent will be entitled to rely on information from (i) its own records for information as to the Lender Parties, their Secured Obligations and actions taken by them, (ii) any Secured Party (or any trustee, agent or similar representative) for information as to its Secured Obligations and actions taken by it, to the extent that the Administrative Agent has not obtained such information from its own records, and (iii) the Borrower, to the extent that the Administrative Agent has not obtained information from the foregoing sources.
  3. *Refusal to Act*. The Administrative Agent may refuse to act on any notice, consent, direction or instruction from any Secured Parties or anyagent, trustee or similar representative thereof that, in the Administrative Agent’s opinion, (i) is contrary to law or the provisions of any Security Document,

1. may expose the Administrative Agent to liability (unless the Administrative Agent shall have been indemnified, to its reasonable satisfaction, for such liability by the Secured Parties that gave such notice, consent, direction or instruction) or (iii) is unduly prejudicial to Secured Parties not joining in such notice, consent, direction or instruction.
   1. *Copies of Certain Notices*. Within two Business Days after it receives or sends any notice referred to in this subsection, the AdministrativeAgent shall send to the Lenders and each Secured Party Requesting Notice, copies of any notice given by the Administrative Agent to any Lien Grantor, or received by it from any Lien Grantor, pursuant to Section 9, 10, 12 or 15.

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Section 15*. Termination of Transaction Liens; Release of Collateral.*

1. The Transaction Liens granted by each Guarantor shall terminate upon the earlier of (i) the release of its Transaction Guarantee pursuant to Section 2(c) of the Guarantee Agreement and (ii) the satisfaction of all of the Ratings Release Conditions (subject to reinstatement as set forth in Section 5.12 of the Credit Agreement).
2. The Transaction Liens granted by the Borrower shall terminate upon the earlier of (i) the satisfaction of all of the Release Conditions and (ii) the satisfaction of all of the Ratings Release Conditions (subject to reinstatement as set forth in Section 5.12 of the Credit Agreement).
3. At any time before the Transaction Liens granted by the Borrower terminate, the Administrative Agent may, at the written request of the Borrower, (i) release any Collateral (but not all or substantially all the Collateral) with the prior written consent of the Required Lenders or (ii) release all or substantially all the Collateral with the prior written consent of all Lenders.
4. The Administrative Agent shall be fully protected in relying upon a certificate of a Financial Officer of the Borrower as to whether all of the Ratings Release Conditions are satisfied. Upon any termination of a Transaction Lien or release of Collateral, the Administrative Agent will, at the expense of the relevant Lien Grantor, execute and deliver to such Lien Grantor such documents as such Lien Grantor shall reasonably request to evidence the termination of such Transaction Lien or the release of such Collateral, as the case may be.
5. Notwithstanding the foregoing, at any time that Section 5.12(c) of the Credit Agreement is applicable, the Lien Grantors shall take all actions as shall be necessary to cause the Minimum Stock Collateral Condition to promptly be satisfied.

Section 16*. Additional Transaction Lien Grantors.* Any Subsidiary may become a party hereto by signing and delivering to the Administrative Agent a Pledge Agreement Supplement, whereupon such Subsidiary shall become a “Lien Grantor” as defined herein.

Section 17*. Notices.* Each notice, request or other communication given to any party hereunder shall be given in accordance with Section 9.01 of the Credit Agreement, and in the case of any such notice, request or other communication to a Lien Grantor other than the Borrower, shall be given to it in care of the Borrower.

Section 18*. No Implied Waivers; Remedies Not Exclusive.* No failure by the Administrative Agent or any Secured Party to exercise, and no delay in exercising and no course of dealing with respect to, any right or remedy under any

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Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise by the Administrative Agent or any Secured Party of any right or remedy under any Loan Document preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies specified in the Loan Documents are cumulative and are not exclusive of any other rights or remedies provided by law.

Section 19*. Successors and Assigns.* This Agreement is for the benefit of the Administrative Agent and the Secured Parties. If all or any part of any Secured Party’s interest in any Secured Obligation is assigned or otherwise transferred, the transferor’s rights hereunder, to the extent applicable to the obligation so transferred, shall be automatically transferred with such obligation. This Agreement shall be binding on the Lien Grantors and their respective successors and assigns.

Section 20*. Amendments and Waivers.* Neither this Agreement nor any provision hereof may be waived, amended, modified or terminated except pursuant to an agreement or agreements in writing entered into by the Administrative Agent, with the consent of such Lenders as are required to consent thereto under Section 9.02 of the Credit Agreement. No such waiver, amendment or modification shall (i) be binding upon any Lien Grantor, except with its written consent, or (ii) affect the rights of a Secured Party (other than a Lender) hereunder more adversely than it affects the comparable rights of the Lenders hereunder, without the consent of such Secured Party.

Section 21*. Governing Law; Jurisdiction; Consent to Service of Process.* (a) This Agreement shall be construed in accordance with and governed by the laws of the State of New York, except as otherwise required by mandatory provisions of law and except to the extent that remedies provided by the laws of any jurisdiction other than the State of New York are governed by the laws of such jurisdiction.

1. Each of the Lien Grantors irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any relevant appellate court, in any action or proceeding arising out of or relating to any Loan Document, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Loan Document shall affect any right

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that any Secured Party may otherwise have to bring any action or proceeding relating to any Loan Document against any Lien Grantor or its properties in the courts of any jurisdiction.

1. Each of the Lien Grantors irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in subsection (b) of this Section. Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

1. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in any Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 22*. Waiver of Jury Trial.* EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 23*. Appointment of Agent for Service of Process.* (a) Each of the Lien Grantors hereby irrevocably designates, appoints, authorizes and empowers as its agent for service of process, CT Corporation System, at its offices currently located at 111 Eighth Avenue, 13th Floor, New York, NY 10011 (the “**Process Agent**”), to accept and acknowledge for and on behalf of such Lien Grantor service of any and all process, notices or other documents that may be served in any suit, action or proceeding relating hereto in any New York State or Federal court sitting in the State of New York. With respect to each Lien Grantor, such designation and appointment shall be irrevocable until all of its Transaction Liens have been released pursuant to Section 15. Each of the Lien Grantors covenants and agrees that it shall take any and all reasonable action, including the execution and filing of any and all documents, that may be necessary to continue the

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foregoing designations and appointments in full force and effect and to cause the Process Agent to continue to act in such capacity.

1. Each of the Lien Grantors consents to process being served in any suit, action or proceeding of the nature referred to in Section 21 by serving a copy thereof upon the Process Agent. Without prejudice to the foregoing, the Secured Parties and the Administrative Agent agree that to the extent lawful and possible, written notice of said service upon the Process Agent shall also be mailed by registered or certified airmail, postage prepaid, return receipt requested, to each Lien Grantor, care of the Borrower, at the Borrower’s address specified in or pursuant to Section 9.01 of the Credit Agreement or to any other address of which such Lien Grantor shall have given written notice to the Administrative Agent. If said service upon the Process Agent shall not be possible or shall otherwise be impractical after reasonable efforts to effect the same, each of the Lien Grantors consents to process being served in any suit, action or proceeding of the nature referred to in Section 21 by the mailing of a copy thereof by registered or certified airmail, postage prepaid, return receipt requested, to such Lien Grantor at the address of the Borrower specified in or pursuant to Section 9.01 of the Credit Agreement or to any other address of which such Lien Grantor shall have given written notice to the Administrative Agent, which service shall be effective 14 days after deposit in the United States Postal Service. Each of the Lien Grantors agrees that such service (i) shall be deemed in every respect effective service of process upon itself in any such suit, action or proceeding and (ii) shall to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to itself.
2. Nothing in this Section shall affect the right of any party hereto to serve process in any manner permitted by law, or limit any right that any party hereto may have to bring proceedings against any other party hereto in the courts of any jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

Section 24*. Waiver of Immunity.* To the extent that any Lien Grantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid or execution, or otherwise) with respect to itself or its property, such Lien Grantor hereby irrevocably waives such immunity in respect of its obligations under the Secured Agreements to the extent permitted by applicable law and, without limiting the generality of the foregoing, agrees that the waivers set forth in this Section shall have effect to the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and are intended to be irrevocable for purposes of such Act.

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Section 25*. Judgment Currency.* (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in dollars into another currency, the parties hereto agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase dollars with such other currency in New York, New York, on the Business Day immediately preceding the day on which final judgment is given.

1. The obligation of each Lien Grantor in respect of any sum due to any Secured Party hereunder in dollars shall, to the extent permitted by applicable law, notwithstanding any judgment in a currency other than dollars, be discharged only to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency such Secured Party may in accordance with normal banking procedures purchase dollars in the amount originally due to it with the judgment currency. If the amount of dollars so purchased is less than the sum originally due to such Secured Party, each Lien Grantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Secured Party against the resulting loss; and if the amount of dollars so purchased is greater than the sum originally due to such Secured Party, such Secured Party agrees to repay such excess.

Section 26*. Use of English Language.* Any translation of this Agreement into another language shall have no interpretive effect. All documents or notices to be delivered pursuant to or in connection with this Agreement shall be in the English language or, if any such document or notice is not in the English language, accompanied by an English translation thereof, and the English language version of any such document or notice shall control for purposes hereof.

Section 27*. Severability.* If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or

unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Administrative Agent and the Secured Parties in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 28*. Counterparts, Integration, Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan

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Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01 of the Credit Agreement, this Agreement (i) will become effective when the Administrative Agent shall have signed this Agreement and received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto and (ii) thereafter will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile will be effective as delivery of a manually executed counterpart of this Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MARVELL TECHNOLOGY GROUP LTD.,

as Borrower and Lien Grantor

|  |  |  |
| --- | --- | --- |
| By: | /s/ George Hervey | |
|  | Name: | George Hervey |
|  | Title: | V.P. and CFO |

MARVELL TECHNOLOGY, INC.,

as Guarantor and Lien Grantor

|  |  |  |
| --- | --- | --- |
| By: | /s/ George Hervey | |
|  | Name: | George Hervey |
|  | Title: | V.P. and CFO |

CREDIT SUISSE, CAYMAN ISLANDS BRANCH,

as Administrative Agent

|  |  |  |
| --- | --- | --- |
| By: | /s/ Phillip Ho |  |
|  | Name: | Phillip Ho |
|  | Title: | Director |
| By: | /s/ Phillip Ho |  |
|  | Name: | Phillip Ho |
|  | Title: | Director |



|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  | **SCHEDULE 1** | |  |
|  |  |  | **SPECIFIED EQUITY INTERESTS** | | | |  |  |  |  |  |
|  |  | **OWNED BY ORIGINAL LIEN GRANTORS** | | | | |  |  |  |  |  |
|  |  |  |  | **(as of the Effective Date)** | | |  |  |  |  |  |
|  |  | **Jurisdiction** |  |  | **Owner of** | | **Percentage** | | **Number of** | |  |
| **Issuer** | | **of** |  |  |  |
| **Organization** |  |  | **Equity Interest** | | **Owned** | | **Shares or Units** | |  |
| Marvell Technology, Inc. |  | Delaware |  |  | Marvell |  | 100 | % | 1,000 |  |  |
|  |  |  |  |  | Technology | |  |  |  |  |  |
|  |  |  |  |  | Group Ltd. | |  |  |  |  |  |
| Marvell Semiconductor, Inc. | | California |  |  | Marvell | | 83% | | 6,827 |  |  |
|  |  |  |  |  | Technology, Inc. | |  |  |  |  |  |

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**SCHEDULE 2**

**UCC INFORMATION**

In order to perfect the Transaction Liens granted by a Lien Grantor, a duly completed financing statement on Form UCC-1, with the collateral described as set forth below, should be on file in the office set forth below opposite such Lien Grantor.

|  |  |  |  |
| --- | --- | --- | --- |
| **Lien Grantor** | | **Office(1)** | |
| Marvell Technology Group Ltd. |  | Bermuda |  |
| Marvell Technology, Inc. | | Delaware | |

**DESCRIPTION OF COLLATERAL**

All shares of capital stock, membership interests, partnership interests and other securities or equity interests now owned or hereafter acquired by the Debtor in [specify entity or entities whose Equity Interests are being pledged] and all rights and privileges with respect thereto, and all dividends and other payments and distributions with respect thereto, and all proceeds of the foregoing.



1. Insert Lien Grantor’s “location” determined as provided in UCC Section 9-307. S-1-2



**EXHIBIT A**

**to US Pledge Agreement**

**PLEDGE AGREEMENT SUPPLEMENT**

PLEDGE AGREEMENT SUPPLEMENT dated as of \_\_\_\_\_\_\_, \_\_\_\_, between [NAME OF LIEN GRANTOR] (the “**Lien Grantor**”) and CREDIT

SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent.

WHEREAS, Marvell Technology Group Ltd. (the “**Borrower**”), the lenders party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent (the “**Administrative Agent**”), are parties to a Credit Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Credit Agreement**”);

WHEREAS, the Borrower, the Guarantors and the Administrative Agent, are parties to a Guarantee Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Guarantee Agreement**”) pursuant to which the Guarantors party thereto have guaranteed certain obligations of the Borrower, including under the Credit Agreement;

WHEREAS, the Borrower, the Guarantors party thereto and the Administrative Agent are parties to a US Pledge Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Pledge Agreement**”) under which the Borrower and the Guarantors secure certain obligations (the “**Secured Obligations**”);

WHEREAS, [name of Lien Grantor] has become [is] a party to the Guarantee Agreement as a Guarantor;

WHEREAS, [name of Lien Grantor] is willing to become [is] a party to the Pledge Agreement as a Lien Grantor thereunder; and

WHEREAS, terms defined in the Pledge Agreement (or whose definitions are incorporated by reference in Section 1 of the Pledge Agreement) and not otherwise defined herein have, as used herein, the respective meanings provided for therein;

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NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. *Grant of Transaction Liens*. (a) In order to secure [its Transaction Guarantee](2)[the Secured Obligations](3), the Lien Grantor grants to theAdministrative Agent for the benefit of the Secured Parties a continuing security interest in all the following property of the Lien Grantor, whether now owned or existing or hereafter acquired or arising and regardless of where located (the “**New Collateral**”):

[describe property being added to the Collateral]

* + 1. The foregoing Transaction Liens are granted as security only and shall not subject the Administrative Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of the Lien Grantor with respect to any of the New Collateral or any transaction in connection therewith.
  1. *Delivery of Collateral*. Concurrently with delivering this Pledge Agreement Supplement to the Administrative Agent, the Lien Grantor iscomplying with the provisions of Section 5 of the Pledge Agreement with respect to Specified Equity Interests, in each case if and to the extent included in the New Collateral at such time.
  2. *Party to Pledge Agreement*. Upon delivering this Pledge Agreement Supplement to the Administrative Agent, the Lien Grantor will becomea party to the Pledge Agreement and will thereafter have all the rights and obligations of a Lien Grantor thereunder and be bound by all the provisions thereof as fully as if the Lien Grantor were one of the original parties thereto.(4)

1. Delete bracketed words if the Lien Grantor is the Borrower.
2. Delete bracketed words if the Lien Grantor is a Guarantor.
3. Delete Section 4 if the Lien Grantor is already a party to the Pledge Agreement.
   1. *Representations and Warranties*. (a) The Lien Grantor is duly organized, validly existing and in good standing under the laws of [jurisdiction

of organization].



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* + 1. Each of the representations and warranties set forth in the Pledge Agreement and the Credit Agreement is true as applied to the Lien Grantor and the New Collateral. For purposes of the foregoing sentence, references in said agreements to a “Lien Grantor”, a “Subsidiary” or a “Credit Party” shall be deemed to refer to the Lien Grantor, references to Schedules to the Pledge Agreement shall be deemed to refer to the corresponding Schedules to this Pledge Agreement Supplement, references to “Collateral” shall be deemed to refer to the New Collateral, and references to the “Closing Date” or the “Effective Date” shall be deemed to refer to the date on which the Lien Grantor signs and delivers this Pledge Agreement Supplement.
  1. [*Compliance with Foreign Law*. The Lien Grantor represents that it has taken, and agrees that it will continue to take, all actions required under the laws (including the conflict of laws rules) of its jurisdiction of organization to ensure that the Transaction Liens on the New Collateral rank prior to all Liens and rights of others therein.(5)]
  2. *Governing Law*. This Pledge Agreement Supplement shall be construed in accordance with and governed by the laws of the State of New

York.

1. Include Section 6 if the Lien Grantor is organized under the laws of a jurisdiction outside the United States.



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IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement Supplement to be duly executed by their respective authorized officers as of the day and year first above written.

[NAME OF LIEN GRANTOR]

By:

Name:



Title:

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent

By:

Name:



Title:

By:

Name:



Title:

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**Schedule 1**

**to Pledge Agreement**

**Supplement**

**SPECIFIED EQUITY INTERESTS**

**OWNED BY LIEN GRANTOR**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Jurisdiction** | | **Percentage** | | **Number of** |  |
| **Issuer** |  | **of** | |  |
| **Organization** |  | **Owned** |  | **Shares or Units** |  |

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**Schedule 2**

**to Pledge Agreement**

**Supplement**

**UCC INFORMATION**

In order to perfect the Transaction Liens granted by a Lien Grantor, a duly completed financing statement on Form UCC-1, with the collateral described as set forth below, should be on file in the office set forth below opposite such Lien Guarantor.

**Lien Grantor** **Office(6)**



**DESCRIPTION OF COLLATERAL**

All shares of capital stock, membership interests, partnership interests and other securities or equity interests now owned or hereafter acquired by the Debtor in the following entities [specify entity or entities whose Equity Interests are being pledged], and all rights and privileges with respect thereto, and all dividends and other payments and distributions with respect thereto, and all proceeds of the foregoing.



1. Insert Lien Grantor’s “location” determined as provided in UCC Section 9-307.

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**EXHIBIT B**

**to US Pledge Agreement**

**ISSUER CONTROL AGREEMENT**

ISSUER CONTROL AGREEMENT dated as of [date] among \_\_\_\_\_\_\_\_\_\_\_\_\_ (the “**Lien Grantor**”), CREDIT SUISSE, CAYMAN ISLANDS

BRANCH, as Administrative Agent (the “**Secured Party**”), and \_\_\_\_\_\_\_\_\_ (the “**Issuer**”). All references herein to the “**UCC**” refer to the Uniform

Commercial Code as in effect from time to time in [Issuer’s jurisdiction of incorporation].

W I T N E S S E T H :

WHEREAS, the Lien Grantor is the registered holder of [specify Pledged Uncertificated Securities issued by the Issuer] issued by the Issuer (the “**Securities**”);

WHEREAS, pursuant to a US Pledge Agreement dated as of November 8, 2006 (as such agreement may be amended and/or supplemented from time to time, the “**Pledge Agreement**”), the Lien Grantor has granted to the Secured Party a continuing security interest (the “**Transaction Lien**”) in all right, title and interest of the Lien Grantor in, to and under the Securities, whether now existing or hereafter arising; and

WHEREAS, the parties hereto are entering into this Agreement in order to perfect the Transaction Lien on the Securities;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. *Nature of Securities.* The Issuer confirms that (i) the Securities are “uncertificated securities” (as defined in Section 8-102 of the UCC) and (ii) the Lien Grantor is registered on the books of the Issuer as the registered holder of the Securities.

Section 2. *Instructions.* The Issuer agrees to comply with any “instruction” (as defined in Section 8-102 of the UCC) originated by the Secured Party and relating to the Securities without further consent by the Lien Grantor or any other person. The Lien Grantor consents to the foregoing agreement by the Issuer.

Section 3. *Waiver of Lien; Waiver of Set-off.* The Issuer waives any security interest, lien or right of set-off that it may now have or hereafter acquire

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in or with respect to the Securities. The Issuer’s obligations in respect of the Securities will not be subject to deduction, set-off or any other right in favor of any person other than the Secured Party.

Section 4. *Choice of Law.* This Agreement shall be governed by the laws of [Issuer’s jurisdiction of incorporation].

Section 5. *Conflict with Other Agreements.* There is no agreement (except this Agreement) between the Issuer and the Lien Grantor with respect to the Securities except for [identify any existing other agreements] (the “**Existing Other Agreements**”). In the event of any conflict between this Agreement (or any portion hereof) and any other agreement (including any Existing Other Agreement) between the Issuer and the Lien Grantor with respect to the Securities, whether now existing or hereafter entered into, the terms of this Agreement shall prevail.

Section 6. *Amendments.* No amendment or modification of this Agreement or waiver of any right hereunder shall be binding on any party hereto unless it is in writing and is signed by all the parties hereto.

Section 7. *Notice of Adverse Claims.* Except for the claims and interests of the Secured Party and the Lien Grantor in the Securities, the Issuer does not know of any claim to, or interest in, the Securities. If any person asserts any lien, encumbrance or adverse claim (including any writ, garnishment, judgment, attachment, execution or similar process) against the Securities, the Issuer will promptly notify the Secured Party and the Lien Grantor thereof.

Section 8. *Maintenance of Securities.* In addition to, and not in lieu of, the obligation of the Issuer to honor instructions as agreed in Section 2 hereof, the Issuer agrees as follows:

1. *Lien Grantor Instructions; Notice of Exclusive Control.* So long as the Issuer has not received a Notice of Exclusive Control (asdefined below), the Issuer may comply with instructions of the Lien Grantor or any duly authorized agent of the Lien Grantor in respect of the Securities. After the Issuer receives a written notice from the Secured Party that it is exercising exclusive control over the Securities (a “**Notice of** **Exclusive Control**”), the Issuer will cease complying with instructions of the Lien Grantor or any of its agents.
2. *Non-Cash Dividends and Distributions.* After the Issuer receives a Notice of Exclusive Control, the Issuer shall deliver to theSecured Party all dividends, interest and other distributions paid or made upon or with respect to the Securities.

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1. *Voting Rights.* Until the Issuer receives a Notice of Exclusive Control, the Lien Grantor shall be entitled to direct the Issuer withrespect to voting the Securities.
2. *Statements and Confirmations.* The Issuer will promptly send copies of all statements and other correspondence concerning theSecurities simultaneously to each of the Lien Grantor and the Secured Party at their respective addresses specified in Section 11 hereof.
3. *Tax Reporting.* All items of income, gain, expense and loss recognized in respect of the Securities shall be reported to the InternalRevenue Service and all state and local taxing authorities under the name and taxpayer identification number of the Lien Grantor.

Section 9. *Representations, Warranties and Covenants of the Issuer.* The Issuer makes the following representations, warranties and covenants:

1. This Agreement is a valid and binding agreement of the Issuer enforceable in accordance with its terms.
2. The Issuer has not entered into, and until the termination of this Agreement will not enter into, any agreement with any other person relating to the Securities pursuant to which it has agreed, or will agree, to comply with instructions (as defined in Section 8-102 of the UCC) of such person. The Issuer has not entered into any other agreement with the Lien Grantor or the Secured Party purporting to limit or condition the obligation of the Issuer to comply with instructions as agreed in Section 2 hereof.

Section 10. *Successors.* This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

Section 11. *Notices.* Each notice, request or other communication given to any party hereunder shall be in writing (which term includes facsimile or other electronic transmission) and shall be effective (i) when delivered to such party at its address specified below, (ii) when sent to such party by facsimile or other electronic transmission, addressed to it at its facsimile number or electronic address specified below, and such party sends back an electronic confirmation of receipt or (iii) ten days after being sent to such party by certified or registered United States mail, addressed to it at its address specified below, with first class or airmail postage prepaid:

Lien Grantor: [address]

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Secured Party: [address]

Issuer: [address]

Any party may change its address, facsimile number and/or e-mail address for purposes of this Section by giving notice of such change to the other parties in the manner specified above.

Section 12. *Termination.* The rights and powers granted herein to the Secured Party (i) have been granted in order to perfect the Transaction Lien,

1. are powers coupled with an interest and (iii) will not be affected by any bankruptcy of the Lien Grantor or any lapse of time. The obligations of the Issuer hereunder shall continue in effect until the Secured Party has notified the Issuer in writing that the Transaction Lien has been terminated pursuant to the Pledge Agreement.

Section 13. *Counterparts.* This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.

[NAME OF LIEN GRANTOR]

By:

Name:



Title:

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative

Agent

By:

Name:



Title:

By:

Name:



Title:

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[NAME OF ISSUER]

By:

Name:



Title:

B-5



**Exhibit A**

[Letterhead of Credit Suisse, Cayman Islands Branch]

[Date]

[Name and Address of Issuer]

Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Re: Notice of Exclusive Control

Ladies and Gentlemen:

As referenced in the Issuer Control Agreement dated as of \_\_\_\_\_\_, \_\_\_\_ among [name of Lien Grantor], us and you (a copy of which is attached),

we notify you that we will hereafter exercise exclusive control over [specify Pledged Uncertificated Securities] registered in the name of [name of Lien Grantor] (the “**Securities**”). You are instructed not to accept any directions or instructions with respect to the Securities from any person other than the undersigned unless otherwise ordered by a court of competent jurisdiction.

You are instructed to deliver a copy of this notice by facsimile transmission to [name of Lien Grantor].

Very truly yours,

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative

Agent

By:

Name:



Title:

By:

Name:



Title:

cc: [name of Lien Grantor]

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EXHIBIT 10.3



BERMUDA PLEDGE AGREEMENT

dated as of

November 8, 2006

among

MARVELL TECHNOLOGY GROUP LTD.,

THE GUARANTORS PARTY HERETO,

and

CREDIT SUISSE, CAYMAN ISLANDS BRANCH,

as Administrative Agent



|  |  |  |  |
| --- | --- | --- | --- |
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**SCHEDULES**:

**Schedule 1** Specified Equity Interests Owned by Original Lien Grantors

**Schedule 2** UCC Information

**EXHIBITS**:

**Exhibit A**

Pledge Agreement Supplement

**Exhibit B**

Issuer Control Agreement

**Exhibit C**

Form 9

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**BERMUDA PLEDGE AGREEMENT**

BERMUDA PLEDGE AGREEMENT dated as of November 8, 2006 among MARVELL TECHNOLOGY GROUP LTD., as Borrower and Lien Grantor, the GUARANTORS party hereto and CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent.

WHEREAS, the Borrower is entering into the Credit Agreement described in Section 1 hereof, pursuant to which the Borrower intends to borrow funds for the purposes set forth therein;

WHEREAS, the Borrower is willing to secure (i) its obligations under the Credit Agreement and (ii) its obligations under certain Hedging Agreements by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents;

WHEREAS, each of the Guarantors is willing to guarantee the foregoing obligations of the Borrower pursuant to the Guarantee Agreement and to secure its guarantee by granting Liens on certain of its assets to the Administrative Agent as provided in the Security Documents;

WHEREAS, the Lenders are not willing to make loans under the Credit Agreement, and the counterparties to the Hedging Agreements referred to above are not willing to enter into or maintain them, unless (i) the foregoing obligations of the Borrower are secured and guaranteed as described above and (ii) each guarantee thereof is secured by Liens on assets of the relevant Guarantor as provided herein; and

WHEREAS, upon any foreclosure or other enforcement of the Security Documents, the net proceeds of the relevant Collateral are to be received by or paid over to the Administrative Agent and applied as provided herein;

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1*. Definitions.*

1. *Terms Defined in Credit Agreement*. Terms defined in the Credit Agreement and not otherwise defined in subsection (b) or (c) of this Sectionhave, as used herein, the respective meanings provided for therein.
2. *Terms Defined in UCC*. As used herein, each of the following terms has the meaning specified in the UCC:



|  |  |  |  |
| --- | --- | --- | --- |
| **Term** | | **UCC** | |
| Authenticate |  | 9-102 |  |
| Certificated Security | | 8-102 |  |
| Control | | 8-106 |  |
| Securities Intermediary | | 8-102 |  |
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| Uncertificated Security | | 8-102 |  |

1. *Additional Definitions*. The following additional terms, as used herein, have the following meanings:“**Agreement**” means this Bermuda Pledge Agreement.

“**Borrower**” means Marvell Technology Group Ltd., a Bermuda exempted company, as borrower and lien grantor.

“**Cash Distributions**” means dividends, interest and other distributions and payments (including proceeds of liquidation, sale or other disposition) made or received in cash upon or with respect to any Collateral.

“**Collateral**” means all property, whether now owned or hereafter acquired, on which a Lien is granted or purports to be granted to the Administrative Agent pursuant to the Security Documents. When used with respect to a specific Lien Grantor, the term “Collateral” means all its property on which such a Lien is granted or purports to be granted by such Lien Grantor.

“**Contingent Secured Obligation**” means, at any time, any Secured Obligation (or portion thereof) that is contingent in nature at such time, including any Secured Obligation that is:

1. an obligation under a Hedging Agreement to make payments that cannot be quantified at such time;
2. any other obligation (including any guarantee) that is contingent in nature at such time; or

1. an obligation to provide collateral to secure any of the foregoing types of obligations.

“**Credit Agreement**” means the Credit Agreement dated as of November 8, 2006 among Marvell Technology Group Ltd., the Lenders party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent.

“**Effective Date**” means the date hereof.

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“**Equity Interest**” means (i) in the case of a corporation, any shares of its capital stock, (ii) in the case of a limited liability company, any membership interest therein, (iii) in the case of a partnership, any partnership interest (whether general or limited) therein, (iv) in the case of any other business entity, any participation or other interest in the equity or profits thereof, or (v) any warrant, option or other right to acquire any Equity Interest described in this definition.

“**Guarantee Agreement**” means that certain Guarantee Agreement dated as of November 8, 2006 among Marvell Technology Group Ltd., as Borrower, the Guarantors party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent.

“**Guarantors**” means each Subsidiary listed on the signature pages of the Guarantee Agreement under the caption “Guarantors” and each Subsidiary that shall, at any time after the date thereof, become a Guarantor pursuant to the Guarantee Agreement.

“**Issuer Control Agreement**” means an Issuer Control Agreement substantially in the form of Exhibit B (with any changes that the Administrative Agent shall have approved).

“**Lien Grantors**” means (i) Marvell Technology Group Ltd., a Bermuda exempted company, and Marvell International Ltd., a Bermuda exempted company and (ii) each Subsidiary that shall, at any time after the date hereof, execute a Pledge Agreement Supplement and become a party hereto pursuant to Section 16.

“**LLC Interest**” means a membership interest or similar interest in a limited liability company.

“**Non-Contingent Secured Obligation**” means at any time any Secured Obligation (or portion thereof) that is not a Contingent Secured Obligation at such time.

“**Opinion of Counsel**” means a written opinion of legal counsel (who may be counsel to a Lien Grantor or other counsel, in either case approved by the Administrative Agent) addressed and delivered to the Administrative Agent.

“**Original Lien Grantor**” means any Lien Grantor that grants a Lien on any of its assets hereunder on the Effective Date.

“**own**” refers to the possession of sufficient rights in property to grant a security interest therein as contemplated by UCC Section 9-203, and “**acquire**” refers to the acquisition of any such rights.

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“**Partnership Interest**” means a partnership interest, whether general or limited.

“**Permitted Liens**” means (i) the Transaction Liens and (ii) any other Liens on the Collateral permitted to be created or assumed or to exist pursuant to Section 6.02 of the Credit Agreement.

“**Pledge Agreement Supplement**” means a Pledge Agreement Supplement, substantially in the form of Exhibit A, signed and delivered to the Administrative Agent for the purpose of adding a Subsidiary as a party hereto pursuant to Section 16 and/or adding additional property to the Collateral.

“**Pledged**”, when used in conjunction with any type of asset, means at any time an asset of such type that is included (or that creates rights that are included) in the Collateral at such time.

“**Post-Petition Interest**” means any interest that accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any one or more of the Lien Grantors (or would accrue but for the operation of applicable bankruptcy or insolvency laws), whether or not such interest is allowed or allowable as a claim in any such proceeding.

“**Proceeds**” means all proceeds of, and all other profits, products, rents or receipts, in whatever form, arising from the collection, sale, lease, exchange, assignment, licensing or other disposition of, or other realization upon, any Collateral, including all claims of the relevant Lien Grantor against third parties for loss of, damage to or destruction of, or for proceeds payable under, or unearned premiums with respect to, policies of insurance in respect of, any Collateral, and any condemnation or requisition payments with respect to any Collateral.

“**Ratings Release Conditions**” means the following conditions for terminating all the Transaction Liens:

1. the Borrower shall have given notice to the Administrative Agent at least 15 days prior to a date (the “**Release Date**”) specifying such Release Date;
2. as of the Release Date, the corporate family rating of the Borrower shall be at least Baa3 by Moody’s and the corporate rating of the Borrower shall be at least BBB- by S&P, in each case with no negative outlook;

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1. as of the Release Date, no Default shall have occurred and be continuing; and
2. on the Release Date, the Administrative Agent shall have received a certificate, dated the Release Date and executed by a Financial Officer, confirming the satisfaction of the preceding conditions.

“**Release Conditions**” means the following conditions for terminating all the Transaction Liens:

1. all Commitments under the Credit Agreement shall have expired or been terminated;
2. all Non-Contingent Secured Obligations shall have been paid in full; and
3. no Contingent Secured Obligation (other than contingent indemnification and expense reimbursement obligations as to which no claim shall have been asserted) shall remain outstanding.

“**Secured Agreement**”, when used with respect to any Secured Obligation, refers collectively to the instruments, agreements and other documents that set forth the obligations of a Credit Party and/or the rights of a Secured Party with respect to such Secured Obligation.

“**Secured Obligations**” means (i) all principal of all Loans outstanding from time to time under the Credit Agreement, all interest (including Post-Petition Interest) on such Loans and all other amounts now or hereafter payable by the Borrower pursuant to the Loan Documents, and (ii) all obligations of any Lien Grantor under any Hedging Agreement that is entered into with any counterparty that is the Arranger, the Administrative Agent or a Lender or an Affiliate of the Arranger, the Administrative Agent or a Lender, in each case at the time such Hedging Agreement is entered into.

“**Secured Parties**” means the holders from time to time of the Secured Obligations.

“**Secured Party Requesting Notice**” means, at any time, a Secured Party that has, at least five Business Days prior thereto, delivered to the Administrative Agent a written notice (i) stating that it holds one or more Secured Obligations and wishes to receive copies of the notices referred to in Section 14(e) and (ii) setting forth its address, facsimile number and e-mail address to which copies of such notices should be sent.

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“**Security Documents**” means this Agreement, the Pledge Agreement Supplements, the Issuer Control Agreements and all other supplemental or additional pledge agreements, control agreements or similar instruments delivered with respect to any Specified Equity Interests pursuant to the Loan Documents.

“**Specified Equity Interests**” means (i) any Equity Interests in Marvell International Ltd., a Bermuda exempted company, and Marvell International Technology Ltd., a Bermuda exempted company, and (ii) any Equity Interests pledged pursuant to a Pledge Agreement Supplement.

“**Transaction Guarantee**” means, with respect to each Guarantor, its guarantee of the Secured Obligations pursuant to the Guarantee Agreement or a Guarantee Agreement Supplement.

“**Transaction Liens**” means the Liens granted by the Lien Grantors under the Security Documents.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York; *provided* that, if perfection or the effect of perfection or non-perfection or the priority of any Transaction Lien on any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

1. *Terms Generally.* The definitions of terms herein (including those incorporated by reference to the UCC or to another document) applyequally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun includes the corresponding masculine, feminine and neuter forms. The words “**include**”, “**includes**” and “**including**” shall be deemed to be followed by the phrase “**without limitation**”. The word “**will**” shall be construed to have the same meaning and effect as the word “**shall**”. Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth in any Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “**herein**”, “**hereof**” and “**hereunder**”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Sections, Exhibits and Schedules shall be construed to refer to Sections of, and Exhibits and Schedules to, this Agreement and (v) the word “**property**” shall be construed to refer to any and all

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tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

1. If the Loans or any portion thereof shall have been declared to be due and payable (or shall automatically have become due and payable) as set forth in Article 7 of the Credit Agreement, then for all purposes hereof the Administrative Agent shall be deemed to have notified each of the Lien Grantors concurrently with the occurrence of such event of its intention to exercise its rights under the Security Documents.

Section 2*. Grant of Transaction Liens.*

1. The Borrower, in order to secure the Secured Obligations, and each Guarantor listed on the signature pages hereof, in order to secure its Transaction Guarantee, grants to the Administrative Agent for the benefit of the Secured Parties a continuing security interest in all the following property of the Borrower or such Guarantor, as the case may be, whether now owned or existing or hereafter acquired or arising and regardless of where located:
   1. all Specified Equity Interests; and
   2. all Proceeds of the Specified Equity Interests.
2. The Transaction Liens are granted as security only and shall not subject the Administrative Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of any Lien Grantor with respect to any of the Collateral or any transaction in connection therewith.

Section 3*. General Representations and Warranties.* Each Original Lien Grantor represents and warrants that:

* 1. Such Lien Grantor is duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.
  2. Schedule 1 lists all Specified Equity Interests owned by such Lien Grantor as of the Effective Date. Such Lien Grantor holds all such Equity Interests directly (*i.e.*, not through a Subsidiary, a Securities Intermediary or any other Person).
  3. All Specified Equity Interests owned by such Lien Grantor are owned by it free and clear of any Lien other than (i) the Transaction Liens and

1. any inchoate tax liens. All shares of capital stock included in such Specified Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable. None of such Specified Equity Interests is subject to any option to purchase or similar right of any Person. Such Lien Grantor is not and

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will not become a party to or otherwise bound by any agreement (except the Loan Documents) which restricts in any manner the rights of any present or future holder of any Specified Equity Interest with respect thereto.

1. No financing statement, security agreement, mortgage or similar or equivalent document or instrument covering all or part of the Collateral owned by such Lien Grantor is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect or record a Lien on such Collateral, except financing statements, mortgages or other similar or equivalent documents with respect to the Transaction Liens.
2. The Transaction Liens on all Specified Equity Interests owned by such Lien Grantor (i) have been validly created, (ii) will attach to each item of such Collateral on the Effective Date (or, if such Lien Grantor first obtains rights thereto on a later date, on such later date) and (iii) when so attached, will secure all the Secured Obligations or such Lien Grantor’s Transaction Guarantee, as the case may be.
3. When UCC financing statements describing the Collateral as set forth in Schedule 2 hereto have been filed in the offices specified therein, the Transaction Liens will constitute perfected security interests in the Collateral owned by such Lien Grantor, prior to all Liens and rights of others therein. Except for the filing of such UCC financing statements and the filings referred to in Section 3(h), no registration, recordation or filing with any governmental body, agency or official is required in connection with the execution or delivery of the Security Documents or is necessary for the validity or enforceability thereof or for the perfection or due recordation of the Transaction Liens or for the enforcement of the Transaction Liens.
4. This Agreement creates in favor of the Secured Parties a valid security interest in the Collateral, securing the Secured Obligations. Upon the filing of a Form 9 with the Registrar of Companies of Bermuda, which will be made promptly following the execution of this Agreement, the security interest in the Collateral will constitute a security interest in favor of the Secured Parties enforceable against third parties (including creditors of, and any liquidator or administrator appointed with respect to, such Lien Grantor or the Borrower) prior to all Liens and rights of others therein, except for statutorily preferred claims under the laws of the Bermuda (“Statutory Claims”), including without limitation claims in respect of taxes, assessments or impositions, certain wages or salaries. No Statutory Claims against the Lien Grantor or the Borrower exist as of the date hereof.
5. Other than the filings referred to in Section 3(f) and the filing of the Form 9 with the Registrar of Companies of Bermuda, which will be

made

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promptly following the execution of this Agreement and which has been duly executed by the parties thereto, and the execution of an Issuer Control Agreement (in the case of any Collateral in the form of Uncertificated Securities), no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or any other third party is required for (i) the grant by such Lien Grantor of the security interest granted hereunder or for the execution, delivery or performance of this Agreement by such Lien Grantor, or (ii) the maintenance or effectiveness of the security interest created hereunder (including the first priority nature of the Secured Parties’ security interest or its enforceability against third parties). Except as provided in this Section 3(h), no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or any other third party is required for the exercise by the Secured Parties of their rights provided for in this Agreement or the remedies in respect of the Collateral pursuant to this Agreement.

1. The pledge of Collateral made pursuant to this Agreement is not subject to any restrictions of constitutional documents relating to the Lien Grantors, and to the extent that any consent or approval is required by the manager or board of directors of any Lien Grantor or any other party for the pledge of the Collateral, such consent or approval has been obtained prior to execution of this Agreement. To the extent that any consent or approval is required by or from the board of directors of the Lien Grantor or any other party for the transfer of the Collateral, (i) with respect to any transfer of the Collateral to the Administrative Agent, the Secured Parties or any affiliate of a Secured Party, such consent or approval has been obtained prior to the execution of this Agreement as provided in, and subject to the terms of, the Issuer Control Agreement (if any), and (ii) with respect to any transfer of the Collateral to any other person, such consent or approval will be given at the time of such transfer.

Section 4. *Further Assurances; General Covenants.* Each Lien Grantor covenants as follows:

1. Such Lien Grantor will, from time to time, at the Borrower’s expense, execute, deliver, file and record any statement, assignment, instrument, document, agreement or other paper and take any other action (including any filing of financing or continuation statements under the UCC) that from time to time may be necessary or reasonably desirable, or that the Administrative Agent may reasonably request, in order to:
   1. create, preserve, perfect, confirm or validate the Transaction Liens on such Lien Grantor’s Collateral;
   2. cause the Administrative Agent to have Control thereof;

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1. enable the Administrative Agent and the other Secured Parties to obtain the full benefits of the Security Documents; or
2. enable the Administrative Agent to exercise and enforce any of its rights, powers and remedies with respect to any of such Lien Grantor’s Collateral.

To the extent permitted by applicable law, such Lien Grantor authorizes the Administrative Agent to execute and file such financing statements or continuation statements without such Lien Grantor’s signature appearing thereon. Such Lien Grantor agrees that a carbon, photographic, photostatic or other reproduction of this Agreement or of a financing statement is sufficient as a financing statement. Such Lien Grantor constitutes the Administrative Agent its attorney-in-fact to execute and file all filings required or so requested for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; and such power, being coupled with an interest, shall be irrevocable until all the Transaction Liens granted by such Lien Grantor terminate pursuant to Section 15. The Borrower will pay the costs of, or incidental to, any recording or filing of any financing or continuation statements or other documents recorded or filed pursuant hereto.

1. Such Lien Grantor will not (i) change its name or corporate structure, (ii) change its location (determined as provided in UCC Section 9-307) or (iii) become bound, as provided in UCC Section 9-203(d), by a security agreement entered into by another Person as lien grantor, unless it shall have given the Administrative Agent prior notice thereof and delivered a certificate of a Financial Officer with respect thereto in accordance with Section 4(c).
2. At least 30 days before it takes any action contemplated by Section 4(b), such Lien Grantor will, at the Borrower’s expense, cause to be delivered to the Administrative Agent a certificate of a Financial Officer, in form and substance reasonably satisfactory to the Administrative Agent, to the effect that (i) all financing statements and amendments or supplements thereto, continuation statements and other documents required to be filed or recorded in order to perfect and protect the Transaction Liens against all creditors of and purchasers from such Lien Grantor after it takes such action (except any continuation statements specified in such certificate that are to be filed more than six months after the date thereof) have been filed or recorded in each office necessary for such purpose, (ii) all fees and taxes, if any, payable in connection with such filings or recordations have been paid in full and (iii) except as otherwise agreed by the Required Lenders, such action will not adversely affect the perfection or priority of the Transaction Lien on any Collateral to be owned by such Lien Grantor after it takes such action or the accuracy of such Lien Grantor’s representations and warranties herein relating to such Collateral.

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1. Such Lien Grantor will, promptly upon request, provide to the Administrative Agent all information and evidence concerning such Lien Grantor’s Collateral that the Administrative Agent may reasonably request from time to time to enable it to enforce the provisions of the Security Documents.
2. From time to time upon the reasonable request by the Required Lenders, such Lien Grantor will, at the Borrower’s expense, cause to be delivered to the Secured Parties an Opinion of Counsel reasonably satisfactory to the Administrative Agent as to such matters relating to the transactions

contemplated hereby as the Required Lenders may reasonably request.

Section 5*. Specified Equity Interests.* Each Lien Grantor represents, warrants and covenants as follows:

* 1. *Certificated Securities.* On the Effective Date (in the case of an Original Lien Grantor) or the date on which it signs and delivers its firstPledge Agreement Supplement (in the case of any other Lien Grantor), such Lien Grantor will deliver to the Administrative Agent as Collateral hereunder all certificates representing Pledged Certificated Securities then owned by such Lien Grantor. Thereafter, whenever such Lien Grantor acquires any other certificate representing a Pledged Certificated Security, such Lien Grantor will immediately deliver such certificate to the Administrative Agent as Collateral hereunder.
  2. *Uncertificated Securities*. On the Effective Date (in the case of an Original Lien Grantor) or the date on which it signs and delivers its firstPledge Agreement Supplement (in the case of any other Lien Grantor), such Lien Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of each Pledged Uncertificated Security then owned by such Lien Grantor and deliver such Issuer Control Agreement to the Administrative Agent (which shall enter into the same). Thereafter, whenever such Lien Grantor acquires any other Pledged Uncertificated Security, such Lien Grantor will enter into (and cause the relevant issuer to enter into) an Issuer Control Agreement in respect of such Pledged Uncertificated Security and deliver such Issuer Control Agreement to the Administrative Agent (which shall enter into the same).

1. *Perfection as to Certificated Securities.* When such Lien Grantor delivers the certificate representing any Pledged Certificated Securityowned by it to the Administrative Agent and complies with Section 5(e) in connection with such delivery, (i) the Transaction Lien on such Pledged Certificated Security will be perfected, subject to no prior Liens or rights of others, (ii) the Administrative Agent will have Control of such Pledged Certificated Security and (iii) the Administrative Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.

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1. *Perfection as to Uncertificated Securities*. When such Lien Grantor, the Administrative Agent and the issuer of any Pledged UncertificatedSecurity owned by such Lien Grantor enter into an Issuer Control Agreement with respect thereto, (i) the Transaction Lien on such Pledged Uncertificated Security will be perfected, subject to no prior Liens or rights of others, (ii) the Administrative Agent will have Control of such Pledged Uncertificated Security and (iii) the Administrative Agent will be a protected purchaser (within the meaning of UCC Section 8-303) thereof.
2. *Delivery of Pledged Certificates*. All Pledged Certificates, when delivered to the Administrative Agent, will be in suitable form for transferby delivery, or accompanied by duly executed instruments of transfer or assignment in blank, with signatures appropriately guaranteed, all in form and substance satisfactory to the Administrative Agent.
3. *Communications*. Each Lien Grantor will promptly give to the Administrative Agent copies of any notices and other communicationsreceived by it with respect to Pledged Securities registered in the name of such Lien Grantor or its nominee.
4. *Compliance with Applicable Foreign Laws.* If and so long as the Collateral includes any Equity Interest in a legal entity organized under thelaws of a jurisdiction outside the United States, the relevant Lien Grantor will take all such action as may be required under the laws of such foreign jurisdiction to ensure that the Transaction Lien on such Collateral ranks prior to all Liens and rights of others therein.
5. *Form 9*. Without limiting the generality of the foregoing, the relevant Lien Grantor will promptly after the execution of this Agreement causeto be filed in Bermuda a Form 9 in substantially the form attached hereto as Exhibit D.

Section 6*. Transfer Of Record Ownership.* At any time when an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Lien Grantors of its intent to enforce its security interest in the Collateral, the Administrative Agent may (and to the extent that action by it is required, the relevant Lien Grantor, if directed to do so by the Administrative Agent, will as promptly as practicable) cause each of the Pledged Securities (or any portion thereof specified in such direction) to be transferred of record into the name of the Administrative Agent or its nominee. Each Lien Grantor will take any and all actions reasonably requested by the Administrative Agent to facilitate compliance with this Section. If the provisions of this Section are implemented, Section 5(b) shall not thereafter apply to any Pledged Security that is registered in the name of the Administrative Agent or its nominee. The Administrative Agent

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will promptly give to the relevant Lien Grantor copies of any notices and other communications received by the Administrative Agent with respect to Pledged Securities registered in the name of the Administrative Agent or its nominee.

Section 7*. Right to Vote Securities.*

1. Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified it of its intent to exercise its rights under the Security Documents, each Lien Grantor will have the right, from time to time, to vote and to give consents, ratifications and waivers with respect to any Pledged Security owned by it, and the Administrative Agent will, upon receiving a written request from such Lien Grantor, deliver to such Lien Grantor or as specified in such request such proxies, powers of attorney, consents, ratifications and waivers in respect of any such Pledged Security that is registered in the name of the Administrative Agent or its nominee, in each case as shall be specified in such request and be in form and substance satisfactory to the Administrative Agent. Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified such owner of its intent to exercise its rights under the Security Documents, the Administrative Agent will have no right to take any action which the owner of a Pledged Partnership Interest or Pledged LLC Interest is entitled to take with respect thereto, except the right to receive payments and other distributions to the extent provided herein.
2. If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified a Lien Grantor of its intent to exercise its rights under the Security Documents, the Administrative Agent will have the right to the extent permitted by law (and, in the case of a Pledged

Partnership Interest or Pledged LLC Interest, by the relevant partnership agreement, limited liability company agreement, operating agreement or other governing document) to vote, to give consents, ratifications and waivers and to take any other action with respect to the Pledged Equity Interests of such Lien Grantor, with the same force and effect as if the Administrative Agent were the absolute and sole owner thereof, and such Lien Grantor will take all such action as the Administrative Agent may reasonably request from time to time to give effect to such right.

Section 8*. Right to Receive Distribution on Collateral.* If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Lien Grantors of its intent to exercise its rights under the Security Documents, the Administrative Agent shall have the right to receive and to retain as Collateral hereunder all Cash Distributions and each Lien Grantor shall take all such action as the Administrative Agent may deem necessary or appropriate to give effect to such right. All such Cash Distributions which are received by a Lien Grantor during the continuance of an Event of Default shall be

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received in trust for the benefit of the Administrative Agent and the Lenders and, if the Administrative Agent so directs during the continuance of an Event of Default, shall be segregated from other funds of such Lien Grantor and shall, forthwith upon demand by the Administrative Agent during the continuance of an Event of Default, be paid over to the Administrative Agent as Collateral in the same form as received (with any necessary endorsement). After all Events of Default have been cured, the Administrative Agent’s right to retain Cash Distributions under this Section 8 shall cease and the Administrative Agent shall pay over to the appropriate Lien Grantor any such Collateral retained by it during the continuance of an Event of Default.

Section 9*. Remedies upon Event of Default.*

1. If an Event of Default shall have occurred and be continuing, the Administrative Agent may exercise (or cause its sub-agents to exercise) any or all of the remedies available to it (or to such sub-agents) under the Security Documents.
2. Without limiting the generality of the foregoing, if an Event of Default shall have occurred and be continuing, the Administrative Agent may exercise on behalf of the Secured Parties all the rights of a secured party under the UCC (whether or not in effect in the jurisdiction where such rights are exercised) with respect to any Collateral and, in addition, the Administrative Agent may, without being required to give any notice, except as herein provided or as may be required by mandatory provisions of law, withdraw all cash held by it pursuant to Section 8 and apply such cash as provided in Section 10 and, if there shall be no such cash or if such cash shall be insufficient to pay all the Secured Obligations in full, sell or otherwise dispose of the Collateral or any part thereof. Notice of any such sale or other disposition shall be given to the relevant Lien Grantor(s) as required by Section 12.

Section 10*. Application of Proceeds.*

1. If an Event of Default shall have occurred and be continuing, the Administrative Agent may apply (i) any cash held by it and (ii) the proceeds of any sale or other disposition of all or any part of the Collateral, in the following order of priorities:

*first*, to pay the expenses of such sale or other disposition, including reasonable compensation to agents of and counsel for theAdministrative Agent, and all expenses, liabilities and advances incurred or made by the Administrative Agent in connection with the Security Documents, and any other amounts then due and payable to the Administrative Agent pursuant to Section 9.03 of the Credit Agreement;

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*second*, to pay the unpaid principal of the Secured Obligations ratably (or provide for the payment thereof pursuant to Section 10(b)), untilpayment in full of the principal of all Secured Obligations shall have been made (or so provided for);

*third*, to pay ratably all interest (including Post-Petition Interest) on the Secured Obligations payable under the Credit Agreement, untilpayment in full of all such interest and fees shall have been made;

*fourth*, to pay all other Secured Obligations ratably (or provide for the payment thereof pursuant to Section 10(b)), until payment in full ofall such other Secured Obligations shall have been made (or so provided for); and

*finally*, to pay to the relevant Lien Grantor, or as a court of competent jurisdiction may direct, any surplus then remaining from the proceedsof the Collateral owned by it;

*provided* that Collateral owned by a Guarantor and any proceeds thereof shall be applied pursuant to the foregoing clauses *first*, *second*, *third* and *fourth* onlyto the extent permitted by the limitation in Section 2(i) of the Guarantee Agreement. The Administrative Agent may make such distributions hereunder in cash or in kind or, on a ratable basis, in any combination thereof.

1. If at any time any portion of any monies collected or received by the Administrative Agent would, but for the provisions of this Section 10(b), be payable pursuant to Section 10(a) in respect of a Contingent Secured Obligation, the Administrative Agent shall not apply any monies to pay such Contingent Secured Obligation but instead shall request the holder thereof, at least 10 days before each proposed distribution hereunder, to notify the Administrative Agent as to the maximum amount of such Contingent Secured Obligation if then ascertainable. If the holder of such Contingent Secured Obligation does not notify the Administrative Agent of the maximum ascertainable amount thereof at least two Business Days before such distribution, such holder will not be entitled to share in such distribution. If such holder does so notify the Administrative Agent as to the maximum ascertainable amount thereof, the Administrative Agent will allocate to such holder a portion of the monies to be distributed in such distribution, calculated as if such Contingent Secured Obligation were outstanding in such maximum ascertainable amount. However, the Administrative Agent will not apply such portion of such monies to pay such Contingent Secured Obligation, but instead will hold such monies or invest such monies in Permitted Investments. All such monies and

Permitted Investments and all proceeds thereof will constitute Collateral hereunder, but will be subject to distribution in accordance with this Section 10(b) rather than Section 10(a). The Administrative

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Agent will hold all such monies and Permitted Investments and the net proceeds thereof in trust until all or part of such Contingent Secured Obligation becomes a Non-Contingent Secured Obligation, whereupon the Administrative Agent at the request of the relevant Secured Party will apply the amount so held in trust to pay such Non-Contingent Secured Obligation; *provided* that, if the other Secured Obligations theretofore paid pursuant to the same clause of Section 10(a) (*i.e.*, clause *second* or *fourth*) were not paid in full, the Administrative Agent will apply the amount so held in trust to pay the same percentage of such Non-Contingent Secured Obligation as the percentage of such other Secured Obligations theretofore paid pursuant to the same clause of Section 10(a). If (i) the holder of such Contingent Secured Obligation shall advise the Administrative Agent that no portion thereof remains in the category of a Contingent Secured Obligation and (ii) the Administrative Agent still holds any amount held in trust pursuant to this Section 10(b) in respect of such Contingent Secured Obligation (after paying all amounts payable pursuant to the preceding sentence with respect to any portions thereof that became Non-Contingent Secured Obligations), such remaining amount will be applied by the Administrative Agent in the order of priorities set forth in Section 10(a).

1. In making the payments and allocations required by this Section, the Administrative Agent may rely upon information supplied to it pursuant to Section 14(c). All distributions made by the Administrative Agent pursuant to this Section shall be final (except in the event of manifest error) and the Administrative Agent shall have no duty to inquire as to the application by any Secured Party of any amount distributed to it.

Section 11*.* [Intentionally Omitted.]

Section 12*. Authority to Administer Collateral.* Each Lien Grantor irrevocably appoints the Administrative Agent its true and lawful attorney, with full power of substitution, in the name of such Lien Grantor, any Secured Party or otherwise, for the sole use and benefit of the Secured Parties, but at the Borrower’s expense, to the extent permitted by law to exercise, at any time and from time to time while an Event of Default shall have occurred and be continuing, all or any of the following powers with respect to all or any of such Lien Grantor’s Collateral:

1. to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due upon or by virtue thereof,
2. to settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto,

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1. to sell, lease, license or otherwise dispose of the same or the proceeds or avails thereof, as fully and effectually as if the Administrative Agent were the absolute owner thereof, and
2. to extend the time of payment of any or all thereof and to make any allowance or other adjustment with reference thereto;

*provided* that the Administrative Agent will give the relevant Lien Grantor at least ten days’ prior written notice of the time and place of any public salethereof or the time after which any private sale or other intended disposition thereof will be made. Any such notice shall (i) contain the information specified in UCC Section 9-613, (ii) be Authenticated and (iii) be sent to the parties required to be notified pursuant to UCC Section 9-611(c); *provided* that, if the Administrative Agent fails to comply with this sentence in any respect, its liability for such failure shall be limited to the liability (if any) imposed on it as a matter of law under the UCC.

Section 13*. Limitation on Duty in Respect of Collateral.* Beyond the exercise of reasonable care in the custody and preservation thereof, the Administrative Agent will have no duty as to any Collateral in its possession or control or in the possession or control of any sub-agent or bailee or any income therefrom or as to the preservation of rights against prior parties or any other rights pertaining thereto. The Administrative Agent will be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession or control if such Collateral is accorded treatment substantially equal to that which it accords its own property, and will not be liable or responsible for any loss or damage to any Collateral, or for any diminution in the value thereof, by reason of any act or omission of any sub-agent or bailee selected by the Administrative Agent in good faith, except to the extent that such liability arises from the Administrative Agent’s gross negligence or willful misconduct.

Section 14*. General Provisions Concerning the Administrative Agent.*

* 1. The provisions of Article 8 of the Credit Agreement shall inure to the benefit of the Administrative Agent, and shall be binding upon all Lien Grantors and all Secured Parties, in connection with this Agreement and the other Security Documents. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether an Event of Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Security Documents that the Administrative Agent is required in writing to exercise by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02 of the Credit Agreement), and

1. except as expressly

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set forth in the Loan Documents, the Administrative Agent shall not have any duty to disclose, and shall not be liable for any failure to disclose, any information relating to the Borrower or any of the Guarantors that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be responsible for the existence, genuineness or value of any Collateral or for the validity, perfection, priority or enforceability of any Transaction Lien, whether impaired by operation of law or by reason of any action or omission to act on its part under the Security Documents. The Administrative Agent shall be deemed not to have knowledge of any Event of Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Secured Party.

* 1. *Sub-Agents and Related Parties*. The Administrative Agent may perform any of its duties and exercise any of its rights and powers throughone or more sub-agents appointed by it. The Administrative Agent and any such sub-agent may perform any of its duties and exercise any of its rights and powers through its Related Parties. The exculpatory provisions of Section 13 and this Section shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent.
  2. *Information as to Secured Obligations and Actions by Secured Parties.* For all purposes of the Security Documents, including determiningthe amounts of the Secured Obligations and whether a Secured Obligation is a Contingent Secured Obligation or not, or whether any action has been taken under any Secured Agreement, the Administrative Agent will be entitled to rely on information from (i) its own records for information as to the Lender Parties, their Secured Obligations and actions taken by them, (ii) any Secured Party (or any trustee, agent or similar representative) for information as to its Secured Obligations and actions taken by it, to the extent that the Administrative Agent has not obtained such information from its own records, and (iii) the Borrower, to the extent that the Administrative Agent has not obtained information from the foregoing sources.
  3. *Refusal to Act*. The Administrative Agent may refuse to act on any notice, consent, direction or instruction from any Secured Parties or anyagent, trustee or similar representative thereof that, in the Administrative Agent’s opinion, (i) is contrary to law or the provisions of any Security Document,

1. may expose the Administrative Agent to liability (unless the Administrative Agent shall have been indemnified, to its reasonable satisfaction, for such liability by the Secured Parties that gave such notice, consent, direction or instruction) or (iii) is unduly prejudicial to Secured Parties not joining in such notice, consent, direction or instruction.

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1. *Copies of Certain Notices*. Within two Business Days after it receives or sends any notice referred to in this subsection, the AdministrativeAgent shall send to the Lenders and each Secured Party Requesting Notice, copies of any notice given by the Administrative Agent to any Lien Grantor, or received by it from any Lien Grantor, pursuant to Section 9, 10, 12 or 15.

Section 15*. Termination of Transaction Liens; Release of Collateral.*

1. The Transaction Liens granted by each Guarantor shall terminate upon the earlier of (i) the release of its Transaction Guarantee pursuant to Section 2(c) of the Guarantee Agreement and (ii) the satisfaction of all of the Ratings Release Conditions (subject to reinstatement as set forth in Section 5.12 of the Credit Agreement).
2. The Transaction Liens granted by the Borrower shall terminate upon the earlier of (i) the satisfaction of all of the Release Conditions and (ii) the satisfaction of all of the Ratings Release Conditions (subject to reinstatement as set forth in Section 5.12 of the Credit Agreement).
3. At any time before the Transaction Liens granted by the Borrower terminate, the Administrative Agent may, at the written request of the Borrower, (i) release any Collateral (but not all or substantially all the Collateral) with the prior written consent of the Required Lenders or (ii) release all or substantially all the Collateral with the prior written consent of all Lenders.
4. The Administrative Agent shall be fully protected in relying upon a certificate of a Financial Officer of the Borrower as to whether all of the Ratings Release Conditions are satisfied. Upon any termination of a Transaction Lien or release of Collateral, the Administrative Agent will, at the expense of the relevant Lien Grantor, execute and deliver to such Lien Grantor such documents as such Lien Grantor shall reasonably request to evidence the termination of such Transaction Lien or the release of such Collateral, as the case may be.
5. Notwithstanding the foregoing, at any time that Section 5.12(c) of the Credit Agreement is applicable, the Lien Grantors shall take all actions as shall be necessary to cause the Minimum Stock Collateral Condition to promptly be satisfied.

Section 16*. Additional Transaction Lien Grantors.* Any Subsidiary may become a party hereto by signing and delivering to the Administrative Agent a Pledge Agreement Supplement, whereupon such Subsidiary shall become a “Lien Grantor” as defined herein.

Section 17*. Notices.* Each notice, request or other communication given to any party hereunder shall be given in accordance with Section 9.01 of

the

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Credit Agreement, and in the case of any such notice, request or other communication to a Lien Grantor other than the Borrower, shall be given to it in care of the Borrower.

Section 18*. No Implied Waivers; Remedies Not Exclusive.* No failure by the Administrative Agent or any Secured Party to exercise, and no delay in exercising and no course of dealing with respect to, any right or remedy under any Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise by the Administrative Agent or any Secured Party of any right or remedy under any Loan Document preclude any other or further exercise thereof or the exercise of any other right or remedy. The rights and remedies specified in the Loan Documents are cumulative and are not exclusive of any other rights or remedies provided by law.

Section 19*. Successors and Assigns.* This Agreement is for the benefit of the Administrative Agent and the Secured Parties. If all or any part of any Secured Party’s interest in any Secured Obligation is assigned or otherwise transferred, the transferor’s rights hereunder, to the extent applicable to the obligation so transferred, shall be automatically transferred with such obligation. This Agreement shall be binding on the Lien Grantors and their respective successors and assigns.

Section 20*. Amendments and Waivers.* Neither this Agreement nor any provision hereof may be waived, amended, modified or terminated except pursuant to an agreement or agreements in writing entered into by the Administrative Agent, with the consent of such Lenders as are required to consent thereto under Section 9.02 of the Credit Agreement. No such waiver, amendment or modification shall (i) be binding upon any Lien Grantor, except with its written consent, or (ii) affect the rights of a Secured Party (other than a Lender) hereunder more adversely than it affects the comparable rights of the Lenders hereunder, without the consent of such Secured Party.

Section 21*. Governing Law; Jurisdiction; Consent to Service of Process.* (a) This Agreement shall be construed in accordance with and governed by the laws of the State of New York, except as otherwise required by mandatory provisions of law and except to the extent that remedies provided by the laws of any jurisdiction other than the State of New York are governed by the laws of such jurisdiction.

1. Each of the Lien Grantors irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any relevant appellate court, in any action or proceeding arising out of or relating to any Loan

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Document, or for recognition or enforcement of any judgment, and each party hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State court or, to the extent permitted by law, in such Federal court. Each party hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in any Loan Document shall affect any right that any Secured Party may otherwise have to bring any action or proceeding relating to any Loan Document against any Lien Grantor or its properties in the courts of any jurisdiction.

1. Each of the Lien Grantors irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in subsection (b) of this Section. Each party hereto irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.
2. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 9.01 of the Credit Agreement. Nothing in any Loan Document will affect the right of any party hereto to serve process in any other manner permitted by law.

Section 22*. Waiver of Jury Trial.* EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR ANY TRANSACTION CONTEMPLATED THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 23*. Appointment of Agent for Service of Process.* (a) Each of the Lien Grantors hereby irrevocably designates, appoints, authorizes and empowers as its agent for service of process, CT Corporation System, at its offices currently located at 111 Eighth Avenue, 13th Floor, New York, NY 10011 (the “**Process Agent**”), to accept and acknowledge for and on behalf of such Lien Grantor

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service of any and all process, notices or other documents that may be served in any suit, action or proceeding relating hereto in any New York State or Federal court sitting in the State of New York. With respect to each Lien Grantor, such designation and appointment shall be irrevocable until all of its Transaction Liens have been released pursuant to Section 15. Each of the Lien Grantors covenants and agrees that it shall take any and all reasonable action, including the execution and filing of any and all documents, that may be necessary to continue the foregoing designations and appointments in full force and effect and to cause the Process Agent to continue to act in such capacity.

1. Each of the Lien Grantors consents to process being served in any suit, action or proceeding of the nature referred to in Section 21 by serving a copy thereof upon the Process Agent. Without prejudice to the foregoing, the Secured Parties and the Administrative Agent agree that to the extent lawful and possible, written notice of said service upon the Process Agent shall also be mailed by registered or certified airmail, postage prepaid, return receipt requested, to each Lien Grantor, care of the Borrower, at the Borrower’s address specified in or pursuant to Section 9.01 of the Credit Agreement or to any other address of which such Lien Grantor shall have given written notice to the Administrative Agent. If said service upon the Process Agent shall not be

possible or shall otherwise be impractical after reasonable efforts to effect the same, each of the Lien Grantors consents to process being served in any suit, action or proceeding of the nature referred to in Section 21 by the mailing of a copy thereof by registered or certified airmail, postage prepaid, return receipt requested, to such Lien Grantor at the address of the Borrower specified in or pursuant to Section 9.01 of the Credit Agreement or to any other address of which such Lien Grantor shall have given written notice to the Administrative Agent, which service shall be effective 14 days after deposit in the United States Postal Service. Each of the Lien Grantors agrees that such service (i) shall be deemed in every respect effective service of process upon itself in any such suit, action or proceeding and (ii) shall to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to itself.

1. Nothing in this Section shall affect the right of any party hereto to serve process in any manner permitted by law, or limit any right that any party hereto may have to bring proceedings against any other party hereto in the courts of any jurisdiction or to enforce in any lawful manner a judgment obtained in one jurisdiction in any other jurisdiction.

Section 24*. Waiver of Immunity.* To the extent that any Lien Grantor has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid or execution, or otherwise) with respect to itself or its property, such Lien Grantor hereby irrevocably waives such immunity in respect of its

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obligations under the Secured Agreements to the extent permitted by applicable law and, without limiting the generality of the foregoing, agrees that the waivers set forth in this Section shall have effect to the fullest extent permitted under the Foreign Sovereign Immunities Act of 1976 of the United States of America and are intended to be irrevocable for purposes of such Act.

Section 25*. Judgment Currency.* (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum due hereunder in dollars into another currency, the parties hereto agree, to the fullest extent that they may legally and effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase dollars with such other currency in New York, New York, on the Business Day immediately preceding the day on which final judgment is given.

1. The obligation of each Lien Grantor in respect of any sum due to any Secured Party hereunder in dollars shall, to the extent permitted by applicable law, notwithstanding any judgment in a currency other than dollars, be discharged only to the extent that on the Business Day following receipt of any sum adjudged to be so due in the judgment currency such Secured Party may in accordance with normal banking procedures purchase dollars in the amount originally due to it with the judgment currency. If the amount of dollars so purchased is less than the sum originally due to such Secured Party, each Lien Grantor agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Secured Party against the resulting loss; and if the amount of dollars so purchased is greater than the sum originally due to such Secured Party, such Secured Party agrees to repay such excess.

Section 26*. Use of English Language.* Any translation of this Agreement into another language shall have no interpretive effect. All documents or notices to be delivered pursuant to or in connection with this Agreement shall be in the English language or, if any such document or notice is not in the English language, accompanied by an English translation thereof, and the English language version of any such document or notice shall control for purposes hereof.

Section 27*. Severability.* If any provision of any Loan Document is invalid, illegal or unenforceable in any jurisdiction then, to the fullest extent permitted by law, (i) such provision shall, as to such jurisdiction, be ineffective to the extent (but only to the extent) of such invalidity, illegality or unenforceability, (ii) the other provisions of the Loan Documents shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Administrative Agent and the Secured Parties in order to carry out the intentions of the parties thereto as nearly as may be possible and (iii) the invalidity, illegality

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or unenforceability of any such provision in any jurisdiction shall not affect the validity, legality or enforceability of such provision in any other jurisdiction.

Section 28*. Counterparts, Integration, Effectiveness.* This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01 of the Credit Agreement, this Agreement (i) will become effective when the Administrative Agent shall have signed this Agreement and received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto and (ii) thereafter will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by facsimile will be effective as delivery of a manually executed counterpart of this Agreement.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MARVELL TECHNOLOGY GROUP LTD.,

as Borrower and Lien Grantor

|  |  |  |
| --- | --- | --- |
| By: | /s/ George Hervey | |
|  | Name: | George Hervey |
|  | Title: | V.P. and CFO |

MARVELL INTERNATIONAL LTD.,

as Guarantor and Lien Grantor

|  |  |  |
| --- | --- | --- |
| By: | /s/ George Hervey | |
|  | Name: | George Hervey |
|  | Title: | V.P. and CFO |

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as

Administrative Agent

|  |  |  |
| --- | --- | --- |
| By: | /s/ Phillip Ho | |
|  | Name: | Phillip Ho |
|  | Title: | Director |
| By: | /s/ Shaheen Malik | |
|  | Name: | Shaheen Malik |
|  | Title: | Associate |



|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  | **SCHEDULE 1** | |  |
|  |  | **SPECIFIED EQUITY INTERESTS** | | | | |  |  |  |  |  |
|  |  | **OWNED BY ORIGINAL LIEN GRANTORS** | | | | |  |  |  |  |  |
|  |  |  | **(as of the Effective Date)** | | | |  |  |  |  |  |
|  |  | **Jurisdiction** |  |  | **Owner of** | | **Percentage** | | **Number of** | |  |
| **Issuer** | | **of** |  |  | **Shares or** | |  |
| **Organization** |  |  | **Equity Interest** | | **Owned** | | **Units** | |  |
| Marvell International Ltd. |  | Bermuda |  |  | Marvell |  | 100 | % | 12,024 |  |  |
|  |  |  |  |  | Technology | |  |  |  |  |  |
|  |  |  |  |  | Group Ltd. | |  |  |  |  |  |
| Marvell International Technology Ltd. | | Bermuda |  |  | Marvell | | 100% | | 12,000 |  |  |
|  |  |  |  |  | International Ltd. | |  |  |  |  |  |
|  |  |  |  | S-1-1 | | |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |



**SCHEDULE 2**

**UCC INFORMATION**

In order to perfect the Transaction Liens granted by a Lien Grantor, a duly completed financing statement on Form UCC-1, with the collateral described as set forth below, should be on file in the office set forth below opposite such Lien Grantor.

|  |  |  |
| --- | --- | --- |
| **Lien Grantor** | | **Office(**1) |
| Marvell Technology Group Ltd. |  | Bermuda |
| Marvell International Ltd. | | Bermuda |

**DESCRIPTION OF COLLATERAL**

All shares of capital stock, membership interests, partnership interests and other securities or equity interests now owned or hereafter acquired by the Debtor in [specify entity or entities whose Equity Interests are being pledged] and all rights and privileges with respect thereto, and all dividends and other payments and distributions with respect thereto, and all proceeds of the foregoing.



1. Insert Lien Grantor’s “location” determined as provided in UCC Section 9-307. S-2-1



**EXHIBIT A**

**to Bermuda Pledge Agreement**

**PLEDGE AGREEMENT SUPPLEMENT**

PLEDGE AGREEMENT SUPPLEMENT dated as of \_\_\_\_\_\_\_, \_\_\_\_, between [NAME OF LIEN GRANTOR] (the “**Lien Grantor**”) and CREDIT

SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent.

WHEREAS, Marvell Technology Group Ltd. (the “**Borrower**”), the lenders party thereto and Credit Suisse, Cayman Islands Branch, as Administrative Agent (the “**Administrative Agent**”), are parties to a Credit Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Credit Agreement**”);

WHEREAS, the Borrower, the Guarantors and the Administrative Agent, are parties to a Guarantee Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Guarantee Agreement**”) pursuant to which the Guarantors party thereto have guaranteed certain obligations of the Borrower, including under the Credit Agreement;

WHEREAS, the Borrower, the Guarantors party thereto and the Administrative Agent are parties to a Bermuda Pledge Agreement dated as of November 8, 2006 (as heretofore amended and/or supplemented, the “**Pledge Agreement**”) under which the Borrower and the Guarantors secure certain obligations (the “**Secured Obligations**”);

WHEREAS, [name of Lien Grantor] has become [is] a party to the Guarantee Agreement as a Guarantor;

WHEREAS, [name of Lien Grantor] is willing to become [is] a party to the Pledge Agreement as a Lien Grantor thereunder; and

WHEREAS, terms defined in the Pledge Agreement (or whose definitions are incorporated by reference in Section 1 of the Pledge Agreement) and not otherwise defined herein have, as used herein, the respective meanings provided for therein;

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NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. *Grant of Transaction Liens*. (a) In order to secure [its Transaction Guarantee](2) [the Secured Obligations](3), the Lien Grantor grants to theAdministrative Agent for the benefit of the Secured Parties a continuing security interest in all the following property of the Lien Grantor, whether now owned or existing or hereafter acquired or arising and regardless of where located (the “**New Collateral**”):

[describe property being added to the Collateral]

* 1. The foregoing Transaction Liens are granted as security only and shall not subject the Administrative Agent or any other Secured Party to, or transfer or in any way affect or modify, any obligation or liability of the Lien Grantor with respect to any of the New Collateral or any transaction in connection therewith.

1. *Delivery of Collateral*. Concurrently with delivering this Pledge Agreement Supplement to the Administrative Agent, the Lien Grantor iscomplying with the provisions of Section 5 of the Pledge Agreement with respect to Specified Equity Interests, in each case if and to the extent included in the New Collateral at such time.
2. *Party to Pledge Agreement*. Upon delivering this Pledge Agreement Supplement to the Administrative Agent, the Lien Grantor will becomea party to the Pledge Agreement and will thereafter have all the rights and obligations of a Lien Grantor thereunder and be bound by all the provisions thereof

as fully as if the Lien Grantor were one of the original parties thereto.(4)

1. *Representations and Warranties*. (a) The Lien Grantor is duly organized, validly existing and in good standing under the laws of [jurisdiction

of organization].



(2) Delete bracketed words if the Lien Grantor is the Borrower.

(3) Delete bracketed words if the Lien Grantor is a Guarantor.

(4) Delete Section 4 if the Lien Grantor is already a party to the Pledge Agreement.

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* 1. Each of the representations and warranties set forth in the Pledge Agreement and the Credit Agreement is true as applied to the Lien Grantor and the New Collateral. For purposes of the foregoing sentence, references in said agreements to a “Lien Grantor”, a “Subsidiary” or a “Credit Party” shall be deemed to refer to the Lien Grantor, references to Schedules to the Pledge Agreement shall be deemed to refer to the corresponding Schedules to this Pledge Agreement Supplement, references to “Collateral” shall be deemed to refer to the New Collateral, and references to the “Closing Date” or the “Effective Date” shall be deemed to refer to the date on which the Lien Grantor signs and delivers this Pledge Agreement Supplement.

1. [*Compliance with Foreign Law*. The Lien Grantor represents that it has taken, and agrees that it will continue to take, all actions required under the laws (including the conflict of laws rules) of its jurisdiction of organization to ensure that the Transaction Liens on the New Collateral rank prior to

all Liens and rights of others therein.(5)]

1. *Governing Law*. This Pledge Agreement Supplement shall be construed in accordance with and governed by the laws of the State of New

York.



(5) Include Section 6 if the Lien Grantor is organized under the laws of a jurisdiction outside the United States.

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IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement Supplement to be duly executed by their respective authorized officers as of the day and year first above written.

[NAME OF LIEN GRANTOR]

By:

Name:



Title:

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative

Agent

By:

Name:



Title:

By:

Name:



Title:

B-1



**Schedule 1**

**to Pledge Agreement**

**Supplement**

**SPECIFIED EQUITY INTERESTS**

**OWNED BY LIEN GRANTOR**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Jurisdiction** | | **Percentage** | | **Number of** |  |
| **Issuer** |  | **of** | |  |
| **Organization** |  | **Owned** |  | **Shares or Units** |  |

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**EXHIBIT B**

**to Bermuda Pledge Agreement**

**ISSUER CONTROL AGREEMENT**

ISSUER CONTROL AGREEMENT dated as of [date ] among \_\_\_\_\_\_\_\_\_\_\_\_\_ (the “**Lien Grantor**”), CREDIT SUISSE, CAYMAN ISLANDS

BRANCH, as Administrative Agent (the “**Secured Party**”), and \_\_\_\_\_\_\_\_\_ (the “**Issuer**”). All references herein to the “**UCC**” refer to the Uniform

Commercial Code as in effect from time to time in [Issuer’s jurisdiction of incorporation].

W I T N E S S E T H :

WHEREAS, the Lien Grantor is the registered holder of [specify Pledged Uncertificated Securities issued by the Issuer] issued by the Issuer (the “**Securities**”);

WHEREAS, pursuant to a Bermuda Pledge Agreement dated as of November 8, 2006 (as such agreement may be amended and/or supplemented from time to time, the “**Pledge Agreement**”), the Lien Grantor has granted to the Secured Party a continuing security interest (the “**Transaction Lien**”) in all right, title and interest of the Lien Grantor in, to and under the Securities, whether now existing or hereafter arising; and

WHEREAS, the parties hereto are entering into this Agreement in order to perfect the Transaction Lien on the Securities;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. *Nature of Securities.* The Issuer confirms that (i) the Securities are “uncertificated securities” (as defined in Section 8-102 of the UCC) and (ii) the Lien Grantor is registered on the books of the Issuer as the registered holder of the Securities.

Section 2. *Instructions.* The Issuer agrees to comply with any “instruction” (as defined in Section 8-102 of the UCC) originated by the Secured Party and relating to the Securities without further consent by the Lien Grantor or any other person. The Lien Grantor consents to the foregoing agreement by the Issuer.

Section 3. *Waiver of Lien; Waiver of Set-off.* The Issuer waives any security interest, lien or right of set-off that it may now have or hereafter acquire in or with respect to the Securities. The Issuer’s obligations in respect of the

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Securities will not be subject to deduction, set-off or any other right in favor of any person other than the Secured Party.

Section 4. *Choice of Law.* This Agreement shall be governed by the laws of [Issuer’s jurisdiction of incorporation].

Section 5. *Conflict with Other Agreements.* There is no agreement (except this Agreement) between the Issuer and the Lien Grantor with respect to the Securities except for [identify any existing other agreements] (the “**Existing Other Agreements**”). In the event of any conflict between this Agreement (or any portion hereof) and any other agreement (including any Existing Other Agreement) between the Issuer and the Lien Grantor with respect to the Securities, whether now existing or hereafter entered into, the terms of this Agreement shall prevail.

Section 6. *Amendments.* No amendment or modification of this Agreement or waiver of any right hereunder shall be binding on any party hereto unless it is in writing and is signed by all the parties hereto.

Section 7. *Notice of Adverse Claims.* Except for the claims and interests of the Secured Party and the Lien Grantor in the Securities, the Issuer does not know of any claim to, or interest in, the Securities. If any person asserts any lien, encumbrance or adverse claim (including any writ, garnishment, judgment, attachment, execution or similar process) against the Securities, the Issuer will promptly notify the Secured Party and the Lien Grantor thereof.

Section 8. *Maintenance of Securities.* In addition to, and not in lieu of, the obligation of the Issuer to honor instructions as agreed in Section 2 hereof, the Issuer agrees as follows:

1. *Lien Grantor Instructions; Notice of Exclusive Control.* So long as the Issuer has not received a Notice of Exclusive Control (asdefined below), the Issuer may comply with instructions of the Lien Grantor or any duly authorized agent of the Lien Grantor in respect of the Securities. After the Issuer receives a written notice from the Secured Party that it is exercising exclusive control over the Securities (a “**Notice of** **Exclusive Control**”), the Issuer will cease complying with instructions of the Lien Grantor or any of its agents.
2. *Non-Cash Dividends and Distributions.* After the Issuer receives a Notice of Exclusive Control, the Issuer shall deliver to theSecured Party all dividends, interest and other distributions paid or made upon or with respect to the Securities.

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1. *Voting Rights.* Until the Issuer receives a Notice of Exclusive Control, the Lien Grantor shall be entitled to direct the Issuer withrespect to voting the Securities.
2. *Statements and Confirmations.* The Issuer will promptly send copies of all statements and other correspondence concerning theSecurities simultaneously to each of the Lien Grantor and the Secured Party at their respective addresses specified in Section 11 hereof.
3. *Tax Reporting.* All items of income, gain, expense and loss recognized in respect of the Securities shall be reported to the InternalRevenue Service and all state and local taxing authorities under the name and taxpayer identification number of the Lien Grantor.

Section 9. *Representations, Warranties and Covenants of the Issuer.* The Issuer makes the following representations, warranties and covenants:

1. This Agreement is a valid and binding agreement of the Issuer enforceable in accordance with its terms.
2. The Issuer has not entered into, and until the termination of this Agreement will not enter into, any agreement with any other person relating to the Securities pursuant to which it has agreed, or will agree, to comply with instructions (as defined in Section 8-102 of the UCC) of such person. The Issuer has not entered into any other agreement with the Lien Grantor or the Secured Party purporting to limit or condition the obligation of the Issuer to comply with instructions as agreed in Section 2 hereof.

Section 10. *Successors.* This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns.

Section 11. *Notices.* Each notice, request or other communication given to any party hereunder shall be in writing (which term includes facsimile or other electronic transmission) and shall be effective (i) when delivered to such party at its address specified below, (ii) when sent to such party by facsimile or other electronic transmission, addressed to it at its facsimile number or electronic address specified below, and such party sends back an electronic confirmation of receipt or (iii) ten days after being sent to such party by certified or registered United States mail, addressed to it at its address specified below, with first class or airmail postage prepaid:

Lien Grantor: [address]

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Secured Party: [address]

Issuer: [address]

Any party may change its address, facsimile number and/or e-mail address for purposes of this Section by giving notice of such change to the other parties in the manner specified above.

Section 12. *Termination.* The rights and powers granted herein to the Secured Party (i) have been granted in order to perfect the Transaction Lien,

1. are powers coupled with an interest and (iii) will not be affected by any bankruptcy of the Lien Grantor or any lapse of time. The obligations of the Issuer hereunder shall continue in effect until the Secured Party has notified the Issuer in writing that the Transaction Lien has been terminated pursuant to the Pledge Agreement.

Section 13. *Counterparts.* This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Agreement by signing and delivering one or more counterparts.

[NAME OF LIEN GRANTOR]

By:

Name:



Title:

CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as

Administrative Agent

By:

Name:



Title:

By:

Name:



Title:

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[NAME OF ISSUER]

By:

Name:



Title:

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**Exhibit A**

[Letterhead of Credit Suisse, Cayman Islands Branch]

[Date]

[Name and Address of Issuer]

Attention: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Re: Notice of Exclusive Control

Ladies and Gentlemen:

As referenced in the Issuer Control Agreement dated as of \_\_\_\_\_\_, \_\_\_\_ among [name of Lien Grantor], us and you (a copy of which is attached),

we notify you that we will hereafter exercise exclusive control over [specify Pledged Uncertificated Securities] registered in the name of [name of Lien Grantor] (the “**Securities**”). You are instructed not to accept any directions or instructions with respect to the Securities from any person other than the undersigned unless otherwise ordered by a court of competent jurisdiction.

You are instructed to deliver a copy of this notice by facsimile transmission to [name of Lien Grantor].

Very truly yours,



CREDIT SUISSE, CAYMAN ISLANDS BRANCH, as Administrative Agent

By:

Name:



Title:

By:

Name:



Title:

cc: [name of Lien Grantor]

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**EXHIBIT C**

**to Bermuda Pledge Agreement**

**FORM 9**

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**EXHIBIT 10.4**



Dated 8 November 2006

**MARVELL INTERNATIONAL LTD.**

as Chargor

and

**CREDIT SUISSE, CAYMAN ISLANDS BRANCH**

as Administrative Agent

**SHARE CHARGE**

**ALLEN & GLEDHILL**

ONE MARINA BOULEVARD #28-00

SINGAPORE 018989



|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
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**This Deed** is made on 8 November 2006 **between:**

1. **Marvell International Ltd.**, a Bermuda exempted company incorporated and existing under the laws of Bermuda with registration numberEC29736 (the “**Chargor**”); and
2. **Credit Suisse, Cayman Islands Branch** (the “**Administrative Agent**”), as trustee for the benefit of, the Secured Parties (as defined in the CreditAgreement defined below).

**Whereas:**

1. Pursuant to a Credit Agreement (the “**Credit Agreement**”, which term includes any amendment, amendment and restatement, supplement or modification thereof) dated as of November 8, 2006, made among (1) Marvell Technology Group Ltd (the “**Borrower**”), as borrower, (2) the lenders from time to time party thereto (the “**Lenders**”), as lenders, and (3) the Administrative Agent, the Borrower intends to borrow funds for the purposes set forth therein.
2. Pursuant to a Guarantee Agreement (the “**Guarantee Agreement**”, which term includes any amendment, amendment and restatement, supplement or modification thereof) dated as of November 8, 2006 made among (1) the Borrower, as borrower, (2) the subsidiaries of the Borrower listed on the signature pages of the Guarantee Agreement (including the Chargor) (the “**Guarantors**”), as guarantors and (3) the Administrative Agent, the Guarantors agree to guarantee the obligations of the Borrower under (a) the Credit Agreement and (b) certain Hedging Agreements (as defined in the Credit Agreement).
3. The Guarantee Agreement provides that the Lenders are not willing to make loans under the Credit Agreement unless the guarantee of the Chargor, as a Guarantor under the Guarantee Agreement, is secured by Liens (as defined in the Credit Agreement) on the assets of the Chargor.
4. The Chargor has agreed to enter into this Deed and to create, upon the terms and conditions of this Deed, the security interest expressed to be created by this Deed over the Charged Assets (as defined below) as a continuing security interest to secure its Transaction Guarantee (as defined in the Credit Agreement).

**It is agreed** as follows:

1. **Definitions and Interpretation**

**1.1** **Definitions**

In this Deed, unless a contrary indication appears, and except to the extent that the content requires otherwise, terms used in the Credit Agreement have the same meaning and construction and, in addition:

“**Act**” means the Conveyancing and Law of Property Act, Chapter 61 of Singapore.

“**Authorisation**” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“**Charged Assets**” means the assets from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

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“**Charges**” means all or any of the Security created or expressed to be created by or pursuant to this Deed.

“**Collateral**” mean all property, whether now owned or hereafter acquired, on which a Lien is granted or purports to be granted to the Administrative Agent pursuant to the Security Documents and when used with respect to the Chargor, “**Collateral**” means all its assets on which such a Lien is granted or purports to be granted by the Chargor

“**Company**” means Marvell Asia Pte Ltd, a company incorporated in Singapore with company registration number 199702379M, having its registered office at 151 Lorong Chuan #02-05 New Tech Park, Singapore 556741.

“**Contingent Secured Obligation**” means, at any time, any Secured Obligation (or portion thereof) that is contingent in nature at such time, including any Secured Obligation that is:

1. an obligation under a Hedging Agreement to make payments that cannot be quantified at such time;
2. any other obligation (including any guarantee) that is contingent in nature at such time; or
3. an obligation to provide collateral to secure any of the foregoing types of obligations.

“**Currency of Account**” means the currency in which the relevant indebtedness is denominated or, if different, is payable.

“**Delegate**” means a delegate or sub-delegate appointed under Clause 8.2 (*Delegation*).

“**Dividends**” means, in relation to any Share, all present and future:

1. dividends and distributions of any kind and any other sum received or receivable in respect of that Share;
2. rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of that Share;
3. allotments, offers and rights accruing or offered in respect of that Share; and
4. other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, that Share.

“**Party**” means a party to this Deed.

“**Permitted Liens**” means (a) the Transaction Liens and (b) any other Liens on the Collateral permitted to be created or assumed or to exist pursuant to Section 6.02 of the Credit Agreement.

“**Post-Petition Interest**” means any interest that accrues after the commencement of any case, proceeding or other action relating to the Winding-up, bankruptcy, insolvency or reorganisation of any one or more of the Lien Grantors (or would accrue but for the operation of applicable Winding-up, bankruptcy or insolvency laws), whether or not such interest is allowed or allowable as a claim in any such proceeding.

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“**Ratings Release Conditions**” means the following conditions for terminating all the Transaction Liens:

1. the Borrower shall have given notice to the Administrative Agent at least 15 days prior to a date (the “**Release Date**”) specifying such Release Date;
2. as of the Release Date, the corporate family rating of the Borrower shall be at least Baa3 by Moody’s and the corporate rating of the Borrower shall be at least BBB - by S&P, in each case with no negative outlook;
3. as of the Release Date, no Default shall have occurred and be continuing; and
4. on the Release Date, the Administrative Agent shall have received a certificate, dated the Release Date and executed by the chief financial officer, principal accounting officer, treasurer or controller of the Borrower, confirming the satisfaction of the preceding conditions.

“**Secured Obligations**” means (i) all principal of all Loans outstanding from time to time under the Credit Agreement, all interest (including Post-Petition Interest) on such Loans and all other amounts now or hereafter payable by the Borrower pursuant to the Loan Documents and (ii) all obligations of any Lien Grantor under any Hedging Agreement that is entered into with any counterparty that is the Arranger, the Administrative Agent or a Lender or an Affiliate of the Arranger, the Administrative Agent or a Lender, in each case at the time such Hedging Agreement is entered into.

“**Secured Parties**” means the holders from time to time of the Secured Obligations.

“**Security**” means a Lien or any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Security Documents**” means this Deed and all other supplemental or additional charge documents or similar instruments delivered with respect to the Charged Assets pursuant to the Credit Agreement.

“**Shares**” means:

1. all present and future shares in the Company, including the shares issued and outstanding at the date of this Deed described in Schedule 2 (*Shares*); and
2. all warrants, options or other rights to subscribe for, purchase or otherwise acquire those shares,

in each case now or in the future owned by the Chargor or (to the extent of its interest) in which it now or in the future has an interest.

“**Transaction Guarantee**” means, with respect to the Chargor, its guarantee of the Secured Obligations pursuant to the Guarantee Agreement.

“**Transaction Liens**” means the Security granted by the Lien Grantors under the Security Documents.

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“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of New York.

“**Winding-up**” means winding-up, amalgamation, reconstruction, administration, judicial management, dissolution, liquidation, merger or consolidation or any analogous procedure or step in any jurisdiction.

**1.2** **Construction**

**1.2.1** Unless a contrary indication appears, any reference in this Deed to:

1. “**assets**” includes present and future properties, revenues and rights of every description;
2. the “**Administrative Agent**”, the “**Chargor**”, any “**Credit Party**”, any “**Lien Grantor**”, any “**Party**” or any “**Secured Party**” shall be construed so as to include its successors in title, permitted assigns and permitted transferees;
3. a “**Loan Document**” or any other agreement or instrument is to a reference to that Loan Document or other agreement or instrument as amended or novated;
4. “**indebtedness**” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
5. a “**person**” includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) or two or more of the foregoing;
6. a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation; and
7. a provision of law is a reference to that provision as amended or re-enacted.

**1.2.2** Clause and Schedule headings are for ease of reference only.

**1.2.3** An Event of Default is “**continuing**” if it has not been remedied or waived.

**1.3** **Third party rights**

**1.3.1** Unless expressly provided to the contrary, a person who is not a Party (other than a Secured Party) has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce or to enjoy the benefit of any term of this Deed.

**1.3.2** Notwithstanding any terms of this Deed, the consent of any third party (other than a Secured Party) is not required for any variation (including any release or compromise of any liability under) or termination of this Deed.

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1. **Security**

The Chargor, as beneficial owner and as continuing security for its Transaction Guarantee and for the due and punctual payment and discharge of all the Secured Obligations guaranteed by the Chargor under its Transaction Guarantee, charges in favour of the Administrative Agent (as trustee for the benefit of the Secured Parties) by way of first fixed charge all of the Chargor’s present and future Shares and Dividends.

1. **Restrictions and Further Assurance**

**3.1Security**

The Chargor shall not create or permit to subsist any Security (other than Transaction Liens) over any of its assets except for the Charges and the Permitted Liens, nor do anything else prohibited by or under the terms of the Credit Agreement, the Guarantee Agreement, the US Pledge Agreement or the Bermuda Pledge Agreement.

**3.2** **Disposal**

The Chargor shall not (nor shall it agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Charged Asset except, in the case of Dividends, as permitted by Clause 4.5 (*Dividends* *prior to an Event of Default*).

**3.3** **Further assurance**

The Chargor shall promptly do whatever the Administrative Agent reasonably requests:

**3.3.1** to perfect or protect the Charges or the priority of the Charges; or

**3.3.2** to facilitate the realisation of the Charged Assets or the exercise of any rights vested in the Administrative Agent or any Delegate,

including, without limitation, executing any transfer, charge, mortgage, assignment or assurance of the Charged Assets (whether to the Administrative Agent or its nominees or otherwise), making any registration and giving any notice, order or direction.

**3.4** **Bermuda filing**

The Chargor will promptly after the execution of this Deed, cause to be filed, in Bermuda, a Form 9 with the Registrar of Companies of Bermuda in substantially the form attached hereto as Schedule 3 (*Form 9*).

1. **Charged Assets**

**4.1Acquisition**

The Chargor shall, as soon as practicable, notify the Administrative Agent of its acquisition of, or agreement to acquire, any Shares.

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**4.2** **Documents**

The Chargor shall, on the date of this Deed and, where Shares are acquired by it after the date of this Deed, on the date of such acquisition:

**4.2.1** deposit with the Administrative Agent, or as it directs, all certificates representing the Shares; and

**4.2.2** execute and/or deliver to the Administrative Agent such other documents relating to the Shares, including stamped transfers of Shares executed in blank, as the Administrative Agent requires.

**4.3** **Voting prior to an Event of Default**

At any time before an Event of Default shall have occurred and be continuing, and the Administrative Agent shall have notified the Chargor of its intent to exercise its rights under this Deed, the Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that:

**4.3.1** it does so for a purpose not inconsistent with any Loan Document; and

**4.3.2** the exercise of or failure to exercise those rights would not have an adverse effect on the value of the relevant Shares or the Charged Assets and would not otherwise prejudice the interests of any Secured Party under any Loan Document.

**4.4** **Voting after an Event of Default**

At any time after an Event of Default shall have occurred and be continuing, and the Administrative Agent shall have notified the Chargor of its intent to exercise its rights under this Deed:

**4.4.1** the Administrative Agent shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit; and

**4.4.2** the Chargor shall comply or procure the compliance with any directions of the Administrative Agent in respect of the exercise of those rights and shall promptly execute and/or deliver to the Administrative Agent such forms of proxy as it requires with a view to enabling such

person as it selects to exercise those rights.

**4.5** **Dividends prior to an Event of Default**

At any time before an Event of Default shall have occurred and be continuing, and the Administrative Agent shall have notified the Chargor of its intent to exercise its rights under this Deed, the Chargor is entitled to receive, retain and use any Dividends or any other distribution.

**4.6** **Dividends after an Event of Default**

At any time after an Event of Default shall have occurred and be continuing, and the Administrative Agent shall have notified the Chargor of its intent to exercise its rights under this Deed, the Administrative Agent shall have the right to receive and retain all Dividends and the Chargor shall take all such action as the Administrative Agent may deem necessary or appropriate to give effect to such right and if any Dividend or other distribution is received by

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the Chargor at such time, the Chargor shall hold such Dividend or other distribution received by it on trust for the benefit of the Administrative Agent and the Secured Parties and, if the Administrative Agent so directs, shall forthwith upon demand by the Administrative Agent pay the same over to the Administrative Agent or as it may direct, provided that after all Events of Default have been remedied, the Administrative Agent’s right to retain any such Dividend or other distribution shall cease and the Administrative Agent shall pay over to the Chargor, without interest, any such Dividends or other distributions that the Chargor would otherwise be permitted to receive, retain and use pursuant to Clause 4.5 (*Dividends prior to* *an Event of Default*).

1. **General Undertakings**

**5.1Authorisations**

The Chargor shall promptly obtain, comply with and maintain in full force and effect, any Authorisation required to enable it to perform its obligations under this Deed and to ensure the legality, validity, enforceability or admissibility in evidence in its jurisdiction of incorporation and any other relevant jurisdiction of this Deed.

**5.2** **Compliance with laws**

The Chargor shall comply in all respects with all laws to which it may be subject, if failure so to comply would have a material adverse effect on the validity, enforceability or priority of the Security created by this Deed.

**5.3** **Depreciation of Charged Assets**

The Chargor shall not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of the Charged Assets.

**5.4** **No prejudicial conduct**

The Chargor shall not do, or permit to be done, anything which could prejudice the Charges.

**5.5** **Discharge other debts**

The Chargor shall punctually pay and discharge all debts and obligations which by law have priority over the Charges.

**5.6** **Transfers**

The Chargor shall at the request of the Administrative Agent, at any time after an Event of Default shall have occurred and be continuing, procure the passing, by the board of directors of the Company of a resolution, in terms approved by the Administrative Agent, approving the registration of the transfers of all of the Charged Assets, or any Charged Assets specified in the relevant request, to the Administrative Agent or, as the Administrative Agent may direct, any third party.

**5.7** **Memorandum and Articles of Association**

The Chargor will (unless it has already done so) cause the Articles of Association of the Company to be amended in the manner requested by the

Administrative Agent for the purpose of ensuring:

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**5.7.1** that the directors of the Company shall not decline to register, or suspend the registration of, any transfer of any Shares where such transfer is executed (whether as transferor or transferee) by any bank or financial institution holding any Security over such Shares, or by any nominee of such bank or financial institution;

**5.7.2** that any bank or other institution (including any agent or trustee on behalf of such bank or other institution) holding any Security over any Shares have been charged by way of security from time to time, shall have a first fixed charge over such Shares, ranking in priority over any lien expressed to be created under the Articles of Association of the Company (which shall in all respects be subject to such first fixed charge) whether the period for the payment, fulfilment or discharge of the relevant secured debt shall have actually arrived or not, and, regardless of when such charge and such Security was created;

**5.7.3** that any bank or other institution (including any agent or trustee on behalf of such bank or other institution) holding any Security over any Shares, shall not be required to provide any other evidence to prove its title to those Shares apart from the certificates of the Shares,

but shall not, unless the Administrative Agent shall otherwise have given its prior consent in writing, cause, procure or allow any other amendments or variations to be made to the Memorandum of Association or Articles of Association of the Company which may have the effect of superseding, revoking or otherwise negating the abovementioned amendments.

**5.8** **Change of name or corporate structure**

**5.8.1** The Chargor shall not:

1. change its name or corporate structure;
2. change its location (determined as provided in UCC Section 9-307); or
3. become bound, as provided in UCC Section 9-203(d), by a security agreement entered into by another Person as lien grantor,

unless it shall have given the Administrative Agent prior notice thereof and delivered a certificate of a Financial Officer with respect thereto in accordance with Clause 5.8.2.

**5.8.2** At least 30 days before it takes any action contemplated by Clause 5.8.1, the Chargor will, at the Borrower’s expense, cause to be delivered to the Administrative Agent a certificate of a Financial Officer, in form and substance reasonably satisfactory to the Administrative Agent, to the effect that:

1. all financing statements and amendments or supplements thereto, continuation statements and other documents required to be filed or recorded in order to perfect and protect the Transaction Liens against all creditors of and purchasers from the Chargor after it takes such action (except any continuation statements specified in such certificate that are to be filed more than six months after the date thereof) have been filed or recorded in each office necessary for such purpose;

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1. all fees and taxes, if any, payable in connection with such filings or recordations have been paid in full; and
2. except as otherwise agreed by the Required Lenders, such action will not adversely affect the perfection or priority of the Charges on any of the Charged Assets after it takes such action or the accuracy of the representations and warranties of the Chargor set out in Clause 6 (*Representations and Warranties*) relating to the Charged Assets.
3. **Representations and Warranties**

The Chargor makes the representations and warranties set out in this Clause 6 to the Administrative Agent on the date of this Deed.

**6.1** **Binding obligations**

The obligations expressed to be assumed by it in this Deed are legal, valid, binding and enforceable, subject to:

**6.1.1** any general principles of law limiting its obligations or the enforceability of the Security expressed to be created by this Deed which are specifically referred to in any legal opinion delivered pursuant to a Loan Document; or

**6.1.2** the requirements specified at the end of Clause 6.2 (*Validity and admissibility in evidence*).

**6.2** **Validity and admissibility in evidence**

All Authorisations required or desirable:

**6.2.1** to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed and the transactions contemplated by it;

**6.2.2** to make this Deed admissible in evidence in its jurisdiction of incorporation and other relevant jurisdictions; and

**6.2.3** to enable it to create the Charges and to ensure that the Charges have and will have the priority and ranking which they are expressed to have,

have been obtained or effected and are in full force and effect, save for the payment of stamp duty up to a maximum amount of S$500 payable in Singapore in respect of the stamping of this Deed.

**6.3** **No filing or stamp Taxes**

Except for the requirements specified at the end of Clause 6.2 (*Validity and admissibility in evidence*) it is not necessary, under the laws of its jurisdiction of incorporation that this Deed be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar Tax be paid on or in relation to this Deed or the transactions contemplated by this Deed.

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**6.4** **Ranking**

Subject to any applicable reservations in legal opinions delivered pursuant to any Loan Document and the requirements specified at the end of Clause 6.2 (*Validity and admissibility in evidence*), this Deed creates in favour of the Administrative Agent the Security which it is expressed to create, with the ranking and priority it is expressed to have.

**6.5** **Title**

It has good and valid title in all respects to the assets which are expressed to be subject to the Security created by or pursuant to this Deed, free from all Security except for the Charges.

**6.6** **Winding-up**

Except as permitted pursuant to the Credit Agreement, no meeting has been convened, order made or resolution passed for its Winding-up, no such step is intended by it and, so far as it is aware, no petition, application or the like is outstanding for its Winding-up.

**6.7** **Shares fully paid etc**

The Shares (described in Schedule 2 (*Shares*)) are duly authorised, validly issued and non-assessable and are (or will be when the Memorandum and Articles of Association of the Company have been amended pursuant to Clause 5.7 (*Memorandum and Articles of Association*)) freely transferable in accordance with the terms of the Articles of Association of the Company. There are no moneys or liabilities outstanding or payable in respect of any of the Shares.

**6.8** **Share capital**

The Shares constitute all the share capital in the Company and no person has or is entitled to any conditional or unconditional option, warrant or other right to subscribe for, purchase or otherwise acquire any issued or unissued Shares, or any interest in Shares, in the capital of the Company.

**6.9** **Form 9**

**6.9.1** This Deed creates in favour of the Secured Parties a valid security interest in the Shares, securing the Secured Obligations and other

obligations secured under Clause 2. Upon the filing of a Form 9 with the Registrar of Companies of Bermuda, which will be made

promptly following the execution of this Deed, the security interest in the Shares will constitute a security interest in favour of the Secured

Parties enforceable against third parties (including creditors of, and any liquidator or administrator appointed with respect to, the Chargor or

the Borrower) prior to all Liens and rights of others therein, except for statutorily preferred claims under the laws of the Bermuda

(“**Statutory Claims**”), including without limitation claims in respect of Taxes, assessments or impositions, certain wages or salaries. No

Statutory Claims against the Chargor or the Company exist as of the date hereof.

**6.9.2** Other than the filing of Form 9 with the Registrar of Companies of Bermuda, which will be made promptly following the execution of this Deed, no authorisation or

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approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or any other third party is required for (i) the grant by the Chargor of the security interest granted hereunder or for the execution, delivery or performance of this Deed by the Chargor, or (ii) the maintenance or effectiveness of the security interest created hereunder (including the first priority nature of the Secured Parties’ security interest or its enforceability against third parties). Except as provided in Clause 6.2 and paragraph 6.9.1 above, no authorisation or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body or any other third party is required for the exercise by the Secured Parties of their rights provided for in this Deed or the remedies in respect of the Shares pursuant to this Deed.

1. **Enforcement**

**7.1** **When enforceable**

The Charges shall be enforceable, and the power of sale and other powers conferred by Section 24 of the Act as varied and extended by this Deed shall be exercisable, if an Event of Default shall have occurred and be continuing.

**7.2** **Power of sale**

The statutory power of sale, of appointing a receiver and the other statutory powers conferred on mortgagees by the Act as varied and extended by this Deed shall arise on the date of this Deed and may be exercised by the Administrative Agent free from the restrictions imposed by Section 25 of the Act, provided that if any of the Charged Assets are to be sold pursuant to the exercise of such statutory power of sale then, to the extent that reasonable notice of such sale is required by any applicable law, ten days’ notice (which shall be deemed to be reasonable notice) of such sale shall be given to the Chargor (but nothing in this Clause 7.2 confers any right on the Administrative Agent to take any action before an Event of Default shall have occurred and be continuing which it would not have had in the absence of this Clause 7.2).

**7.3** **Consolidation**

Section 21 of the Act shall not apply to this Deed.

1. **Administrative Agent’s Rights**

**8.1Rights of Administrative Agent**

At any time after an Event of Default shall have occurred and be continuing (whether or not the Administrative Agent shall have taken possession of the Charged Assets), the Administrative Agent shall have the rights set out in Schedule 1 (*Rights of Administrative Agent*).

**8.2** **Delegation**

The Administrative Agent may delegate in any manner to any person any rights exercisable by the Administrative Agent under any Loan Document. Any such delegation may be made

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upon such terms and conditions (including power to sub-delegate) as the Administrative Agent thinks fit.

1. **Order of Distributions**

**9.1Application of proceeds**

If an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Chargor of its intent to exercise its rights under the Security Documents, the Administrative Agent or any Delegate in exercise of its rights under this Deed may, subject to the rights of any creditors having priority, apply (a) any cash held by it and (b) the proceeds of any sale or other disposition of all or any part of the Charged Assets or any enforcement of its rights under this Deed in the order provided in Clause 9.2 (*Order of distributions*).

**9.2** **Order of distributions**

The order referred to in Clause 9.1 (*Application of proceeds*) is:

**9.2.1** in or towards the payment of all expenses of and incidental to such sale or other disposition (including, reasonable compensation to any Delegate, agent of and counsel for the Administrative Agent and all costs, losses, expenses, liabilities, and advances incurred or made by the Administrative Agent in connection with this Deed and the other Loan Documents) and any other amounts then due and payable to the Administrative Agent pursuant to Section 9.03 of the Credit Agreement;

**9.2.2** in or towards (i) payment of the unpaid principal of the Secured Obligations rateably and (ii) rateable provision for the payment of the Contingent Secured Obligations, until payment in full of the principal of all Secured Obligations shall have been made and provided for;

**9.2.3** in or towards payment rateably of all interest (including Post-Petition Interest) on the Secured Obligations payable under the Credit Agreement, until payment in full of all such interest and fees shall have been made;

**9.2.4** in or towards (i) payment of all other Secured Obligations rateably and (ii) rateable provision for the payment of all other Contingent Secured Obligations, until payment in full of all such other Secured Obligations and other Contingent Secured Obligations shall have been made (or so provided for); and

**9.2.5** in payment of any surplus to the Chargor or other person entitled to it,

provided that Collateral owned by the Chargor and any proceeds thereof shall be applied pursuant to Clauses 9.2.1, 9.2.2, 9.2.3 and 9.2.4 only to the extent permitted by the limitation in Section 2(i) of the Guarantee Agreement (which provides that the obligations of the Chargor under its Transaction Guarantee shall be limited to an aggregate amount equal to the largest amount that would not render such Transaction Guarantee subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provisions of applicable law). The Administrative Agent may make such distributions hereunder in cash or in kind or, on a rateable basis, in any combination thereof.

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**9.3** **Contingent Secured Obligation**

If, at any time, any portion of any monies collected or received by the Administrative Agent would, but for the provisions of this Clause 9.3, be payable pursuant to Clause 9.2 in respect of a Contingent Secured Obligation, the Administrative Agent shall not apply any monies to pay such Contingent Secured Obligation but instead shall request the holder thereof, at least 10 days before each proposed distribution hereunder, to notify the Administrative Agent as to the maximum amount of such Contingent Secured Obligation if then ascertainable. If the holder of such Contingent Secured Obligation does not notify the Administrative Agent of the maximum ascertainable amount thereof at least two Business Days before such distribution, such holder will not be entitled to share in such distribution. If such holder does so notify the Administrative Agent as to the maximum ascertainable amounts thereof, the Administrative Agent will allocate to such holder a portion of the monies to be distributed in such distribution, calculated as if such Contingent Secured Obligation were outstanding in such maximum ascertainable amount.

1. **Liability of Administrative Agent and Delegates**

**10.1** **Possession**

If the Administrative Agent or any Delegate takes possession of the Charged Assets, it or he may at any time relinquish possession.

**10.2** **Administrative Agent’s liability**

Neither the Administrative Agent nor any Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason and whether as mortgagee in possession or otherwise) be liable to the Chargor, any Secured Party or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct of the Administrative Agent, any Delegate or their respective officers, employees or agents in relation to the Charged Assets or in connection with the Loan Documents except to the extent caused by its or his own gross negligence or wilful misconduct. Any third party referred to in this Clause 10 may enjoy the benefit or enforce the terms of this Clause 10 in accordance with the provisions of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

1. **Power of Attorney**

**11.1 Appointment**

The Chargor by way of security irrevocably appoints the Administrative Agent and every Delegate severally its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit:

**11.1.1** to do anything which the Chargor is obliged to do (but has not done) under any Loan Document to which it is a party (including to execute charges over, transfers, conveyances, mortgages, assignments and assurances of, and other instruments, notices, orders and directions relating to, the Charged Assets); and

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**11.1.2** to exercise any of the rights conferred on the Administrative Agent or any Delegate in relation to the Charged Assets or under any Loan Document, the Act or under general law,

provided that the Administrative Agent shall not exercise any rights or powers conferred on in this Clause 11.1 unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have notified the Chargor of its intent to exercise any right to sell or otherwise dispose of any of the Charged Assets. The Administrative Agent will give the Chargor at least ten days’ prior written notice of the time and place of any public sale or the time at which any private sale or other intended disposition thereof will be made.

**11.2** **Ratification**

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 11.1 (*Appointment*). Any attorney referred to in this Clause 11 which is not a party to this Deed may enjoy the benefit or enforce the terms of this Clause 11 in accordance with the provisions of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

1. **Protection of Third Parties 12.1 No duty to enquire**

No purchaser or other person dealing with the Administrative Agent, any other Secured Party or any Delegate shall be concerned to enquire:

**12.1.1** whether the rights conferred by or pursuant to any Loan Document are exercisable;

**12.1.2** whether any consents, regulations, restrictions or directions relating to such rights have been obtained or complied with;

**12.1.3** otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such rights; or

**12.1.4** as to the application of any money borrowed or raised.

**12.2** **Protection to purchasers**

Upon any sale or disposal of the Charged Assets or any part thereof which the Administrative Agent shall make or purport to make under the provisions of this Deed, a statement in writing from the Administrative Agent that the Charges have become enforceable and that the power of sale has become exercisable shall be conclusive evidence of the fact in favour of any purchaser or other person to whom any of the Charged Assets may be transferred and such purchaser or other person will take the same free of any rights of the Chargor.

1. **Saving Provisions 13.1 Continuing Security**

Subject to Clause 14 (*Discharge of Security*), the Charges are continuing Security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

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**13.2** **Reinstatement**

If any payment by the Chargor or any discharge given by a Secured Party (whether in respect of the obligations of any Credit Party or any Security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

**13.2.1** the liability of the Chargor and the Charges shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

**13.2.2** each Secured Party shall be entitled to recover the value or amount of that security or payment from the Chargor, as if the payment, discharge, avoidance or reduction had not occurred.

**13.3** **Waiver of defences**

Neither the obligations of the Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under any Loan Document or any of the Charges (without limitation and whether or not known to it or any Secured Party) including:

**13.3.1** any time, waiver or consent granted to, or composition with, the Chargor, any other Credit Party or other person;

**13.3.2** the release of the Chargor, any other Credit Party or any other person under the terms of any composition or arrangement with any creditor of any Credit Party;

**13.3.3** the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, the Chargor, any other Credit Party or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

**13.3.4** any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of the Chargor, any other Credit Party or any other person;

**13.3.5** any amendment (however fundamental) or replacement of a Loan Document or any other document or security;

**13.3.6** any unenforceability, illegality or invalidity of any obligation of any person under any Loan Document or any other document or security;

**13.3.7** any insolvency, liquidation, Winding-up or similar proceedings; or

**13.3.8** this Deed or any other Loan Document not being executed by or binding against any person intended or expressed to be party thereto.

**13.4** **Immediate recourse**

The Chargor waives any right it may have of first requiring any Secured Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from the Chargor under this Deed. This waiver applies irrespective of any law or any provision of a Loan Document to the contrary.

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**13.5** **Appropriations**

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated, each Secured Party (or any trustee or agent on its behalf) may:

**13.5.1** refrain from applying or enforcing any other moneys, security or rights held or received by that Secured Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Chargor shall not be entitled to the benefit of the same; and

**13.5.2** hold in an interest-bearing suspense account any moneys received from the Chargor or on account of the Chargor’s liability under this Deed.

**13.6** **Deferral of Chargor’s rights**

Until all the Secured Obligations have been irrevocably paid in full and all facilities which might give rise to Secured Obligations have terminated and unless the Administrative Agent otherwise directs, the Chargor will not exercise any rights which it may have by reason of performance by it of its obligations under the Loan Documents:

**13.6.1** to be indemnified by any other Credit Party;

**13.6.2** to claim any contribution from any other Credit Party or any other guarantor of any Credit Party’s obligations under the Loan Documents; and/or

**13.6.3** to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Parties under the Loan Documents or of any guarantee or other security taken pursuant to, or in connection with, the Loan Documents by any Secured Party.

**13.7** **Additional Security**

The Charges are in addition to and are not in any way prejudiced by any other guarantees or Security now or subsequently held by any Secured Party.

1. **Discharge of Security 14.1 Discharge of Security**

**14.1.1** Subject to Clause 14.2 (*Retention of Security*) and to reinstatement as set forth in Section 5.12 of the Credit Agreement, upon the occurrence of the earlier of (i) the release of the Transaction Guarantee of the Chargor pursuant to Section 2(c) of the Guarantee Agreement and (ii) the satisfaction of all of the Ratings Release Conditions, the Administrative Agent shall, at the request and cost of the Chargor, release, reassign or discharge (as appropriate) the Charged Assets from the Charges.

**14.1.2** At any time before the Transaction Liens granted by the Borrower terminate, the Administrative Agent may, at the written request of the Borrower, (i) release any Charged Assets (but not all or substantially all the Charged Assets) with the prior

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written consent of the Required Lenders or (ii) release all or substantially all the Charged Assets with the prior written consent of all Lenders.

**14.2** **Retention of Security**

If the Administrative Agent considers that any amount paid or credited to any Secured Party under any Loan Document is capable of being avoided or otherwise set aside on the Winding-up of the Chargor or any other person or otherwise so that the Transaction Guarantee of the Chargor may be reinstated pursuant to Section 2(c)(i) of the Guarantee Agreement, the event described in Clause 14.1.1(i) above shall not be considered to have occurred.

1. **Conduct of Business by the Secured Parties** No provision of this Deed will:

**15.1.1** interfere with the right of each Secured Party to arrange its affairs (Taxes or otherwise) in whatever manner it thinks fit;

**15.1.2** oblige any Secured Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner ofany claim; or

**15.1.3** oblige any Secured Party to disclose any information relating to its affairs (Taxes or otherwise) or any computations in respect of Taxes.

1. **Currency Indemnity**

**16.1** **Currency indemnity**

**16.1.1** If any sum due from the Chargor under this Deed (a “**Sum**”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the Currency of Account into another currency (the “**Second Currency**”) for the purpose of:

1. making or filing a claim or proof against the Chargor;
2. obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Chargor shall as an independent obligation, within three Business Days of demand, indemnify each Secured Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (a) the rate of exchange used to convert that Sum from the Currency of Account into the Second Currency and (b) the rate or rates of exchange available to that Secured Party at the time of its receipt of that Sum.

**16.1.2** The Chargor waives any right it may have in any jurisdiction to pay any amount under this Deed in a currency or currency unit other than that in which it is expressed to be payable.

**16.2** **Indemnities separate**

The indemnity in Clause 16.1 shall:

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**16.2.1** constitute a separate and independent obligation from the other obligations in this Deed;

**16.2.2** give rise to a separate and independent cause of action;

**16.2.3** apply irrespective of any indulgence granted by any Secured Party;

**16.2.4** continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any Secured Obligation or any other judgment or order; and

**16.2.5** apply whether or not any claim under it relates to any matter disclosed by the Chargor or otherwise known to any Secured Party.

1. **Payments 17.1 Payments**

All payments by the Chargor under this Deed (including damages for its breach) shall be made in the Currency of Account and to such account, with such financial institution and in such other manner as the Administrative Agent may direct.

**17.2** **Continuation of accounts**

At any time after:

**17.2.1** the receipt by any Secured Party of notice (either actual or otherwise) of any subsequent Security affecting the Charged Assets; or

**17.2.2** the presentation of a petition or the passing of a resolution in relation to the Winding-up of the Chargor,

any Secured Party may open a new account in the name of the Chargor with that Secured Party (whether or not it permits any existing account to continue). If that Secured Party does not open such a new account, it shall nevertheless be treated as if it had done so when the relevant event occurred. No moneys paid into any account, whether new or continuing, after that event shall discharge or reduce the amount recoverable pursuant to any Loan Document to which the Chargor is party.

1. **Trust Provisions 18.1 Declaration of Trust**

The Administrative Agent agrees to and shall hold the Charged Assets and the benefit of this Deed on trust for the Secured Parties from time to time as security for the Transaction Guarantee of the Chargor and for the due and punctual payment and discharge of all the Secured Obligations guaranteed by the Chargor under the Transaction Guarantee of the Chargor and on the terms and subject to the conditions contained in this Deed and the obligations, rights and benefits vested or to be vested in the Administrative Agent by this Deed or any document entered into pursuant hereto shall (as well before as after enforcement) be performed and (as the case may be) exercised in accordance with the provisions of this Deed.

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**18.2** **Rights upon enforcement**

At any time after an Event of Default shall have occurred and be continuing and until the whole of the Charged Assets shall be sold, called in, collected or converted under the powers of conversion conferred upon the Administrative Agent, the Administrative Agent shall have, in addition to the powers conferred upon it by or pursuant to this Deed, power at its discretion and without being responsible for any loss or damage which may arise or be occasioned thereby and without any consent by the Secured Parties or the Chargor to do each and every of the following things:

**18.2.1** settle, adjust, refer to arbitration, compromise or arrange all accounts, questions, claims and demands whatsoever in relation to the Charged Assets or any part thereof;

**18.2.2** execute and do contracts, deeds, documents and things and bring, defend or abandon actions, suits and proceedings in relation to the Charged Assets in the name of the Chargor;

**18.2.3** discharge the Charged Assets or any part thereof from the security constituted by this Deed where the Administrative Agent considers such discharge to be expedient in the interests of the Secured Parties and on such terms and conditions as it thinks fit; and

**18.2.4** generally to do anything in relation to the Charged Assets or any part thereof as it could do if it were absolutely entitled thereto.

**18.3** **Indemnification**

The Administrative Agent shall not be bound to take any steps to enforce the performance of any provisions of this Deed unless it shall be indemnified to its satisfaction by the Secured Parties against all proceedings, claims and demands to which it may be or become liable and all costs, charges, expenses and liabilities which may be incurred by it in connection therewith.

**18.4** **Raise Moneys**

The Administrative Agent may at any time after the security constituted by this Deed shall have become enforceable, advance, raise or borrow money on the security of the Charged Assets or any part thereof for the purpose of defraying any costs, charges, losses and expenses which shall be paid or incurred by the Administrative Agent in relation to this Deed (including remuneration of the Administrative Agent) or which the Administrative Agent anticipates may be paid or incurred in the exercise of the powers, authorities and discretions vested in it or for all other purposes of this Deed and the Administrative Agent may advance, raise and borrow such moneys at such rates of interest and generally on such terms and conditions as the Administrative Agent shall think fit and may secure the repayment of the moneys so advanced, raised or borrowed with interest on the same by mortgaging or otherwise charging the Charged Assets or any part thereof and generally in such manner and form as the Administrative Agent shall think fit and for the purposes aforesaid may execute and do all such assurances, deeds, acts and things as it shall think fit and no person lending any such money shall be concerned to enquire as to the propriety or purpose of the exercise of this power or to see to the application of any moneys so raised or borrowed.

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**18.5** **Supplement to the Trustees Act**

By way of supplement to the Trustees Act, Chapter 337 of Singapore, it is expressly declared as follows:

**18.5.1** the Administrative Agent may, in relation to this Deed, act on the opinion, certificate or advice of, or information obtained from, any lawyer, valuer, banker, broker, accountant or other expert appointed by the Administrative Agent, the Chargor or any other Secured Party and shall not be responsible for any loss occasioned by so acting;

**18.5.2** any such opinion, certificate, advice or information may be sent or obtained by letter or facsimile transmission and the Administrative Agent shall not be liable for acting on any opinion, certificate, advice or information purporting to be conveyed by any such letter or facsimile transmission although the same shall contain some error or shall not be authentic;

**18.5.3** the Administrative Agent may call for and shall be at liberty to accept a certificate signed by any director of the Chargor as to any fact or matter on which the Administrative Agent may need or wish to be satisfied as sufficient evidence thereof and a like certificate that any assets in the opinion of the person so certifying have a particular value or produce a particular income or are suitable for such company’s purposes as sufficient evidence that they have that value or produce that income or are so suitable and a like certificate to the effect that any particular dealing, transaction, step or thing is in the opinion of the person so certifying expedient as sufficient evidence that it is expedient and the Administrative Agent shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by its failing to do so or by its acting on any such certificate;

**18.5.4** with a view to facilitating sales and other dealings under any provisions of this Deed, the Administrative Agent shall have full power prospectively to consent to any specified transaction conditionally on the same conforming to any specified conditions laid down or approved by the Administrative Agent;

**18.5.5** the Administrative Agent shall have full power to determine as between itself and the other Secured Parties all questions and doubts arising in relation to any of the provisions of this Deed and every such determination whether made upon a question actually raised or implied in the acts or proceedings of the Administrative Agent shall be conclusive and shall bind all persons interested under this Deed;

**18.5.6** the Administrative Agent shall not be bound to take any steps to ascertain whether any event has happened which causes, or which with the lapse of time and/or a relevant determination, would cause, the Secured Obligations to become payable or the security constituted by this Deed to become enforceable and the Administrative Agent shall be entitled to assume without enquiry that no such event has happened and that the Chargor is duly performing all its obligations contained in this Deed and that the Borrower and each of the other Loan Parties is duly performing its obligations contained in the other Loan Documents;

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**18.5.7** the Administrative Agent shall not be concerned with or be responsible for any consolidation, amalgamation or merger of the Chargor or any sale or transfer of all or substantially all of the assets of the Chargor or the form or substance of any plan relating thereto or the consequences thereof to any Secured Party;

**18.5.8** the Administrative Agent shall be at liberty to hold or deposit this Deed and any share certificates or documents relating to this Deed with any banker or banking company or any company whose business includes undertaking the safe custody of share certificates or documents or with any lawyer or firm of lawyers of good repute and the Administrative Agent shall not be responsible for, or be required to insure against, any loss incurred in connection with any such holding or deposit and the Administrative Agent may pay all sums required to be paid on account or in respect of any such deposit;

**18.5.9** save as herein expressly provided, the Administrative Agent shall as between itself and the other Secured Parties, as regards all the duties, trusts, powers, authorities, rights and discretions vested in it by this Deed, have absolute and uncontrolled discretion as to the exercise

thereof and it shall be in no way responsible for any loss, costs, damages, expenses or inconvenience which may result from the exercise or non-exercise thereof and whenever the Administrative Agent is, under the provisions of this Deed, bound to act at the request or direction of the Secured Parties the Administrative Agent shall nevertheless not be so bound unless first indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by so doing;

**18.5.10** the Administrative Agent may, in the conduct of the trusts of this Deed, instead of acting personally, employ and pay an agent, whether ornot a lawyer or other professional person, to transact or conduct, or concur in transacting or conducting, any business and to do or concur in doing all acts required to be done by the Administrative Agent (including the receipt and payment of money) and any trustee, being a lawyer, banker, broker or other person engaged in any profession or business, shall be entitled to charge and be paid all usual professional and other charges for business transacted and acts done by him or any partner of his or by his firm in connection with such trusts and also his charges in addition to disbursements for all other work and business done and all time spent by him or his partner or firm on matters arising in connection with this Deed, including matters which might or should have been attended to in person by a trustee not being a lawyer, banker, broker or other person engaged in any profession or business; and the Administrative Agent shall not be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such person appointed by it hereunder or be bound to supervise the proceedings or acts of any such person;

**18.5.11** the Administrative Agent may whenever it thinks it expedient in the interest of the Secured Parties, whether by power of attorney or in suchother manner as it may think fit, delegate to any person or persons or fluctuating body of persons selected by it all or any of the trusts, rights, powers, duties, authorities and discretions vested in it by this Deed and any such delegation may be made upon such terms and conditions

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(including power to sub-delegate with the approval of the Administrative Agent) and subject to such regulations as the Administrative Agent may in the interests of the Secured Parties think fit and, provided that the Administrative Agent shall have exercised reasonable care in the selection of such delegate, it shall not be under any obligation to supervise the proceedings of and shall not be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate or be bound to supervise the proceedings or acts of any such person; the Administrative Agent shall, within a reasonable time of any such delegation or any renewal, extension or termination thereof, give notice thereof to the Chargor and shall procure that any delegate shall give notice to the Chargor of any appointment of any sub-delegate;

**18.5.12** the Administrative Agent shall be entitled to rely on the certificate of a duly authorised officer of any Secured Party as to the amountpayable in respect of the Secured Obligations due to such Secured Party and shall not be liable to the Chargor by reason of such reliance;

**18.5.13** any consent given by the Administrative Agent for the purposes of this Deed may be given on such terms and conditions (if any) as theAdministrative Agent thinks fit;

**18.5.14** the Administrative Agent shall not (unless ordered so to do by a court of competent jurisdiction) be required to disclose to any SecuredParty any confidential, financial, price sensitive, or other information made available to the Administrative Agent by the Chargor in connection with this Deed and no Secured Party shall be entitled to take any action to obtain from the Administrative Agent any such information; and

**18.5.15** the Administrative Agent may determine whether or not a default in the performance by the Chargor of any obligation under the provisions

of this Deed is in its opinion capable of remedy and/or is materially prejudicial to the interests of the Secured Parties and any such determination shall be conclusive and binding upon the Chargor and the Secured Parties,

Provided, nevertheless, that nothing contained in this sub-Clause shall, in any case in which the Administrative Agent has failed to show the degree of care and diligence required of it as trustee having regard to the provisions of this Deed conferring on the Administrative Agent any powers, authorities or discretions, relieve or indemnify the Administrative Agent against any liability for breach of trust or any liability which by virtue of any rule of law would otherwise attach to it in respect of any negligence, default, breach of duty or breach of trust of which it may be guilty in relation to its duties under this Deed.

**18.6** **Title**

The Administrative Agent shall accept without investigation, requisition or objection, such title as the Chargor may have to the Charged Assets and shall not be bound or concerned to examine or enquire into nor be liable for any defect or failure in the title of the Chargor to the Charged Assets or any part thereof whether such defect or failure was known to the Administrative Agent or might have been discovered upon examination or enquiry and whether capable of remedy or not but the Chargor shall nevertheless observe any undertaking given by them with regard to any such title.

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**18.7** **Indemnity**

The Administrative Agent and every other attorney, agent or other person appointed by the Administrative Agent under the provisions of this Deed shall be entitled to be indemnified out of the Charged Assets in respect of all liabilities, costs, charges and expenses properly incurred by it or him in relation to this Deed or to the preparation and execution or purported execution thereof or to the carrying out of the trusts of this Deed or the exercise

of any trusts, powers or discretions vested in it or him pursuant to this Deed and against all actions, proceedings, costs, claims and demands in respect of any matter or thing done or omitted in any way relating to this Deed in priority to any payments to the Secured Parties and the Administrative Agent and the Administrative Agent may retain and pay out of any moneys in its or his hands arising from this Deed all sums necessary to effect such indemnity and also the remuneration of the Administrative Agent (if any). Any third party referred to in this Clause 18.7 may enjoy the benefit of or enforce the terms of this Clause in accordance with the provisions of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

**18.8** **Performance of covenants**

The Administrative Agent is hereby authorised and it is declared that it is entitled to assume without enquiry (in the absence of knowledge by or an express notice to it to the contrary) that the Chargor is duly performing and observing all the covenants and provisions contained in this Deed and on its part to be performed and observed and notwithstanding knowledge by or notice to the Administrative Agent of any breach of any such covenant, condition, provision or obligation it shall be in the discretion of the Administrative Agent whether to take any action or proceedings or to enforce the performance thereof and notwithstanding that the security constituted by this Deed shall have become enforceable and that it may be expedient to enforce the same the Administrative Agent shall not be bound to enforce the same or any of the covenants, conditions, provisions or obligations of this Deed unless and until in any of such cases the Administrative Agent is requested to do so by the Required Lenders and then only if it shall be indemnified to its satisfaction against all actions, proceedings, costs, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

**18.9** **Other transactions**

The Administrative Agent and any director or officer of any corporation being a trustee pursuant to this Deed or any company or person in any other way associated with the Administrative Agent hereof shall be entitled to enter into or to be otherwise interested in any banking, financial or business contracts or any other transactions or arrangements with the Chargor or in connection with the whole or any part of the Charged Assets which it could have entered into had it not been a trustee pursuant to this Deed; and the Administrative Agent shall not be accountable to the Chargor or any of the Secured Parties for any profits or benefits resulting or arising from any contract, transaction or arrangement as is mentioned in this Clause and the Administrative Agent shall also be at liberty to retain for its own benefit and shall be in no way accountable to the Chargor or any of the Secured Parties for any benefits or profits or any fees, commissions, discounts or share of brokerage allowed to it by bankers, brokers or other parties in relation to or otherwise arising out of any contract, transaction or arrangement (including any dealing with the Charged Assets) permitted by or

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effected under or in connection with this Deed and if any contract, transaction or arrangement as is mentioned in this Clause is dependent on or involves the exercise by the Administrative Agent of any discretion the Administrative Agent shall be free if it thinks fit to exercise such discretion so as to permit such contract, transaction or arrangement notwithstanding its interest therein.

**18.10** **Modifications**

The Administrative Agent may at any time and from time to time without the consent or sanction of the Secured Parties concur with the Chargor in making such modifications to this Deed as may be agreed between the Chargor and the Administrative Agent, provided that the Administrative Agent is of the opinion that such modification will not be materially prejudicial to the interests of the Secured Parties or where the modification is to correct a manifest error or omission.

**18.11** **Waiver**

Unless otherwise directed by the Secured Parties, the Administrative Agent may from time to time and at any time, provided that in its opinion the interests of the Secured Parties will not thereby be materially prejudiced, waive or authorise, on such terms and conditions (if any) as shall seem expedient to the Administrative Agent, any breach or proposed breach by the Chargor of any of the covenants, conditions, provisions or obligations on its part contained in this Deed other than a breach which gives rise to an event upon which the security constituted by this Deed becomes enforceable without prejudice to the rights of the Administrative Agent in respect of any subsequent breach thereof.

**18.12** **Discretion**

Where under this Deed provision is made for the giving of any consent or the exercise of any discretion by the Administrative Agent any such consent may be given and any such discretion may be exercised on such terms and conditions (if any) as the Administrative Agent may think fit and the Chargor shall observe and perform any such terms and conditions and the Administrative Agent may at any time waive or agree to a variation in such terms and conditions. Any such consent may be given retrospectively.

**18.13** **New Trustee**

Subject to Clause 18.15, the power to appoint a new trustee hereof shall be vested in the Chargor but no person shall be appointed who shall not previously have been approved by the Secured Parties. Any appointment of a new trustee hereof shall as soon as practicable thereafter be notified by the Chargor to the Secured Parties. The Required Lenders shall have power to remove any trustee for the time being hereof.

**18.14** **Retirement**

Any Administrative Agent hereof may, subject to Clause 18.15, retire at any time on giving not less than 30 days’ prior written notice thereof to the Chargor and each of the Lenders without assigning any reason and without being responsible for any costs occasioned by such retirement. The Chargor undertakes that, in the event of the Administrative Agent giving notice under this Clause, it shall as soon as possible procure a new trustee to be appointed.

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The retirement of an Administrative Agent shall not take effect unless and until a new trustee is appointed.

**18.15** **Documentation**

Where a new trustee is appointed pursuant to Clause 18.13 or 18.14, each of the Parties agrees to execute such documents and take such steps as are necessary to procure that the rights and benefits of the security constituted by this Deed are fully and effectually vested in such new trustee.

**18.16** **Powers Additional**

The powers conferred on the Administrative Agent shall be in addition to any powers which may from time to time be vested in the Administrative Agent by the general law.

**18.17** **No Action**

The Administrative Agent shall be fully justified in failing or refusing to take any action hereunder (i) if such action would, in the opinion of the Administrative Agent, be contrary to law or the terms herein or any other Loan Document or (ii) if the Administrative Agent shall not first be indemnified to its satisfaction against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

1. **Rights, Amendments, Waivers and Determinations 19.1 Ambiguity**

Where there is any ambiguity or conflict between the rights conferred by law and those conferred by or pursuant to any Loan Document, the terms of that Loan Document shall prevail.

**19.2** **Exercise of rights**

No failure to exercise, nor any delay in exercising, on the part of any Secured Party or Delegate, any right or remedy under any Loan Document shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in the Loan Documents are cumulative and not exclusive of any rights or remedies provided by law.

**19.3** **Amendments and waivers**

Any term of this Deed may be amended or waived only with the consent of the Administrative Agent and the Chargor.

**19.4** **Determinations**

Any certification or determination by any Secured Party or any Delegate under any Loan Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

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1. **Separate and Independent Obligations**

The Security created by the Chargor by or in connection with any Loan Document is separate from and independent of the Security created or intended to be created by any other Credit Party by or in connection with any Loan Document.

1. **Partial Invalidity**

If, at any time, any provision of the Loan Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

1. **Notices**

**22.1** **Communications in writing**

Any communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by fax or letter.

**22.2** **Addresses**

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Deed is that identified with its name below, or any substitute

address, fax number or department or officer as the Party may notify to the other by not less than five Business Days’ notice.

**22.3** **Delivery**

**22.3.1** Any communication or document made or delivered by one Party to another under or in connection with this Deed will only be effective:

1. if by way of fax, when received in legible form; or
2. if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 22.2 (*Addresses*), if addressed to that department or officer.

**22.3.2** Any communication or document to be made or delivered to the Administrative Agent will be effective only when actually received by the Administrative Agent and then only if it is expressly marked for the attention of the department or officer specified below (or any substitute department or officer as the Administrative Agent shall specify for this purpose).

1. **Counterparts**

This Deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Deed.

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1. **Governing Law**

This Deed shall be governed by, and construed in accordance with, the laws of Singapore.

1. **Jurisdiction**

**25.1** **Jurisdiction of Singapore courts**

The courts of Singapore have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed (including a dispute regarding the existence, validity or termination of this Deed) (a “**Dispute**”).

**25.2** **Service of process**

Without prejudice to any other mode of service allowed under any relevant law the Chargor:

**25.2.1** irrevocably appoints the Company as its agent for service of process in relation to any proceedings before the Singapore courts in connection with this Deed; and

**25.2.2** agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

**25.3** **Venue**

The Parties agree that the courts of Singapore are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

**25.4** **Other competent jurisdiction**

This Clause 25 is for the benefit of the Administrative Agent only. As a result, the Administrative Agent shall not be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Administrative Agent may take concurrent proceedings in any number of jurisdictions.

**25.5** **Consent to enforcement**

**25.5.1** The Chargor irrevocably and generally consents in respect of any Dispute anywhere to the giving of any relief or the issue of any process in connection with that Dispute including, without limitation, the making, enforcement or execution against any assets whatsoever (irrespective of their use of intended use) of any order or judgment which may be made or given in that Dispute, and agrees that any final order or judgment shall be conclusive.

**25.5.2** The Chargor expressly agrees and consents to the provisions of this Clause 25.

**25.6** **Waiver of immunity**

The Chargor irrevocably agrees that, should any Party take any proceedings anywhere (whether for an injunction, specific performance, damages or otherwise in connection with any Loan Document), no immunity (to the extent that it may at any time exist, whether on the grounds of sovereignty or otherwise) from those proceedings, from attachment (whether in aid of execution, before judgment or otherwise) of its assets or from execution of judgment shall be claimed by it or with respect to its assets, any such immunity being irrevocably waived.

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The Chargor irrevocably agrees that it and its assets are, and shall be, subject to such proceedings, attachment or execution in respect of its obligations under this Deed.

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**Schedule 1**

**Rights of Administrative Agent**

The Administrative Agent shall, in addition to the rights and benefits to which it shall be entitled, under Clause 18, have the right, either in its own name or in the name of the Chargor or otherwise and in such manner and on such terms and conditions as the Administrative Agent thinks fit, and either alone or jointly with any other person:

1. **Enter into possession**

to take possession of, get in and collect the Charged Assets and to require payment to it of all Dividends;

1. **Deal with Charged Assets**

to sell, transfer, assign, exchange or otherwise dispose of or realise the Charged Assets to any person either by public or private offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

1. **Borrow money**

to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise);

1. **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person who is or claims to be a creditor of the Chargor or relating to the Charged Assets;

1. **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets or any business of the Chargor;

1. **Redemption of Security**

to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets;

1. **Rights of ownership**

to exercise and do (or permit the Chargor or any nominee of it to exercise and do) all such rights and things as the Administrative Agent would be capable of exercising or doing if it were the absolute beneficial owner of the Charged Assets; and

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1. **Other powers**

to do anything else it may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Administrative Agent under or by virtue of any Loan Document to which the Chargor is party, the Act or any other applicable laws or regulations.

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**Schedule 2**

**Shares**

100,000 issued and fully paid-up ordinary shares in the capital of the Company.

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**Schedule 3**

**Form No. 9**



**BERMUDA**

THE COMPANIES ACT 1981

**PARTICULARS OF A MORTGAGE OR CHARGE**

**Pursuant to section 55 of the Companies Act 1981**

**Name of Company**

Marvell International Ltd. (the “Company”)

**Date and description of the instrument creating or evidencing the mortgage or charge**

Share Charge (the “Charge”) dated as of 8 November 2006 between the Company and Credit Suisse, Cayman Islands Branch, as trustee for the benefit of the Secured Parties (as defined in the Charge).

**Amount due or owing on the mortgage or charge**

Secured Obligations (as defined in the Charge) guaranteed by the Company under its Transaction Guarantee (as defined in the Charge), and such Transaction Guarantee

**Names, addresses and description of the mortgagees or persons entitled to the charge**

Credit Suisse, Cayman Islands Branch

c/o Eleven Madison Avenue, New York, New York 10010, U.S.A.

as trustee for the benefit of the Secured Parties (as defined in the Charge).

**Short particulars of all the property mortgaged or charged**

Charged Assets (as defined in the Charge)

**Particulars as to commission, allowance or discount (Note 3)**

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N/A

**Signed:** **Date: [8] November 2006**

Conyers Dill & Pearman

**Designation of position in relation to the company**

Attorneys to Credit Suisse

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**NOTES:**

1. The original instrument or certified copy creating the charge, together with this form, must be delivered to the Registrar and must be accompanied by the prescribed fee. Please complete the form in black type.
2. A description of the instrument, eg “Trust Deed” “Debenture”, “Mortgage” or “legal charge”, etc, as the case may be, should be given.
3. In this section should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, or procuring or agreeing to procure subscriptions, whether absolute or conditional for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If the spaces overleaf are insufficient, the particulars may be continued on a separate sheet.

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**In witness whereof** this Deed has been duly executed as a deed on the date stated at the beginning of this Deed.

**The Chargor**



SIGNED SEALED and DELIVERED

by /s/ Carol Feathers

as attorney of and for and on behalf of

**MARVELL INTERNATIONAL LTD.**

in the presence of :

/s Carol Feathers



Witness’s signature

Address:

c/o Marvell Technology Group Ltd.

5488 Marvell Lane, Santa Clara, CA 95054

United States of America

Fax No.:

+1 408 832 4309

Attention:

Chief Financial Officer

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**The Administrative Agent**



SIGNED SEALED and DELIVERED

by Cassandra Droogan Vice President Shaheen Malik

Associate

as attorney of and for and on behalf of

**CREDIT SUISSE,**

**CAYMAN ISLANDS BRANCH**

in the presence of :

/s/ NUPUR KUMAR

Witness’s signature Nupur Kumar



Address:

Eleven Madison Avenue,

New York, New York 10010

United States of America

Fax No.:

+ 1 212 325 8304

Attention:

Thomas Lynch

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