
**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): **April 29, 2014**

CIRRUS LOGIC, INC.

(Exact name of Registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

0-17795

(Commission
File Number)

77-0024818

(IRS Employer
Identification No.)

800 W. 6th Street, Austin, TX

(Address of Principal Executive Offices)

78701

(Zip Code)

Registrant's telephone number, including area code: **(512) 851-4000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- 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))
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Item 1.01 **Entry into a Material Definitive Agreement**

On April 29, 2014, Cirrus Logic, Inc., a Delaware corporation (“Cirrus Logic”), issued an announcement (the “Rule 2.7 Announcement”) pursuant to Rule 2.7 of the United Kingdom City Code on Takeovers and Mergers (the “City Code”) disclosing that Cirrus Logic and the board of directors of Wolfson Microelectronics plc, a public limited company incorporated in Scotland (“Wolfson”), had agreed on the terms of a recommended cash offer of £2.35 per share (the “Offer”) to be made by Cirrus Logic for the acquisition of the entire issued and to be issued share capital of Wolfson (the “Acquisition”). In connection with the Offer, Cirrus Logic and Wolfson entered into a cooperation agreement (the “Cooperation Agreement”), and Cirrus Logic and Wells Fargo Bank, National Association (“Wells Fargo”), as administrative agent and lender, entered into a credit agreement (the “Credit Agreement”).

Rule 2.7 Announcement

On April 29, 2014, Cirrus Logic issued the Rule 2.7 Announcement disclosing that Cirrus Logic and the board of directors of Wolfson had agreed on the terms of the Offer to be made by Cirrus Logic for the Acquisition. The Offer values the entire issued and to be issued share capital of Wolfson at approximately £291 million (approximately \$488 million based on a U.S. dollar to pound sterling exchange rate of 1.68) (the “Offer Consideration”), and implies an enterprise value of Wolfson of approximately £278 million (approximately \$467 million based on a U.S. dollar to pound sterling exchange rate of 1.68). It is intended that the Acquisition will be effected by way of a scheme of arrangement (the “Scheme”) under the laws of the United Kingdom (“UK”) which requires the approval of a UK court and approval of a majority of Wolfson’s shareholders in number present in person or by proxy at the Wolfson shareholders meeting to be convened in connection with the Scheme (the “Court Meeting”) representing at least 75% of the votes cast. The Scheme is also subject to other conditions set out in Appendix I to the Rule 2.7 Announcement, including receipt of certain regulatory approvals. Cirrus Logic reserves the right, subject to the consent of the UK Panel on Takeovers and Mergers, to effect the Acquisition by way of a takeover offer under the City Code (a “Takeover Offer”).

Cirrus Logic intends to fund the payment of the Offer Consideration through a combination of existing cash and equivalents on Cirrus Logic’s balance sheet and debt funding from Wells Fargo.

The Acquisition is expected to close in the second half of 2014.

Cooperation Agreement

In addition, on April 29, 2014, Cirrus Logic and Wolfson entered into the Cooperation Agreement in connection with the Offer. Pursuant to the Cooperation Agreement, Wolfson and Cirrus Logic have agreed (i) to cooperate in obtaining regulatory consents, clearances, permissions and waivers, and making regulatory filings necessary in connection with the Acquisition; and (ii) to work together to prepare and implement certain proposals relating to Wolfson’s equity awards and employment benefits.

Irrevocable Undertakings

On April 28, 2014, each member of the board of directors of Wolfson delivered to Cirrus Logic a deed of irrevocable undertaking (the “Director Undertakings”) under which each such director agrees to vote his or her Wolfson shares in favor of the Scheme and the resolutions to be proposed at the Court Meeting. The Director Undertakings represent an aggregate of 1,349,020 Wolfson Shares, or 1.16% of Wolfson’s outstanding shares as of April 28, 2014. The Director Undertakings will remain in effect if Cirrus Logic elects to effect the Acquisition by way of Takeover Offer and will cease to be binding in certain circumstances.

On April 28, 2014, Cirrus Logic also received an irrevocable undertaking (the "Shareholder Undertaking") from Odey Asset Management LLP, an institutional shareholder of Wolfson, under which such shareholder agrees to vote its Wolfson shares in favor of the Scheme and the resolutions to be proposed at the Court Meeting. The Shareholder Undertaking represents 6,865,240 Wolfson Shares, or 5.88% of Wolfson's outstanding shares as of April 28, 2014. The Shareholder Undertaking will cease to be binding in certain circumstances, including where a competing offer is announced under Rule 2.7 of the City Code which has a value of 10% or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced on terms at least as favorable as under the competing offer.

In aggregate, the Director Undertakings and Shareholder Undertaking (the "Irrevocable Undertakings") represent a total of 8,214,260 Wolfson shares, or approximately 7.03% of Wolfson's outstanding shares as of April 28, 2014.

Certain Funds Undertaking

In connection with the Offer, on April 28, 2014, Cirrus Logic entered into an agreement (the "Certain Funds Undertaking") with Goldman Sachs International, Cirrus Logic's financial advisor ("Goldman Sachs"), to provide Goldman Sachs with certain assurances, confirmations and undertakings in support of the Offer, to enable Goldman Sachs to confirm that sufficient cash resources are available to Cirrus Logic to satisfy in full the Offer Consideration, and to permit Goldman Sachs to fulfill its responsibilities under the City Code. Cirrus Logic's responsibilities under the Certain Funds Undertaking include effectively restricting the use of the funds required to satisfy the sterling amount of the Offer Consideration payable under the Offer (including provisioning for exchange rate movements) until the earlier of the Offer being completed, lapsing or being withdrawn or January 23, 2015.

Credit Agreement

On April 29, 2014, Cirrus Logic entered into the Credit Agreement with Wells Fargo as Administrative Agent and Lender. Capitalized terms used and not defined in this section of Item 1.01 have the meanings given to such terms in the Credit Agreement.

The Credit Agreement provides for a \$225 million senior secured revolving credit facility (the "Credit Facility"). The Credit Facility may be used for, among other things, payment of the Offer Consideration.

The Credit Facility matures on the earliest to occur of (a) January 23, 2015, (b) the date of termination of the Commitments as a result of a permanent reduction of all of the Commitments by Cirrus Logic or (c) the date of termination of the Commitments as a result of an Event of Default (subject to the certain funds provision described below) (such date, the "Maturity Date"). Cirrus Logic must repay the outstanding principal amount of all borrowings, together with all accrued but unpaid interest thereon, on the Maturity Date.

The Credit Facility is required to be guaranteed by all of Cirrus Logic's material domestic subsidiaries (the "Subsidiary Guarantors"). The Credit Facility is secured by substantially all of the assets of Cirrus Logic and any Subsidiary Guarantors, except for certain excluded assets.

Borrowings under the Credit Facility may, at Cirrus Logic's election, bear interest at either (a) a Base Rate plus the Applicable Margin ("Base Rate Loans") or (b) a LIBOR Rate plus the Applicable Margin ("LIBOR Rate Loans"). The Applicable Margin ranges from 0% to .25% per annum for Base Rate Loans and 1.75% to 2.25% per annum for LIBOR Rate Loans based on Cirrus Logic's Leverage Ratio (discussed below).

A Commitment Fee accrues at a rate per annum ranging from 0.30% to 0.40% (based on the Leverage Ratio) on the average daily unused portion of the Commitment of the Lenders.

The Credit Agreement contains customary affirmative covenants, including, among others, covenants regarding the payment of taxes and other obligations, maintenance of insurance, reporting requirements and compliance with applicable laws and regulations. Further, the Credit Agreement contains customary negative covenants limiting the ability of Cirrus Logic or any Subsidiary to, among other things, incur debt, grant liens, make investments, effect certain fundamental changes, make certain asset dispositions, and make certain restricted payments. The Credit Facility also contains certain financial covenants providing that (a) the ratio of consolidated funded indebtedness to consolidated EBITDA for the prior four consecutive quarters must not be greater than 1.75 to 1.00 (the "Leverage Ratio") and (b) the sum of cash and Cash Equivalents of Cirrus Logic and its Subsidiaries on a consolidated basis must not be less than \$75 million.

The Credit Facility provides for a "Certain Funds Period" during which limited borrowing conditions apply and only breaches of certain major representations and major defaults or illegality may prevent funding the Offer Consideration in order to comply with the certain funds requirements of the City Code. Following the Certain Funds Period, the Credit Facility provides for a clean-up period to permit cure of certain technical breaches.

The foregoing summary of the Offer, the Cooperation Agreement, the Irrevocable Undertakings, the Certain Funds Undertaking and the Credit Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Rule 2.7 Announcement, which is attached as Exhibit 2.1 to this Current Report on Form 8-K, the full text of the Cooperation Agreement, which is attached as Exhibit 2.2 to this Current Report on Form 8-K, and the full text of the Credit Agreement, which is attached as Exhibit 10.1 to this Current Report on Form 8-K, and each of these exhibits is incorporated herein by reference.

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

On April 29, 2014, Cirrus Logic entered into the Credit Agreement as described under Item 1.01 above. The description of the Credit Agreement under Item 1.01 above is incorporated into this Item 2.03 by reference.

Item 7.01 Regulation FD

On April 29, 2014, Cirrus Logic will hold an investor conference call to discuss the announcement of the Offer. A copy of the press release and the slides to be referenced on the investor conference call are attached hereto as Exhibits 99.1 and 99.2, respectively. The information contained in Exhibits 99.1 and 99.2 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) **Exhibits**

<u>Exhibit</u>	<u>Description</u>
Exhibit 2.1	Rule 2.7 Announcement
Exhibit 2.2	Cooperation Agreement dated April 29, 2014 between Cirrus Logic, Inc. and Wolfson Microelectronics plc
Exhibit 10.1	Credit Agreement dated as of April 29, 2014 among Cirrus Logic, Inc. and Wells Fargo Bank, National Association as Lender and Administrative Agent
Exhibit 99.1	Press Release issued April 29, 2014
Exhibit 99.2	Investor slides

Forward Looking Statements

Except for historical information contained herein, this Current Report on Form 8-K and the other documents referenced therein contain forward-looking statements, including statements related to the Offer; the anticipated closing of the Acquisition; the effect of the Acquisition on our earnings per share; future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; business and management strategies and the expansion and growth of Cirrus Logic's or Wolfson's operations and potential synergies resulting from the Acquisition; and the effects of government regulation on Cirrus Logic's or Wolfson's business. In some cases, forward-looking statements are identified by words such as "expect," "anticipate," "target," "project," "believe," "goals," "opportunity," "estimates," "intend," and variations of these types of words and similar expressions. In addition, any statements that refer to our plans, expectations, strategies or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, but are not limited to, the risk of failing to complete the Acquisition and the risk of failing to successfully integrate Wolfson into the business and operations of Cirrus Logic following the Acquisition; and the risk factors listed in our Form 10-K for the year ended March 30, 2013, and in our other filings with the Securities and Exchange Commission, which are available at www.sec.gov. The foregoing information is as of the date of this Current Report on Form 8-K, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new developments or otherwise.

No Offer or Solicitation

This Current Report on Form 8-K is not intended to and does not constitute or form part of an offer or invitation to purchase or otherwise acquire any securities or the solicitation of any vote or approval in any jurisdiction, pursuant to the Offer or otherwise in contravention of applicable law.

SIGNATURES

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

CIRRUS LOGIC, INC.

Date: April 29, 2014

By: /s/ Gregory S. Thomas

Name: Gregory S. Thomas

Title: General Counsel and Corporate Secretary

EXHIBIT INDEX

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**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, IN,
INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A
VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION**

29 April 2014

RECOMMENDED CASH ACQUISITION

of

WOLFSON MICROELECTRONICS PLC

by

CIRRUS LOGIC, INC.

to be effected

**by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

Summary

- The boards of directors of Wolfson Microelectronics plc (“ **Wolfson** ”) and Cirrus Logic, Inc. (“ **Cirrus Logic** ”) are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of Wolfson by Cirrus Logic pursuant to which Cirrus Logic will acquire the entire issued and to be issued ordinary share capital of Wolfson (the “ **Acquisition** ”). It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement.
- Under the terms of the Acquisition:

Wolfson Shareholders will be entitled to receive 235 pence in cash per Wolfson Share.

The Acquisition price per Wolfson Share represents a premium of approximately:

- 75.4 per cent. to the Closing Price per Wolfson Share of 134.00 pence on 28 April 2014 (being the last Dealing Day prior to the date of this announcement);
- 73.7 per cent. to the average Closing Price of approximately 135.30 pence per Wolfson Share for the one month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement); and
- 72.6 per cent. to the average Closing Price of approximately 136.14 pence per Wolfson Share for the six month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement).
- The Acquisition values the entire issued and to be issued ordinary share capital of Wolfson at approximately £291 million (\$488 million) on the basis of a fully diluted share capital of 123.7 million Wolfson Shares (net of option proceeds) (assuming that rights in respect of in-the-money options under the Wolfson Share Schemes are exercised on the basis explained in this announcement). The Acquisition implies an enterprise value of Wolfson of approximately £278 million (\$467 million).
- The Wolfson Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Wolfson Directors, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.
- The Wolfson Directors intend unanimously to recommend that Wolfson Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, as each Wolfson Director has irrevocably undertaken to do in respect of Wolfson Shares he/she beneficially owns, being in aggregate a total of 1,349,020 Wolfson Shares, representing approximately 1.16 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement) and any Wolfson Shares arising on exercise of options. The irrevocable undertakings given by the Wolfson Directors will remain in full force and effect if the Acquisition is effected by way of a Takeover Offer and will cease to be binding in certain circumstances. Further details of these irrevocable undertakings are set out in Appendix III to this announcement.

- In addition to the irrevocable undertakings received from the Wolfson Directors, Cirrus Logic has also received an irrevocable undertaking from Odey Asset Management LLP, an institutional shareholder of Wolfson, to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, in respect of a total of 6,865,240 Wolfson Shares, representing approximately 5.88 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement). The irrevocable undertaking received from Odey Asset Management LLP will cease to be binding in certain circumstances, such as where a competing offer is announced under Rule 2.7 of the Code which has a value of 10 per cent. or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced on terms at least as favourable as under the competing offer. Further details of this irrevocable undertaking are set out in Appendix III to this announcement.
- In aggregate, therefore, irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions have been received in respect of a total of 8,214,260 Wolfson Shares, representing approximately 7.03 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement).
- Cirrus Logic is incorporated under the laws of the State of Delaware, US. Founded in 1984 and headquartered in Austin, Texas, Cirrus Logic develops high-precision, analogue and mixed-signal integrated circuits for a broad range of innovative customers. Building on its diverse analogue and signal-processing patent portfolio, Cirrus Logic delivers highly optimised products for a variety of audio and energy-related applications. For the financial year ended 29 March 2014, Cirrus Logic's revenue was \$714 million. Cirrus Logic shares are listed on the NASDAQ (CRUS). As at 28 April 2014 (being the latest practicable date prior to this announcement) Cirrus Logic had a market capitalisation of approximately \$1.4 billion (£0.8 billion).
- The consideration payable under the Acquisition will be funded through a combination of existing cash and cash equivalents on Cirrus Logic's balance sheet and debt funding from Wells Fargo Bank, National Association (" **Wells Fargo** ") pursuant to a revolving credit facility under a new credit agreement.
- It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act, further details of which are contained in the full text of this announcement. Cirrus Logic reserves the right, subject to the consent of the Panel, to effect the Acquisition by way of a Takeover Offer.
- The Acquisition will be subject to the satisfaction or (where applicable) waiver of the Conditions set out in Appendix I to this announcement and in the Scheme Document. It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be posted to Wolfson Shareholders within 28 days of the date of this announcement and the Scheme will become effective during the second half of 2014, subject to the Conditions and certain further terms set out in Appendix I to this announcement.

Commenting on the Acquisition, Jason Rhode, President and Chief Executive Officer of Cirrus Logic, said:

"Wolfson has a rich history of audio innovation, a broad catalogue of audio products and a first class customer list. This acquisition strengthens Cirrus Logic's core business as a leader in audio signal processing components, enhances our ability to differentiate our products with software, and adds new product categories such as MEMS microphones to our portfolio."

Commenting on the Acquisition, Michael Ruettgers, Chairman of Wolfson, said:

“The Board of Wolfson believes that this is an attractive offer for Wolfson shareholders. We believe this reflects the hard work that Mike Hickey and his team have put into building Wolfson as a leader in the supply of high performance Audio Hubs and MEMS microphones to the consumer electronics market. Together with Cirrus Logic, we believe this will create a powerful platform for future growth, above and beyond our standalone potential.”

This summary should be read in conjunction with, and is subject to, the accompanying full text of this announcement which sets out further details of the Acquisition and which forms an integral part of this announcement (including Appendices). Appendix I to this announcement contains the Conditions to, and certain further terms of, the Acquisition. Appendix II to this announcement contains further details of the sources of information and bases of calculations set out in this announcement. Appendix III to this announcement contains further details of the irrevocable undertakings received by Cirrus Logic. Appendix IV to this announcement contains Wolfson’s Trading Update announced today. Appendix V to this announcement contains definitions of certain expressions used in this summary and in this announcement.

Cirrus Logic will hold a conference call to discuss the Acquisition today, 29 April 2014 at 8.00 am New York City time / 1.00 pm London time. Participants will include: Jason Rhode, President and Chief Executive Officer of Cirrus Logic and Thurman Case, Chief Financial Officer of Cirrus Logic. To participate on the call, please dial +1 877 392 9886 (North America) / +1 253 237 1153 (international) and use the passcode 34114274. The conference call and supporting slides will be available live and for replay on +1 855 859 2056 (North America) / +1 404 537 3406 (international) with passcode 34114274 and at <http://www.cirrus.com>.

Enquiries:

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Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting for Cirrus Logic and no one else in connection with the Acquisition and will not be responsible to anyone other than Cirrus Logic for providing the protections afforded to clients of Goldman Sachs International, or for giving advice in connection with the Acquisition or any matter referred to herein.

J.P. Morgan Limited is authorised and regulated in the United Kingdom by the Financial Conduct Authority. J.P. Morgan Securities plc is authorised in the United Kingdom by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. J.P. Morgan Limited and J.P. Morgan Securities plc conduct their respective UK investment banking business as J.P. Morgan Cazenove. J.P. Morgan Limited is acting as financial adviser and J.P. Morgan Securities plc is acting as corporate broker exclusively for Wolfson and no one else in connection with the matters set out in this announcement and will not regard any other person as their client in relation to the matters in this announcement and will not be responsible to anyone other than Wolfson for providing the protections afforded to clients of J.P. Morgan Limited or J.P. Morgan Securities plc, nor for providing advice in relation to any matter referred to herein.

Citigroup Global Markets Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Wolfson and for no-one else in connection with the matters set out in this announcement and will not be responsible to anyone other than Wolfson for providing the protections afforded to its clients or for providing advice in connection with the matters set out in this announcement.

This announcement is for information purposes only and is not intended to and does not constitute or form part of an offer to sell or otherwise dispose of or invitation to purchase or otherwise acquire any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document and the accompanying Forms of Proxy, which will together contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.

This announcement has been prepared for the purpose of complying with the laws of the United Kingdom and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Overseas Shareholders

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

The Acquisition relates to the shares of a Scottish company and is proposed to be effected by means of a scheme of arrangement under the laws of Scotland. Neither the proxy solicitation rules nor (unless implemented by means of a Takeover Offer) the tender offer rules under the US Securities Exchange Act of 1934, as amended, will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. If Cirrus Logic exercises its right to implement the Acquisition of the Wolfson Shares by way of a Takeover Offer, the Takeover Offer will be made in compliance with applicable UK and US securities laws and regulations. Financial information relating to Wolfson included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Cirrus Logic or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Acquisition to Wolfson Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Forward Looking Statements

This announcement contains statements about Cirrus Logic and Wolfson that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal”, “hopes”, “continues”, “strategy”, “budget”, “forecast” or “might”, or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Cirrus Logic’s or Wolfson’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Cirrus Logic’s or Wolfson’s business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, no assurances can be given that such expectations will prove to have been correct and readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Cirrus Logic disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Dealing Disclosure Requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129.

Information Relating to Wolfson Shareholders

Please be aware that addresses, electronic addresses and certain information provided by Wolfson Shareholders, persons with information rights and other relevant persons for the receipt of communications from Wolfson may be provided to Cirrus Logic during the offer period as requested under Section 4 of Appendix 4 of the Code to comply with Rule 2.12(c).

The contents of the websites referred to in this announcement are not incorporated into and do not form part of this announcement.

Publication on Website

A copy of this announcement will be available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) by no later than 12 noon (London time) on 30 April 2014.

Rule 2.10 Requirement

In accordance with Rule 2.10 of the Code, Wolfson confirms that at the date of this announcement, it has in issue and admitted to trading on the main market of the London Stock Exchange 116,787,489 ordinary shares of 0.1 pence each (excluding ordinary shares held in treasury). The International Securities Identification Number (ISIN) of the Wolfson Shares is GB0033563130.

RECOMMENDED CASH ACQUISITION

of

WOLFSON MICROELECTRONICS PLC

by

CIRRUS LOGIC, INC.

**to be effected
by means of a Scheme of Arrangement
under Part 26 of the Companies Act 2006**

1 Introduction

The boards of directors of Wolfson and Cirrus Logic are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition of Wolfson by Cirrus Logic pursuant to which Cirrus Logic will acquire the entire issued and to be issued ordinary share capital of Wolfson. It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act.

2 The Acquisition

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Scheme Document, Wolfson Shareholders will be entitled to receive:

235 pence in cash per Wolfson Share

The Acquisition price per Wolfson Share represents a premium of approximately:

- 75.4 per cent. to the Closing Price per Wolfson Share of 134.00 pence on 28 April 2014 (being the last Dealing Day prior to the date of this announcement);
- 73.7 per cent. to the average Closing Price of approximately 135.30 pence per Wolfson Share for the one month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement); and
- 72.6 per cent. to the average Closing Price of approximately 136.14 pence per Wolfson Share for the six month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement).

The Acquisition values the entire issued and to be issued ordinary share capital of Wolfson at approximately £291 million (\$488 million) on the basis of a fully diluted share capital of 123.7 million Wolfson Shares (net of option proceeds) (assuming that rights in respect of in-the-money options under the Wolfson Share Schemes are exercised on the basis explained in this announcement). The Acquisition implies an enterprise value of Wolfson of approximately £278 million (\$467 million).

The consideration payable under the Acquisition will be funded through a combination of existing cash and cash equivalents on Cirrus Logic's balance sheet and debt funding from Wells Fargo. Goldman Sachs, financial adviser to Cirrus Logic, is satisfied that sufficient cash resources are available to Cirrus Logic to enable it to satisfy in full the consideration payable to Wolfson Shareholders in connection with the Acquisition.

3 Background to and reasons for the Acquisition

Cirrus Logic strongly believes that the acquisition of Wolfson represents an attractive opportunity to expand its development capacity and strengthen its technology portfolio.

The increasing demand for high performance audio and voice capabilities driven by the high growth in smart connected devices has created an attractive opportunity. To address this opportunity, Cirrus Logic believes that the enhanced scale and resources of the combined company would strengthen each team's ability to compete in the exciting growth markets of smartphones, tablets, wearables and other devices with audio interfaces. In addition, Cirrus Logic believes the Acquisition positions it to be a global leader in audio signal processing across the entire audio signal chain with a portfolio of world-class codecs, DSPs, amplifiers and micro-electro-mechanical system (MEMS) microphones, and the combination of Cirrus Logic and Wolfson helps to accelerate Cirrus Logic's path to becoming a \$1 billion revenue business with greater customer and geographic diversification.

Cirrus Logic's engineering driven culture and focus on R&D to drive innovation would be a good fit for the Wolfson team, providing an ideal platform to deliver advanced audio solutions that address the evolving needs of customers.

The combined company expects to generate approximately £7 million (\$12 million) of ongoing annual cost savings within 12 months following completion of the Acquisition. The transaction is expected to close in the second half of 2014 and be accretive in the first full quarter following the completion of the Acquisition to Cirrus Logic's adjusted earnings per share excluding the impact of one-time integration and acquisition related costs. Based on the timing of integration activities, one-time costs are currently estimated to be approximately £4 million (\$7 million) and expected to be incurred as the synergies are realised following the completion of the Acquisition.

4 Recommendation

The Wolfson Directors, who have been so advised by J.P. Morgan Cazenove, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Wolfson Directors, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

The Wolfson Directors intend unanimously to recommend Wolfson Shareholders to vote in favour of the Scheme at the Court Meeting and in favour of the resolutions to be proposed at the General Meeting, as each of the Wolfson Directors has irrevocably undertaken so to do in respect of his/her own beneficial holdings of 1,349,020 Wolfson Shares, representing, in aggregate, approximately 1.16 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement). Further details of these irrevocable undertakings are contained in paragraph 12 below.

5 Background to and reasons for the recommendation

Whilst the Wolfson Directors are confident of the future growth prospects of Wolfson, particularly in the next generation Audio Hubs and MEMS microphones, they believe that Cirrus Logic's proposal is at a level which substantially recognises the growth potential in the medium term whilst providing certainty, in cash, to Wolfson Shareholders.

The Wolfson Directors' unanimous intention to recommend that Wolfson Shareholders vote in favour of the Acquisition follows a thorough assessment of the terms of the Acquisition by the Wolfson Directors, including taking financial advice from J.P. Morgan Cazenove as referred to in this announcement. In arriving at their decision to recommend the Acquisition, the Wolfson Directors have considered the standalone prospects of Wolfson.

The terms of the Acquisition represent a substantial premium, in cash, of approximately:

- 75.4 per cent. to the Closing Price per Wolfson Share of 134.00 pence on 28 April 2014 (being the last Dealing Day prior to the date of this announcement);
- 73.7 per cent. to the average Closing Price of approximately 135.30 pence per Wolfson Share for the one month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement); and
- 72.6 per cent. to the average Closing Price of approximately 136.14 pence per Wolfson Share for the six month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement).

Following careful consideration of the above factors, the Wolfson Directors intend unanimously to recommend that Wolfson Shareholders vote in favour of the Acquisition, as they have each irrevocably undertaken to do in respect of their entire respective beneficial holdings of Wolfson Shares.

6 Information on Cirrus Logic

Cirrus Logic is incorporated under the laws of the State of Delaware, US. Founded in 1984 and headquartered in Austin, Texas, Cirrus Logic develops high-precision, analogue and mixed-signal integrated circuits for a broad range of innovative customers. Building on its diverse analogue and signal-processing patent portfolio, Cirrus Logic delivers highly optimised products for a variety of audio and energy-related applications. For the financial year ended 29 March 2014, Cirrus Logic's revenue was \$714 million. Cirrus Logic shares are listed on the NASDAQ (CRUS). As at 28 April 2014 (being the latest practicable date prior to this announcement) Cirrus Logic had a market capitalisation of approximately \$1.4 billion (£0.8 billion).

7 Information on Wolfson

Wolfson is a leading supplier of high performance, mixed-signal semiconductor devices and audio solutions to the consumer electronics market. Wolfson designs and supplies audio products, including audio hub solutions, silicon micro-electro-mechanical system (MEMS) microphones, power management integrated circuits and noise cancellation solutions.

The company's headquarters are located in Edinburgh, UK. Wolfson's customers are located worldwide, and so is Wolfson, with design centres, sales offices, applications teams and engineering expertise across Europe, the US, Australia and Asia.

For the twelve months ended 29 December 2013, Wolfson reported revenue of \$179.4 million and an underlying operating loss of \$12.6 million.

8 Wolfson current trading

The Wolfson Trading Update, including unaudited financial information for the three months ended 30 March 2014, is included as Appendix IV to this announcement.

9 Management, employees and locations

Cirrus Logic and Wolfson share a common belief that people are a vital cornerstone for the ongoing success of the combined business. Consequently, the Board of Cirrus Logic attaches great importance to the skills and experience of Wolfson's executive team and employees and believes that they will benefit from greater opportunities within the combined company. Cirrus Logic has great respect for Wolfson's 30-year audio heritage and deep engineering expertise, and believes that Cirrus Logic's engineering-driven culture will provide a natural home for Wolfson's employees. However, Cirrus Logic also recognises that, in order to achieve the expected benefits of the transaction, operational and administrative restructuring will be required following the completion of the Acquisition.

Cirrus Logic intends to form an internal integration team to carry out a detailed review of the combined group's operations and to begin planning for the integration of Wolfson within Cirrus Logic's business. No decisions have been made by Cirrus Logic in relation to that integration and no detailed discussions have been held between Cirrus Logic and Wolfson in this regard. Until such review occurs, Cirrus Logic cannot be certain what repercussions there will be on the employment of the management and employees of the combined group, or the location of their places of business or any redeployment of assets, although it is expected that this review will result in a reduction in the headcount of the combined group and some rationalisation of locations. Based on the preliminary analysis completed to date, Cirrus Logic can confirm that:

- following completion of the Acquisition, it is envisaged that Mike Hickey will remain with the combined company in a leadership role for up to 12 months to help drive the integration of the two businesses. Mike Hickey has led Wolfson as Chief Executive Officer since 2009 and Cirrus Logic recognises the outstanding achievements he has delivered as Chief Executive Officer and his role in the Acquisition;
- Mark Cubitt is also expected to continue with the combined group on a similar interim basis in an advisory role to assist with a smooth integration. Mark Cubitt has had an important role in Wolfson's development as the Chief Financial Officer since 2007 and Cirrus Logic recognises his significant contribution in this role and his role in the Acquisition;
- Cirrus Logic intends to position Edinburgh and Newbury as key European development centres for the combined business;
- as part of the integration phase, Cirrus Logic will investigate whether there is an opportunity to combine sales teams that are located in the same region of the world and who may have overlapping sales areas and customers;
- the combined business is expected to benefit from reduced manufacturing costs due to certain supply chain efficiencies as a result of the scale of the combined business rather than any material headcount reductions;
- Wolfson will provide Cirrus Logic with a world-class engineering team and unique intellectual property. These assets will enable Cirrus Logic to generate certain savings with respect to its future research and development expenses through lowering anticipated increases in Cirrus Logic's costs related to a planned expansion of Cirrus Logic's engineering team. The majority of research and development synergies are therefore expected to be achieved through avoiding planned expenditure within Cirrus Logic rather than actual headcount reduction;
- areas of overlap in corporate, sales, operational and support functions have been identified. Cirrus Logic intends to drive available cost synergies in these areas and anticipates that these efforts may result in a reduction of 7-10 per cent. of the headcount of the combined business. At this stage, no specific roles have been identified but it is anticipated that these reductions will be implemented over the first 12 months following completion of the Acquisition;
- following completion of the Acquisition, Cirrus Logic will also seek to reduce costs where appropriate which have historically been related to Wolfson's status as a listed company; and
- the non-executive directors of Wolfson intend to resign as Wolfson Directors on completion of the Acquisition.

The Cirrus Logic Board has assured Wolfson's directors that existing employment rights, including pension entitlements, of all Wolfson employees will be fully respected following completion of the Acquisition. Cirrus Logic intends to allow employees of Wolfson to participate in Cirrus Logic's benefit plans in due course.

10 Wolfson Share Schemes and other incentive matters

Details of the effect of the Acquisition on the Wolfson Share Schemes and the choices available to participants in those schemes will be set out in the Scheme Document and in separate letters to be sent to participants.

However, it is intended that the arrangements will allow holders of options under the 2003 Wolfson Microelectronics plc Executive Share Scheme and 2003 Wolfson Microelectronics plc All Employee Share Scheme (which are already exercisable) to exercise their options with the benefit of a cashless exercise facility. Holders of options under the Wolfson Microelectronics plc Approved SAYE Scheme will be able to exercise their options to the extent of their savings under the relevant savings contract. Cirrus Logic has also agreed to make an additional payment to such optionholders equivalent to the gain which they would have made had they been able to exercise those options in full.

All awards under the Wolfson Microelectronics 2009 Staff Share Award Plan and the Wolfson Microelectronics 2008 Staff Performance Share Plan (none of which are subject to performance targets) will vest in full and participants will receive a cash payment in respect of their entitlements under those plans.

Awards under the Wolfson Microelectronics 2006 Performance Share Plan (which are subject to performance targets) will lapse, save for nil cost option awards granted in 2013 and certain contingent share awards granted in 2013 and 2014 which will vest in full. Cirrus Logic has agreed that it will make new grants of Phantom Stock Awards under an existing Cirrus Logic stock plan to holders of nil cost options granted in 2014. Those Phantom Stock Awards will normally vest over a three year period and will be lost only if an individual voluntarily leaves the employment of Cirrus Logic or his employment is terminated for cause.

All outstanding entitlements under the Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan will vest and/or be released in full (subject only to time apportionment in the case of matching awards).

J.P. Morgan Cazenove has advised the Wolfson Directors that the arrangements set out above are fair and reasonable. In providing its advice, J.P. Morgan Cazenove has taken into account the commercial assessments of the Wolfson Directors.

In acknowledgement of the substantial time and effort which Mike Hickey and Mark Cubitt, Wolfson's CEO and CFO, respectively, have devoted to Wolfson's affairs during the period leading up to this announcement, the Wolfson Remuneration Committee (constituted by certain non-executive Wolfson Directors) has elected to make one-off cash payments at completion of the Acquisition to Mike Hickey and Mark Cubitt of £500,000 and £250,000 respectively.

11 Financing

The cash consideration payable under the Acquisition is being financed by a combination of existing cash and cash equivalents on Cirrus Logic's balance sheet and debt to be provided by Wells Fargo under a credit agreement dated 29 April 2014 (the "**Credit Agreement**"), which provides for \$225 million senior revolving credit facility to be available to Cirrus Logic to finance in part the Acquisition and the fees and expenses incurred in connection therewith.

Credit Agreement

Under the Credit Agreement, Cirrus Logic has agreed, among other things, that:

- it shall not waive, amend or vary any condition of the Scheme or Takeover Offer in any respect which is material and which would reasonably be expected to be materially adverse to the interests of the Lenders (as such term is defined in the Credit Agreement) under the Credit Agreement unless such waiver, amendment or variation (1) is required by the Panel or a court of competent jurisdiction or (2) is made with the consent of Wells Fargo (acting reasonably); and

- if Cirrus Logic elects to implement the Acquisition by way of a Takeover Offer, it shall not permit Cirrus Logic to declare the Takeover Offer unconditional as to acceptances until Cirrus Logic has acquired or unconditionally contracted to acquire Target Shares (as such term is defined in the Credit Agreement) carrying not less than 75% of the voting rights.

Goldman Sachs, financial adviser to Cirrus Logic, is satisfied that sufficient cash resources are available to Cirrus Logic to enable it to satisfy in full the consideration payable to Wolfson Shareholders in connection with the Acquisition.

12 Irrevocable undertakings

Cirrus Logic has received irrevocable undertakings from each of the Wolfson Directors to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions, in respect of a total of 1,349,020 Wolfson Shares, representing approximately 1.16 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement). The irrevocable undertakings given by the Wolfson Directors will remain in full force and effect if the Acquisition is effected by way of a Takeover Offer and will cease to be binding in the circumstances described in Appendix III.

Cirrus Logic has also received an irrevocable undertaking from Odey Asset Management LLP, an institutional shareholder of Wolfson, to vote in favour of the Scheme at the Court Meeting and the General Meeting Resolutions, in respect of a total of 6,865,240 Wolfson Shares, representing approximately 5.88 per cent. of the ordinary share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement). This irrevocable undertaking will cease to be binding in certain circumstances, such as where a competing offer is announced under Rule 2.7 of the Code which has a value of 10 per cent. or more above the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced, unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of the competing offer being announced, on terms at least as favourable as under the competing offer.

In aggregate, therefore, Cirrus Logic has received irrevocable undertakings in respect of a total of 8,214,260 Wolfson Shares, representing approximately 7.03 per cent. of the share capital of Wolfson in issue on 28 April 2014 (being the latest practicable date prior to this announcement).

Further details of the irrevocable undertakings are set out in Appendix III to this announcement.

Copies of the irrevocable undertakings will be on display on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) from 12 noon (London time) on 30 April 2014 until the end of the Acquisition.

13 Offer-related Arrangements

Confidentiality Agreement

Wolfson and Cirrus Logic entered into a confidentiality agreement on 28 April 2014 with effect from 2 April 2014 (the “**Confidentiality Agreement**”), pursuant to which, amongst other things, each party (the “**Receiving Party**”) has undertaken, unless the other party (the “**Disclosing Party**”) gives its express consent in writing, (i) to keep confidential certain non-public information relating to the Disclosing Party Group; (ii) to use such information solely for the purpose of evaluating or implementing a potential transaction; and (iii) not to disclose such information to third parties (other than certain permitted disclosees) unless permitted by the terms of the Confidentiality Agreement.

The Receiving Party has further undertaken that it will not, and will procure that none of its group entities will, without the Disclosing Party's prior written consent, for a period of 12 months from the date of the Confidentiality Agreement, solicit directly any of the Disclosing Party's then current employees involved in discussions with the Receiving Party and/or its group undertakings in their consideration of a potential transaction with the Disclosing Party, provided that the placing of an advertisement of a post available to members of the public generally and the employment of any persons pursuant to any such advertisement or of such persons who contacted the Receiving Party on its own initiative or was approached by the Receiving Party prior to the date of the Confidentiality Agreement shall not be considered as a breach of the Confidentiality Agreement.

Cirrus Logic had also agreed to be subject to certain customary standstill provisions until 28 April 2015. Pursuant to the terms of the Confidentiality Agreement, as a result of Cirrus Logic's announcement of a firm intention to make an offer for Wolfson pursuant to Rule 2.7 of the Code and the fact that such offer is recommended by the board of directors of Wolfson, these standstill provisions are no longer applicable. The remaining undertakings set out in the Confidentiality Agreement (other than the non-solicitation provisions) terminate on 28 April 2016, provided that if any offer made by Cirrus Logic (or any company controlled by it) for Wolfson becomes or is declared unconditional in all respects, all obligations contained in the Confidentiality Agreement shall terminate.

Cooperation Agreement

Wolfson and Cirrus Logic entered into a cooperation agreement on 29 April 2014 in connection with the Acquisition (the "**Cooperation Agreement**").

Pursuant to the Cooperation Agreement, (i) Wolfson and Cirrus Logic have each agreed to co-operate in relation to the obtaining of any and all consents, clearances, permissions and waivers as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; and (ii) Wolfson and Cirrus Logic have each agreed to work together to prepare and implement certain appropriate proposals in relation to the Wolfson Share Schemes and the employment benefits more fully detailed in paragraph 10 above.

14 Conditions

The Scheme is subject to the Conditions and further terms set out in Appendix I to this announcement and to be set out in the Scheme Document.

The Conditions in paragraph 1 of Appendix I to this announcement provide that the Acquisition is conditional on, amongst other things:

- the approval of the Scheme by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting no later than 30 June 2014 or such later date (if any) as Wolfson and Cirrus Logic may agree and the Court may allow;
- the approval of the General Meeting Resolutions by the Wolfson Shareholders by the requisite majorities at the General Meeting no later than 30 June 2014 or such later date (if any) as Wolfson and Cirrus Logic may agree and the Court may allow; and
- the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Wolfson and Cirrus Logic), confirmation by the Court of the Capital Reduction and the registration of the Court Orders and the Statement of Capital with the Registrar of Companies no later than 31 October 2014 or such later date (if any) as Wolfson and Cirrus Logic may agree and the Court may allow.

Any Wolfson Shares issued before the Reduction Record Time will be subject to the terms of the Scheme. The Amended Wolfson Articles will include provisions requiring any Wolfson Shares issued after the Reduction Record Time (other than to Cirrus Logic and/or its nominees) to be automatically transferred to Cirrus Logic on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Amended Wolfson Articles will avoid any person (other than Cirrus Logic and its nominee(s)), holding shares in the capital of Wolfson after the Effective Date.

15 Structure of the Acquisition

It is intended that the Acquisition will be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act. The Scheme is an arrangement between Wolfson and the Scheme Shareholders and is subject to the approval of the Court.

The purpose of the Scheme is to provide for Cirrus Logic to become the holder of the entire issued and to be issued ordinary share capital of Wolfson. This is to be achieved by the cancellation of the Scheme Shares held by Scheme Shareholders and the application of the reserve arising from such cancellation in paying up in full a number of new shares in Wolfson (which is equal, in nominal value, to the number of Scheme Shares cancelled) and issuing them to Cirrus Logic, in consideration for which Scheme Shareholders will receive cash consideration on the basis set out in paragraph 2 of this announcement.

The Scheme requires the approval of Scheme Shareholders at the Court Meeting. The resolution to approve the Scheme at the Court Meeting must be approved by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders. Implementation of the Scheme will also require the passing of the resolutions to approve certain matters relating to the Scheme and the Capital Reduction (requiring approval by the requisite majorities at the General Meeting, which will be held immediately after the Court Meeting).

Once the necessary approvals from Wolfson Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court. The Scheme will then become effective upon delivery and, if ordered by the Court, registration of the Court Orders and the Statement of Capital as approved by the Court to and, if applicable, by the Registrar of Companies.

Upon the Scheme becoming effective:

- it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and, if they attended, whether or not they voted in favour); and
- share certificates in respect of Wolfson Shares will cease to be valid and entitlements to Wolfson Shares held within the CREST system will be cancelled.

Further details of the Scheme, including an indicative timetable for the Acquisition, will be set out in the Scheme Document, which is expected to be despatched to Wolfson Shareholders and, for information only, to persons with information rights and to holders of options granted under the Wolfson Share Schemes, as soon as practicable and, in any event, within 28 days of the date of this announcement.

Cirrus Logic reserves the right to implement the Scheme, or, if it decides to effect the Acquisition by way of a Takeover Offer, the Takeover Offer, with the assistance of one or more members of the Cirrus Logic Group in addition to or in substitution for Cirrus Logic (“ **Additional Bidders** ”). If Additional Bidders are used to implement the Scheme or Takeover Offer, references to Cirrus Logic in this Announcement should be construed to include such Additional Bidders provided always that:

- the terms of the Scheme or Takeover Offer made by any such Additional Bidders, in the reasonable opinion of Goldman Sachs International, are the same as, or more favourable than, the terms offered by Cirrus Logic pursuant to the Scheme or Takeover Offer; and

- prior to such substitution or addition, Goldman Sachs International confirms to Wolfson and its independent financial advisers that it is satisfied that sufficient resources are available to each Additional Bidder (and remain available to Cirrus Logic, in the case of an addition) in aggregate to satisfy in full the cash consideration payable to Wolfson Shareholders under the terms of the Acquisition.

Cirrus Logic reserves the right, subject to Panel consent, to elect to implement the Acquisition by way of a Takeover Offer on terms more fully described in paragraph 18 below.

16 Disclosure of interests in Wolfson Shares

As at the Close of Business on 28 April 2014, being the latest practicable date prior to the publication of this announcement, save for the irrevocable undertakings referred to in paragraph 12 above, none of Cirrus Logic or any of its respective directors or any member of the Cirrus Logic Group or, so far as Cirrus Logic is aware, any person acting, or deemed to be acting, in concert with Cirrus Logic:

- has an interest in, or right to subscribe for, or has borrowed or lent, any Wolfson Shares or any securities convertible or exchangeable into Wolfson Shares (including pursuant to any long exposure, whether conditional or absolute, to changes in the price of securities);
- has the right to subscribe for or purchase the same or hold any options (including traded options) in respect of, or has any right to acquire, any Wolfson Shares or holds any derivatives referenced to Wolfson Shares;
- has any short position in (whether conditional or absolute and whether in-the-money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery in relation to Wolfson Shares or derivatives referenced to Wolfson Shares; or
- has procured an irrevocable commitment or letter of intent to vote in favour of the Acquisition in respect of Wolfson Shares or derivatives referenced to Wolfson Shares.

Furthermore, no arrangement exists with Cirrus Logic or Wolfson or any person acting in concert with Cirrus Logic or Wolfson in relation to Wolfson Shares. For these purposes, an “arrangement” includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to Wolfson Shares which may be an inducement to deal or refrain from dealing in such securities.

17 Delisting and re-registration

It is intended that dealings in Wolfson Shares will be suspended at 5.00 p.m. London time on the Business Day prior to the Effective Date. It is further intended that an application will be made to the London Stock Exchange for the cancellation of trading in Wolfson Shares on its main market for listed securities and the UK Listing Authority will be requested to cancel the listing of Wolfson Shares on the Official List, in each case to take effect as of or shortly after the Effective Date.

On the Effective Date, share certificates in respect of Wolfson Shares will cease to be valid and should be destroyed. In addition, entitlements to Wolfson Shares held within the CREST system will be cancelled.

It is also intended that, following the Effective Date and after its shares are delisted, Wolfson will be re-registered as a private limited company pursuant to the relevant provisions of the 2006 Act.

18 General

Cirrus Logic reserves the right, subject to Panel consent, to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, the Acquisition will be implemented on substantially the same terms as those which would apply to the Scheme (subject to appropriate amendments, including an acceptance condition set at 90 per cent. of the shares to which such offer relates or such lesser percentage, being more than 50 per cent., as Cirrus Logic may decide and the Panel may agree).

The Acquisition will be subject to the Conditions and other terms set out in Appendix I to this announcement and set out in the Scheme Document and the Forms of Proxy. The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting and the expected timetable of the Acquisition.

The Acquisition will be governed by Scots law and will be subject to the jurisdiction of the Scottish courts and subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

J.P. Morgan Cazenove has given and has not withdrawn its written consent to the publication of this announcement and the inclusion herein of the references to its name in the form and context in which they included.

The bases and sources of certain financial information contained in this announcement are set out in Appendix II. Certain terms used in this announcement are defined in Appendix V.

19 Documents on display

Copies of the following documents will be made available on Wolfson's and Cirrus Logic's websites at www.wolfsonmicro.com and www.cirrus.com, respectively, by no later than 12 noon (London time) on 30 April 2014 until the end of the Offer Period:

- the Credit Agreement referred to in paragraph 11 above;
- the irrevocable undertakings referred to in paragraph 12 above and summarised in Appendix III to this announcement;
- the Fee Letter;
- the Note;
- the Collateral Agreement;
- the Confidentiality Agreement referred to in paragraph 13 above; and
- the Cooperation Agreement referred to in paragraph 13 above.

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Claire Norbury

Goldman Sachs International, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting for Cirrus Logic and no one else in connection with the Acquisition and will not be responsible to anyone other than Cirrus Logic for providing the protections afforded to clients of Goldman Sachs International, or for giving advice in connection with the Acquisition or any matter referred to herein.

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This announcement is for information purposes only and is not intended to and does not constitute or form part of an offer to sell or otherwise dispose of or invitation to purchase or otherwise acquire any securities or the solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issue or transfer of the securities referred to in this announcement in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the Scheme Document and the accompanying Forms of Proxy, which will together contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.

This announcement has been prepared for the purpose of complying with the laws of the United Kingdom and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Overseas Shareholders

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

The Acquisition relates to the shares of a Scottish company and is proposed to be effected by means of a scheme of arrangement under the laws of Scotland. Neither the proxy solicitation rules nor (unless implemented by means of a Takeover Offer) the tender offer rules under the US Securities Exchange Act of 1934, as amended, will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. If Cirrus Logic exercises its right to implement the Acquisition of the Wolfson Shares by way of a Takeover Offer, the Takeover Offer will be made in compliance with applicable UK and US securities laws and regulations. Financial information relating to Wolfson included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

Unless otherwise determined by Cirrus Logic or required by the Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this announcement and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Acquisition to Wolfson Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

Forward Looking Statements

This announcement contains statements about Cirrus Logic and Wolfson that are or may be forward looking statements. All statements other than statements of historical facts included in this announcement may be forward looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “should”, “could”, “would”, “may”, “anticipates”, “estimates”, “synergy”, “cost-saving”, “projects”, “goal”, “hopes”, “continues”, “strategy”, “budget”, “forecast” or “might”, or words or terms of similar substance or the negative thereof, are forward looking statements. Forward looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Cirrus Logic’s or Wolfson’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Cirrus Logic’s or Wolfson’s business.

Such forward looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward looking statements. Due to such uncertainties and risks, no assurances can be given that such expectations will prove to have been correct and readers are cautioned not to place undue reliance on such forward looking statements, which speak only as of the date hereof. Cirrus Logic disclaims any obligation to update any forward looking or other statements contained herein, except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions.

Dealing Disclosure Requirements

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person’s interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129.

Information Relating to Wolfson Shareholders

Please be aware that addresses, electronic addresses and certain information provided by Wolfson Shareholders, persons with information rights and other relevant persons for the receipt of communications from Wolfson may be provided to Cirrus Logic during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.12(c).

Publication on Website

A copy of this announcement will be available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on Wolfson's and Cirrus Logic's websites (www.wolfsonmicro.com and www.cirrus.com, respectively) by no later than 12 noon (London time) on 30 April 2014.

The contents of the websites referred to in this announcement are not incorporated into and do not form part of this announcement.

Rule 2.10 Requirement

In accordance with Rule 2.10 of the Code, Wolfson confirms that at the date of this announcement, it has in issue and admitted to trading on the main market of the London Stock Exchange 116,787,489 ordinary shares of 0.1 pence each (excluding ordinary shares held in treasury). The International Securities Identification Number (ISIN) of the Wolfson Shares is GB0033563130.

APPENDIX I
CONDITIONS AND CERTAIN FURTHER TERMS OF THE ACQUISITION

Part A: Conditions of the Acquisition

The Acquisition will be conditional upon the Scheme becoming unconditional and becoming effective, subject to the provisions of the Code, by no later than 31 October 2014, or such later date (if any) as Cirrus Logic and Wolfson may agree and the Court may allow.

- (a) The Scheme will be conditional upon:
- (i) its approval by a majority in number representing not less than three-fourths in value of the Scheme Shareholders (or the relevant class or classes thereof, if applicable) present and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting on or before 30 June 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow);
 - (ii) all resolutions necessary to approve and implement the Scheme being duly passed by the requisite majority or majorities at the General Meeting of Wolfson or at any adjournment of that meeting on or before 30 June 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow); and
 - (iii) the sanction of the Scheme with or without modification (but subject to any such modification being acceptable to Cirrus Logic and Wolfson) and the confirmation of the Capital Reduction by the Court on or before 31 October 2014 (or such later date, if any, as Cirrus Logic and Wolfson may agree and the Court may allow) and:
 - (1) the delivery of a copy of each of the Court Orders and of the requisite Statement of Capital to the Registrar of Companies; and
 - (2) if the Court so orders for it to become effective, the registration of the Reduction Court Order and the Statement of Capital by the Registrar of Companies.

In addition, Cirrus Logic and Wolfson have agreed that the Acquisition will be conditional upon the following conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless the following conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

- (b)
 - (i) insofar as the Acquisition constitutes a relevant merger situation within the meaning of the Enterprise Act 2002, the Competition and Markets Authority (the CMA) or the appropriate Minister confirming, in terms reasonably satisfactory to Cirrus Logic, that the Acquisition or any matter arising therefrom or related thereto or any part of it will not be subject to a reference under sections 33, 45 or 62 of the Enterprise Act 2002; and
 - (ii) no decision, order or judgement of any court or governmental, statutory or regulatory body having been issued or made prior to the Effective Date, and no legal or regulatory requirements remaining to be satisfied, which would have the effect of making unlawful or otherwise prohibiting the Acquisition;
- (c) there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Wolfson Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Acquisition or because of a change in the control or management of Wolfson or otherwise, would or might reasonably be expected to result in (in any such case to an extent which is material in the context of the Wider Wolfson Group as a whole):

- (i) any moneys borrowed by or any other indebtedness (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or modified or affected or any obligation or liability arising or any action being taken or arising thereunder;
- (iii) any assets or interests of any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged;
- (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any such member;
- (v) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (vii) any such member ceasing to be able to carry on business under any name under which it presently does so; or
- (viii) the creation of any liability, actual or contingent, by any such member,

and no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Wolfson Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (viii) of this condition;

- (d) no Third Party having decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which would or might reasonably be expected to:
 - (i) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Cirrus Logic Group or any member of the Wider Wolfson Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Cirrus Logic Group or the Wider Wolfson Group in either case taken as a whole;

- (ii) require, prevent or materially delay the divestiture by any member of the Wider Cirrus Logic Group of any shares or other securities in Wolfson;
- (iii) impose any limitation on, or result in a material delay in, the ability of any member of the Wider Cirrus Logic Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Wolfson Group or the Wider Cirrus Logic Group or to exercise management control over any such member;
- (iv) otherwise affect the business, assets, profits or prospects of any member of the Wider Cirrus Logic Group or of any member of the Wider Wolfson Group in a manner which is adverse to and material in the context of the Cirrus Logic Group or the Wolfson Group in either case taken as a whole;
- (v) make the Acquisition void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, materially delay or otherwise materially interfere with the same, or impose additional and onerous conditions or onerous obligations with respect thereto;
- (vi) except pursuant to sections 974 to 991 of the 2006 Act, require any member of the Wider Cirrus Logic Group or the Wider Wolfson Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Wolfson Group or the Wider Cirrus Logic Group owned by any third party;
- (vii) impose any limitation on the ability of any member of the Wider Wolfson Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the group concerned taken as a whole; or
- (viii) result in any member of the Wider Wolfson Group ceasing to be able to carry on business under any name under which it presently does so,

and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Acquisition having expired, lapsed or been terminated;

- (e) all necessary filings or applications having been made in connection with the Acquisition and all material statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition and all authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals reasonably deemed necessary or appropriate by Cirrus Logic or any member of the Wider Cirrus Logic Group for or in respect of the Acquisition having been obtained in terms and in a form reasonably satisfactory to Cirrus Logic from all appropriate Third Parties or persons with whom any member of the Wider Wolfson Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, confirmations, clearances, permissions and approvals together with all material authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or appropriate to carry on the business of any member of the Wider Wolfson Group which is material in the context of the Cirrus Logic Group or the Wolfson Group as a whole remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes effective;

- (f) except as publicly announced by Wolfson in accordance with the Listing Rules or the Disclosure Rules and Transparency Rules prior to 29 April 2014 or as Fairly Disclosed, no member of the Wider Wolfson Group having, since 29 December 2013:
- (i) save as between Wolfson and wholly-owned subsidiaries of Wolfson or for Wolfson Shares issued pursuant to the exercise of options granted under the Wolfson Share Schemes, issued, authorised or proposed the issue of additional shares of any class;
 - (ii) save as between Wolfson and wholly-owned subsidiaries of Wolfson or for the grant of options under the Wolfson Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (iii) other than to another member of the Wolfson Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;
 - (iv) save for intra-Wolfson Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
 - (v) save for intra-Wolfson Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (vi) issued, authorised or proposed the issue of any debentures or (save for intra-Wolfson Group transactions), save in the ordinary course of business, incurred or materially increased any indebtedness or become subject to any material contingent liability;
 - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;
 - (viii) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;
 - (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which is or would be materially restrictive on the businesses of any member of the Wider Wolfson Group or the Wider Cirrus Logic Group or which involves or would involve an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which is material in the context of the Wider Wolfson Group taken as a whole;
 - (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed;

- (xi) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Wolfson Group or the Wider Cirrus Logic Group other than to a nature and extent which is normal in the context of the business concerned;
- (xii) waived or compromised any claim (otherwise than in the ordinary course of business) where such waiver or compromise would have a material adverse effect on the financial position of the Wider Wolfson Group taken as a whole;
- (xiii) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- (xiv) except in relation to changes made or agreed to be made as required by legislation or changes to legislation, having made or agreed or consented to any change to:
 - (1) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Wolfson Group for its directors, employees or their dependents;
 - (2) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (3) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (4) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made;
- (xv) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Wolfson Group; or
- (xvi) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Wolfson Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code,

and, for the purposes of paragraphs (iii), (iv), (v) and (vi) of this condition, the term "Wolfson Group" shall mean Wolfson and its wholly-owned subsidiaries;

- (g) except as Fairly Disclosed, since 29 December 2013, and in any such case to an extent which is material in the context of the Wider Wolfson Group taken as a whole:
 - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider Wolfson Group;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Wolfson Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party against or in respect of any member of the Wider Wolfson Group having been instituted announced or threatened by or against or remaining outstanding in respect of any member of the Wider Wolfson Group which in any such case might reasonably be expected to adversely affect any member of the Wider Wolfson Group;

- (iii) no contingent or other liability having arisen or become apparent to Cirrus Logic which would be likely to adversely affect any member of the Wider Wolfson Group; and
 - (iv) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Wolfson Group which is necessary for the proper carrying on of its business;
- (h) except as Fairly Disclosed, Cirrus Logic not having discovered:
- (i) that any financial, business or other information concerning the Wider Wolfson Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Wolfson Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not materially misleading;
 - (ii) that any member of the Wider Wolfson Group partnership, company or other entity in which any member of the Wider Wolfson Group has a significant economic interest and which is not a subsidiary undertaking of Wolfson is subject to any liability (contingent or otherwise) which is material in the context of the Wider Wolfson Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Wolfson Group and which is material in the context of the Wider Wolfson Group taken as a whole; and
- (i) Cirrus Logic not having discovered that:
- (i) any past or present member of the Wider Wolfson Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters, or that there has otherwise been any such disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) on the part of any member of the Wider Wolfson Group and which is material in the context of the Wider Wolfson Group taken as a whole; or
 - (ii) there is, or is likely to be, for that or any other reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Wolfson Group to make good, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Wolfson Group, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction and which is material in the context of the Wider Wolfson Group taken as a whole.

Cirrus Logic reserves the right to waive, in whole or in part, all or any of conditions (a) to (i) above, except for condition (a), which cannot be waived.

Conditions (b) to (i) (inclusive) must be fulfilled or waived by, no later than 11.59pm on the date immediately preceding the date of the Scheme Court Hearing, failing which the Scheme will lapse. Cirrus Logic shall be under no obligation to waive or treat as satisfied any of conditions (b) to (i) (inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other conditions of the offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such conditions may not be capable of fulfilment.

If Cirrus Logic is required by the Panel to make an offer for Wolfson Shares under the provisions of Rule 9 of the Code, Cirrus Logic may make such alterations to any of the above conditions as are necessary to comply with the provisions of that Rule.

Cirrus Logic reserves the right to elect (with the consent of the Panel) to implement the Acquisition by way of a takeover offer (as defined in Part 28 of the Companies Act 2006). In such event, such offer will be implemented on the same terms, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments, including (without limitation and subject to the consent of the Panel) an acceptance condition that is set at 90 per cent. (or such lesser percentage, as Cirrus Logic may decide) (i) in nominal value of the shares to which such offer relates; and (ii) of the voting rights attached to those shares, and that is subject to Cirrus Logic and/or (with the consent of the Panel) any of its wholly-owned subsidiaries having acquired or agreed to acquire, whether pursuant to the offer or otherwise, shares carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Wolfson, including, for this purpose, any such voting rights attaching to Wolfson Shares that are unconditionally allotted or issued before the takeover offer becomes or is declared unconditional as to acceptances, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.

The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

This Acquisition will be governed by Scots law and be subject to the jurisdiction of the Scottish courts, to the conditions set out below and in the formal Scheme Document. The Acquisition will comply with the applicable rules and regulations of the FCA and the London Stock Exchange and the Code.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Part B: Certain further terms of the Acquisition

If the Acquisition is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Acquisition will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of a national securities exchange of, any jurisdiction where we to do so would violate the laws of that jurisdiction.

Wolfson Shares which will be acquired under the Acquisition will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement.

APPENDIX II
SOURCES OF INFORMATION AND BASES OF CALCULATION

In this announcement, unless otherwise stated, or the context otherwise requires, the following bases and sources have been used:

1. Financial information relating to:
 - Wolfson is extracted (without adjustment) from the audited consolidated financial statements for the Wolfson Group for the financial year ended 29 December 2013; and
 - Cirrus Logic is extracted (without adjustment) from the unaudited consolidated financial statements of Cirrus Logic for the financial year ended 29 March 2014.
2. The value of the Acquisition is calculated on the basis of the fully diluted number of Wolfson Shares (at the Acquisition price) in issue referred to in paragraph 4. The implied enterprise value of Wolfson is based on the value of Wolfson's fully diluted share capital (as calculated in paragraph 4) at the Acquisition price less Wolfson's net cash of \$21 million, based on a gross cash balance of \$25 million and a defined benefit pension obligation of \$4 million, as at 30 March 2014.
3. As at the Close of Business on 28 April 2014, being the latest practicable date before the date of this announcement, Wolfson had in issue 116,787,489 Wolfson Shares. The International Securities Identification Number for Wolfson Shares is GB0033563130.
4. The fully diluted share capital of Wolfson (being 123,722,339 Wolfson Shares) is calculated on the basis of 116,787,489 Wolfson Shares in issue on 28 April 2014, and in addition up to an equivalent of 6,934,850 further Wolfson Shares which may be issued on or after the Announcement Date following the exercise of options, or settled via alternative means, which have a price of 235 pence or less, or via the vesting of awards under the Wolfson Share Schemes.
5. Unless otherwise stated, all prices and closing prices for Wolfson Shares are closing middle market quotations derived from the Daily Official List.
6. The premium calculations per Wolfson Shares have been calculated by reference to:
 - a price of 134.00 pence per Wolfson Share on 28 April 2014 (being the last Dealing Day prior to the date of this announcement);
 - the average Closing Price per Wolfson Share of approximately 135.30 pence for the one month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement); and
 - the average Closing Price per Wolfson Share of approximately 136.14 pence for the six month period ending on 28 April 2014 (being the last Dealing Day prior to this announcement).
7. Unless otherwise stated in this announcement £1 = \$1.68.

**APPENDIX III
IRREVOCABLE UNDERTAKINGS**

The following holders or controllers of Wolfson Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions:

PART A

Name	Number of Wolfson Shares	% of Wolfson Shares in issue	Number of Wolfson Shares under Wolfson Share Schemes
Michael Ruettgers	479,317	0.41	Nil
Mike Hickey	346,132	0.30	1,738,040
Mark Cubitt	92,942	0.08	868,325
Ross Graham	171,775	0.15	Nil
Rob Eckelmann	20,680	0.02	Nil
Glenn Collinson	181,150	0.16	Nil
John Grant	50,000	0.04	Nil
Charlotta Ginman	7,024	0.01	Nil
TOTAL	1,349,020	1.16	2,606,365

Cirrus Logic has received irrevocable undertakings from the Wolfson Directors in respect of their own beneficial holdings of Wolfson Shares, representing approximately 1.16 per cent. of the existing issued share capital of Wolfson:

- (a) to exercise (or procure the exercise of) all voting rights attaching to such Wolfson Shares in favour of the Scheme at the Court Meeting and in favour of each of the General Meeting Resolutions; and
- (b) if the Acquisition is structured as a Takeover Offer, to accept or procure the acceptance of such Takeover Offer in respect of all such Wolfson Shares.

The irrevocable undertakings given by the Wolfson Directors will cease to be binding if:

- (a) the Scheme Document has not been posted within 28 days of the publication of this announcement (or such longer period as Cirrus Logic determines, with the consent of the Panel); or
- (b) where the Acquisition is implemented by way of a Takeover Offer, the offer document (as defined by the Code) has not been posted within 28 days of the publication of the press announcement announcing the change of structure (or such other period as the Panel may require); or
- (c) the Acquisition is withdrawn or lapses in accordance with its terms, or the Long Stop Date is reached, whichever is earlier.

PART B

Cirrus Logic has received an irrevocable undertaking from Odey Asset Management LLP in respect of 6,865,240 Wolfson Shares which it manages on behalf of clients and in respect of which it is able to exercise discretionary and voting control to procure the casting of all voting rights attaching to such Wolfson Shares in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolutions (or, if the Acquisition is implemented by way of a Takeover Offer, to procure the acceptance of the Takeover Offer in accordance with its terms in respect of all such Wolfson Shares). Such Wolfson Shares represent approximately 5.88 per cent. of the existing issued ordinary share capital of Wolfson.

The irrevocable undertaking received from Odey Asset Management will cease to be binding if:

- (a) the Scheme Document has not been posted within 28 days of the publication of this announcement (or such longer period as Cirrus Logic determines, with the consent of the Panel); or
- (b) where the Acquisition is implemented by way of a Takeover Offer, the offer document (as defined by the Code) has not been posted within 28 days of the publication of the press announcement announcing the change of structure (or such other period as the Panel may require); or
- (c) the Acquisition is withdrawn or lapses in accordance with its terms, or the Long Stop Date is reached, whichever is earlier; or
- (d) a third party announces in accordance with Rule 2.7 of the Code a firm intention to make or makes a competing offer (howsoever structured) without preconditions where the consideration is payable entirely in cash on terms which represent an improvement of 10 per cent. or more on the value of the consideration offered under the Acquisition as at the date on which such competing offer is announced unless Cirrus Logic has announced an improvement to the terms of the Acquisition within seven days of such competing offer being made such that the terms of the improved Acquisition are at least as favourable as under the competing offer.

**APPENDIX IV
WOLFSON TRADING UPDATE**

**Wolfson Microelectronics plc
First quarter results to 30 March 2014**

Improved margins and costs offset lower revenues; strong second half expected

Wolfson Microelectronics plc (“Wolfson” or “the Company”), a leading supplier of audio solutions for consumer electronic products, announces its financial results for the first quarter ended 30 March 2014.

Financial summary:

1. Revenue of \$28.8m (Q1 2013: \$48.1m)
2. Gross margin 47.1% (Q1 2013: 40.3%)
3. Underlying* overheads reduced by 18% sequentially and year-on-year to \$18.1m (Q1 2013: \$22.1m)
4. Net cash inflow from operating activities of \$1.6m (Q1 2013: \$11.6m outflow)
5. Underlying* operating loss of \$4.5m (Q1 2013: \$2.8m loss)
6. Operating loss of \$5.7m (Q1 2013: \$6.3m loss after exceptional charge)
7. Cash and short-term deposits of \$25.2m at 30 March 2014 (29 December 2013: \$25.9m), no debt (\$25m working capital facility undrawn)

Operational summary:

1. Revenue continued to be impacted, as expected, by customer inventory overhangs caused by last year’s faster-than-anticipated transition from 3G to 4G (LTE) smartphones
2. Higher value-added Audio Hubs starting to come to market resulted in gross margin recovering strongly, up 680 basis points year-on-year
3. Firm spending control and the benefit of recent re-structuring reduced overheads by 18% sequentially
4. Wolfson and MediaTek announced a collaboration that will result in Wolfson’s High Definition (HD) Audio solutions being a pre-integrated option on MediaTek’s mobile LTE reference platform (press release with MediaTek for sign-off)
5. Wolfson continues to strengthen its relationship with Samsung with a number of design wins across a widening range of products including its GALAXY range of smartphones (including LTE models), tablet computers, digital still cameras, televisions and personal computers
6. Outside of mobile phones and tablet computers, Wolfson’s audio solutions are being adopted for a wide range of consumer electronics applications including the Internet of Things (IoT)

Outlook:

1. Q2 2014 revenue is expected to be in the range of \$28m - \$36m depending on customer new product introduction timing and sell-through
2. Gross margin in Q2 2014 is expected to be between 45% and 47%, depending on product mix
3. LTE platforms which include Wolfson products are expected to come to market and be deployed as the year progresses

Commenting on the results, Mike Hickey, CEO of Wolfson, said : “ As expected , revenue continued to be impacted by customer inventory overhangs caused by last year’s faster-than-anticipated flagship smartphone transition from 3G to LTE. However, these near-term revenue headwinds are being offset by strong improvements in gross margin as new higher value-added products start to contribute, and we realise the benefits of cost base reductions resulting from last year’s restructuring activities.

“We are on track for a strong recovery in revenue as LTE smartphone platforms that do include Wolfson products are expected to come to market in the second half. Our position as audio partner of choice for most LTE silicon platform vendors has been further strengthened by our collaboration with MediaTek for its LTE solutions, which should also improve our position in the fast-growing Chinese smartphone and tablet market where MediaTek has strong market share.”

*Underlying results exclude: charges for the amortisation of acquired intangible assets (Q1 2014: \$0.3m; Q1 2013: \$0.4m); share-based compensation charges, including associated payroll taxes (Q1 2014: \$0.9m; Q1 2013: \$1.0m). Also, in Q1 2013, severance costs of \$1.5m (Q1 2014: \$nil) and an exceptional charge of \$0.6m (Q1 2014: \$nil). The term “underlying” is not defined in IFRS and therefore may not be comparable with similarly titled measures reported by other companies. Underlying measures are not intended as a substitute for, or a superior measure to, IFRS measures.

Enquiries:

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This document contains certain statements that are not historical facts, including statements about Wolfson’s expectations and beliefs and statements with respect to its business plan, operations and financial performance and condition and other objectives. Such statements are forward-looking statements. These statements typically contain words such as “intends”, “expects” “anticipates”, “estimates”, “aims”, “believes”, “assumes”, “should”, and words of similar import, which are predictions of or indicate future events and future trends. Undue reliance should not be placed on such statements, which are based on Wolfson’s current plans, estimates, projections and assumptions. By their nature, forward-looking statements involve known and unknown risk and uncertainty because they relate to events and depend on circumstances which may occur in the future and which in some cases are beyond Wolfson’s control. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited, to future revenues being lower than expected; increasing competitive pressures within the industry; general economic conditions or conditions affecting the relevant industries, both domestically and internationally, being less favourable than expected.

Operating Review

Revenue in the first quarter of 2014 was at the lower end of guidance at \$28.8m (Q1 2013: \$48.1m). Revenue continues to be impacted by customer inventory overhangs resulting from the faster-than-anticipated transition from 3G to 4G (LTE) flagship smartphones last year. This slowed sales into 3G flagship smartphones and also benefited a competitor which was also the dominant supplier of LTE platforms (they include their own audio codec as part of their LTE platform) in 2013. Wolfson's participation in LTE smartphone models should start to improve as 2014 progresses and other application processor vendors, most of which are Wolfson reference partners, introduce their LTE platforms and these are adopted by smartphone and tablet manufacturers.

Audio Hubs continue to be the major contributor to revenue at around 75% of sales, with Mobile Audio Hubs accounting for 95% of Audio Hub revenue. Mobile phones remain Wolfson's largest applications market. However, revenue was down significantly year-on-year as the aforementioned LTE transition affected sales to our largest customer, and the customer that was our second largest in the first quarter of last year experienced market share issues. Encouragingly, outside these two customers overall revenue in the quarter grew year-on-year, driven by improving sales in non-mobile phone applications. Sales into gaming consoles and tablet computers grew very strongly year-on-year on the back of customer new product launches. Revenue from printers, portable media players and car infotainment systems also grew year-on-year, but sales to home audio and digital still cameras were lower.

Recently, Wolfson and MediaTek, one of the world's largest semiconductor companies, announced a collaboration that will deliver Wolfson's industry-leading HD Audio solutions as a pre-integrated option on MediaTek's mobile LTE reference platform. This collaboration combines the latest technology of both companies in a single LTE reference design that brings new audio use cases and performance levels to smartphones and tablets whilst also delivering both cost and time-to-market advantages .

Product Adoption by Existing and New Customers

Design-ins continue to be dominated in value terms by smartphone and tablet computer applications. The Company also had design-in success in next-generation gaming consoles and controllers, home audio, printers, digital still cameras, car infotainment systems and increasingly, across a wider base of other applications as the need for advanced audio solutions proliferates across new application areas. This is driving customer adoption of Wolfson's low power Audio Hubs, audio software solutions and MEMS microphones in new markets.

Market penetration increased in mobile phones, smartphones and tablet/PC computing, with notable new Wolfson product adoptions launched at both existing and new customers that include :

- Samsung selecting a new Wolfson Audio Hub for its new GALAXY S5 smartphone. Wolfson's audio solutions have also been selected for the Samsung GALAXY Tablet Pro 10.1 and Samsung ATIV9 2014 edition personal computer
- LG selecting Wolfson audio solutions for a number of its new mobile phones
- Fujitsu selecting a Wolfson audio solution for its latest smartphone
- Leading Chinese manufacturers OPPO Electronics and its subsidiary BBK Electronics selecting Wolfson audio solutions for their mobile phones
- A further two Chinese mobile phone manufacturers selecting Wolfson audio solutions for their new mobile phones
- A North American smartphone manufacturer continuing to design in Wolfson's MEMS microphones which will feature in its next generation smartphones
- A number of leading-brand tablet computer Original Equipment Manufacturers (OEMs) selecting Wolfson's audio solutions

Outside of mobile phones and computing applications, Wolfson solutions were adopted for a wide range of consumer electronics applications including:

- Samsung selected Wolfson audio solutions for the Samsung NX30 digital still camera
- Two leading-brand Japanese digital still camera manufacturers selecting Wolfson audio solutions
- Two leading-brand manufacturers selecting Wolfson's audio solutions for their next generation of gaming products
- A number of leading-brand car infotainment manufacturers selecting Wolfson audio solutions
- Wolfson audio solutions selected by a number of home audio and television manufacturers
- A number of leading-brand printer OEMs selecting Wolfson imaging solutions

Also Wolfson product adoptions for applications in the "Internet of Things" continued with further successes in the first quarter of 2014 including;

- A leading-brand multinational corporation selecting a Wolfson Audio Hub for the second generation of its ground-breaking visual computing wearable device
- A leading North American design company selecting a Wolfson Audio Hub for its voice alert home safety monitor
- A North American multinational company selecting Wolfson MEMS microphones for its latest wearable device

Product Development

- Wolfson launched two new products in Q1 2014, adding to the Company's family of Audio Hubs and MEMS microphone portfolio.
- This addition to the Audio Hub platform delivers outstanding audio to mobile devices and can run Wolfson's Ez2 suite of software, customers' own software or third party software. This enables OEMs to offer class-leading audio features to smartphones and tablets such as 24-bit 192 kHz high resolution Master Hi-Fi™ audio playback; exceptional voice call quality including industry-leading ambient noise cancellation; ultra-low power 'always on' voice control; excellent hands-free speakerphone and video-calling quality; as well as superior speaker drivers, speaker protection, and a reduced bill of material cost.
- Wolfson also announced a new analogue MEMS microphone with a small footprint, high signal-to-noise ratio (SNR) and wide dynamic range which delivers true high definition audio capture, perfect for voice control applications. This is the ideal microphone to work with Wolfson's WM8280 and Ez2 control™ software to provide customers with a low power "always on, always listening" feature.
- In addition to the continuing improvement and enhancements to the Wolfson Ez2 suite of software, the Company's software team is a significant contributor to the Linux kernel, an open source operating system that is the foundation for the overlaid Android operating system. Wolfson is recorded as one of the top 10 corporate Linux kernel contributors.

Wolfson Partner Programme

Building on Wolfson's ultra-low power Audio Hub hardware platforms, the Company has further expanded its growing partner programme to enhance Wolfson's audio solutions and offer customers a variety of options to differentiate their products across the tiers, including:

- Audyssey Laboratories Inc., a leader in the research, design and development of innovative audio technologies, made its AudioFrame™ advanced audio recording technology available on Wolfson's low-power Audio Hub portfolio, including the WM8280 Audio Hub solution. With AudioFrame™, the recorded audio signal dynamically adjusts to match the video zoom, focusing on the action within the frame and filtering out superfluous, unrelated sounds and noise. The result is a recording where the audio perfectly matches the video.
- Malaspina Labs Inc., a leading audio processing technology company, made its VoiceBoost™ 'always listening' Voice Activation solution available on Wolfson's WM5102S Audio Hub product for mobile devices, enabling the user to 'wake' a device from a low-power state by speaking an OEM-defined or user-defined trigger phrase, without the need for physical interaction with the phone, such as button presses or typing. In addition to this, Malaspina Labs' also made its VoiceBoost™ suite of phonetic speech enhancement technologies available on Wolfson's WM5102S, helping to improve voice recognition effectiveness and accuracy, and deliver an enhanced hands-free voice calling experience, even in noisy environments.
- Wolfson also added another professional services partner with the appointment of Incube Solutions, a leading systems design company. Through this agreement, Incube Solutions will provide turnkey services to Wolfson's customers and partners including porting, optimisation and integration of software audio technologies for the consumer electronics and mobile device markets .

Financial Review
Income Statement

The Company's financial performance for Q1 2014 is summarised below.

	Q1 2014		Q1 2013		Q4 2013	
	\$ m	% revs	\$ m	% revs	\$ m	% revs
Revenue	28.8		48.1		42.0	
Gross profit	13.6	47.1%	19.3	40.3%	17.7	42.2%
Overheads						
Research & development	(11.1)	39%	(13.6)	28%	(13.4)	32%
Distribution & Selling	(4.5)	16%	(5.6)	12%	(5.4)	13%
Administration	(2.5)	9%	(2.9)	6%	(3.4)	8%
Underlying* operating loss	(4.5)	-16%	(2.8)	-6%	(4.5)	-11%
Share based compensation	(0.9)	3%	(1.0)	2%	(1.1)	3%
Amortisation charges	(0.3)	1%	(0.4)	1%	(0.3)	1%
Severance recognised in overheads	-	-	(1.5)	3%	(0.9)	2%
Asset write down recognised in overheads	-	-	-	-	(1.7)	4%
Exceptional item: – pension past service cost	-	-	(0.6)	1%	-	-
Operating loss	(5.7)	-20%	(6.3)	-13%	(8.5)	-20%
Net Financing Expense	(0.1)		-		-	
Loss before tax	(5.8)	-20%	(6.3)	-13%	(8.5)	-20%
Income tax credit	1.2		1.3		1.6	
Loss after tax	(4.6)	-16%	(5.0)	-10%	(6.9)	-16%
Average £/\$ exchange rate	1.53		1.58		1.60	

* Underlying results are reconciled to the results reported in accordance with IFRS in notes 5 and 6 to the financial information.

Revenue

Revenue in Q1 2014 amounted to \$28.8m, a decline of 40% year-on-year (Q1 2013: \$48.1m) and a decline of 31% sequentially (Q4 2013: \$42.0m). Q1 2014 revenue was impacted by customer inventory overhangs resulting from the faster-than-anticipated transition from 3G to 4G (LTE) smartphones in 2013, and customer inventories continuing to run down prior to new product ramps. The largest customer in Q1 2014 represented 34% of total revenue (Q1 2013: 62%; Q4 2013: 32%).

Gross Profit

Gross profit was \$13.6m compared with \$19.3m in Q1 2013 (Q4 2013: \$17.7m). Gross margin of 47.1% reflects a 680 and 490 basis point improvement on the prior year and quarter respectively as the high volume part at significantly lower than typical margins is replaced with the latest higher average selling price and margin Audio Hub product. Gross margin in Q1 2013 was 40.3% (Q4 2013: 42.2%).

Operating Expenses

Total underlying operating expenses were \$18.1m in Q1 2014 compared with \$22.1m in Q1 2013 and \$22.2m in Q4 2013, a reduction 18% over both periods, reflecting the benefits of the cost reduction programme commenced in late 2013, combined with tight cost control. Excluded from underlying expenses are: i) Share-based compensation, calculated in accordance with IFRS 2 (including the related payroll taxes), amounting to \$0.9m, compared with \$1.0m in Q1 2013 (Q4 2013: \$1.1m); and ii) Amortisation charges relating to the intangible assets arising from acquisitions amounting to \$0.3m, compared with \$0.4m in Q1 2013 (Q4 2013: \$0.3m).

Also excluded from underlying operating expenses were: in Q1 2013 severance costs of \$1.5m and pension exceptional costs of \$0.6m. In Q4 2013 there were severance costs of \$0.9m and asset write down costs of \$1.7m. There were no such costs in Q1 2014.

The full year 2014 overheads are estimated to be in the range of \$75m to \$78m, compared to \$88.6m in 2013, a reduction of 11% to 14%. The amortisation charges are expected to remain at \$0.3m per quarter for the remainder of 2014 whilst the share-based compensation expense is expected to be around \$1.2m per quarter, estimated based on the Q1 2014 quarter end share price of 132 pence.

Operating Loss

The underlying operating loss was \$4.5m, compared with a \$2.8m loss in Q1 2013 (Q4 2013: \$4.5m loss). Despite the 40% or \$19.3m fall in revenues, the loss was restricted to an increase of \$1.7m as a result of the improved gross margins and lower overheads.

Earnings and Taxation

There was a \$0.1m net finance charge relating to discounting deferred consideration, compared with \$nil for Q1 2013 (Q4 2013: \$nil).

The loss before tax reduced to \$5.8m, compared with a \$6.3m loss for Q1 2013 (Q4 2013: \$8.5m loss).

The effective tax rate was approximately 20% in the quarter (a credit). The effective tax rate is favourably affected by the availability of tax allowances on research and development expenditure but is adversely impacted by expenses that are not deductible for tax purposes and the lower UK corporation tax rate, of 20%, applicable to the recognition of deferred tax.

The effective average US dollar to sterling rate for Q1 2014 was \$1.53/£1, compared with \$1.58/£1 for Q1 2013 and \$1.60/£1 for Q4 2013. It is estimated that every 1 cent increase in the US dollar/sterling exchange rate has the effect of reducing the Company's operating result by \$300,000 on an annualised basis. Sterling-denominated overheads for the whole of 2014 are hedged at \$1.565/£1, with H1 2014 hedged at \$1.53 and H2 2014 at \$1.60.

The underlying fully diluted loss per share for Q1 2014 was 3.1 cents compared with a 2.0 cents loss in Q1 2013 (Q4 2013: 3.3 cents loss).

Balance Sheet and Cash Flow

Cash and short-term deposits amounted to \$25.2m at 30 March 2014 compared with \$25.9m at 29 December 2013, a cash outflow of \$0.7m in the quarter. There have been no drawings made on the \$25m committed bank facility negotiated in Q1 2014.

Summarised Consolidated Cash Flow

	Q1 2014 \$m	Q1 2013 \$m
Loss before tax	(5.8)	(6.3)
Depreciation & amortisation	2.4	2.5
Net finance expense	0.1	-
Loss before interest, tax, depreciation and amortisation	<u>(3.3)</u>	<u>(3.8)</u>
Share-based compensation	0.9	1.0
Change in working capital:		
Receivables	5.7	0.7
Inventory	(3.2)	(5.1)
Payables	1.8	(3.1)
Payments to pension scheme	-	(1.3)
Foreign exchange gain	(0.3)	-
Net cash inflow / (outflow) from operating activities	<u>1.6</u>	<u>(11.6)</u>
Capital expenditure	<u>(1.7)</u>	<u>(0.8)</u>
Free cash flow	(0.1)	(12.4)
Deferred consideration payments	(0.8)	(1.6)
Foreign exchange	0.2	0.1
Net cash outflow	<u>(0.7)</u>	<u>(13.9)</u>
Opening cash balances	<u>25.9</u>	<u>48.0</u>
Closing cash balances	<u>25.2</u>	<u>34.1</u>

Net cash inflow from operating activities was \$1.6m in Q1 2014 compared to an outflow of \$11.6m in Q1 2013. As 2014 progresses, working capital needs are expected to increase to support the higher level of forecast revenues in the second half of the year.

Days of inventory, trade receivables and trade payables were 130, 50 and 49 respectively at 30 March 2014 (91, 51 and 29 days respectively at 29 December 2013; and 94, 46 and 47 days respectively at 31 March 2013). Days of inventory is expected to normalise to around 90 days during H2 2014.

Cash outflow on capital expenditure in Q1 2014 amounted to \$1.7m compared with \$0.8m in Q1 2013. This primarily represented spend on software licences and IT equipment.

The Company paid \$0.8m (Q1 2013: \$1.6m) for deferred consideration as milestones were achieved on the 2007 acquisition of Sonaptic (ANC).

In Q2 2014 a payment of \$1.7m will be made into the closed defined benefit pension scheme under the schedule of contributions agreed with the scheme trustees

Condensed consolidated income statement
For the period ended 30 March 2014

		Q1 2014	Q1 2013			Q4 2013
		13-week period from 30 December 2013 to 30 March 2014	13-week period from 31 December 2012 to 31 March 2013			13-week period from 30 September 2013 to 29 December 2013
		(Unaudited)	Before exceptional charge (Unaudited)	Exceptional charge (note 4) (Unaudited)	Total (Unaudited)	(Unaudited)
<i>Notes</i>		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
	Revenue	28,805	48,059	-	48,059	42,027
	Cost of sales	(15,248)	(28,710)	-	(28,710)	(24,290)
	Gross profit	13,557	19,349	-	19,349	17,737
	Distribution and selling costs	(4,696)	(6,274)	-	(6,274)	(7,528)
	Research and development expenses	(11,873)	(15,601)	-	(15,601)	(14,957)
	Administrative expenses	(2,717)	(3,161)	-	(3,161)	(3,774)
	Past service cost on defined benefit plan	-	-	(600)	(600)	-
	Operating loss	(5,729)	(5,687)	(600)	(6,287)	(8,522)
	Financial income	7	28	-	28	7
	Financial expenses	(48)	(58)	-	(58)	(19)
	Net financing expense	(41)	(30)	-	(30)	(12)
	Loss before tax	(5,770)	(5,717)	(600)	(6,317)	(8,534)
	Income tax credit	1,166	1,125	138	1,263	1,646
	Loss for the period attributable to the owners of the Company	(4,604)	(4,592)	(462)	(5,054)	(6,888)
	Basic loss per share (cents)	(3.94)			(4.33)	(5.90)
	Diluted loss per share (cents)	(3.94)			(4.33)	(5.90)

Condensed consolidated income statement*For the period ended 30 March 2014 (continued)*

		2013		
		52-week period from 31 December 2012 to 29 December 2013*		
	Notes	Before exceptional charge	Exceptional charge (note 4)	Total
		\$ '000	\$ '000	\$ '000
Revenue	3	179,436	-	179,436
Cost of sales		(103,457)	-	(103,457)
Gross profit	3	75,979	-	75,979
Distribution and selling costs		(24,604)	-	(24,604)
Research and development expenses		(58,334)	-	(58,334)
Administrative expenses		(12,731)	-	(12,731)
Past service cost on defined benefit plan	4	-	(600)	(600)
Operating loss	6	(19,690)	(600)	(20,290)
Financial income		95	-	95
Financial expenses		(178)	-	(178)
Net financing expense		(83)	-	(83)
Loss before tax		(19,773)	(600)	(20,373)
Income tax credit		3,815	138	3,953
Loss for the period attributable to the owners of the Company		(15,958)	(462)	(16,420)
Basic loss per share (cents)	8			(14.07)
Diluted loss per share (cents)	8			(14.07)

Condensed consolidated statement of comprehensive income
For the period ended 30 March 2014

	Q1 2014 13-week period from 30 December 2013 to 30 March 2014 (Unaudited) \$ '000	Q1 2013 13-week period from 31 December 2012 to 31 March 2013 (Unaudited) \$ '000	Q4 2013 13-week period from 30 September 2013 to 29 December 2013 (Unaudited) \$ '000	2013 52-week period from 31 December 2012 to 29 December 2013* \$ '000
Loss for the period	(4,604)	(5,054)	(6,888)	(16,420)
Other comprehensive income:				
<i>Items that will never be reclassified to profit or loss:</i>				
Actuarial gain on net defined benefit obligations	-	-	472	2,403
Increase in defined benefit liabilities recognised in accordance with IFRIC 14	-	-	(300)	(2,400)
Movement in unrecognised surplus on defined benefit plan	(10)	-	(301)	(2,236)
Deferred tax on net defined benefit items recognised in equity	2	-	(11)	398
	(8)	-	(140)	(1,835)
<i>Items that are or may be reclassified subsequently to profit or loss:</i>				
Foreign exchange translation differences on foreign operations	(1)	(4)	1	(5)
Effective portion of changes in fair value of cash flow hedges	(391)	(2,442)	765	1,768
	(392)	(2,446)	766	1,763
Other comprehensive income for the period	(400)	(2,446)	626	(72)
Total comprehensive income for the period attributable to the owners of the Company	(5,004)	(7,500)	(6,262)	(16,492)

* The results for the 52-week period ended 29 December 2013 have been extracted from the statutory accounts for the 52-week period ended 29 December 2013, which have been reported on by the Company's auditors and delivered to the Registrar of Companies

Condensed consolidated balance sheet

As at 30 March 2014

Assets

Property, plant and equipment
Intangible assets
Deferred tax assets

Total non-current assets

Inventories
Trade and other receivables
Other investments, including derivatives
Short-term deposits
Cash and cash equivalents

Total current assets

Total Assets

Equity

Issued share capital
Share premium account
Capital redemption reserve
Hedging reserve
Retained earnings

Total equity attributable to equity holders of the parent

Liabilities

Employee benefits
Other payables

Total non-current liabilities

Income tax payable
Trade and other payables, including derivatives
Provisions

Total current liabilities

Total Liabilities

Total equity and liabilities

	As at 30 March 2014 (Unaudited) \$ '000	As at 29 December 2013* \$ '000	As at 31 March 2013 (Unaudited) \$ '000
	19,905	20,501	23,426
	33,370	32,073	32,788
	18,479	17,403	14,258
Total non-current assets	71,754	69,977	70,472
	27,362	24,221	29,784
	23,215	28,899	37,130
	1,998	2,389	-
	-	-	28,000
	25,182	25,886	6,086
Total current assets	77,757	81,395	101,000
Total Assets	149,511	151,372	171,472
	194	194	194
	61,430	61,430	61,253
	503	503	503
	1,998	2,389	(1,821)
	56,576	60,429	73,024
Total equity attributable to equity holders of the parent	120,701	124,945	133,153
	3,900	3,900	1,669
	292	483	245
Total non-current liabilities	4,192	4,383	1,914
	89	78	62
	23,708	20,966	34,942
	821	1,000	1,401
Total current liabilities	24,618	22,044	36,405
Total Liabilities	28,810	26,427	38,319
Total equity and liabilities	149,511	151,372	171,472

* The results for the 52-week period ended 29 December 2013 have been extracted from the statutory accounts for the 52-week period ended 29 December 2013, which have been reported on by the Company's auditors and delivered to the Registrar of Companies

Condensed consolidated statement of changes in equity

	Attributable to owners of the Company					
	Share capital	Share premium	Capital redemption reserve	Hedging reserve	Retained earnings	Total equity
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 31 December 2012	194	61,253	503	621	77,339	139,910
Loss for the period	-	-	-	-	(5,054)	(5,054)
Other comprehensive income:						
Foreign exchange translation difference on foreign operations	-	-	-	-	(4)	(4)
Effective portion of changes in fair value of cash flow hedges	-	-	-	(2,442)	-	(2,442)
Total comprehensive income for the period ended 31 March 2013	-	-	-	(2,442)	(5,058)	(7,500)
Equity settled share-based payment transactions	-	-	-	-	1,005	1,005
Deferred tax on equity settled share-based payment transactions recognised in equity	-	-	-	-	(262)	(262)
Total contributions by and distributions to owners of the Company	-	-	-	-	743	743
Balance at 31 March 2013	194	61,253	503	(1,821)	73,024	133,153
Balance at 30 December 2013	194	61,430	503	2,389	60,429	124,945
Loss for the period	-	-	-	-	(4,604)	(4,604)
Other comprehensive income:						
Movement in unrecognised surplus on defined benefit plan	-	-	-	-	(10)	(10)
Deferred tax on net defined benefit items recognised in equity	-	-	-	-	2	2
Foreign exchange translation differences on foreign operations	-	-	-	-	(1)	(1)
Effective portion of changes in fair value of cash flow hedges	-	-	-	(391)	-	(391)
Total comprehensive income for the period ended 30 March 2014	-	-	-	(391)	(4,613)	(5,004)
Equity settled share-based payment transactions	-	-	-	-	884	884
Deferred tax on equity settled share-based payment transactions recognised in equity	-	-	-	-	(121)	(121)
Company shares acquired by employee trust	-	-	-	-	(3)	(3)
Total contributions by and distributions to owners of the Company	-	-	-	-	760	760
Balance at 30 March 2014	194	61,430	503	1,998	56,576	120,701

Condensed consolidated statement of cash flows
For the period ended 30 March 2014

	Q1 2014 13-week period from 30 December 2013 to 30 March 2014 (Unaudited) \$ '000	Q1 2013 13-week period from 31 December 2012 to 31 March 2013 (Unaudited) \$ '000	Q4 2013 13-week period from 30 September 2013 to 29 December 2013 (Unaudited) \$ '000	2013 52-week period from 31 December 2012 to 29 December 2013* \$ '000
Cash flow from operating activities				
Loss for the period	(4,604)	(5,054)	(6,888)	(16,420)
<i>Adjustments for:</i>				
Depreciation, amortisation and impairment loss on property, plant and equipment	2,367	2,468	4,280	11,839
Loss on disposal of property, plant and equipment	-	-	35	35
Foreign exchange (gain) / loss	(263)	48	74	292
Net financing expense	41	30	12	83
Equity-settled share-based payment expenses	884	1,005	1,141	1,674
Income tax credit	(1,166)	(1,263)	(1,646)	(3,953)
	(2,741)	(2,766)	(2,992)	(6,450)
(Increase) / decrease in inventories	(3,141)	(5,082)	6,541	481
Decrease in trade and other receivables	5,691	666	1,001	9,059
Increase / (decrease) in trade and other payables	1,997	(3,090)	(2,724)	(12,457)
Decrease in provisions and employee benefits	(179)	(1,311)	(460)	(3,576)
	1,627	(11,583)	1,366	(12,943)
Cash generated from / (absorbed by) the operations	(20)	(19)	(40)	64
Income tax (paid) / received	1,607	(11,602)	1,326	(12,879)
Net cash inflow / (outflow) from operating activities				
Cash flow from investing activities				
Interest received	7	38	10	106
Acquisition of property, plant and equipment and intangible assets	(1,745)	(758)	(2,177)	(7,757)
Proceeds from the sale of property, plant and equipment	-	-	180	180
Deferred consideration on acquisition in prior periods	(800)	(1,600)	(173)	(1,773)
Amounts withdrawn from short-term deposits	-	-	5,000	28,000
	(2,538)	(2,320)	2,840	18,756
Net cash (outflow) / inflow from investing activities				
Cash flow from financing activities				
Proceeds from the issue of share capital	-	-	83	177
Company shares acquired by employee trust	(3)	-	-	(2)
Interest paid	(6)	(6)	-	(14)
	(9)	(6)	83	161
Net cash (outflow) / inflow from financing activities				
Net (decrease) / increase in cash and cash equivalents	(940)	(13,928)	4,249	6,038
Cash and cash equivalents at start of period	25,886	19,974	21,674	19,974
Effect of exchange rate fluctuations on cash held	236	40	(37)	(126)
	25,182	6,086	25,886	25,886
Cash and cash equivalents at end of period				
Cash and cash equivalents at end of period	25,182	6,086	25,886	25,886
Short-term deposits at end of period	-	28,000	-	-
	25,182	34,086	25,886	25,886
Total cash and short-term deposits at end of period				

* The results for the 52-week period ended 29 December 2013 have been extracted from the statutory accounts for the 52-week period ended 29 December 2013, which have been reported on by the Company's auditors and delivered to the Registrar of Companies

20 Notes to the financial information

1 Basis of preparation

The financial information set out above contains the financial information of Wolfson Microelectronics plc (the “Company”) and its subsidiaries (together referred to as the “Group”) for the thirteen week period ended 30 March 2014. The comparative periods are the thirteen week period ended 31 March 2013 and the thirteen week period ended 29 December 2013.

A copy of this press release is available on the Company’s website at www.wolfsonmicro.com.

The financial information set out above does not constitute the Company’s statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the fifty-two week period ended 29 December 2013, which were prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU, are available on the Company’s website at www.wolfsonmicro.com and have been delivered to the Registrar of Companies. The auditors have reported on those accounts; their report was (i) unqualified, (ii) did not include references to any matters to which the auditors drew attention by way of emphasis without qualifying their report and (iii) did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

2 Accounting policies

This financial information has been prepared applying the accounting policies and presentation that were applied in the preparation of the Company’s published consolidated financial statements for the fifty-two week period ended 29 December 2013. There is no actuarial gain or loss recognised for the thirteen week period ended 30 March 2014 as the Company has not updated the actuarial valuation of the defined benefit pension scheme, for accounting purposes, from the position as at 29 December 2013.

As permitted by IAS 1: *Presentation of Financial Statements*, the Group has disclosed additional information in respect of exceptional items on the face of the income statement, for the thirteen week period ended 31 March 2013 and for the fifty-two week period ended 29 December 2013, in order to aid understanding of the Group’s financial performance. An item is treated as exceptional if it is considered that by virtue of its nature, scale of incidence and being of such significance that separate disclosure is required for the financial statements to be properly understood.

In the process of applying the Group’s accounting policies, management necessarily makes judgements and estimates that have a significant effect on the amounts recognised in the condensed financial statements. Actual results may differ from these estimates. Changes in the assumptions underlying the estimates could result in a significant impact to the financial information. The most critical of these accounting judgement and estimation areas were noted in the Company’s consolidated financial statements for the fifty-two week period ended 29 December 2013.

3 Segment information

The chief operating decision-maker is the Chief Executive Officer (“CEO”) of the Company. The CEO reviews the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has two reportable segments, which reflect the organisational structure in the internal reporting as used by the CEO in order to assess performance and allocate resources. These two reportable segments are the Group’s Audio Hubs and Discrete and Power Products segments which are reported separately to the chief operating decision-maker to allow greater management focus on the Audio Hubs strategy. The following summary describes the operations in the Group’s reportable segments:

Audio Hubs – this segment includes the supply and sale of Wolfson’s Audio Hubs high performance audio integrated circuit solutions. Audio Hubs are feature-rich devices which contain many of Wolfson’s audio technologies combined into a single Hub device.

Discrete and Power Products – this segment includes the supply and sale of integrated circuits which are discrete components, such as : Analogue-to-Digital Converters; Digital-to-Analogue Converters; and this segment also includes those components which are power management integrated circuits and the silicon microphone devices based on Micro-Electro-Mechanical Systems (‘MEMS’) technology.

Segment information (continued)

The other operating segment does not meet any of the quantitative thresholds for determining a reportable segment in the periods presented and, accordingly, the relevant revenue and segment gross profits are shown as 'other operating segment'.

The CEO assesses the performance of the operating segments based on revenue and a measure of gross profit. The gross profit measurement basis excludes the effects of non-recurring expenditure from operating segments, such as restructuring costs and exceptional inventory write downs. Interest income and expenditure are not included in the result for each operating segment that is reviewed by the CEO. Other information provided to the CEO is measured in a manner consistent with that in the financial statements. The segment information is prepared using accounting policies consistent with those of the Group as a whole. There were no inter-segment transactions in the periods presented.

The assets and liabilities of the Group are not reviewed by the chief operating decision-maker on a segment basis. Therefore none of the Group's assets and liabilities are segmental assets and segmental liabilities respectively and all are unallocated for segmental disclosure purposes.

	Q1 2014 13-week period from 30 December 2013 to 30 March 2014 \$'000	Q1 2013 13-week period from 31 December 2012 to 31 March 2013 \$'000	Q4 2013 13-week period from 30 September 2013 to 29 December 2013 \$'000	2013 52-week period from 31 December 2012 to 29 December 2013 \$'000
Segment revenue:				
Audio Hubs	21,741	41,508	27,533	136,371
Discrete and Power Products	6,989	6,521	14,477	42,973
Other operating segment	75	30	17	92
Total revenue for the period	28,805	48,059	42,027	179,436
Segment gross profit:				
Audio Hubs	10,156	16,252	11,353	55,996
Discrete and Power Products	3,522	3,130	6,436	20,065
Other operating segment	(121)	(33)	(52)	(82)
Total gross profit for segments in the period	13,557	19,349	17,737	75,979

4 Exceptional charge

There were no exceptional charges recognised in the thirteen week periods ended 30 March 2014 and 29 December 2013.

Past service cost on defined benefit plan.

Exceptional charge recognised in the thirteen week period ended 31 March 2013 and in the fifty-two week period ended 29 December 2013:

In November 2012 the Company initiated an Enhanced Transfer Value (ETV) offer to the 83 deferred members of the Company's defined benefit pension scheme. The Company estimated (for accounting purposes) the projected level of take up of the ETV offer and, as a result, recognised an exceptional charge of \$1.4 million in the thirteen and fifty-two week periods ended 30 December 2012. Following the closure of the ETV offer, the actual accounting cost of the ETV to be recognised was \$2.0 million for those members that decided to take up the offer. Therefore the difference of \$0.6 million between the actual accounting cost and the estimated cost of \$1.4 million, recorded as at 30 December 2012, was recognised as an exceptional charge in the Company's condensed financial statements in the thirteen week period ended 31 March 2013 and therefore also in the financial statements for the fifty-two week period ended 29 December 2013

5 Operating expenses: reconciliation from Underlying to IFRS

	Underlying \$'000	Share-based compensation (including related payroll taxes) \$'000	Amortisation of acquired intangible assets \$'000	Severance costs \$'000	Impairment loss on property plant and equipment (asset write down) \$'000	Exceptional charge \$'000	IFRS \$'000
Q1 2014							
<i>13-week period from 30 December 2013 to 30 March 2014</i>							
Distribution and selling costs	(4,513)	(183)	-	-	-	-	(4,696)
Research and development expenses	(11,044)	(551)	(278)	-	-	-	(11,873)
Administrative expenses	(2,521)	(196)	-	-	-	-	(2,717)
	(18,078)	(930)	(278)	-	-	-	(19,286)
Q1 2013							
<i>13-week period from 31 December 2012 to 31 March 2013</i>							
Distribution and selling costs	(5,639)	(235)	-	(400)	-	-	(6,274)
Research and development expenses	(13,566)	(532)	(403)	(1,100)	-	-	(15,601)
Administrative expenses	(2,944)	(217)	-	-	-	-	(3,161)
Past service cost on defined benefit plan	-	-	-	-	-	(600)	(600)
	(22,149)	(984)	(403)	(1,500)	-	(600)	(25,636)
Q4 2013							
<i>13-week period from 30 September to 29 December 2013</i>							
Distribution and selling costs	(5,380)	(252)	-	(183)	(1,713)	-	(7,528)
Research and development expenses	(13,447)	(614)	(277)	(619)	-	-	(14,957)
Administrative expenses	(3,401)	(280)	-	(93)	-	-	(3,774)
	(22,228)	(1,146)	(277)	(895)	(1,713)	-	(26,259)

6 **Operating loss: reconciliation from Underlying to IFRS**

	Q1 2014	Q1 2013	Q4 2013	2013
	13-week period from 30 December 2013 to 30 March 2014 \$'000	13-week period from 31 December 2012 to 31 March 2013 \$'000	13-week period from 30 September 2013 to 29 December 2013 \$'000	52-week period from 31 December 2012 to 29 December 2013 \$'000
Underlying operating loss	(4,521)	(2,800)	(4,491)	(12,580)
Share-based payment expenses and related payroll taxes	(930)	(984)	(1,146)	(1,642)
Amortisation of acquired intangible assets	(278)	(403)	(277)	(1,360)
Severance costs recognised in overheads	-	(1,500)	(895)	(2,395)
Impairment loss on property, plant and equipment recognised in overheads	-	-	(1,713)	(1,713)
Exceptional charge:				
- Past service cost on defined benefit plan	-	(600)	-	(600)
Operating loss (IFRS)	(5,729)	(6,287)	(8,522)	(20,290)

7 **Income tax credit**

The income tax credit for the thirteen week period ended, and the related deferred tax asset as at, 30 March 2014 reflects the estimated total effective tax rate on the result before taxation for the Group of approximately 20% for the fifty-two week period ending 28 December 2014. This reflects the UK corporation tax rate applicable for that fifty-two week period as favourably affected by tax allowances on research and development expenditure but adversely impacted by disallowable expenses and the lower UK corporation tax rate, of 20%, applicable to the recognition of deferred tax.

8 Earnings per share

Loss for the period attributable to equity shareholders (basic and diluted)	
Share-based payment expenses and related payroll taxes*	
Amortisation of acquired intangible assets*	
Severance costs recognised in overheads*	
Impairment loss on property, plant and equipment recognised in overheads*	
Exceptional charge*	
Underlying loss for the period attributable to equity shareholders (basic and diluted)	
Basic loss per share	
Diluted loss per share	
Underlying basic loss per share	
Underlying diluted loss per share	

	Q1 2014 13-week period from 30 December 2013 to 30 March 2014	Q1 2013 13-week period from 31 December 2012 to 31 March 2013	Q4 2013 13-week period from 30 September 2013 to 29 December 2013	2013 52-week period from 31 December 2012 to 29 December 2013
	\$'000	\$'000	\$'000	\$'000
	(4,604)	(5,054)	(6,888)	(16,420)
	730	755	879	1,260
	218	309	213	1,044
	-	1,151	687	1,838
	-	-	1,315	1,315
	-	462	-	462
	(3,656)	(2,377)	(3,794)	(10,501)
	cents	cents	cents	cents
	(3.94)	(4.33)	(5.90)	(14.07)
	(3.94)	(4.33)	(5.90)	(14.07)
	(3.13)	(2.04)	(3.25)	(9.00)
	(3.13)	(2.04)	(3.25)	(9.00)

* After the estimated tax impact of this item

Earnings per share (continued)

The weighted average number of ordinary shares used in the calculation of basic and diluted (loss) / earnings per share for each period was calculated as follows:

	Q1 2014 13-week period from 30 December 2013 to 30 March 2014 No. of shares	Q1 2013 13-week period from 31 December 2012 to 31 March 2013 No. of shares	Q4 2013 13-week period from 30 September 2013 to 29 December 2013 No. of shares	2013 52-week period from 31 December 2012 to 29 December 2013 No. of shares
Issued ordinary shares at start of period	116,780,433	116,643,442	116,724,729	116,643,442
Effect of shares issued during the period from: exercise of employee share options; and/or vesting of employee contingent share awards	759	1,077	49,740	66,711
Weighted average number of ordinary shares at end of period – for basic (loss) / earnings per share and for diluted loss per share	116,781,192	116,644,519	116,774,469	116,710,153
Effect of dilutive share options in issue	419,984	860,982	488,815	671,707
Weighted average number of ordinary shares at end of period – for diluted earnings per share	117,201,176	117,505,501	117,263,284	117,381,860

APPENDIX V DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise.

“2006 Act”	the UK Companies Act 2006, as amended;
“Acquisition”	the acquisition by Cirrus Logic of the entire issued and to be issued ordinary share capital of Wolfson at a price of 235 pence per Wolfson Share to be effected by means of the Scheme (or, subject to the consent of the Panel, a Takeover Offer) including, where the context so requires, any subsequent variation, revision, extension or renewal thereof;
“Amended Wolfson Articles”	the articles of association of Wolfson as at the Announcement Date, as amended to include provisions, in terms approved by Cirrus Logic, that avoid any person (other than Cirrus Logic or its nominee(s)) remaining as a holder of Wolfson Shares after the Effective Date, such proposed amendments to be set out in full in the notice of the General Meeting in the Scheme Document;
“Announcement Date”	29 April 2014;
“Annual Report”	the annual report and accounts of Wolfson for the financial year ended 29 December 2013;
“Authorisations”	regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals;
“Business Day”	a day (other than Saturdays, Sundays and public holidays) on which banks are open for business in London, United Kingdom;
“Capital Reduction”	the proposed reduction of Wolfson’s share capital pursuant to the Scheme;
“Cirrus Logic”	Cirrus Logic, Inc., a company incorporated under the laws of the State of Delaware, USA;
“Cirrus Logic Group”	Cirrus Logic, its subsidiaries and subsidiary undertakings;
“Close of Business”	6.00 p.m. on a relevant Business Day;
“Closing Price”	the middle market price of a Wolfson Share at the close of business on the day to which such price relates, as derived from the Daily Official List for that day;
“Code”	the City Code on Takeovers and Mergers;
“Collateral Agreement”	the security and pledge agreement dated 29 April 2014 executed by Cirrus Logic in favour of Wells Fargo, for the ratable benefit of the Secured Parties (as defined in the Credit Agreement);
“Conditions”	the conditions to the Acquisition, as set out in Appendix I to this announcement and to be set out in the Scheme Document;
“Court”	the Court of Session in Edinburgh;
“Court Meeting”	the meeting of Scheme Shareholders (and any adjournment thereof) to be convened pursuant to an order of the Court under Part 26 of the 2006 Act for the purposes of considering and, if thought fit, approving the Scheme (with or without amendment);

“Court Orders”	the orders of the Court sanctioning the Scheme and confirming the related Capital Reduction;
“Credit Agreement”	has the meaning given to it in paragraph 11 of this Announcement;
“CREST”	a relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations);
“Daily Official List”	the daily official list of the London Stock Exchange;
“Dealing Day”	a day on which dealing in domestic securities may take place on, and with the authority of the London Stock Exchange;
“Dealing Disclosure”	has the same meaning as in Rule 8 of the Code;
“Disclosure Rules and Transparency Rules”	the disclosure rules and transparency rules made by the UKLA under the FSMA and contained in the UKLA’s publication of the same name, as amended from time to time;
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;
“Enterprise Act 2002”	Enterprise Act 2002, as amended by the Enterprise and Regulatory Reform Act 2013;
“Excluded Shares”	any Wolfson Shares which are registered in the name of or beneficially owned by any member of the Cirrus Logic Group or its nominee(s) and any Wolfson Shares held in treasury;
“Fairly Disclosed”	information: <ul style="list-style-type: none"> (a) which has been fairly disclosed in writing by or on behalf of Wolfson to Cirrus Logic or its advisers prior to the Announcement Date; (b) which has been Publicly Announced; or (c) set out in this announcement;
“FCA”	the United Kingdom Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of the FSMA;
“Fee Letter”	the fee letter dated 29 April 2014 addressed to Cirrus Logic by Wells Fargo;
“Forms of Proxy”	the forms of proxy for use at the Court Meeting and the General Meeting;
“FSMA”	the UK Financial Services and Markets Act 2000, as amended;
“General Meeting”	the general meeting of Wolfson Shareholders (including any adjournment thereof) to be convened in connection with the Scheme and the Capital Reduction;
“General Meeting Resolutions”	the resolutions to be proposed at the General Meeting;
“Goldman Sachs”	Goldman Sachs International;
“J.P. Morgan Cazenove”	J.P. Morgan Limited, acting in its capacity as financial adviser, which conducts its UK investment banking business as J.P. Morgan Cazenove;

“Listing Rules”	the listing rules and regulations made by the UKLA under the FSMA and contained in the UKLA’s publication of the same name, as amended from time to time;
“London Stock Exchange”	London Stock Exchange plc, a company incorporated in England and Wales;
“Long Stop Date”	means 31 October 2014;
“Note”	a promissory note made by Cirrus Logic in favour of a lender under the Credit Agreement evidencing the loans made by such lender;
“Offer Period”	the offer period (as defined by the Code) relating to Wolfson, which commenced on 29 April 2014;
“Official List”	the official list maintained by the UKLA;
“Opening Position Disclosure”	has the same meaning as in Rule 8 of the Code;
“Overseas Shareholders”	Wolfson Shareholders who are not resident in, ordinarily resident in, or citizens of, the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers;
“Publicly Announced”	disclosed (a) in any public announcement by Wolfson to any Regulatory Information Service on or before 5.00 p.m. on 28 April 2014 or (b) in the Annual Report;
“Reduction Court Order”	the order of the Court which confirms the Capital Reduction;
“Reduction Record Time”	the time and date specified as such in the Scheme Document expected to be 6.00 p.m. on the Business Day immediately preceding the date upon which the Reduction Court Order is made;
“Registrar of Companies”	the Registrar of Companies in Scotland;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time;
“Regulatory Information Service”	a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange’s website;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction;
“Scheme” or “Scheme of Arrangement”	the proposed scheme of arrangement under Part 26 of the 2006 Act to be posted by Wolfson to the Scheme Shareholders, the full terms of which will be set out in the Scheme Document with or subject to any modification, addition or condition which Cirrus Logic and Wolfson may agree, and if required, the Court may approve or impose;
“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme;
“Scheme Document”	the document to be sent by Wolfson to Wolfson Shareholders, containing and setting out the Scheme, the notices convening the Court Meeting, the General Meeting and the further particulars required by Part 26 of the 2006 Act;

“Scheme Shares”	<p>the Wolfson Shares:</p> <p>(a) in issue at the date of the Scheme Document;</p> <p>(b) if any, issued after the date of the Scheme Document and before the Scheme Voting Record Time; and</p> <p>(c) if any, issued at or after the Scheme Voting Record Time and before the Reduction Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme,</p> <p>in each case other than any Excluded Shares;</p>
“Scheme Shareholders”	the holders of Scheme Shares;
“Scheme Voting Record Time”	the date and time specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, expected to be 6.00 p.m. on the day which is 2 days before the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is 2 days before the date of such adjourned Court Meeting;
“Security Agency”	any governmental or regulatory body competent to take action or impose restrictions in connection with the Acquisition by reference to its implications for any aspect of public policy, law and order, national security, policing, defence, or military procurement;
“Statement of Capital”	the statement of capital (approved by the Court) showing, with respect to Wolfson’s share capital, as altered by the Reduction Court Order, the information required by Section 649 of the 2006 Act;
“Substantial Interest”	in relation to an undertaking, a direct or indirect interest of 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in Section 548 of the 2006 Act) of such undertaking;
“Takeover Offer”	should the Acquisition be implemented by way of a takeover offer (as defined in Chapter 3 of Part 28 of the 2006 Act), a takeover offer made by Cirrus Logic and/or a member of the Cirrus Logic Group (as agreed with the Panel) to acquire the issued and to be issued Wolfson Shares and, where the context so requires, any revision, variation, extension or renewal of such offer;
“Third Party”	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution or any other body or person whatsoever (including for the avoidance of doubt any Security Agency) in any jurisdiction;
“Trading Update”	the interim management statement issued by Wolfson on 29 April 2014 including unaudited financial information for the three months ended 30 March 2014 as set out in Appendix IV to this announcement;
“UK Listing Authority” or “UKLA”	the FCA acting in its capacity as the competent authority for listing in the United Kingdom;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States” or “US”	the United States of America, its territories and possessions, any State of the United States of America and the District of Columbia;

“Wells Fargo”	Wells Fargo Bank, National Association;
“Wider Cirrus Logic Group”	Cirrus Logic, its subsidiary undertakings, associated undertakings and any other undertakings in which that company and / or such undertakings (aggregating their interests) have a Substantial Interest;
“Wider Wolfson Group”	Wolfson, its subsidiary undertakings, associated undertakings and any other undertakings in which that company and / or such undertakings (aggregating their interests) have a Substantial Interest;
“Wolfson”	Wolfson Microelectronics plc, a company incorporated in Scotland;
“Wolfson Directors”	the directors of Wolfson as at the date of this announcement or, where the context so requires, the directors of Wolfson from time to time;
“Wolfson Group”	Wolfson, its subsidiaries and subsidiary undertakings;
“Wolfson Share Schemes”	the 2003 Wolfson Microelectronics plc All Employee Share Scheme (Parts A and B), the 2003 Wolfson Microelectronics plc Executive Share Scheme (Parts A and B), the Wolfson Microelectronics 2006 Performance Share Plan, the Wolfson Microelectronics 2008 Staff Performance Share Plan, the Wolfson Microelectronics 2009 Staff Share Award Plan, the Wolfson Microelectronics plc Approved Save As You Earn (SAYE) Scheme and the Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan;
“Wolfson Shareholders”	holders of Wolfson Shares; and
“Wolfson Shares”	ordinary shares of 0.1 pence each in the capital of Wolfson.

For the purposes of this announcement, “ **subsidiary** ”, “ **subsidiary undertaking** ”, “ **parent undertaking** ”, and “ **undertaking** ” have the respective meanings given thereto by the 2006 Act and “ **associated undertaking** ” has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 other than paragraph 19(1)(b) of Schedule 6 to those Regulations which shall be excluded for this purpose.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

£ and pence means pounds and pence sterling, the lawful currency of the United Kingdom.

\$ means US dollars, the lawful currency of the United States of America.

DATED 29 April, 2014

CIRRUS LOGIC, INC.
and
WOLFSON MICROELECTRONICS PLC

CO-OPERATION AGREEMENT

Slaughter and May

One Bunhill Row

London

EC1Y 8YY

(FM/LSF)

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THIS AGREEMENT is made on 29 April, 2014

BETWEEN:

(1) **CIRRUS LOGIC, INC.**, a company incorporated under the laws of the State of Delaware, U.S.A. (the "**Bidder**");

AND

(2) **WOLFSON MICROELECTRONICS PLC**, a company incorporated in Scotland with registered number SC089839 and whose registered office is at Westfield House, 26 Westfield Road, Edinburgh, EH11 2QB, U.K. (the "**Target**"),

together referred to as the "parties" and each as a "party" to this Agreement.

RECITALS :

- (A) The Bidder intends to acquire the entire issued and to be issued share capital of the Target (the "**Acquisition** ") on the terms and subject to the conditions set out in the Press Announcement.
- (B) The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme** "), provided that the Bidder reserves the right, as set out in the Press Announcement and this Agreement, to elect to implement the Acquisition by way of an Offer.
- (C) The parties have agreed to take certain steps to effect the completion of the Acquisition and wish to enter into this Agreement to record their respective obligations relating to such matters.

IT IS AGREED as follows:

1. Interpretation

1.1 In this Agreement each of the following words and expressions shall have the following meanings:

- | | |
|-------------------------------|--|
| "2006 Act" | means the Companies Act 2006 (as amended); |
| "Acceptance Condition" | means the acceptance condition to the Offer set at ninety per cent. (or such lesser percentage as may be decided by the Bidder after, to the extent necessary, consultation with the Panel, being in any case more than fifty per cent. of the Target Shares) of the Target Shares to which the Offer relates; |
| "Acquisition" | has the meaning given to it in Recital (A); |
-

"Antitrust Condition"	means the condition set out in Schedule 3;
"Bidder Group"	means the Bidder and its subsidiary undertakings from time to time and " member of the Bidder Group " shall be construed accordingly;
"Business Day"	a day (not being a Saturday or Sunday) on which clearing banks in the City of London and commercial banks in Austin, Texas are open for general banking;
"Code"	means the Code on Takeovers and Mergers issued from time to time by or on behalf of the Panel;
"Conditions"	means: <ul style="list-style-type: none">(i) for so long as the Acquisition is being implemented by means of the Scheme, the terms and conditions to the implementation of the Scheme as set out in the Press Announcement, as may be amended with the Bidder's and the Panel's consent; and(ii) for so long as the Acquisition is being implemented by means of the Offer, the terms and conditions referred to in (i) above, as amended by replacing the Scheme Condition with the Acceptance Condition and as may be further amended by the written agreement of the parties or, where required by the Code, by the Panel's consent, in the Offer Document, and " Condition " shall be construed accordingly;
"Confidentiality Agreement"	means the confidentiality agreement entered into between the parties on 2 April 2014;
"Court"	means the Court of Session, Edinburgh;
"Court Meeting"	means the meeting of the Target Shareholders (and any adjournment thereof) convened pursuant to an order of the Court pursuant to paragraph 896 of the 2006 Act for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;

"Effective Date"	means the date upon which either: <ul style="list-style-type: none">(i) the Scheme becomes effective in accordance with its terms; or(ii) if the Bidder elects to implement the Acquisition by means of an Offer in accordance with the terms of this Agreement, the Offer becomes or is declared unconditional in all respects;
"Enterprise Act 2002"	means the Enterprise Act 2002, as amended by the Enterprise and Regulatory Reform Act 2013;
"Long Stop Date"	means 31 October 2014 (or such later date as may be agreed by the Target and the Bidder);
"Notice"	shall have the meaning given to it in Clause 7.1;
"Offer"	means in the event that the Bidder exercises its right to switch, as set out in the Press Announcement, to elect to implement the Acquisition by means of a takeover offer within the meaning of section 974 of the 2006 Act, such offer, including any subsequent revision, amendment, variation, extension or renewal;
"Offer Antitrust Condition Date"	means, if the Bidder elects to effect the Acquisition by means of the Offer, the last date on which the Antitrust Condition can be satisfied in order to allow the Offer to be declared unconditional in all respects;
"Offer Document"	means the offer document published by or on behalf of the Bidder in connection with any Offer, including any revised offer document;
" Panel "	means the UK Panel on Takeovers and Mergers;
"Press Announcement"	means the press announcement in the agreed form set out in Schedule 1;
"Proceedings"	means any proceeding, suit or action arising out of or in connection with this Agreement or the negotiation, existence, validity or enforceability of this Agreement, whether in each case contractual or non-contractual;

"Regulatory Information Service"	means an information service authorised from time to time by the Financial Conduct Authority of the United Kingdom for the purpose of disseminating regulatory announcements;
"Relevant Authority"	means any central bank, ministry, governmental, quasi-governmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational anti-trust or merger control authority), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel and the Financial Conduct Authority of the United Kingdom;
"Scheme"	has the meaning given to it in Recital (B);
"Scheme Condition"	means those conditions referred to in paragraph (a) of Appendix 1 to the Press Announcement;
"Scheme Document"	means the document addressed to the Target Shareholders containing, <i>inter alia</i> , details of the Acquisition and the Target GM;
"Scheme Hearing"	means the Court hearing to sanction the Scheme under section 899 of the 2006 Act, at which the Scheme Order is expected to be granted;
"Scheme Order"	means the order of the Court sanctioning the Scheme pursuant to section 899 of the 2006 Act;
"Service Document"	means a petition, application notice, order or judgment or other document relating to any Proceedings;

"Target Directors"	means the directors of the Target from time to time and " Target Director " shall be construed accordingly;
"Target GM"	means the general meeting of the Target Shareholders to be convened in connection with the Scheme to be held on the same date as the Court Meeting to consider and, if thought fit, approve the Target GM Resolutions, including any adjournment of that meeting;
"Target GM Resolutions"	means the resolutions to approve, among other things, the cancellation of the entire issued share capital of the Target, the alteration of the Target's articles of association and such other matters as may be necessary to implement the Scheme, the Acquisition and the delisting of the Target Shares;
"Target Group"	means Target and its subsidiaries and subsidiary undertakings from time to time and " member of the Target Group " shall be construed accordingly;
"Target Shareholders"	means holders of Target Shares;
"Target Shares"	means the ordinary shares of 0.1 pence each in the capital of the Target from time to time;
"Voting Record Date"	means 6.00 p.m. on the day which is two days prior to the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the day which is two days before the day of such adjourned meeting; and
"Wolfson Microelectronics Employee Share Plans"	has the meaning given to it in Schedule 2.

1.2 In this Agreement, except where the context otherwise requires:

- (A) the expressions " **subsidiary** " and " **subsidiary undertaking** " shall have the meanings given in the 2006 Act;
 - (B) the expressions " **acting in concert** ", " **control** " and " **offer** " shall have the meanings given in the Code;
 - (C) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
-

- (D) words in the singular shall include the plural and vice versa;
 - (E) references to one gender include other genders;
 - (F) a reference to a " **person** " shall include a reference to an individual, an individual's executors or administrators, a partnership, a firm, a body corporate, an unincorporated association, government, state or agency of a state, local or municipal authority or government body, a joint venture or association (in any case, whether or not having separate legal personality);
 - (G) references to a " **company** " shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established;
 - (H) a reference to a Recital, Clause, paragraph or Schedule (other than to a schedule to a statutory provision) shall be a reference to a Recital, Clause, or paragraph of or Schedule to (as the case may be) this Agreement;
 - (I) references to times are to London time;
 - (J) if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;
 - (K) any reference to a " **day** " (including within the phrase " **Business Day** ") shall mean a period of 24 hours running from 00:01 to midnight;
 - (L) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates the English legal term in that jurisdiction;
 - (M) references to " **writing** " shall include any modes of reproducing words in any legible form and shall include email except where otherwise expressly stated;
 - (N) a reference to " **includes** " or " **including** " shall mean " **includes without limitation** " or " **including without limitation** " respectively;
 - (O)
 - (i) the rule known as the *ejusdem generis* rule shall not apply and accordingly general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - (ii) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
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- (P) a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied, novated or supplemented at any time; and
- (Q) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

1.3 The headings in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

1.4 The Schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

2. Antitrust

2.1 The obligations of the parties under this Agreement, other than this Clause 2.1 and Clauses 7, 8, 9 and 10, shall be conditional on the release of the Press Announcement via a Regulatory Information Service at or before 8.00 a.m. on 29 April 2014, or such other date and time as may be agreed by the parties.

2.2 With respect to the Antitrust Condition that is required for the satisfaction of the Conditions, the parties undertake to work co-operatively and reasonably to procure that the relevant Conditions are satisfied as soon as is reasonably practicable after the date of this Agreement with the aim of satisfying such Antitrust Condition on or before 31 October 2014.

2.3 The parties shall closely co-operate with each other in order to allow either party, or the parties jointly, as may be required, to make any filings with Relevant Authorities as are necessary or expedient, taking into account all applicable waiting periods, for the implementation of the Acquisition, and to ensure that all information necessary or desirable for the making of (or responding to any requests for further information consequent upon) any such filings (including draft versions) is supplied accurately and promptly, provided that the co-operation will be conducted in a manner reasonably designed to preserve applicable lawyer/client and lawyer work product privileges and to limit the exchange of any competitively sensitive information to outside counsel.

2.4 Without prejudice to the generality of the foregoing:

- (A) the Bidder, or the Bidder and the Target jointly, or the Target, as may be required, shall make any such filings with Relevant Authorities as soon as is reasonably practicable after the signing of this Agreement and within any applicable mandatory time periods;
- (B) the Bidder and the Target shall closely co-operate in the preparation of all filings, submissions and material correspondence or communications intended to be sent to any Relevant Authority in relation to satisfying the Antitrust Condition;
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- (C) in relation to any such filings, submissions or material correspondence or communications as described in (B) above which are required by any Relevant Authority to be submitted or sent by the Target, the Target shall provide, or procure the provision of, draft copies of all such filings, submissions or material correspondence or communications to the Bidder and its legal advisers at such time as will allow the Bidder a reasonable opportunity to provide comments on such filings, submissions or material correspondence or communications before they are submitted or sent and, to the extent such comments are reasonable, incorporate such comments into the relevant document and provide the Bidder with copies of all such filings, submissions or material correspondence or communications in the form finally submitted or sent;
- (D) the Bidder and the Target shall notify each other, and promptly provide copies, of any material communications from any Relevant Authority in relation to satisfying the Antitrust Condition; and
- (E) if requested by the Bidder, and insofar as permitted by the Relevant Authority, the Target shall make available appropriate Target representatives for meetings and telephone calls with any Relevant Authority in connection with the satisfaction of the Antitrust Condition and/or the implementation of the Acquisition,

provided that nothing in this Clause 2.4 shall require either party to disclose to the other any competitively sensitive or confidential information related to its business and/or the business of any member of its Group which is not relevant to the Acquisition or the Antitrust Condition and that the exchange of any competitively sensitive information shall be limited to outside counsel.

- 2.5 Each party undertakes to keep the other informed promptly of developments which are material or reasonably likely to be material to the satisfaction of the Antitrust Condition by the date of the Scheme Hearing or the Offer Antitrust Condition Date.

3. Documentation

The Bidder agrees to provide to the Target all such information about itself, the Bidder Group and its directors as may be reasonably requested and which is required for the purpose of inclusion in the Scheme Document and to provide any other assistance as may be reasonably required for the preparation of the Scheme Document, including access to, and ensuring that reasonable assistance is provided by, its professional advisers.

4. Wolfson Microelectronics Employee Share Plans

The parties agree that Schedule 2 shall apply.

5. Termination

- 5.1 Subject to Clause 5.2, and without prejudice to the rights of either party that may have arisen prior to termination and except where expressly stated to the contrary, the provisions of this Agreement shall terminate with immediate effect and all rights and obligations of the parties under this Agreement shall cease forthwith, if:
-

- (A) the Scheme (or the Offer as the case may be) is withdrawn or lapses (other than where such lapse or withdrawal is a result of the exercise of a right to switch or is otherwise to be followed soon after by an announcement of a firm intention to make an offer pursuant to Rule 2.7 of the Code made by the Bidder or a person acting in concert with the Bidder to implement the Acquisition by a different offer or scheme on substantially the same or improved terms);
- (B) the Target Directors withdraw their recommendation of the Scheme (or the Offer, as the case may be);
- (C) the Scheme has not become effective (or, if the Bidder implements the Acquisition by way of the Offer, the Offer has not become or been declared unconditional in all respects) by the Long Stop Date; or
- (D) it is agreed in writing between the parties.

5.2 Clauses 1, 7, 8, 9 and 10 shall survive termination of this Agreement.

6. Approvals and capacity

6.1 Each party represents to the other party on the date of this Agreement that:

- (A) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
- (B) this Agreement constitutes its binding obligations in accordance with its terms; and
- (C) the execution and delivery of, and performance of its obligations under, this Agreement will not:
 - (i) result in a breach of any provision of its constitutional documents;
 - (ii) save as fairly disclosed to the other Party, result in a breach of, or constitute a default under, any instrument to which it is a party or by which it is bound; or
 - (iii) result in a breach of any order, judgment or decree of any court or governmental agency to which it is a party or by which it is bound.

6.2 No Party shall have any claim against the other for breach of warranty after the Effective Date (without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement).

7. Notices

7.1 A notice under or in connection with this Agreement (a " **Notice** ") shall be:

- (A) in writing;
- (B) in the English language; and
- (C) delivered personally, by recorded delivery mail (or air mail if overseas) or by email to the party due to receive the Notice to the address specified in Clause 7.2 or to another person or address specified by that party by written notice to the other party received before the Notice was despatched.

7.2 The address referred to in Clause 7.1(C) is:

- (A) in the case of the Bidder:

Address: 800 West Sixth Street, Austin, Texas 78701, United States

Marked for the attention of: Office of General Counsel

Email: scott.thomas@cirrus.com

With a copy to: Robert Dixon, Vinson & Elkins RLLP

Address: CityPoint, 33rd Floor, One Ropemaker Street, London EC2Y 9UE, U.K.

Email: rdixon@velaw.com

- (B) in the case of the Target:

Address: Westfield House, 26 Westfield Road, Edinburgh, EH11 2QB, U.K.

Marked for the attention of: The Company Secretary

With a copy to: Michael Wylie, Shepherd and Wedderburn LLP

Address: 1 Exchange Crescent, Conference Square, Edinburgh EH3 8UL, U.K.

Email: Michael.Wylie@shepwedd.co.uk

8. General

8.1 The provisions of this Agreement may be modified or amended only by written agreement of the parties.

8.2 The parties acknowledge and agree that damages may not be an adequate remedy for any breach or threatened breach by it of this Agreement and that the party who is not in breach shall be entitled without proof of special damage to seek injunctive relief and other equitable remedy (including specific performance).

- 8.3 Nothing in this Agreement shall oblige the Target to pay an amount in damages which the Panel determines would not be permitted by Rule 21.2 of the Code.
- 8.4 Except as otherwise expressly provided in this Agreement, no party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge, declare itself a trustee for a third party of, or otherwise dispose of (in any manner whatsoever) the benefit of this agreement or sub-contract or delegate in any manner whatsoever its performance under this Agreement (each of the above a " **dealing** ") and any such purported dealing in contravention of this Clause 8.4 shall be ineffective.
- 8.5 A person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.
- 8.6 If any provision of this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, but would be valid and enforceable if deleted in whole or in part or reduced in application, such provision shall apply with such deletion or modification as may be necessary to make it valid and enforceable but the enforceability of the remainder of this Agreement shall not be affected.
- 8.7 The provisions of this Agreement are supplemental to, and shall not prejudice, the terms of the Confidentiality Agreement which shall remain in full force and effect. This Agreement, together with the Confidentiality Agreement, represents the entire understanding, and constitutes the whole agreement, in relation to its subject matter and supersedes any previous agreement between the parties with respect thereto.
- 8.8 This Agreement may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which is an original but all of which together constitute one and the same instrument.
- 8.9 Each party shall pay its own costs and expenses in relation to the preparation, execution and carrying into effect of this Agreement (including the costs of preparation and/or submission of any filings and/or notifications).
- 9. Governing law and jurisdiction**
- 9.1 This Agreement, and any matter, claim or dispute arising out of or in connection with this Agreement, whether contractual or non-contractual, shall be governed by and construed in accordance with English law.
- 9.2 The parties irrevocably submit to the exclusive jurisdiction of the courts of England and Wales in respect of any matter, claim or dispute arising out of or in connection with this Agreement, whether contractual or non-contractual.
- 10. Agent for Service**
- 10.1 The Bidder appoints Law Debenture Corporate Services Limited of Fifth Floor, 100 Wood Street, London EC2V 7EX to be its agent for the receipt of Service Documents. It agrees that any Service Document may be effectively served on it in connection with Proceedings in England and Wales by service on its agent effected in any manner permitted by the Civil Procedure Rules.
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- 10.2 The Target appoints Shepherd and Wedderburn LLP of Condor House, 10 St. Paul's Churchyard, London EC4M 8AL, U.K. (for the attention of The Chief Executive) to be its agent for the receipt of Service Documents. It agrees that any Service Document may be effectively served on it in connection with Proceedings in England and Wales by service on its agent effected in any manner permitted by the Civil Procedure Rules.
- 10.3 If a party's agent at any time ceases for any reason to act as such, that party shall appoint a replacement agent having an address for service in England or Wales and shall notify the other party of the name and address of the replacement agent. The provisions of this Clause 10 applying to service on an agent apply equally to service on a replacement agent.
- 10.4 A copy of any Service Document served on an agent shall be sent by post to the relevant party. Failure or delay in so doing shall not prejudice the effectiveness of service of the Service Document.
-

Schedule 1

(Press Announcement)

Schedule 2**(Target Share Plan Proposals)****1. INTRODUCTION**

- 1.1 The Bidder and the Target agree that the options and awards held by employees and former employees of the Target will be dealt with in accordance with the terms set out in this Schedule.
- 1.2 In this Schedule " **Wolfson Microelectronics Employee Share Plans** " means:
- (a) The 2003 Wolfson Microelectronics plc Executive Share Scheme (Part A);
 - (b) The 2003 Wolfson Microelectronics plc Executive Share Scheme (Part B);
 - (c) The 2003 Wolfson Microelectronics plc All-Employee Share Scheme (Part A);
 - (d) The 2003 Wolfson Microelectronics plc All-Employee Share Scheme (Part B);
 - (e) The 2013 Wolfson Microelectronics plc Approved Share Option Scheme;
 - (f) The 2013 Wolfson Microelectronics plc Unapproved Share Option Scheme;
 - (g) Wolfson Microelectronics plc Approved SAYE Scheme;
 - (h) The Wolfson Microelectronics 2006 Performance Share Plan;
 - (i) The Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan;
 - (j) The Wolfson Microelectronics 2009 Staff Share Award Plan;
 - (k) The Wolfson Microelectronics 2008 Staff Performance Share Plan; and
 - (l) The Wolfson Microelectronics plc 2014 Employee Share Purchase Plan.

2. THE PROPOSALS – GENERAL

- 2.1 The parties agree that the Target will issue communications to all participants in each of the Wolfson Microelectronics Employee Share Plans at the same time as the Scheme Document is dispatched to shareholders explaining the proposals set out in this Schedule, to the extent that they apply. The terms of each such communication are to be agreed with the Bidder before they are dispatched.
- 2.2 Optionholders under the Wolfson Microelectronics Employee Share Plans under which amounts are payable on exercise who exercise their options prior to the record time for the Scheme will be offered a cashless facility (structured as an undertaking to pay) whereby any exercise price payable on the exercise of an option will be deducted from the cash consideration due to them under the Scheme and remitted to the Target for payment to the optionholder (and accounting as appropriate to HMRC).
-

2.3 The position in relation to each Wolfson Microelectronics Employee Share Plan is summarised in paragraph 4 below.

3. THE WOLFSON MICROELECTRONICS EMPLOYEE SHARE PLANS

3.1 The Target confirms that the table set out in paragraph 6 below correctly details all subsisting options to acquire shares in the Target, awards under Wolfson Microelectronics Employee Share Plans and the number of Target Shares held in each Employee Trust (as defined below) as at the date of this Agreement.

3.2 In respect of options which are exercised and/or awards which vest under Wolfson Microelectronics Employee Share Plans on or before the Scheme becoming effective, the Target will issue shares to participants and/or to the trustee of any trust which is to satisfy such exercises of options or vesting of awards if and to the extent these options or awards cannot be met from Target Shares currently held in the Wolfson Microelectronics No. 1 Employees' Share Trust or the Wolfson Microelectronics No. 2 Employees' Share Trust (together the "**Employee Trusts**") or by cash payment as described below.

3.3 The Target agrees that the Board or Remuneration Committee of the Target will not (a) (save for the plan amendments proposed to be approved by Target Shareholders at the Target Annual General Meeting on 29 April 2014) amend or terminate any of the Wolfson Microelectronics Employee Share Plans or (b) exercise any discretionary powers under the rules of a Wolfson Microelectronics Employee Share Plan, except as required for the day-to-day operation of the relevant Wolfson Microelectronics Employee Share Plan in the ordinary course of business (including, without limitation, the exercise of discretion in relation to participants who cease to be employees of the Target Group), in each case without the Bidder's prior written consent.

3.4 Tax and social security contributions will be deducted as appropriate from payments due under the Schedule.

4. SPECIFIC PROPOSALS

4.1 2003 Wolfson Microelectronics plc Executive Share Scheme (Part A)

All options under this Plan are already exercisable. Any options exercised will be satisfied by the issue of new Target Shares, which will then be acquired by the Bidder for cash under the Scheme (or under the amended Articles of Association of the Target if exercised subsequently).

A cashless exercise facility will be made available, if options are exercised prior to the record time for the Scheme.

4.2 2003 Wolfson Microelectronics plc Executive Share Scheme (Part B)

All options under this Plan are already exercisable. Any options exercised will be satisfied by the issue of new Target Shares, which will then be acquired by the Bidder for cash under the Scheme (or under the amended Articles of Association of the Target if exercised subsequently).

A cashless exercise facility will be made available, if options are exercised prior to the record time for the Scheme.

4.3 2003 Wolfson Microelectronics plc All-Employee Share Scheme (Part A)

All options under this plan are already exercisable. Any options exercised will be satisfied by the issue of new Target Shares, which will then be acquired by the Bidder for cash under the Scheme (or under the amended Articles of Association of the Target if exercised subsequently).

A cashless exercise facility will be made available, if options are exercised prior to the record time for the Scheme.

4.4 2003 Wolfson Microelectronics plc All-Employee Share Scheme (Part B)

All options under this Plan are already exercisable. Any options exercised will be satisfied by the issue of new Target Shares, which will then be acquired by the Bidder for cash under the Scheme (or under the amended Articles of Association of the Target if exercised subsequently).

A cashless exercise facility will be made available, if options are exercised prior to the record time for the Scheme.

4.5 2013 Wolfson Microelectronics plc Approved Share Option Scheme

No options have been granted under this plan.

4.6 2013 Wolfson Microelectronics plc Unapproved Share Option Scheme

No options have been granted under this plan.

4.7 Wolfson Microelectronics plc Approved SAYE Scheme

Options under this plan will become exercisable (to the extent of accumulated savings at the time of exercise) on (or before) Court sanction of the Scheme and options exercised will be satisfied by the issue of new Target Shares, which will then be acquired by the Bidder for cash under the Scheme.

In accordance with the rules of this plan options not exercised will lapse following the Scheme becoming effective. The Bidder will make a payment (subject to statutory deductions) to individuals who exercise options to compensate them for the lost potential gain on the lapsed options.

4.8 Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan

Under this plan Deferred Bonus Award Shares will be released on change of control (that is on the Scheme becoming effective). At the same time outstanding matching awards will be released in full, subject only to time-apportionment based on the proportion of the three year performance period then expired.

It is proposed that the rules of this plan be amended to allow the Deferred Bonus Award Shares and matching shares to be released from the Employee Trusts immediately prior to the record time for the Scheme, so they can be acquired by the Bidder under the Scheme.

4.9 **Wolfson Microelectronics 2006 Performance Share Plan**

Under this plan awards vest on the change of control (i.e. on the Scheme becoming effective), subject to the achievement of performance criteria and time apportionment. It is agreed that the Target Remuneration Committee (the "**Committee**") will determine as follows:

- (a) 2012 nil cost option awards: that all awards lapse on the basis that the Committee determines this is appropriate taking into account the factors provided in Rule 33.5 (as proposed to be amended at the Annual General Meeting of the Target on 29 April 2014).
- (b) 2013 nil cost option awards: that, taking into account the factors provided in Rule 33.5, the awards should vest in full and that the Committee exercise its discretion not to time-apportion entitlements under Rule 42.
- (c) 2014 nil cost option awards: that, taking into account the factors provided in rule 33.5, all awards should lapse.
- (d) Outstanding contingent share awards: that those awards with an exercise price of £0.001 granted in 2013 and 2014 should vest in full and that the Committee exercise its discretion not to time-apportion entitlements under Rule 42. All other currently outstanding contingent share awards should lapse.

The Bidder and the Target will discuss whether the date of the above award vestings should be accelerated under the rules of the plan to the Court sanction of the Scheme and also whether such vestings are to be satisfied by cash payment or by transfer of shares from the Employee Trusts, which are then acquired under the Scheme.

Holders of 2014 nil cost option awards will be granted, within 42 days of the Scheme becoming effective, Phantom Stock Awards to be settled in shares under the Bidder's existing 2006 Stock Incentive Plan ("**RSUs**"). The RSUs will be of equivalent value to the nil cost options (those options being valued at the price payable for Target Shares under the Scheme) and the number of RSUs granted to each holder will then be based on the average share price of the Bidder for the 5 business days prior to the date of announcement of the Acquisition. The RSUs will vest in equal annual tranches over a 3 year period. Grant of RSUs will, for those Target executives who have 12 month notice periods under their service contracts (either currently or following a change in control of the Target), be conditional on their service contracts being amended to provide for statutory minimum notice periods only. RSUs will vest in full on termination of employment if the holder's employment is terminated by the Target (or any member of the enlarged Bidder Group) but not if the employee resigns voluntarily or if his employment is terminated for cause.

In the event that a 2014 nil cost option holder's employment is terminated by the Target (or any member of the enlarged Bidder Group), but not if the employee resigns voluntarily or if his employment is terminated for cause, after the Scheme becomes effective but before the relevant RSUs are granted (or if he dies during that period), he (or, in the case of his death, his personal representatives) will instead be paid a single cash amount (subject to statutory deductions) equal to the whole value (as at the date of termination or death) of the RSUs to which he would have been entitled in accordance with this paragraph had he remained in employment. However, the amount of such cash payment will, in the case of a Target executive who has a 12 month notice period under his service contract (either currently or following a change in control of the Target), be reduced by an amount equal to any payment made to that individual on termination in respect of that part of his contractual notice period which is in excess of the applicable statutory minimum. For the avoidance of doubt, no such cash amount will be paid where the individual resigns voluntarily or if his employment is terminated for cause.

4.10 Wolfson Microelectronics 2009 Staff Share Award Plan

Vested shares (and unvested shares which vest based on the proportion of the vesting period that has expired) are due to be delivered to participants on change of control (that is on the Scheme becoming effective). The Target will exercise its discretion to enhance entitlements so all outstanding awards vest in full. A cash payment will be made to holders equivalent to the value payable under the Scheme for the Target Shares subject to the awards.

4.11 Wolfson Microelectronics 2008 Staff Performance Share Plan

Unvested shares which vest based on the proportion of the vesting period that has expired, are due to be delivered to participants on the change of control (that is on the Scheme becoming effective). The Target will exercise its discretion to enhance entitlements so all outstanding awards vest in full. A cash payment will be made to holders equivalent to the value payable under the Scheme for the Target Shares subject to the awards.

4.12 The Wolfson Microelectronics plc 2014 Employee Share Purchase Plan

No options have been granted under this plan.

5. BONUS ARRANGEMENTS

Where employees have received cash bonus awards (instead of employee contingent share awards), as referred to in paragraph 6 below, cash payments will be made to holders by the Target in respect of those awards which will be treated as vesting in full.

6. OUTSTANDING OPTIONS AND AWARDS

Summary of share scheme awards - granted but not yet vested / exercised as at 4 April 2014

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
The Wolfson Microelectronics 2009 Staff Share Award Plan	10 March 2014	Contingent share awards	N/A	894,587
The Wolfson Microelectronics 2009 Staff Share Award Plan	10 March 2014	Contingent share awards	£0.001	22,578
The Wolfson Microelectronics 2008 Staff Performance Share Plan	10 March 2014	Contingent share awards	N/A	257,500
The Wolfson Microelectronics 2006 Performance Share Plan	10 March 2014	Nil cost options	N/A	3,534,095
The Wolfson Microelectronics 2006 Performance Share Plan	10 March 2014	Contingent share awards	£0.001	19,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	24 February 2014	Contingent share awards	N/A	2,000
Wolfson Microelectronics plc Approved SAYE Scheme	27 November 2013	Share options	£1.14	394,447
The Wolfson Microelectronics 2009 Staff Share Award Plan	07 November 2013	Contingent share awards	N/A	21,600
The Wolfson Microelectronics 2009 Staff Share Award Plan	07 November 2013	Contingent share awards	£0.001	1,600
The Wolfson Microelectronics 2009 Staff Share Award Plan	16 August 2013	Contingent share awards	N/A	5,600

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
The Wolfson Microelectronics 2009 Staff Share Award Plan	16 August 2013	Contingent share awards	£0.001	12,400
The Wolfson Microelectronics 2009 Staff Share Award Plan	21 May 2013	Contingent share awards	N/A	20,000
The Wolfson Microelectronics 2006 Performance Share Plan	21 May 2013	Nil cost options	N/A	150,807
The Wolfson Microelectronics 2009 Staff Share Award Plan	10 May 2013	Contingent share awards	N/A	12,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	22 March 2013	Contingent share awards	N/A	180,000
The Wolfson Microelectronics 2006 Performance Share Plan	22 March 2013	Nil cost options	N/A	2,079,158
The Wolfson Microelectronics 2009 Staff Share Award Plan	14 March 2013	Contingent share awards	£0.001	6,453
The Wolfson Microelectronics 2006 Performance Share Plan	14 March 2013	Contingent share awards	£0.001	8,000
The Wolfson Microelectronics 2008 Staff Performance Share Plan	14 March 2013	Contingent share awards	N/A	133,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	14 March 2013	Contingent share awards	N/A	232,759
The Wolfson Microelectronics 2009 Staff Share Award Plan	15 February 2013	Contingent share awards	N/A	9,932
The Wolfson Microelectronics 2009 Staff Share Award Plan	07 November 2012	Contingent share awards	N/A	5,532
Wolfson Microelectronics plc Approved SAYE Scheme	30 August 2012	Share options	£1.54	88,085

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
The Wolfson Microelectronics 2009 Staff Share Award Plan	16 August 2012	Contingent share awards	N/A	3,600
The Wolfson Microelectronics 2009 Staff Share Award Plan	07 June 2012	Contingent share awards	N/A	3,699
The Wolfson Microelectronics 2006 Performance Share Plan	21 May 2012	Contingent share awards	N/A	112,368
The Wolfson Microelectronics 2006 Performance Share Plan	21 May 2012	Contingent share awards	£0.001	5,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	22 March 2012	Contingent share awards	N/A	3,998
The Wolfson Microelectronics 2009 Staff Share Award Plan	15 March 2012	Contingent share awards	£0.001	5,158
The Wolfson Microelectronics 2010 Senior Executive Deferred Bonus Plan	15 March 2012	Contingent matching share award	N/A	5,220
The Wolfson Microelectronics 2006 Performance Share Plan	15 March 2012	Nil cost options	N/A	1,959,096
The Wolfson Microelectronics 2009 Staff Share Award Plan	15 March 2012	Contingent share awards	N/A	121,661
The Wolfson Microelectronics 2009 Staff Share Award Plan	27 February 2012	Contingent share awards	N/A	1,498
Wolfson Microelectronics plc Approved SAYE Scheme	30 November 2011	Share options	£0.90	782,960
The Wolfson Microelectronics 2009 Staff Share Award Plan	07 November 2011	Contingent share awards	N/A	64,058

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
The Wolfson Microelectronics 2006 Performance Share Plan	07 November 2011	Contingent share awards	£0.001	20,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	01 August 2011	Contingent share awards	£0.001	1,000
The Wolfson Microelectronics 2009 Staff Share Award Plan	03 June 2011	Contingent share awards	N/A	609
The Wolfson Microelectronics 2009 Staff Share Award Plan	11 May 2011	Contingent share awards	N/A	4,643
The Wolfson Microelectronics 2009 Staff Share Award Plan	17 March 2011	Contingent share awards	N/A	572
The Wolfson Microelectronics 2009 Staff Share Award Plan	17 March 2011	Contingent share awards	£0.001	452
The Wolfson Microelectronics 2009 Staff Share Award Plan	23 February 2011	Contingent share awards	£0.001	2,832
Wolfson Microelectronics plc Approved SAYE Scheme	01 September 2010	Share options	£1.61	3,130
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	19 March 2010	Share options	£1.522	4,012
2003 Wolfson Microelectronics Executive Share Scheme - Part B	02 September 2009	Share options	£1.41	10,638
2003 Wolfson Microelectronics Executive Share Scheme - Part A	19 March 2009	Share options	£0.92	65,216
2003 Wolfson Microelectronics Executive Share Scheme - Part B	19 March 2009	Share options	£0.92	258,585
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	06 March 2008	Share options	£1.33	17,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	07 November 2007	Share options	£2.17	10,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	05 September 2007	Share options	£2.58	2,500

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	06 August 2007	Share options	£2.56	10,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	05 February 2007	Share options	£2.9342	206,281
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	05 February 2007	Share options	£2.9342	4,776
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	05 February 2007	Share options	£3.04	7,063
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	05 February 2007	Share options	£2.9342	472,699
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	27 November 2006	Share options	£2.8700	15,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	26 October 2006	Share options	£2.7942	2,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	25 September 2006	Share options	£4.7900	18,789
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	25 September 2006	Share options	£4.7900	11,211
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	24 August 2006	Share options	£4.5550	143,414
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	24 August 2006	Share options	£4.5550	11,586
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	02 May 2006	Share options	£4.7100	5,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	02 May 2006	Share options	£4.7100	2,000
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	16 March 2006	Share options	£4.1134	140,792
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	16 March 2006	Share options	£4.1134	135,958
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	07 September 2005	Share options	£1.8600	16,128
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	07 September 2005	Share options	£1.8600	3,872
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	04 April 2005	Share options	£1.7325	5,000

Name of scheme	Date of Grant	Type of Award	Exercise Price	Aggregate no. of shares outstanding
2003 Wolfson Microelectronics Executive Share Scheme - Part A	10 March 2005	Share options	£1.7325	13,750
2003 Wolfson Microelectronics Executive Share Scheme - Part B	10 March 2005	Share options	£1.7325	59,843
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	10 March 2005	Share options	£1.7325	106,746
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	10 March 2005	Share options	£1.7325	41,714
2003 Wolfson Microelectronics Executive Share Scheme - Part A	30 July 2004	Share options	£2.0450	17,690
2003 Wolfson Microelectronics Executive Share Scheme - Part B	30 July 2004	Share options	£2.0450	58,105
2003 Wolfson Microelectronics All Employee Share Scheme - Part A	30 July 2004	Share options	£2.0450	177,394
2003 Wolfson Microelectronics All Employee Share Scheme - Part B	30 July 2004	Share options	£2.0450	43,352
				13,290,801

Name of scheme	Date of Grant	Type of Award	Exercise Price	Award calculated with reference to an aggregate no. of shares
Contingent cash award (awarded to employees instead of contingent share award)	10 March 2014	Contingent cash award	N/A	32,123
Contingent cash award (awarded to employees instead of contingent share award)	14 March 2013	Contingent cash award	N/A	4,624
Contingent cash award (awarded to employees instead of contingent share award)	15 March 2012	Contingent cash award	N/A	2,297

Name of Trust		Total no. of shares in the Trust as at 25 April 2014*
The Wolfson Microelectronics No.1 Employees' Share Trust	*NOTE	1,317,441
The Wolfson Microelectronics No.2 Employees' Share Trust		645,037
		1,962,478

*NOTE: *excluding shares still to be released (as at 25 April 2014) from No.1 Trust for March 2014 vested contingent share awards*

Schedule 3

(Antitrust Condition)

- (i) Insofar as the Acquisition constitutes a relevant merger situation within the meaning of the Enterprise Act 2002, the Competition and Markets Authority (the CMA) or the appropriate Minister confirming, in terms reasonably satisfactory to the Bidder, that the Acquisition or any matter arising therefrom or related thereto or any part of it will not be subject to a reference under sections 33, 45 or 62 of the Enterprise Act 2002.
 - (ii) No decision, order or judgment of any court or governmental, statutory or regulatory body having been issued or made prior to the Effective Date, and no legal or regulatory requirements remaining to be satisfied, which would have the effect of making unlawful or otherwise prohibiting the Acquisition.
-

IN WITNESS WHEREOF the parties have executed this Agreement on the date first set out above.

EXECUTED by)
)
/s/ Thurman K. Case)
Thurman Case)
Chief Financial Officer)
acting for and on behalf of)
CIRRUS LOGIC, INC.)

EXECUTED by)
/s/ Mark Cubitt)
Mark Cubitt)
Chief Financial Officer)
acting for and on behalf of)
WOLFSON MICROELECTRONICS PLC)

\$225,000,000

CREDIT AGREEMENT
dated as of April 29, 2014,

by and among

CIRRUS LOGIC, INC. ,
as Borrower,

the Lenders referred to herein,
as Lenders,

and

WELLS FARGO BANK, NATIONAL ASSOCIATION ,
as Administrative Agent

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- Exhibit E - Form of Notice of Prepayment
- Exhibit F - Form of Notice of Conversion/Continuation
- Exhibit G - Form of Officer's Compliance Certificate
- Exhibit H - Form of Assignment and Assumption
- Exhibit I-1 - Form of U.S. Tax Compliance Certificate (For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)
- Exhibit I-2 - Form of U.S. Tax Compliance Certificate (For Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax Purposes)
- Exhibit I-3 - Form of U.S. Tax Compliance Certificate (For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes)
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- Schedule 8.17 - Post-Closing Matters
- Schedule 9.1 - Existing Indebtedness
- Schedule 9.2 - Existing Liens
- Schedule 9.3 - Existing Loans, Advances and Investments
- Schedule 9.7 - Transactions with Affiliates

CREDIT AGREEMENT, dated as of April 29, 2014, by and among CIRRUS LOGIC, INC., a Delaware corporation, as Borrower, the lenders who are party to this Agreement and the lenders who may become a party to this Agreement pursuant to the terms hereof, as Lenders, and WELLS FARGO BANK, NATIONAL ASSOCIATION, a national banking association, as Administrative Agent for the Lenders.

STATEMENT OF PURPOSE

The Borrower has requested, and, subject to the terms and conditions hereof, the Administrative Agent and the Lenders have agreed, to extend certain credit facilities to the Borrower on the terms and conditions of this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, such parties hereby agree as follows:

ARTICLE I.

DEFINITIONS

SECTION 1.1 Definitions. The following terms when used in this Agreement shall have the meanings assigned to them below:

“Acquisition Costs” means fees (including the fees payable under the Fee Letter) and expenses (including taxes thereon) and all stamp, documentary, registration or similar taxes and duties payable by or incurred by or on behalf of the Borrower and its Subsidiaries or the Target Group in connection with the Scheme and/or the Scheme Acquisition or, if the Offer Conversion Date occurs, the Takeover Offer and/or the Takeover Offer Acquisition, including, without limitation, the preparation and negotiation of and entry into the Loan Documents and all other documentation in relation to the Scheme and the Scheme Acquisition or the Takeover Offer and the Takeover Offer Acquisition (as applicable).

“Administrative Agent” means Wells Fargo, in its capacity as Administrative Agent hereunder, and any successor thereto appointed pursuant to Section 11.6.

“Administrative Agent’s Office” means the office of the Administrative Agent specified in or determined in accordance with the provisions of Section 12.1(c).

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

“Affiliate” means, with respect to a specified Person, another Person (other than a Subsidiary of the Borrower) that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Agreement” means this Credit Agreement, as amended, restated, supplemented or otherwise modified from time to time.

“ Announcement ” means the Press Release (or if the Offer Conversion has occurred, the Offer Press Announcement).

“ Announcement Date ” means the date of the Press Release (or if the Offer Conversion has occurred, the Offer Press Announcement).

“ Applicable Law ” means all applicable provisions of constitutions, laws, statutes, ordinances, rules, treaties, regulations, permits, governmental licenses, approvals and orders of Governmental Authorities and all orders and decrees of all courts and arbitrators.

“ Applicable Margin ” means the corresponding percentages per annum as set forth below based on the Consolidated Leverage Ratio:

Pricing Level	Consolidated Leverage Ratio	Commitment Fee	LIBOR Rate Loans	Base Rate Loans
I	Less than 0.75 to 1.00	0.30%	1.75%	0%
II	Greater than or equal to 0.75 to 1.00, but less than 1.25 to 1.00	0.35%	2.00%	0%
III	Greater than or equal to 1.25 to 1.00	0.40%	2.25%	0.25%

The Applicable Margin shall be determined and adjusted quarterly on the date (each a “ Calculation Date ”) ten (10) Business Days after the day by which the Borrower is required to provide an Officer’s Compliance Certificate pursuant to Section 8.2(a) for the most recently ended fiscal quarter of the Borrower; provided that (a) the Applicable Margin shall be based on Pricing Level I until the Calculation Date following the fiscal quarter ending June 28, 2014 and, thereafter the Pricing Level shall be determined by reference to the Consolidated Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, and (b) if the Borrower fails to provide the Officer’s Compliance Certificate as required by Section 8.2(a) for the most recently ended fiscal quarter of the Borrower preceding the applicable Calculation Date, the Applicable Margin from such Calculation Date shall be based on Pricing Level III until such time as an appropriate Officer’s Compliance Certificate is provided, at which time the Pricing Level shall be determined by reference to the Consolidated Leverage Ratio as of the last day of the most recently ended fiscal quarter of the Borrower preceding such Calculation Date. The Applicable Margin shall be effective from one Calculation Date until the next Calculation Date. Any adjustment in the Applicable Margin shall be applicable to all Extensions of Credit then existing or subsequently made or issued.

Notwithstanding the foregoing, in the event that any financial statement or Officer’s Compliance Certificate delivered pursuant to Section 8.1 or 8.2(a) is shown to be inaccurate at any time during the term of this Agreement or at any time up to one year following the termination of this Agreement or the Commitments hereunder (regardless of whether any Extension of Credit is outstanding when such inaccuracy is discovered or such financial statement or Officer’s Compliance Certificate was delivered), and such inaccuracy, if corrected, would have led to the application of a higher Applicable Margin for any period (an “ Applicable Period ”) than the Applicable Margin applied for such Applicable Period, then (A) the Borrower shall promptly deliver to the Administrative Agent a corrected Officer’s Compliance Certificate for such Applicable Period, (B) the Applicable Margin for such Applicable Period shall be determined as if the Consolidated Leverage Ratio in the corrected Officer’s Compliance Certificate were applicable for such Applicable Period, and (z) the Borrower shall promptly and retroactively be obligated to pay to the Administrative Agent the accrued additional interest and fees owing as a result of such increased Applicable Margin for such Applicable Period, which payment shall be promptly applied by the Administrative Agent in accordance with Section 5.4. Nothing in this paragraph shall limit the rights of the Administrative Agent and Lenders with respect to Sections 5.1(c) and 10.2 nor any of their other rights under this Agreement. The Borrower’s obligations under this paragraph shall survive the termination of the Commitments and the repayment of all other Obligations hereunder.

“Asset Disposition” means the disposition of any or all of the assets (including, without limitation, any Capital Stock owned thereby) of any Credit Party or any Subsidiary thereof whether by sale, lease, transfer or otherwise, and any issuance of Capital Stock by any Subsidiary of the Borrower to any Person that is not a Credit Party or any Subsidiary thereof (but in the case of the Target and its Subsidiaries, excluding any such issuance pursuant to contractual or other arrangements which are in place on the Scheme Effective Date or the Unconditional Date, as applicable). The term “Asset Disposition” shall not include (a) any Equity Issuance, (b) the sale of inventory in the ordinary course of business, (c) the transfer of assets pursuant to any other transaction permitted pursuant to Section 9.4, (d) the write-off, discount, sale or other disposition of defaulted or past-due receivables and similar obligations in the ordinary course of business and, in the case of the Credit Parties, not undertaken as part of an accounts receivable financing transaction, (e) the disposition of any Hedge Agreement, (f) dispositions of Investments in cash and Cash Equivalents, and (g) (i) the transfer by any Credit Party of its assets to any other Credit Party, (ii) the transfer by any Non-Guarantor Subsidiary of its assets to any Credit Party (provided that in connection with any new transfer, such Credit Party shall not pay more than an amount equal to the fair market value of such assets as determined in good faith at the time of such transfer) and (iii) the transfer by any Non-Guarantor Subsidiary of its assets to any other Non-Guarantor Subsidiary.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 12.10), and accepted by the Administrative Agent, in substantially the form attached as Exhibit H or any other form approved by the Administrative Agent.

“Attributable Indebtedness” means, on any date of determination, (a) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease, the capitalized amount or principal amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

“Base Rate” means, at any time, the highest of (a) the Prime Rate, (b) the Federal Funds Rate plus 0.50% and (c) LIBOR for an Interest Period of one month plus the difference between the Applicable Margin for LIBOR Rate Loans and the Applicable Margin for Base Rate Loans at such time; provided that in no event shall the sum of the Base Rate plus the Applicable Margin for Base Rate Loans be less than 0%; provided further that this clause (c) shall not be applicable during any period in which LIBOR is unavailable or unascertainable. Each change in the Base Rate shall take effect simultaneously with the corresponding change or changes in the Prime Rate, the Federal Funds Rate or LIBOR.

“Base Rate Loan” means any Loan bearing interest at a rate based upon the Base Rate as provided in Section 5.1(a).

“Borrower” means Cirrus Logic, Inc., a Delaware corporation.

“Borrower Materials” has the meaning assigned thereto in Section 8.2.

“Business Day” means (a) for all purposes other than as set forth in clauses (b) and (c) below, any day other than a Saturday, Sunday or legal holiday on which banks in Charlotte, North Carolina and New York, New York, are open for the conduct of their commercial banking business, (b) with respect to all notices and determinations in connection with, and payments of principal and interest on, any LIBOR Rate Loan or any Base Rate Loan as to which the interest rate is determined by reference to LIBOR, any day that is a Business Day described in clause (a) and that is also a London Banking Day and (c) with respect to matters pertaining to the Target Acquisition process, any day other than a Saturday, Sunday or legal holiday in London, England.

“Calculation Date” has the meaning assigned thereto in the definition of Applicable Margin.

“Capital Asset” means, with respect to the Borrower and its Subsidiaries, any asset that should, in accordance with GAAP, be classified and accounted for as a capital asset on a Consolidated balance sheet of the Borrower and its Subsidiaries.

“Capital Expenditures” means, with respect to the Borrower and its Subsidiaries for any period, the aggregate cost of all Capital Assets acquired by the Borrower and its Subsidiaries during such period, as determined in accordance with GAAP.

“Capital Lease” means any lease of any property by the Borrower or any of its Subsidiaries, as lessee, that should, in accordance with GAAP, be classified and accounted for as a capital lease on a Consolidated balance sheet of the Borrower and its Subsidiaries. Notwithstanding the foregoing, any obligations of a Person under a lease (whether existing now or entered into in the future) that is not (or would not be) a Capital Lease under GAAP as in effect on the Closing Date, shall not be treated as a Capital Lease solely as a result of the adoption after the Closing Date of changes in GAAP described in the Proposed Accounting Standards Update to Leases (Topic 840) issued by the Financial Accounting Standards Board on August 17, 2010 (as the same may be amended from time to time).

“Capital Reduction” means the reduction of the Target share capital associated with the cancellation of the Target Shares provided for by the Scheme.

“Capital Stock” means (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general or limited), (d) in the case of a limited liability company, membership interests, (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person and (f) any and all warrants, rights or options to purchase any of the foregoing.

“Cash Equivalents” means, collectively, (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency thereof maturing within one year from the date of acquisition thereof, (b) commercial paper maturing no more than one hundred twenty (120) days from the date of creation thereof and currently having the highest short term rating obtainable from either S&P or Moody’s, (c) certificates of deposit maturing no more than one hundred twenty (120) days from the date of creation thereof issued by commercial banks incorporated under the laws of the United States, each having combined capital, surplus and undivided profits of not less than \$500,000,000 and having a rating of “A” or better by a nationally recognized rating agency; provided that the aggregate amount invested in such certificates of deposit shall not at any time exceed \$5,000,000 for any one such certificate of deposit and \$10,000,000 for any one such bank, (d) time deposits maturing no more than thirty (30) days from the date of creation thereof with commercial banks or savings banks or savings and loan associations each having membership either in the FDIC or the deposits of which are insured by the FDIC and in amounts not exceeding the maximum amounts of insurance thereunder, (e) with respect to any Foreign Subsidiary, any investments similar to the foregoing customarily used by companies in the relevant jurisdiction or (f) such other investments made pursuant to a cash management investment policy approved by the audit committee of the board of directors of the Borrower, as such policy may be amended or otherwise modified from time to time with the approval of the audit committee of the board of directors of the Borrower.

“Cash Management Agreement” means any agreement to provide cash management services, including treasury, depository, overdraft, credit or debit card (including non-card electronic payables), electronic funds transfer and their cash management arrangements.

“Cash Management Bank” means any Person that, (a) at the time it enters into a Cash Management Agreement with a Credit Party, is a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent, or (b) at the time it (or its Affiliate) becomes a Lender (including on the Closing Date), is a party to a Cash Management Agreement with a Credit Party, in each case, in its capacity as a party to such Cash Management Agreement.

“Certain Funds Period” means:

- (1) unless the Offer Conversion occurs, the period commencing on the Announcement Date and ending on the earlier of:
 - (a) the date that is 270 days after the date of this Agreement;

- (b) the date the Scheme lapses, is withdrawn or is rejected by the relevant court; and
 - (c) the date the Target becomes a Subsidiary of the Borrower and all the Target Shares have been paid for by the Borrower or any Subsidiary; or
- (2) following the Offer Conversion, the period commencing on the Announcement Date and ending on the earlier of:
- (a) the date falling 270 days after the date of this Agreement;
 - (b) the date the Takeover Offer lapses or is withdrawn;
 - (c) the expiry of the date 6 weeks after any Takeover Offer Squeeze-Out Notice is issued by or on behalf of the Borrower.

“Certain Funds Purpose” means:

- (1) unless the Offer Conversion occurs:
 - (a) payment of all or part of the cash price payable by the Borrower or any Subsidiary to the holders of Target Shares in consideration of either (i) the Target Shares being cancelled and the New Target Shares being issued to the Borrower or any Subsidiary pursuant to the Scheme or (ii) the compulsory purchase of their Target Shares as contemplated by paragraph (b) of the definition of “Scheme Acquisition”; and
 - (b) repayment of the debt of the Target and its Subsidiaries, including repayment of loans and collateralization or transfer of letters of credit outstanding under the Existing Target Credit Agreement;
 - (c) financing the Acquisition Costs; and
 - (d) refinancing any Loan made to finance a Certain Funds Purpose; or
- (2) if the Offer Conversion occurs:
 - (a) payment of all or part of the cash price payable by the Borrower or any Subsidiary to the holders of the Target Shares to be acquired by it pursuant to the terms of the Takeover Offer;
 - (b) repayment of the debt of the Target and its Subsidiaries, including repayment of loans and collateralization or transfer of letters of credit outstanding under the Existing Target Credit Agreement;
 - (c) payment of the cash consideration payable pursuant to the operation by the Borrower of the procedures contained in Part 28, Chapter 3 of the Companies Act 2006;

- (d) financing the consideration payable to holders of options to acquire Target Shares pursuant to any proposal in respect of those options as required by the City Code;
- (e) financing the Acquisition Costs; and
- (f) refinancing any Loan made to finance a Certain Funds Purpose.

“Certain Funds Utilization” means the borrowing of Loans on any date during the Certain Funds Period for any Certain Funds Purpose.

“Change in Control” means an event or series of events by which (a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its Subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a “person” or “group” shall be deemed to have “beneficial ownership” of all Capital Stock that such “person” or “group” has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”)), directly or indirectly, of more than thirty-five percent (35%) of the Capital Stock of the Borrower entitled to vote in the election of members of the board of directors (or equivalent governing body) of Borrower or (b) a majority of the members of the board of directors (or other equivalent governing body) of the Borrower shall not constitute Continuing Directors.

“Change in Law” means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted or issued.

“City Code” means the City Code on Takeovers and Mergers.

“Clean Up Period” means the period of 60 days from the Scheme Effective Date or, if the Offer Conversion occurs, the Unconditional Date.

“Closing Date” means the date of this Agreement, which is the date on which the conditions specified in Section 6.1 are satisfied (or waived in accordance with Section 12.2).

“Code” means the Internal Revenue Code of 1986, and the rules and regulations promulgated thereunder, each as amended or modified from time to time.

“Collateral” means the collateral security for the Secured Obligations pledged or granted pursuant to the Security Documents.

“Collateral Agreement” means the security and pledge agreement of even date herewith executed by the Credit Parties in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, which shall be in form and substance acceptable to the Administrative Agent.

“Commitment” means, as to any Lender, the obligation of such Lender to make Loans to the account of the Borrower hereunder in an aggregate principal amount at any time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 1.1 or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable, as such amount may be modified at any time or from time to time pursuant to the terms hereof and “Commitments” means, as to all Lenders, the aggregate commitments of all Lenders to make Loans, as such amount may be modified at any time or from time to time pursuant to the terms hereof. The aggregate Commitments of all the Lenders on the Closing Date shall be \$225,000,000.

“Commitment Fee” has the meaning assigned thereto in Section 5.3(a).

“Commitment Percentage” means, as to any Lender at any time, the ratio of (a) the amount of the Commitment of such Lender to (b) the Commitment of all the Lenders.

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. §1 et seq.).

“Companies Act 2006” means the Companies Act 2006 of the United Kingdom.

“Consolidated” means, when used with reference to financial statements or financial statement items of any Person, such statements or items on a consolidated basis in accordance with applicable principles of consolidation under GAAP.

“Consolidated EBITDA” means, for any period, the sum of the following determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP: (a) Consolidated Net Income for such period plus (b) the sum of the following, without duplication, to the extent deducted in determining Consolidated Net Income for such period: (i) income and franchise taxes paid and non-cash tax expense during such period, (ii) Consolidated Interest Expense for such period, including any debt issuance costs, fees, discounts and charges, and amortization or writeoffs of debt discounts, (iii) amortization, depreciation and other non-cash charges (other than writedowns of inventory) for such period (except to the extent that such non-cash charges are reserved for cash charges to be taken in the future), (iv) extraordinary, unusual or non-recurring losses during such period (excluding extraordinary losses from discontinued operations other than non-core operations acquired in a Permitted Acquisition) provided that the aggregate amount included in the calculation of Consolidated EBITDA pursuant to this clause (iv) in any Fiscal Year shall not exceed \$5,000,000, (v) Transaction Costs, (vi) equity expenses associated with the Borrower’s and any Subsidiary’s stock plans, (vii) restructuring charges or reserves and severance and relocation expenses, provided that the aggregate amount included in the calculation of Consolidated EBITDA pursuant to this clause (vii) in any Fiscal Year shall not exceed \$5,000,000, and (viii) integration costs for Permitted Acquisitions, provided that the aggregate amount included in Consolidated EBITDA pursuant to this clause (viii) in any Fiscal Year shall not exceed \$5,000,000, less (c) non-cash tax credits, interest income and any extraordinary gains during such period. For purposes of this Agreement, Consolidated EBITDA shall be adjusted on a Pro Forma Basis in connection with Specified Transactions as set forth in the definition of Pro Forma Basis.

“Consolidated Funded Indebtedness” means, as of any date of determination with respect to the Borrower and its Subsidiaries on a Consolidated basis without duplication, the sum of all of the following:

- (a) all liabilities, obligations and indebtedness for borrowed money including, but not limited to, obligations evidenced by bonds, debentures, notes or similar instruments of the Borrower or any Subsidiary;
- (b) the Attributable Indebtedness of the Borrower or any Subsidiary with respect to obligations in respect of Capital Leases and Synthetic Leases (regardless of whether accounted for as indebtedness under GAAP);
- (c) all obligations, contingent or otherwise, of the Borrower or any Subsidiary relative to the face amount of letters of credit, whether or not drawn, and banker’s acceptances issued for the account of the Borrower or any of its Subsidiaries; and
- (d) all obligations of the Borrower or any Subsidiary in respect of Disqualified Capital Stock.

“Consolidated Interest Expense” means, for any period, the sum of the following determined on a Consolidated basis, without duplication, for the Borrower and its Subsidiaries in accordance with GAAP, interest expense (including, without limitation, interest expense attributable to Capital Leases and Synthetic Leases and all net payment obligations pursuant to Hedge Agreements) for such period.

“Consolidated Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness on such date to (b) Consolidated EBITDA for the period of four (4) consecutive fiscal quarters ending on such date for the purposes of Section 9.15 or most recently reported pursuant to Section 8.1 for any other purpose.

“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, without duplication, in accordance with GAAP; provided, that in calculating Consolidated Net Income of the Borrower and its Subsidiaries for any period, there shall be excluded the net income (or loss) of any Person (other than a Subsidiary), in which the Borrower or any of its Subsidiaries has a joint interest with a third party, except to the extent such net income is actually paid in cash to the Borrower or any of its Subsidiaries by dividend or other distribution during such period.

“Continuing Directors” means the directors of the Borrower on the Closing Date and each other director of the Borrower, if, in each case, such other director’s nomination for election to the board of directors (or equivalent governing body) of the Borrower is recommended by at least 51% of the then Continuing Directors.

“Control” means the 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.

“Cooperation Agreement” means the cooperation agreement entered into or to be entered into by the Target and the Borrower or any Subsidiary in connection with the Scheme.

“Credit Exposure” means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Loans.

“Credit Facility” means the revolving credit facility established pursuant to Article II.

“Credit Parties” means, collectively, the Borrower and the Subsidiary Guarantors.

“Debt Issuance” means the issuance of any Indebtedness for borrowed money by any Credit Party or any of its Subsidiaries.

“Debtor Relief Laws” means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” means any of the events specified in Section 10.1 which with the passage of time, the giving of notice or any other condition, would constitute an Event of Default.

“Defaulting Lender” means, subject to Section 5.15(b), any Lender that (a) has failed to (i) fund all or any portion of the Loans required to be funded by it hereunder within two Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the FDIC or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 5.15(b)) upon delivery of written notice of such determination to the Borrower and each Lender.

“Disqualified Capital Stock” means any Capital Stock that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Qualified Capital Stock), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Capital Stock) (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), in whole or in part, or (c) provides for the scheduled payment of dividends in cash, in each case, within six months following the Maturity Date; provided, that if such Capital Stock is issued pursuant to a plan for the benefit of the Borrower or its Subsidiaries or by any such plan to such officers or employees, such Capital Stock shall not constitute Disqualified Capital Stock solely because it may be required to be repurchased by the Borrower or its Subsidiaries in order to satisfy applicable statutory or regulatory obligations or upon a change in control or termination of employment.

“Dollars” or “\$” means, unless otherwise qualified, dollars in lawful currency of the United States.

“Domestic Subsidiary” means any Subsidiary organized under the laws of any political subdivision of the United States.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 12.10(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 12.10(b)(iii)).

“Employee Benefit Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA that is maintained for employees of any Credit Party or any ERISA Affiliate or with respect to which any Credit Party or any ERISA Affiliate has any unsatisfied liability.

“Environmental Claims” means any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, accusations, allegations, notices of noncompliance or violation, investigations (other than internal reports prepared by any Person in the ordinary course of business and not in response to any third party action or request of any kind) or proceedings relating in any way to any actual or alleged violation of or liability under any Environmental Law or relating to any permit issued, or any approval given, under any such Environmental Law, including, without limitation, any and all claims by Governmental Authorities for enforcement, cleanup, removal, response, remedial or other actions or damages, contribution, indemnification cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to human health or the environment.

“Environmental Laws” means any and all federal, foreign, state, provincial and local laws, statutes, ordinances, codes, rules, standards and regulations, permits, licenses, approvals, interpretations and orders of courts or Governmental Authorities, relating to the protection of human health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Materials.

“Equity Issuance” means (a) any issuance by any Credit Party or any Subsidiary thereof to any Person that is not a Credit Party or a Subsidiary thereof, of (i) shares of its Capital Stock, (ii) any shares of its Capital Stock pursuant to the exercise of options or warrants or (iii) any shares of its Capital Stock pursuant to the conversion of any debt securities to equity and (b) any capital contribution from any Person that is not a Credit Party or a Subsidiary into any Credit Party or any Subsidiary thereof. The term “Equity Issuance” shall not include (A) any Asset Disposition or (B) any Debt Issuance.

“ERISA” means the Employee Retirement Income Security Act of 1974, and the rules and regulations thereunder, each as amended or modified from time to time.

“ERISA Affiliate” means any Person who together with any Credit Party or any of its Subsidiaries is treated as a single employer within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

“Eurodollar Reserve Percentage” means, for any day, the percentage (expressed as a decimal) which is in effect for such day as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the maximum reserve requirement (including, without limitation, any basic, supplemental or emergency reserves) in respect of eurocurrency liabilities or any similar category of liabilities for a member bank of the Federal Reserve System in New York City.

“European Commission” means the Commission of the European Union.

“Event of Default” means any of the events specified in Section 10.1; provided that any requirement for passage of time, giving of notice, or any other condition, has been satisfied.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Excluded Subsidiary” means a Domestic Subsidiary of the Borrower (a) that is owned directly or indirectly by a Foreign Subsidiary or (b) all or substantially all of the assets of which are Equity Interests in one or more Foreign Subsidiaries.

“Excluded Swap Obligation” means, with respect to any Credit Party, any Swap Obligation if, and to the extent that, all or a portion of the liability of such Credit Party for or the guarantee of such Credit Party of, or the grant by such Credit Party of a security interest to secure, such Swap Obligation (or any liability or guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Credit Party’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act and the regulations thereunder at the time the liability for or the guarantee of such Credit Party or the grant of such security interest becomes effective with respect to such Swap Obligation (such determination being made after giving effect to any applicable keepwell, support or other agreement for the benefit of the applicable Credit Party, including under Section 2.12 of the Subsidiary Guaranty Agreement). If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal for the reasons identified in the immediately preceding sentence of this definition.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 5.12(b)) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 5.11, amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 5.11(f) and (d) any U.S. federal withholding Taxes imposed under FATCA.

“Existing Target Credit Agreement” means the Receivables Finance Facility between RBS Invoice Finance Limited and the Target dated 31 January 2014.

“Extensions of Credit” means, as to any Lender at any time, (a) an amount equal to the aggregate principal amount of all Loans made by such Lender then outstanding or (b) the making of any Loan by such Lender, as the context requires.

“FATCA” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code and any fiscal or regulatory legislation, rules or practices adopted pursuant to such intergovernmental agreement.

“FDIC” means the Federal Deposit Insurance Corporation, or any successor thereto.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day (or, if such day is not a Business Day, for the immediately preceding Business Day), as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, provided that if such rate is not so published for any day which is a Business Day, the average of the quotation for such day on such transactions received by the Administrative Agent from three Federal Funds brokers of recognized standing selected by the Administrative Agent.

“Fee Letter” means the separate fee letter agreement dated April 29, 2014 between the Borrower and Wells Fargo.

“Financial Advisor” means Goldman Sachs International as the Borrower’s financial advisor in relation to the Target Acquisition.

“Fiscal Year” means the fiscal year of the Borrower and its Subsidiaries ending on the last Saturday of March of each year (provided that the Target and its Subsidiaries may have a calendar year end).

“Foreign Lender” means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes

“Foreign Subsidiary” means any Subsidiary of the Borrower that is a “controlled foreign corporation” as defined in Section 957 of the Code.

“GAAP” means, subject to Sections 1.3 and 12.9, generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

“Governmental Approvals” means all authorizations, consents, approvals, permits, licenses and exemptions of, registrations and filings with, and reports to, all Governmental Authorities.

“Governmental Authority” means the government of the United States or any other nation, or of 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 (including any supra-national bodies such as the European Union or the European Central Bank).

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness 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 Indebtedness or other obligation or to purchase (or to 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 Indebtedness 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 Indebtedness or other obligation, (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness or obligation or (e) for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (whether in whole or in part); provided that the term “Guarantee” shall not include endorsements for collection or deposit in the ordinary course of business.

“Hazardous Materials” means any substances or materials (a) which are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants, chemical substances or mixtures or toxic substances under any Environmental Law, (b) which are toxic, explosive, corrosive, flammable, infectious, radioactive, carcinogenic, mutagenic or otherwise harmful to public health or the environment and are or become regulated by any Governmental Authority, (c) the presence of which require investigation or remediation under any Environmental Law or common law, (d) the discharge or emission or release of which requires a permit or license under any Environmental Law or other Governmental Approval, (e) which are deemed by a Governmental Authority to constitute a nuisance or a trespass which pose a health or safety hazard to Persons or neighboring properties, or (f) which contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or waste, crude oil, nuclear fuel, natural gas or synthetic gas.

“Hedge Agreement” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement, all as amended, restated, supplemented or otherwise modified from time to time (including the foreign currency transaction(s) entered into by the Borrower on or about the Closing Date).

“Hedge Bank” means any Person that, (a) at the time it enters into a Hedge Agreement with a Credit Party permitted under Article IX, is a Lender, an Affiliate of a Lender, the Administrative Agent or an Affiliate of the Administrative Agent or (b) at the time it (or its Affiliate) becomes a Lender (including on the Closing Date), is a party to a Hedge Agreement with a Credit Party, in each case, in its capacity as a party to such Hedge Agreement.

“Hedge Termination Value” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Hedge Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Hedge Agreements (which may include a Lender or any Affiliate of a Lender).

“IFRS” means International Financial Reporting Standards, as in effect from time to time.

“Indebtedness” means, with respect to any Person at any date and without duplication, any of the following:

(a) all liabilities, obligations and indebtedness for borrowed money including, but not limited to, obligations evidenced by bonds, debentures, notes or other similar instruments of any such Person;

(b) all obligations to pay the deferred purchase price of property or services of any such Person (including, without limitation, all payment obligations under non-competition, earn-out or similar agreements (but only once non-contingent and determinable)), except trade payables arising in the ordinary course of business not more than ninety (90) days past due, or that are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of such Person;

(c) the Attributable Indebtedness of such Person with respect to such Person’s obligations in respect of Capital Leases and Synthetic Leases (regardless of whether accounted for as indebtedness under GAAP);

(d) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person to the extent of the value of such property (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business);

(e) all Indebtedness of any other Person secured by a Lien on any asset owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements except trade payables arising in the ordinary course of business and customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse (but if not assumed limited to the lesser of such indebtedness or the value of the assets subject to such Lien);

- (f) all obligations, contingent or otherwise, of any such Person relative to the face amount of letters of credit, whether or not drawn, and banker's acceptances issued for the account of any such Person;
- (g) all obligations of any such Person in respect of Disqualified Capital Stock;
- (h) all net obligations of such Person under any Hedge Agreements (unless constituting interest expense); and
- (i) all Guarantees of any such Person with respect to any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Hedge Agreement on any date shall be deemed to be the Hedge Termination Value thereof as of such date.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Credit Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Information Barriers” means information barriers that comply with the minimum standards for effective information barriers identified in Practice Statement No. 25 (“Debt Syndication During Offer Periods”) published by the Takeover Panel Executive on June 17, 2009 as amended on September 19, 2011.

“Initial Funding Date” means the date which the initial Loan constituting a Certain Funds Utilization is advanced pursuant to this Agreement following the satisfaction of the conditions precedent in Section 6.2 (or the waiver of the same in accordance with Section 12.2).

“Initial Lender” means Wells Fargo.

“Insurance and Condemnation Event” means with respect to any Credit Party or any of its Subsidiaries, the theft, loss, physical destruction or damage, taking or similar event with respect to any of their respective Property.

“Interest Period” has the meaning assigned thereto in Section 5.1(b).

“IRS” means the United States Internal Revenue Service, or any successor thereto.

“Lender” means each Person executing this Agreement as a Lender on the Closing Date and any other Person that shall have become a party to this Agreement as a Lender pursuant to an Assignment and Assumption, other than any Person that ceases to be a party hereto as a Lender pursuant to an Assignment and Assumption.

“Lending Office” means, with respect to any Lender, the office of such Lender maintaining such Lender’s Extensions of Credit.

“LIBOR” means,

(a) for any interest rate calculation with respect to a LIBOR Rate Loan, the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to the applicable Interest Period which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period. If, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then “LIBOR” shall be determined by the Administrative Agent to be the arithmetic average of the rate per annum at which deposits in Dollars would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) two (2) London Banking Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period.

(b) for any interest rate calculation with respect to a Base Rate Loan, the rate of interest per annum determined on the basis of the rate for deposits in Dollars for a period equal to one month (commencing on the date of determination of such interest rate) which appears on the Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m. (London time) on such date of determination, or, if such date is not a Business Day, then the immediately preceding Business Day. If, for any reason, such rate does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page) then “LIBOR” for such Base Rate Loan shall be determined by the Administrative Agent to be the arithmetic average of the rate per annum at which deposits in Dollars would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) on such date of determination for a period equal to one month commencing on such date of determination.

Each calculation by the Administrative Agent of LIBOR shall be conclusive and binding for all purposes, absent manifest error.

“LIBOR Rate” means a rate per annum determined by the Administrative Agent pursuant to the following formula:

$$\text{LIBOR Rate} = \frac{\text{LIBOR}}{1.00\text{-Eurodollar Reserve Percentage}}$$

“LIBOR Rate Loan” means any Loan bearing interest at a rate based upon the LIBOR Rate as provided in Section 5.1(a).

“Lien” means, with respect to any asset, any mortgage, leasehold mortgage, lien, pledge, charge, security interest, hypothecation or encumbrance of any kind in respect of such asset. For the purposes of this Agreement, a Person shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or other title retention agreement relating to such asset.

“Loan Documents” means, collectively, this Agreement, each Note, the Security Documents, the Subsidiary Guaranty Agreement, the Fee Letter and each other document, instrument, certificate and agreement executed and delivered by the Credit Parties or any of their respective Subsidiaries in favor of or provided to the Administrative Agent or any Secured Party in connection with this Agreement or otherwise referred to herein or contemplated hereby (excluding any Secured Hedge Agreement and any Secured Cash Management Agreement), all as may be amended, restated, supplemented or otherwise modified from time to time.

“Loans” means any revolving loan made to the Borrower pursuant to Section 2.1, and all such revolving loans collectively as the context requires.

“London Banking Day” means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank Eurodollar market.

“Major Default” means any circumstance constituting:

- (a) an Event of Default under paragraphs (a) or (b) of Section 10.1 but excluding, in relation to paragraph (b), Obligations other than interest and fees set forth in Section 5.3; or
- (b) an Event of Default under paragraph (c) of Section 10.1 insofar as it relates to a breach of a Major Representation; or
- (c) an Event of Default under paragraph (d) of Section 10.1 insofar as it relates to:
 - (i) a breach of Section 9.1 or 9.2 caused by the Borrower or any of its Subsidiaries, in each case to the extent that such breach first occurs after the date of this Agreement and results from a wilful act or a wilful failure to act on the part of such Borrower or such Subsidiary, as the case may be; or
 - (ii) a breach of Sections 9.3, 9.4, 9.5 or 9.6 caused by the Borrower or any of its Subsidiaries; or
 - (iii) a breach of paragraphs (a)(i), (a)(ii), (a)(iii), (a)(v), (b)(i), (b)(iv), (b)(v) or (c) of Section 9.17 or of Section 9.18; or
- (d) an Event of Default under paragraph (i), (j), (k)(i) and (k)(ii) of Section 10.1 insofar as it relates to a Credit Party which is not a member of the Target Group but excluding, in relation to paragraph (j), any Event of Default caused by a frivolous or vexatious action, proceeding or petition against a Credit Party and in respect of which no order or decree described in such paragraph (j) shall have been entered,

in each case other than in relation to any circumstances affecting any member of the Target Group.

“Major Representation” means each of the representations set out in Sections 7.1(a), 7.3, 7.4 (but for these purposes, disregarding the words “and will not, by the passage of time, the giving of notice or otherwise” and excluding the Target Acquisition), 7.25, 7.26 and 7.27, in each case only insofar as it applies to a Credit Party.

“Material Adverse Effect” means, with respect to the Borrower and its Subsidiaries, (a) a material adverse effect on the properties, business, operations or financial condition of such Persons, taken as a whole, (b) a material impairment of the ability of any such Person to perform its obligations under the Loan Documents to which it is a party, or (c) a material adverse effect on the validity or enforceability of any of the Loan Documents or the rights or remedies of the Administrative Agent or the Lenders hereunder or thereunder.

“Material Domestic Subsidiary” means a Wholly-Owned Domestic Subsidiary of the Borrower (a) that is not an Excluded Subsidiary and (b) either generates 5% or more of the gross revenues of the Borrower and its Domestic Subsidiaries (other than Excluded Subsidiaries) or holds assets that constitute 5% or more of the assets of the Borrower and its Domestic Subsidiaries (other than Excluded Subsidiaries) as a whole.

“Maturity Date” means the earliest to occur of (a) the date that is 270 days after the Closing Date, (b) the date of termination of the Commitments by the Borrower pursuant to Section 2.5, or (c) the date of termination of the Commitments pursuant to Section 10.2(a).

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multiemployer Plan” means a “multiemployer plan” as defined in Section 4001(a)(3) of ERISA to which any Credit Party or any ERISA Affiliate is making, or is accruing an obligation to make, contributions or has any unsatisfied liability.

“New Target Shares” means the new shares in the capital of the Target which are to be issued by the Target to the Borrower or any Subsidiary pursuant to the Scheme.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver, amendment, modification or termination that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 12.2 and (ii) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-Guarantor Subsidiary” means any Subsidiary of the Borrower that is not a Subsidiary Guarantor.

“Note” means a promissory note made by the Borrower in favor of a Lender evidencing the Loans made by such Lender, substantially in the form attached as Exhibit A, and any amendments, supplements and modifications thereto, any substitutes therefor, and any replacements, renewals or extensions thereof, in whole or in part.

“Notice of Account Designation” has the meaning assigned thereto in Section 2.3(b).

“Notice of Borrowing” has the meaning assigned thereto in Section 2.3(a).

“Notice of Conversion/Continuation” has the meaning assigned thereto in Section 5.2.

“Notice of Prepayment” has the meaning assigned thereto in Section 2.4(c).

“Obligations” means, in each case, whether now in existence or hereafter arising: (a) the principal of and interest on (including interest accruing after the filing of any bankruptcy or similar petition) the Loans and (b) all other fees and commissions (including attorneys’ fees), charges, indebtedness, loans, liabilities, financial accommodations and obligations owing by the Credit Parties to the Lenders or the Administrative Agent, in each case under any Loan Document, with respect to any Loan of every kind, nature and description, direct or indirect, absolute or contingent, due or to become due, contractual or tortious, liquidated or unliquidated, and whether or not evidenced by any note and including interest and fees that accrue after the commencement by or against any Credit Party of any proceeding under any Debtor Relief Laws, naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“OFAC” means the U.S. Department of the Treasury’s Office of Foreign Assets Control.

“Offer Conversion” means the Borrower or any Subsidiary procuring the lapse or withdrawal of the Scheme in accordance with Section 9.18.

“Offer Documents” means the Takeover Offer Document and the Offer Press Announcement.

“Offer Press Announcement” means a press announcement to be released by or on behalf of the Borrower announcing that the Target Acquisition is to be effected by way of the Takeover Offer Acquisition instead of the Scheme Acquisition and setting out the terms and conditions of the Takeover Offer.

“Officer’s Compliance Certificate” means a certificate substantially in the form attached as Exhibit G.

“Operating Lease” means, as to any Person, any lease of Property (whether real, personal or mixed) by such Person as lessee which is not a Capital Lease.

“Option Cut-off Time” means 6:00 p.m., London time on the Business Day prior to the date on which the court confirms the Capital Reduction in relation to the Scheme.

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court, documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 5.12(b)).

“Outstandings” means the aggregate outstanding principal amount of the Loans on any date after giving effect to any borrowings and prepayments or repayments of Loans, as the case may be, occurring on such date.

“Panel” means the Panel on Takeovers and Mergers.

“Participant” has the meaning assigned thereto in Section 12.10(d).

“Participant Group” means, with respect to any Person, such Person and such Person’s Affiliates.

“Participant Register” has the meaning specified in Section 12.10(e).

“PATRIOT Act” means the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as amended.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor agency.

“Pension Plan” means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to the provisions of Title IV of ERISA or Section 412 of the Code and (a) which is maintained, funded or administered for the employees of any Credit Party or any ERISA Affiliate or (b) with respect to which any Credit Party or any ERISA Affiliate has any unsatisfied liability.

“Permitted Acquisition” means (i) the Target Acquisition; and (ii) any other acquisition by the Borrower or any Subsidiary in the form of acquisitions of real estate or of all or substantially all of the business or assets of any other Person or a business unit or division of another Person (whether by the acquisition of Capital Stock, assets or any combination thereof) if each such acquisition under this clause (ii) meets all of the following requirements:

(a) no less than ten (10) Business Days prior to the proposed closing date of such acquisition, the Borrower shall have delivered written notice of such acquisition to the Administrative Agent and the Lenders, which notice shall include the proposed closing date of such acquisition (but such acquisition is not required to close on such date);

(b) the Borrower shall have delivered evidence reasonably satisfactory to the Administrative Agent that such acquisition has been approved by the board of directors (or equivalent governing body) of the Person to be acquired (in the case of the acquisition of a Person);

(c) the Person or business to be acquired shall be in a line of business permitted pursuant to Section 9.11 or, in the case of an acquisition of real estate or other assets, assets useful in the Borrower's or its Subsidiaries' business;

(d) if such transaction is a merger or consolidation, the Borrower or a Subsidiary shall be the surviving Person (or, other than in the case of the Borrower, the surviving Person shall become a Subsidiary) and no Change in Control shall have been effected thereby;

(e) to the extent applicable and within the time period required thereby, the Borrower shall have delivered to the Administrative Agent such documents reasonably requested by the Administrative Agent pursuant to Section 8.14;

(f) the Consolidated Leverage Ratio calculated on a Pro Forma Basis (as of the proposed closing date of the acquisition and after giving effect thereto and any Indebtedness incurred in connection therewith) shall be no greater than 1.50 to 1.00;

(g) for any acquisition the consideration for which is equal to or greater than \$25,000,000, no later than five (5) Business Days prior to the proposed closing date of such acquisition, the Borrower shall have delivered to the Administrative Agent (i) an Officer's Compliance Certificate for the most recent fiscal quarter end preceding such acquisition for which financial statements are available demonstrating, in form and substance reasonably satisfactory to the Administrative Agent, that the condition set forth in paragraph (f) above is satisfied, together with pro forma Consolidated financial statements of the Borrower and its Subsidiaries after giving effect to such acquisition and (ii) if such acquisition is of a Person, such Person's historical financial statements (to the extent available);

(h) no Default or Event of Default shall have occurred and be continuing both before and after giving effect to such acquisition and any Indebtedness incurred in connection therewith; and

(i) for any acquisition the consideration for which is equal to or greater than \$25,000,000, the Borrower shall have (i) delivered to the Administrative Agent a certificate of a Responsible Officer certifying that all of the requirements set forth above have been satisfied or will be satisfied on or prior to the consummation of such purchase or other acquisition and (ii) provided such other documents and other information as may be reasonably requested by the Administrative Agent in connection with such purchase or other acquisition.

“Permitted Liens” means the Liens permitted pursuant to Section 9.2.

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

“Platform” has the meaning assigned thereto in Section 8.2.

“Press Release” means the press announcement (in substantially the form approved by the Initial Lender prior to its issue) to be released by or on behalf of the Borrower to announce the Borrower’s or its Subsidiary’s firm intention to implement an acquisition of Target Shares by way of Scheme.

“Prime Rate” means, at any time, the rate of interest per annum publicly announced from time to time by the Administrative Agent as its prime rate. Each change in the Prime Rate shall be effective as of the opening of business on the day such change in such prime rate occurs. The parties hereto acknowledge that the rate announced publicly by the Administrative Agent as its prime rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks.

“Pro Forma Basis” means, for purposes of calculating Consolidated EBITDA for any period during which one or more Specified Transactions occurs, that such Specified Transaction (and all other Specified Transactions that have been consummated during the applicable period) shall be deemed to have occurred as of the first day of the applicable period of measurement and all income statement items (whether positive or negative) attributable to the Property or Person disposed of in a Specified Disposition shall be excluded and all income statement items (whether positive or negative) attributable to the Property or Person acquired in a Permitted Acquisition shall be included; provided that the foregoing pro forma adjustments may include anticipated cost savings and synergies and may be applied to any such definition, test or financial covenant solely to the extent that such adjustments (a) are reasonably expected to be realized within twelve (12) months of such Specified Transaction as set forth in reasonable detail on a certificate of a Responsible Officer of the Borrower delivered to the Administrative Agent and are reasonably approved by the Administrative Agent and (b) are reasonably identifiable, factually supportable and expected to have a continuing impact on the operations of the Borrower and its Subsidiaries; and provided, further, that the foregoing pro forma adjustment shall be without duplication of any cost savings or additional costs that are already included in the calculation of Consolidated EBITDA.

“Property” means any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible, including, without limitation, Capital Stock.

“Public Lenders” has the meaning assigned thereto in Section 8.2.

“Qualified Capital Stock” means any Capital Stock that is not Disqualified Capital Stock.

“Recipient” means (a) the Administrative Agent and (b) any Lender, as applicable.

“Register” has the meaning assigned thereto in Section 12.10(c).

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Required Lenders” means, at any date, Lenders that in the aggregate hold more than fifty percent (50%) of the sum of the aggregate amount of the Commitments or, if the Commitments have been terminated, Lenders that in the aggregate hold more than fifty percent (50%) of the aggregate Extensions of Credit; provided that the Commitment of, and the portion of the Extensions of Credit, as applicable, held or deemed held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

“Responsible Officer” means, as to any Person, the chief executive officer, president, chief financial officer, controller, treasurer or assistant treasurer of such Person or any other officer of such Person reasonably acceptable to the Administrative Agent. Any document delivered hereunder or under any other Loan Document that is signed by a Responsible Officer of a Person shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Person and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Person.

“Restricted Payment” has the meaning assigned thereto in Section 9.6.

“S&P” means Standard & Poor’s Ratings Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc. and any successor thereto.

“Sanctioned Country” means a country subject to a sanctions program identified on the list maintained by OFAC and available at <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>, or as otherwise published from time to time.

“Sanctioned Person” means (a) a Person named on the list of “Specially Designated Nationals and Blocked Persons” maintained by OFAC available at <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx>, or as otherwise published from time to time, (b) a Person named on the lists maintained by the United Nations Security Council available at http://www.un.org/sc/committees/list_compend.shtml, or as otherwise published from time to time, (c) a Person named on the lists maintained by the European Union available at http://eeas.europa.eu/cfsp/sanctions/consol-list_en.htm, or as otherwise published from time to time, (d) a Person named on the lists maintained by Her Majesty’s Treasury available at http://www.hm-treasury.gov.uk/fin_sanctions_index.htm, or as otherwise published from time to time, or (e) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a person resident in a Sanctioned Country, to the extent subject to a sanctions program administered by OFAC.

“Scheme” means the scheme of arrangement under Part 26 of the Companies Act 2006 which is or may be proposed by Target to its shareholders pursuant to which the Borrower, or a Wholly-Owned Subsidiary of the Borrower, will become the only holder of Target Shares by virtue of having been allotted and issued New Target Shares which are paid up out of the reserve created by the cancellation of the Target Shares in issue as at the Option Cut-Off Time, as the same may be amended in any way which is not prohibited by the terms of this Agreement.

“Scheme Acquisition” means the acquisition by the Borrower, or a Wholly-Owned Subsidiary of the Borrower, of the Target Shares pursuant to the Scheme, to be effected by way of:

(a) the cancellation of the Target Shares in issue as at the Option Cut-Off Time (other than Target Shares already held by the Borrower or any Subsidiary of the Borrower (excluding any member of the Target Group)) pursuant to the Scheme and the issue of the New Target Shares pursuant to the Scheme; and

(b) if any option in respect of any Target Shares remains outstanding after the Option Cut-Off Time, the compulsory purchase by the Borrower, or a Wholly-Owned Subsidiary of the Borrower, of all Target Shares issued pursuant to the exercise of an option in respect thereof that was in existence prior to the date of this Agreement after the applicable Option Cut-Off Time.

“Scheme Circular” means the document to be issued by or on behalf of the Target to shareholders of the Target setting out the proposals for the Scheme stating the recommendation of the Scheme Acquisition and the Scheme to the shareholders of Target by the board of directors of the Target and setting out the notice of a general meeting of the Target.

“Scheme Documents” means the Press Release, the Scheme Circular, the Cooperation Agreement and any other document designated as a “Scheme Document” by the Borrower.

“Scheme Effective Date” means the date on which an office copy of the order of the court sanctioning the Scheme is delivered to the Registrar of Companies in accordance with Section 899(4) of the Companies Act.

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Cash Management Agreement” means any Cash Management Agreement between or among any Credit Party and any Cash Management Bank.

“Secured Hedge Agreement” means any Hedge Agreement between or among any Credit Party and any Hedge Bank.

“Secured Obligations” means, collectively, (a) the Obligations and (b) all existing or future payment and other obligations owing by any Credit Party under (i) any Secured Hedge Agreement (other than an Excluded Swap Obligation) and (ii) any Secured Cash Management Agreement.

“Secured Parties” means, collectively, the Administrative Agent, the Lenders, the Hedge Banks, the Cash Management Banks, each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 11.5 and, in each case, their respective successors and permitted assigns.

“Security Documents” means the collective reference to the Collateral Agreement and each other agreement or writing pursuant to which any Credit Party pledges or grants a security interest in any Property or assets securing the Secured Obligations, the payment and/or performance of the Secured Obligations, in each case, as amended, restated, supplemented or otherwise modified from time to time.

“Solvent” and “Solvency” mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Specified Disposition” means any disposition of all or substantially all of the assets or Capital Stock of any Subsidiary of the Borrower or any division, business unit, product line or line of business.

“Specified Transactions” means (a) any Specified Disposition, (b) any Permitted Acquisition and (c) the Transactions.

“Squeeze-Out Procedures” means the compulsory acquisition procedures set out in Chapter 3, Part 28 of the Companies Act 2006.

“Subordinated Indebtedness” means the collective reference to any Indebtedness incurred by the Borrower or any of its Subsidiaries that is subordinated in right and time of payment to the Obligations on terms and conditions satisfactory to the Administrative Agent.

“Subsidiary” means as to any Person, any corporation, partnership, limited liability company or other entity of which more than fifty percent (50%) of the outstanding Capital Stock having ordinary voting power to elect a majority of the board of directors (or equivalent governing body) or other managers of such corporation, partnership, limited liability company or other entity is at the time owned by (directly or indirectly) or the management is otherwise controlled by (directly or indirectly) such Person (irrespective of whether, at the time, Capital Stock of any other class or classes of such corporation, partnership, limited liability company or other entity shall have or might have voting power by reason of the happening of any contingency). Unless otherwise qualified, references to “Subsidiary” or “Subsidiaries” herein shall refer to those of the Borrower.

“Subsidiary Guarantors” means each Person that is a party to the Subsidiary Guaranty Agreement as of the Closing Date and each Person that becomes a party thereto after the Closing Date pursuant to Section 8.14.

“Subsidiary Guaranty Agreement” means each unconditional guaranty agreement executed by a Subsidiary Guarantor in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, substantially in form of Exhibit B, as amended, restated, supplemented or otherwise modified from time to time.

“Swap Obligation” means, with respect to any Subsidiary Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Synthetic Lease” means any synthetic lease, tax retention operating lease, off-balance sheet loan or similar off-balance sheet financing product where such transaction is considered borrowed money indebtedness for tax purposes but is classified as an Operating Lease in accordance with GAAP.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“Takeover Offer” means the offer which is a “takeover offer” within the meaning of Section 974 of the Companies Act 2006 proposed to be made by or on behalf of the Borrower, or any Wholly-Owned Subsidiary of the Borrower, to acquire the Target Shares, substantially on the terms and conditions set out in the Offer Press Announcement (as the same may be amended in any way which is not prohibited by the terms of this Agreement).

“Takeover Offer Acquisition” means the acquisition by the Borrower, or any Wholly-Owned Subsidiary of the Borrower, of the Target Shares to be effected by way of (a) the Takeover Offer or (b) the compulsory acquisition permissible under Part 28, Chapter 3 of the Companies Act 2006 of any Target Shares in respect of which acceptances of the Takeover Offer have not been received from the holders of such Target Shares.

“Takeover Offer Document” means the document to be issued by or on behalf of the Borrower, or any Wholly-Owned Subsidiary of the Borrower, and dispatched to shareholders of the Target in respect of the Takeover Offer containing the terms and conditions of the Takeover Offer.

“Takeover Offer Squeeze-Out Notice” means a notice under Section 979(2) or 979(4) of the Companies Act 2006.

“Target” means Wolfson Microelectronics plc, a company incorporated in Scotland with registered number SC089839.

“Target Acquisition” means the acquisition by the Borrower or any Wholly-Owned Subsidiary of the Borrower of Target Shares whether by way of Scheme Acquisition or, if the Offer Conversion occurs, the Takeover Offer Acquisition.

“Target Group” means the Target and its Subsidiaries.

“Target Shares” means issued or to be issued shares in the capital of the Target.

“Termination Event” means the occurrence of any of the following which, individually or in the aggregate, has resulted or could reasonably be expected to result in liability of the Borrower in an aggregate amount in excess of the Threshold Amount: (a) a “Reportable Event” described in Section 4043 of ERISA with respect to a Pension Plan for which the thirty (30) day notice requirement has not been waived by the PBGC, or (b) the withdrawal of any Credit Party or any ERISA Affiliate from a Pension Plan during a plan year in which it was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062 (e) of ERISA, or (c) the termination of a Pension Plan, the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination, under Section 4041 of ERISA, if the plan assets are not sufficient to pay all plan liabilities, or (d) the institution of proceedings to terminate, or the appointment of a trustee with respect to, any Pension Plan by the PBGC, or (e) any other event or condition which would constitute grounds under Section 4042(a) of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan, or (f) the imposition of a Lien pursuant to Section 430(k) of the Code or Section 303 of ERISA with respect to a Pension Plan, or (g) the determination that any Pension Plan is considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA or a Multiemployer Plan is considered a plan in endangered or critical status within the meaning of Section 305 of ERISA, or (h) the partial or complete withdrawal of any Credit Party or any ERISA Affiliate from a Multiemployer Plan if withdrawal liability is asserted by such plan, or (i) any event or condition which results in the reorganization or insolvency of a Multiemployer Plan under Sections 4241 or 4245 of ERISA, or (j) any event or condition which results in the termination of a Multiemployer Plan under Section 4041A of ERISA or the institution by PBGC of proceedings to terminate a Multiemployer Plan under Section 4042 of ERISA, or (k) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Credit Party or any ERISA Affiliate.

“Threshold Amount” means \$25,000,000.

“Transaction Costs” means all reasonable transaction fees, charges and other amounts related to the Transactions and any Permitted Acquisitions (including, without limitation, (i) any financing, commitment, or upfront fees, merger and acquisition fees, financial and investment advisor fees, legal fees and expenses, due diligence fees or any other fees and expenses in connection therewith and (ii) without duplication, all Acquisition Costs), in each case to the extent paid within twelve (12) months of the Closing Date or such Permitted Acquisition, as applicable. The term “Transaction Costs” shall also include any of the foregoing for a potential acquisition that, had such acquisition been consummated, would have been a Permitted Acquisition; provided, that with respect to any such acquisition not consummated, the amount of Transaction Costs included in the calculation of Consolidated EBITDA shall not exceed \$1,000,000 (other than the Acquisition Costs which may be added back without such limit if not consummated).

“Transactions” means, collectively, the initial Extensions of Credit, if any, and the payment of the Transaction Costs incurred in connection with the foregoing.

“UCC” means the Uniform Commercial Code as in effect in the State of New York, as amended or modified from time to time.

“Unconditional Date” means the date on which the Takeover Offer becomes or is declared unconditional by the Borrower or any Subsidiary of the Borrower in all respects.

“United States” means the United States of America.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning assigned to such term in Section 5.11(f).

“Wells Fargo” means Wells Fargo Bank, National Association, a national banking association, and its successors.

“Wholly-Owned” means, with respect to a Subsidiary, that all of the shares of Capital Stock of such Subsidiary are, directly or indirectly, owned or controlled by the Borrower and/or one or more of its Wholly-Owned Subsidiaries (except for directors’ qualifying shares or other shares required by Applicable Law to be owned by a Person other than the Borrower and/or one or more of its Wholly-Owned Subsidiaries).

“Withholding Agent” means any Credit Party and the Administrative Agent.

SECTION 1.2 Other Definitions and Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document: (a) the definitions of terms herein shall apply equally to the singular and plural forms of the terms defined, (b) whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms, (c) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (d) the word “will” shall be construed to have the same meaning and effect as the word “shall”, (e) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (f) 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, (g) 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, (h) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (i) the term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form, (j) in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including” and (k) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

SECTION 1.3 Accounting Terms. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP, applied on a consistent basis, as in effect from time to time and in a manner consistent with that used in preparing the audited financial statements required by Section 8.1(a), except as otherwise specifically prescribed herein (including, without limitation, as prescribed by Section 12.9). Notwithstanding the foregoing or any reference to GAAP under this Agreement, (a) accounting terms and financial data pertaining to Foreign Subsidiaries may be maintained based on IFRS and (b) for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470-20 on financial liabilities shall be disregarded.

SECTION 1.4 UCC Terms. Terms defined in the UCC in effect on the Closing Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term “UCC” refers, as of any date of determination, to the UCC then in effect.

SECTION 1.5 Rounding. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio or percentage is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

SECTION 1.6 References to Agreement and Laws. Unless otherwise expressly provided herein, (a) references to formation documents, governing documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, extensions, supplements and other modifications are not prohibited by any Loan Document; and (b) references to any Applicable Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Applicable Law.

SECTION 1.7 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Central time (daylight or standard, as applicable).

SECTION 1.8 Reserved.

SECTION 1.9 Guarantees. Unless otherwise specified, the amount of any Guarantee shall be the lesser of the principal amount of the obligations guaranteed and still outstanding and the maximum amount for which the guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee.

SECTION 1.10 Covenant Compliance Generally. For purposes of determining compliance under Sections 9.1, 9.2, 9.3, 9.5 and 9.6, any amount in a currency other than Dollars will be converted to Dollars in a manner and rate consistent with that used in calculating Consolidated Net Income in the most recent annual financial statements of the Borrower and its Subsidiaries delivered pursuant to Section 8.1(a). Notwithstanding the foregoing, for purposes of determining compliance with Sections 9.1, 9.2, 9.3, 9.5, and 9.6 with respect to any amount of Indebtedness, Investment, Asset Disposition or Restricted Payment in a currency other than Dollars, (i) no breach of any basket contained in such sections shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness, Investment, Asset Disposition or Restricted Payment is incurred and (ii) the Dollar equivalent of such amount shall be determined at the time such event occurs and shall not vary as a result of changes in rates of exchange occurring after the time such Indebtedness, Investment, Asset Disposition or Restricted Payment is made or incurred.

SECTION 1.11 Certain Funds Override. Notwithstanding any other provision of the Loan Documents, the provisions of this Agreement and the other Loan Documents are subject to the provisions of Section 6.3 and if there is any conflict between the other provisions of the Loan Documents and the provisions of Section 6.3, the provisions of Section 6.3 will prevail.

ARTICLE II.

THE CREDIT FACILITY

SECTION 2.1 The Loans. Subject to the terms and conditions of this Agreement and the other Loan Documents, and in reliance upon the representations and warranties set forth herein, each Lender severally agrees to make Loans to the Borrower from time to time from the Closing Date through, but not including, the Maturity Date as requested by the Borrower in accordance with the terms of Section 2.3; provided, that (a) the Outstandings shall not exceed the Commitments and (b) the Credit Exposure of any Lender shall not at any time exceed such Lender's Commitment. Each Loan by a Lender shall be in a principal amount equal to such Lender's Commitment Percentage of the aggregate principal amount of Loans requested on such occasion. Subject to the terms and conditions hereof, the Borrower may borrow, repay and reborrow Loans hereunder until the Maturity Date.

SECTION 2.2 Reserved.

SECTION 2.3 Procedure for Advances of Loans.

(a) Requests for Borrowing. The Borrower shall give the Administrative Agent irrevocable prior written notice substantially in the form of Exhibit C (a "Notice of Borrowing") not later than 10:00 a.m. (i) on the same Business Day as each Base Rate Loan and (ii) at least three (3) Business Days before each LIBOR Rate Loan, of its intention to borrow, specifying (A) the date of such borrowing, which shall be a Business Day, (B) the amount of such borrowing, which shall be, (y) with respect to Base Rate Loans in an aggregate principal amount of \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof and (z) with respect to LIBOR Rate Loans in an aggregate principal amount of \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof, (C) whether the Loans are to be LIBOR Rate Loans or Base Rate Loans, and (D) in the case of a LIBOR Rate Loan, the duration of the Interest Period applicable thereto. If the Borrower fails to specify a type of Loan in a Notice of Borrowing, then the applicable Loans shall be made as Base Rate Loans. If the Borrower requests a Borrowing of LIBOR Rate Loans in any such Notice of Borrowing, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. A Notice of Borrowing received after 10:00 a.m. shall be deemed received on the next Business Day. The Administrative Agent shall promptly notify the Lenders of each Notice of Borrowing.

(b) Disbursement of Loans. Not later than 12:00 p.m. on the proposed borrowing date, each Lender will make available to the Administrative Agent, for the account of the Borrower, at the office of the Administrative Agent in funds immediately available to the Administrative Agent, such Lender's Commitment Percentage of the Loans to be made on such borrowing date. The Borrower hereby irrevocably authorizes the Administrative Agent to disburse the proceeds of each borrowing requested pursuant to this Section in immediately available funds by crediting or wiring such proceeds to the deposit account of the Borrower identified in the most recent notice substantially in the form attached as Exhibit D (a "Notice of Account Designation") delivered by the Borrower to the Administrative Agent or as may be otherwise agreed upon by the Borrower and the Administrative Agent from time to time. Subject to Section 5.7 hereof, the Administrative Agent shall not be obligated to disburse the portion of the proceeds of any Loan requested pursuant to this Section to the extent that any Lender has not made available to the Administrative Agent its Commitment Percentage of such Loan (but shall disburse to the Borrower such portions that are made available to the Administrative Agent).

SECTION 2.4 Repayment and Prepayment of Loans.

(a) Repayment on Maturity Date. The Borrower hereby agrees to repay the outstanding principal amount of all Loans in full on the Maturity Date, together with all accrued but unpaid interest thereon.

(b) Mandatory Prepayments. If at any time the Outstandings exceed the Commitments, the Borrower agrees to repay immediately upon notice from the Administrative Agent, by payment to the Administrative Agent for the account of the Lenders, Extensions of Credit in an amount equal to such excess with each such repayment applied, to the principal amount of outstanding Loans (applied first to Base Rate Loans and second to LIBOR Rate Loans).

(c) Optional Prepayments. The Borrower may at any time and from time to time prepay Loans, in whole or in part, with irrevocable prior written notice to the Administrative Agent (subject to the proviso in Section 2.5(a)) substantially in the form attached as Exhibit E (a “Notice of Prepayment”) given not later than 10:00 a.m. (i) on the same Business Day as each Base Rate Loan and (ii) at least three (3) Business Days before each LIBOR Rate Loan, specifying the date and amount of prepayment and whether the prepayment is of LIBOR Rate Loans, Base Rate Loans, or a combination thereof, and, if of a combination thereof, the amount allocable to each. Upon receipt of such notice, the Administrative Agent shall promptly notify each Lender. If any such notice is given, the amount specified in such notice shall be due and payable on the date set forth in such notice. Partial prepayments shall be in an aggregate amount of \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof with respect to Base Rate Loans and \$1,000,000 or a whole multiple of \$1,000,000 in excess thereof with respect to LIBOR Rate Loans. A Notice of Prepayment received after 10:00 a.m. shall be deemed received on the next Business Day. Each such repayment shall be accompanied by any amount required to be paid pursuant to Section 5.9 hereof.

(d) Limitation on Prepayment of LIBOR Rate Loans. The Borrower may not prepay any LIBOR Rate Loan on any day other than on the last day of the Interest Period applicable thereto unless such prepayment is accompanied by any amount required to be paid pursuant to Section 5.9 hereof.

SECTION 2.5 Permanent Reduction of the Commitments.

(a) Voluntary Reduction. The Borrower shall have the right at any time and from time to time, upon at least five (5) Business Days prior written notice to the Administrative Agent, to permanently reduce or terminate, without premium or penalty, (i) all of the Commitments at any time or (ii) portions of the Commitments, from time to time, in an aggregate principal amount not less than \$10,000,000 or any whole multiple of \$1,000,000 in excess thereof. Any reduction of the Commitment shall be applied to the Commitment of each Lender according to its Commitment Percentage. All Commitment Fees accrued until the effective date of any termination of the Commitment shall be paid on the effective date of such termination. Notwithstanding the foregoing, any notice of a termination of the Commitments or prepayment delivered in connection with any refinancing of all of the Credit Facility with the proceeds of such refinancing or of any incurrence of Indebtedness, may be, if expressly so stated to be, contingent upon the consummation of such refinancing or incurrence and may be revoked by the Borrower in the event such refinancing is not consummated.

(b) Corresponding Payment. Each permanent reduction permitted pursuant to this Section shall be accompanied by a payment of principal sufficient to reduce the aggregate outstanding Loans after such reduction to the Commitments as so reduced. Any reduction of the Commitments to zero shall be accompanied by payment of all outstanding Loans and shall result in the termination of the Commitments and the Credit Facility. If the reduction of the Commitments requires the repayment of any LIBOR Rate Loan, such repayment shall be accompanied by any amount required to be paid pursuant to Section 5.9 hereof.

SECTION 2.6 Termination of Credit Facility. The Credit Facility and the Commitments shall terminate on the Maturity Date.

ARTICLE III.

RESERVED

ARTICLE IV.

RESERVED

ARTICLE V.

GENERAL LOAN PROVISIONS

SECTION 5.1 Interest.

(a) Interest Rate Options. Subject to the provisions of this Section, at the election of the Borrower, Loans shall bear interest at (i) the Base Rate plus the Applicable Margin or (ii) the LIBOR Rate plus the Applicable Margin (provided that the LIBOR Rate shall not be available until three (3) Business Days after the Closing Date unless the Borrower has delivered to the Administrative Agent a letter in form and substance reasonably satisfactory to the Administrative Agent indemnifying the Lenders in the manner set forth in Section 5.9 of this Agreement). The Borrower shall select the rate of interest and Interest Period, if any, applicable to any Loan at the time a Notice of Borrowing is given or at the time a Notice of Conversion/Continuation is given pursuant to Section 5.2. Any Loan or any portion thereof as to which the Borrower has not duly specified an interest rate as provided herein shall be deemed a Base Rate Loan.

(b) Interest Periods. In connection with each LIBOR Rate Loan, the Borrower, by giving notice at the times described in Section 2.3 or 5.2, as applicable, shall elect an interest period (each, an “Interest Period”) to be applicable to such Loan, which Interest Period shall be a period of one (1), two (2) or three (3) months; provided that:

(i) the Interest Period shall commence on the date of advance of or conversion to any LIBOR Rate Loan and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the immediately preceding Interest Period expires;

(ii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to a LIBOR Rate Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the immediately preceding Business Day;

(iii) any Interest Period with respect to a LIBOR Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period;

(iv) no Interest Period shall extend beyond the Maturity Date; and

(v) there shall be no more than six (6) Interest Periods in effect at any time.

(c) Default Rate. Subject to Section 10.3, (i) immediately upon the occurrence and during the continuance of an Event of Default under Section 10.1(a), (b), (i) or (j), or (ii) at the election of the Required Lenders, upon the occurrence and during the continuance of any other Event of Default, (A) the Borrower shall no longer have the option to request LIBOR Rate Loans, (B) all outstanding LIBOR Rate Loans shall bear interest at a rate per annum of two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to LIBOR Rate Loans until the end of the applicable Interest Period and thereafter at a rate equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to Base Rate Loans, (C) all outstanding Base Rate Loans and other Obligations arising hereunder or under any other Loan Document shall bear interest at a rate per annum equal to two percent (2%) in excess of the rate (including the Applicable Margin) then applicable to Base Rate Loans or such other Obligations arising hereunder or under any other Loan Document and (D) all accrued and unpaid interest under clauses (B) and (C) above shall be due and payable on demand of the Administrative Agent. Interest shall continue to accrue on the Obligations after the filing by or against the Borrower of any petition seeking any relief in bankruptcy or under any Debtor Relief Law.

(d) Interest Payment and Computation. Interest on each Base Rate Loan shall be due and payable in arrears on the last Business Day of each calendar quarter commencing June 28, 2014; and interest on each LIBOR Rate Loan shall be due and payable on the last day of each Interest Period applicable thereto. All computations of interest for Base Rate Loans when the Base Rate is determined by the Prime Rate shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest provided hereunder shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365/366-day year).

(e) Maximum Rate. In no contingency or event whatsoever shall the aggregate of all amounts deemed interest under this Agreement charged or collected pursuant to the terms of this Agreement exceed the highest rate permissible under any Applicable Law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. In the event that such a court determines that the Lenders have charged or received interest hereunder in excess of the highest applicable rate, the rate in effect hereunder shall automatically be reduced to the maximum rate permitted by Applicable Law and the Lenders shall at the Administrative Agent's option (i) promptly refund to the Borrower any interest received by the Lenders in excess of the maximum lawful rate or (ii) apply such excess to the principal balance of the Obligations on a pro rata basis. It is the intent hereof that the Borrower not pay or contract to pay, and that neither the Administrative Agent nor any Lender receive or contract to receive, directly or indirectly in any manner whatsoever, interest in excess of that which may be paid by the Borrower under Applicable Law.

SECTION 5.2 Notice and Manner of Conversion or Continuation of Loans. Provided that no Default or Event of Default has occurred and is then continuing, the Borrower shall have the option to (a) convert at any time following the third Business Day after the Closing Date all or any portion of any outstanding Base Rate Loans in a principal amount equal to \$1,000,000 or any whole multiple of \$1,000,000 in excess thereof into one or more LIBOR Rate Loans and (b) upon the expiration of any Interest Period, continue such LIBOR Rate Loans as LIBOR Rate Loans. Whenever the Borrower desires to convert or continue Loans as LIBOR Rate Loans, the Borrower shall give the Administrative Agent irrevocable prior written notice in the form attached as Exhibit F (a "Notice of Conversion/Continuation") not later than 10:00 a.m. three (3) Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective specifying (A) the Loans to be converted or continued and the last day of the Interest Period therefor, (B) the effective date of such conversion or continuation (which shall be a Business Day), (C) the principal amount of such Loans to be converted or continued, and (D) the Interest Period to be applicable to such converted or continued LIBOR Rate Loan. The Administrative Agent shall promptly notify the Lenders of such Notice of Conversion/Continuation. If the Borrower does not deliver a Notice of Conversion/Continuation with respect to LIBOR Rate Loans prior to the expiration of the Interest Period applicable thereto, it shall be deemed a request to convert such Loans into Base Rate Loans. If the Borrower requests a conversion to, or a continuation of, LIBOR Rate Loans, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

SECTION 5.3 Fees.

(a) Commitment Fee. Commencing on the Closing Date, subject to Section 5.15(a)(iii)(A), the Borrower shall pay to the Administrative Agent, for the account of the Lenders, a non-refundable commitment fee (the "Commitment Fee") at a rate per annum equal to the Applicable Margin on the average daily unused portion of the Commitment of the Lenders (other than the Defaulting Lenders, if any). The Commitment Fee shall be payable in arrears on the last Business Day of each calendar quarter during the term of this Agreement commencing June 28, 2014 and ending on the date upon which the Commitments have been terminated. The Commitment Fee shall be distributed by the Administrative Agent to the Lenders (other than any Defaulting Lender) pro rata in accordance with such Lenders' respective Commitment Percentages.

(b) Other Fees. The Borrower shall pay to Wells Fargo for its own account fees in the amounts and at the times specified in the Fee Letter.

SECTION 5.4 Manner of Payment.

(a) Sharing of Payments. Each payment by the Borrower on account of the principal of or interest on the Loans or of any fee, commission or other amounts payable to the Lenders under this Agreement shall be made not later than 12:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent at the Administrative Agent's Office for the account of the Lenders entitled to such payment in Dollars, in immediately available funds and shall be made without any set off, counterclaim or deduction whatsoever. Any payment received after such time but before 1:00 p.m. on such day shall be deemed a payment on such date for the purposes of Section 10.1, but for all other purposes shall be deemed to have been made on the next succeeding Business Day. Any payment received after 1:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes. Upon receipt by the Administrative Agent of each such payment, the Administrative Agent shall distribute to each such Lender at its address for notices set forth herein its Commitment Percentage (or other applicable share as provided herein) of such payment and shall wire advice of the amount of such credit to each Lender. Each payment to the Administrative Agent of Administrative Agent's fees or expenses shall be made for the account of the Administrative Agent and any amount payable to any Lender under Sections 5.9, 5.10, 5.11 or 12.3 shall be paid to the Administrative Agent for the account of the applicable Lender. Subject to Section 5.1(b)(ii), if any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing any interest if payable along with such payment.

(b) Defaulting Lenders. Notwithstanding the foregoing clause (a), if there exists a Defaulting Lender each payment by the Borrower to such Defaulting Lender hereunder shall be applied in accordance with Section 5.15(a)(ii).

SECTION 5.5 Evidence of Indebtedness. The Extensions of Credit made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Extensions of Credit made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the Register and corresponding accounts and records of the Administrative Agent in respect of such matters, the Register and the corresponding accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and record thereon the date, amount and maturity of its Loans and payments with respect thereto.

SECTION 5.6 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans or other obligations hereunder resulting in such Lender's receiving payment of a proportion of the aggregate amount of its Loans and accrued interest thereon or other such obligations (other than pursuant to Sections 5.9, 5.10, 5.11 or 12.3) greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, 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 and other amounts owing them; 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 be rescinded and the purchase price restored to the extent of such recovery, without interest, and

(ii) the provisions of this paragraph shall not be construed to apply to (A) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (B) 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 of its Subsidiaries (as to which the provisions of this paragraph shall apply).

Each Credit Party 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 each Credit Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of each Credit Party in the amount of such participation.

SECTION 5.7 Administrative Agent's Clawback.

(a) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender (i) in the case of Base Rate Loans, not later than 12:00 noon on the date of any borrowing and (ii) otherwise prior to the proposed date of any borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.3(b) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable borrowing available to the Administrative Agent, then the applicable 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 date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the daily average Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(b) Payments by the Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders 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 upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(c) Nature of Obligations of Lenders Regarding Extensions of Credit. The obligations of the Lenders under this Agreement to make the Loans are several and are not joint or joint and several. The failure of any Lender to make available its Commitment Percentage of any Loan requested by the Borrower shall not relieve it or any other Lender of its obligation, if any, hereunder to make its Commitment Percentage of such Loan available on the borrowing date, but no Lender shall be responsible for the failure of any other Lender to make its Commitment Percentage of such Loan available on the borrowing date.

SECTION 5.8 Changed Circumstances.

(a) Circumstances Affecting LIBOR Rate Availability. In connection with any request for a LIBOR Rate Loan or a conversion to or continuation thereof, if for any reason (i) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that Dollar deposits are not being offered to banks in the London interbank Eurodollar market for the applicable amount and Interest Period of such Loan, (ii) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that reasonable and adequate means do not exist for the ascertaining the LIBOR Rate for such Interest Period with respect to a proposed LIBOR Rate Loan or (iii) the Required Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that the LIBOR Rate does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans during such Interest Period, then the Administrative Agent shall promptly give notice thereof to the Borrower. Thereafter, until the Administrative Agent notifies the Borrower that such circumstances no longer exist, the obligation of the Lenders to make LIBOR Rate Loans and the right of the Borrower to convert any Loan to or continue any Loan as a LIBOR Rate Loan shall be suspended, and the Borrower shall either (i) repay in full (or cause to be repaid in full) the then outstanding principal amount of each such LIBOR Rate Loan together with accrued interest thereon (subject to Section 5.1(e)), on the last day of the then current Interest Period applicable to such LIBOR Rate Loan; or (ii) convert the then outstanding principal amount of each such LIBOR Rate Loan to a Base Rate Loan as of the last day of such Interest Period.

(b) Laws Affecting LIBOR Rate Availability. If, after the Closing Date, any Change in Law shall make it unlawful or impossible for any of the Lenders (or any of their respective Lending Offices) to honor its obligations hereunder to make or maintain any LIBOR Rate Loan, such Lender shall promptly give notice thereof to the Administrative Agent and the Administrative Agent shall promptly give notice to the Borrower and the other Lenders. Thereafter, until the Administrative Agent notifies the Borrower that such circumstances no longer exist, (i) the obligations of the Lenders to make LIBOR Rate Loans, and the right of the Borrower to convert any Loan to a LIBOR Rate Loan or continue any Loan as a LIBOR Rate Loan shall be suspended and thereafter the Borrower may select only Base Rate Loans and (ii) if any of the Lenders may not lawfully continue to maintain a LIBOR Rate Loan to the end of the then current Interest Period applicable thereto, the applicable Loan shall immediately be converted to a Base Rate Loan for the remainder of such Interest Period.

SECTION 5.9 Indemnity. The Borrower hereby indemnifies each of the Lenders against any loss or expense (including any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain a LIBOR Rate Loan or from fees payable to terminate the deposits from which such funds were obtained but excluding the Applicable Margin or any profit) which may arise or be attributable to each Lender's obtaining, liquidating or employing deposits or other funds acquired to effect, fund or maintain any Loan (a) as a consequence of any failure by the Borrower to make any payment when due of any amount due hereunder in connection with a LIBOR Rate Loan, (b) due to any failure of the Borrower to borrow, continue or convert a LIBOR Rate Loan on a date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation or (c) due to any payment, prepayment or conversion of any LIBOR Rate Loan on a date other than the last day of the Interest Period therefor. The amount of such loss or expense shall be determined, in the applicable Lender's sole discretion, based upon the assumption that such Lender funded its Commitment Percentage of the LIBOR Rate Loans in the London interbank market and using any reasonable attribution or averaging methods which such Lender deems appropriate and practical. A certificate of such Lender setting forth the basis for determining such amount or amounts necessary to compensate such Lender shall be forwarded to the Borrower through the Administrative Agent and shall be conclusively presumed to be correct save for manifest error.

SECTION 5.10 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended by, any Lender (except any reserve requirement reflected in the LIBOR Rate);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or LIBOR Rate Loans made by such Lender or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any LIBOR Rate Loan (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender or such other Recipient hereunder (whether of principal, interest or any other amount) then, upon written request of such Lender or other Recipient, the Borrower shall promptly pay to any such Lender or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any lending office of such Lender or such Lender's holding company, if any, regarding capital or liquidity 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, the Commitment of such Lender 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 upon written request of such Lender the Borrower shall promptly pay to such Lender, as the case may be, such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Borrower, shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs incurred or reductions suffered more than six (6) months prior to the date that such Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's intention to claim compensation therefor (except that if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 5.11 Taxes.

- (a) Defined Terms. For purposes of this Section 5.11, the term “Applicable Law” includes FATCA.
- (b) Payments Free of Taxes. Any and all payments by or on account of any obligation of any Credit Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by Applicable Law. If any Applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Credit Party shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings of Indemnified Taxes applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.
- (c) Payment of Other Taxes by the Credit Parties. The Credit Parties shall timely pay to the relevant Governmental Authority in accordance with Applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.
- (d) Indemnification by the Credit Parties. The Credit Parties shall jointly and severally indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or, without duplication of Section 5.11(b), required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.
- (e) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by any Credit Party to a Governmental Authority pursuant to this Section 5.11, such Credit Party 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.

(f) Status of Lenders. (1) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 5.11(f)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by Applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by Applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Recipient under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Recipient’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) Treatment of Certain Refunds. If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 5.11 (including by the payment of additional amounts pursuant to this Section 5.11), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Indemnification of the Administrative Agent. Each Lender shall severally indemnify the Administrative Agent within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.10(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (h). The agreements in paragraph (h) shall survive the resignation and/or replacement of the Administrative Agent.

(i) Survival. Each party's obligations under this Section 5.11 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

SECTION 5.12 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 5.10, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.11, then such Lender shall, at the request of the Borrower, 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 5.10 or Section 5.11, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 5.10, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 5.11, and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 5.12(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.10), all of its interests, rights (other than its existing rights to payments pursuant to Section 5.10 or 5.11) and obligations under this Agreement and the related Loan Documents to an Eligible 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 paid to the Administrative Agent the assignment fee (if any) specified in Section 12.10;

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 5.9) 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 5.10 or payments required to be made pursuant to Section 5.11, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with Applicable Law; and

(v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

SECTION 5.13 Reserved.

SECTION 5.14 Reserved.

SECTION 5.15 Defaulting Lenders.

(a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by Applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and in the last sentence of Section 12.2.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article X or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 12.4 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; third, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (1) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made at a time when the conditions set forth in Section 6.2 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments without giving effect to Section 5.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 5.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. No Defaulting Lender shall be entitled to receive any Commitment Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, such Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitment, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

ARTICLE VI.

CONDITIONS OF CLOSING AND BORROWING

SECTION 6.1 Conditions to Closing of Credit Agreement. The closing of this Agreement is subject to the satisfaction of each of the following conditions (or waiver in accordance with Section 12.2 and except for any condition included on Schedule 8.17):

(a) Executed Loan Documents. This Agreement, a Note in favor of each Lender requesting a Note, the Security Documents and the Subsidiary Guaranty Agreement together with any other applicable Loan Documents, shall have been duly authorized, executed and delivered to the Administrative Agent by the parties thereto, shall be in full force and effect and no Default or Event of Default shall exist hereunder or thereunder.

(b) Closing Certificates; Etc. The Administrative Agent shall have received each of the following in form and substance reasonably satisfactory to the Administrative Agent:

(i) Officer's Certificate. A certificate from a Responsible Officer of the Borrower to the effect that (A) all representations and warranties of the Credit Parties contained in this Agreement and the other Loan Documents are true, correct and complete in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true, correct and complete in all respects); (B) after giving effect to the initial closing of this Agreement, no Default or Event of Default has occurred and is continuing; (C) since March 30, 2013, no event has occurred or condition arisen, either individually or in the aggregate, that could reasonably be expected to have a Material Adverse Effect; and (D) each of the Credit Parties, as applicable, has satisfied each of the conditions set forth in Section 6.1, to the extent such conditions are not subject to the discretion or approval of the Administrative Agent or any Lender.

(ii) Certificate of Secretary of each Credit Party. A certificate of a Responsible Officer of each Credit Party certifying as to the incumbency and genuineness of the signature of each officer of such Credit Party executing Loan Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (A) the articles or certificate of incorporation or formation of such Credit Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation or formation, (B) the bylaws or other governing document of such Credit Party as in effect on the Closing Date, (C) resolutions duly adopted by the board of directors (or other governing body) of such Credit Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party, and (D) each certificate required to be delivered pursuant to Section 6.1(b)(iii).

(iii) Certificates of Good Standing. Certificates as of a recent date of the good standing of each Credit Party under the laws of its jurisdiction of organization and, as to the Borrower, certificates of foreign qualification from the States of Arizona and Texas and, to the extent available, a certificate of the relevant taxing authorities of such jurisdictions certifying that such Credit Party has filed required tax returns and owes no delinquent taxes.

(iv) Opinions of Counsel. Favorable opinions of Vinson & Elkins LLP, U.S. counsel to the Credit Parties, addressed to the Administrative Agent and the Lenders with respect to the Credit Parties, the Loan Documents and such other matters as the Lenders shall request (which such opinions shall expressly permit reliance by permitted successors and assigns of the addressees thereof).

(c) Personal Property Collateral.

(i) Filings and Recordings. The Administrative Agent shall have received all documents necessary for filing and recording to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral and the Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent that upon such filings and recordings such security interests constitute valid and perfected first priority Liens thereon (subject to Permitted Liens).

(ii) Lien Search. The Administrative Agent shall have received the results of a Lien search (including a search as to judgments, pending litigation, bankruptcy and tax matters), in form and substance reasonably satisfactory thereto, made against the Credit Parties under the Uniform Commercial Code (or applicable judicial docket) as in effect in each jurisdiction in which filings or recordings under the Uniform Commercial Code should be made to evidence or perfect security interests in all assets of such Credit Party, indicating among other things that the assets of each such Credit Party are free and clear of any Lien (except for Permitted Liens).

(iii) Property and Liability Insurance. The Administrative Agent shall have received, in each case in form and substance reasonably satisfactory to the Administrative Agent, evidence of property, business interruption and liability insurance covering each Credit Party (with appropriate endorsements naming the Administrative Agent as lender's loss payee (and mortgagee, as applicable) on all policies for property hazard insurance and as additional insured on all policies for liability insurance), and if requested by the Administrative Agent, copies of such insurance policies.

(d) Consents; Defaults. A certificate of a Responsible Officer of the Borrower confirming on behalf of the Borrower that:

(i) Governmental and Third Party Approvals. The Credit Parties have received all material governmental, shareholder and third party consents and approvals necessary in connection with the transactions contemplated by this Agreement and the other Loan Documents (other than any of the same required in connection with the Target Acquisition).

(ii) No Injunction, Etc. No action, proceeding, suit or investigation has been instituted or threatened before any Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

(e) Financial Matters.

(i) Financial Statements. The Administrative Agent shall have received (A) the audited Consolidated balance sheets of the Borrower and its Subsidiaries and the related audited statements of income and retained earnings and cash flows for the three Fiscal Years most recently ended prior to the Closing Date for which such financial statements are available and (B) the unaudited Consolidated balance sheet of the Borrower and its Subsidiaries and related unaudited interim statements of income and retained earnings for each quarterly period ended since the last audited financial statements for which financial statements are available.

(ii) Financial Projections. The Administrative Agent shall have received quarterly projections prepared by management of the Borrower of balance sheets, income statements and cash flow statements of the Borrower and its Subsidiaries for the year following the Closing Date, which shall not be inconsistent with any financial information or projections previously delivered to the Administrative Agent and, for the avoidance of doubt, excluding the Target and its Subsidiaries.

(iii) Financial Condition/Solvency Certificate. The Borrower shall have delivered to the Administrative Agent a certificate, in form and substance satisfactory to the Administrative Agent, and certified as accurate by the chief financial officer of the Borrower, that (A) after giving effect to the initial closing of this Agreement, the Borrower and the Borrower and its Subsidiaries taken as a whole are Solvent, (B) attached thereto are calculations evidencing compliance on a Pro Forma Basis after giving effect to the initial closing of this Agreement with the covenants contained in Section 9.15 and (C) the financial projections previously delivered to the Administrative Agent represent the good faith estimates (utilizing reasonable assumptions) of the financial condition and operations of the Borrower and its Subsidiaries, it being understood that (1) actual results may vary materially from the projections, (2) the projections relate to future events and are not to be viewed as facts, (3) the projections are subject to significant uncertainties, many of which are beyond the control of the Borrower, (4) no assurance can be given that the projections will be realized and (5) the projections do not relate to the Target or its Subsidiaries.

(iv) Payment at Closing. The Borrower shall have paid (A) to the Administrative Agent and the Lenders the fees set forth or referenced in Section 5.3 and any other accrued and unpaid fees or commissions due hereunder and (B) all reasonable fees, charges and disbursements of one primary outside counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent accrued and unpaid and invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

(f) Acquisition. The Administrative Agent shall have received a copy of:

(i) the Cooperation Agreement; and

(ii) a copy of the Press Release.

(g) Maximum Offer Price for Target Shares. The Borrower and the Administrative Agent shall have agreed in writing to the maximum offer price for the Target Shares.

(h) Miscellaneous.

(i) Notice of Borrowing. If Extensions of Credit are to occur on the Closing Date, the Administrative Agent shall have received a Notice of Borrowing from the Borrower in accordance with Section 2.3(a), and a Notice of Account Designation specifying the account or accounts to which the proceeds of any Loans made on or after the Closing Date are to be disbursed.

(ii) PATRIOT Act. The Borrower and each of the Subsidiary Guarantors shall have provided to the Administrative Agent and the Lenders, at least five Business Days prior to the Closing Date, the documentation and other information requested by the Administrative Agent in order to comply with requirements of the PATRIOT Act.

Without limiting the generality of the provisions of the last paragraph of Section 11.3, for purposes of determining compliance with the conditions specified in this Section 6.1, the Administrative Agent and each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

The Administrative Agent shall notify the Borrower and the Lenders promptly upon being satisfied that the conditions set out in this Section 6.1 have been satisfied or waived, and such notice shall be conclusive and binding.

SECTION 6.2 Certain Funds Utilizations. The obligations of the Lenders to make Loans constituting Certain Funds Utilizations under this Agreement shall be subject to the satisfaction of following additional conditions precedent (or waiver thereof in accordance with Section 12.2):

- (a) If the Offer Conversion has not occurred, prior to or on the Initial Funding Date, the Administrative Agent shall have received:
 - (i) a certificate of a Responsible Officer certifying on behalf of the Borrower:
 - (A) the Announcement Date;
 - (B) the date on which the Scheme Circular was posted, distributed or sent to, or otherwise made available to, the shareholders of the Target;
 - (C) the date that the relevant court has sanctioned the Scheme and the Capital Reduction relating to the Scheme and that an office copy of the relevant order of the court has been duly delivered to the Registrar of Companies in accordance with Section 899(4) of the Companies Act 2006 and a certificate of registration from the Registrar of Companies under section 649(5) of the Companies Act 2006 has been issued in relation to the Capital Reduction relating to the Scheme;
 - (D) that the conditions applicable to the Target Acquisition have been satisfied or waived in accordance with their terms and the terms of this Agreement or as otherwise agreed by the Initial Lender; and
 - (E) each copy document specified in paragraphs (ii) and (iii) below is correct, complete and in full force and effect;
 - (ii) a copy of each of the Scheme Documents;
 - (iii) a copy of the certificate of the Register of Companies confirming registration of the order of the court sanctioning the Scheme and a copy of that order of the court;

(iv) a copy of the certificate of registration from the Registrar of Companies under section 649(5) of the Companies Act 2006 and a copy of the order of the court and minute which is the subject of the certificate; and

(v) evidence that the shareholders' resolutions referred to in the Scheme Circular have been duly passed.

(b) If the Offer Conversion has occurred, prior to or on the Initial Funding Date, the Administrative Agent shall have received:

(i) a certificate of a Responsible Officer certifying on behalf of the Borrower:

(A) the Announcement Date;

(B) the date on which the Takeover Offer Document was posted, distributed or sent to, or otherwise made available to the shareholders of the Target;

(C) that the conditions applicable to the Target Acquisition have been satisfied or waived in accordance with their terms and the terms of this Agreement or as otherwise agreed by the Initial Lender; and

(D) each copy document specified in paragraph (ii) below is correct, complete and in full force and effect; and

(ii) a copy of each of the Offer Documents.

SECTION 6.3 Certain Funds .

(a) Subject to paragraph (b) below, during the Certain Funds Period, none of the Lenders nor the Administrative Agent shall be entitled to:

(i) cancel any of its Commitments to the extent to do so would prevent or limit the making of any Certain Funds Utilization;

(ii) rescind, terminate or cancel this Agreement or the Commitments or exercise any similar right or remedy or make or enforce any claim under the Loan Documents it may have to the extent to do so would prevent or limit the making of any Certain Funds Utilization;

(iii) refuse to participate in or prevent or limit the making of any Certain Funds Utilization if the conditions set forth in Sections 6.1 and 6.2 have been satisfied (or waived in accordance with Section 12.2);

(iv) exercise any right of set-off, counterclaim or rescission which it may have in respect of an Extension of Credit to the extent to do so would prevent or limit the making of any Certain Funds Utilization; or

- (v) cancel, accelerate or cause repayment or prepayment of any amounts owing hereunder or under any other Loan Document;

provided that immediately upon the expiry of the Certain Funds Period all such rights, remedies and entitlements shall be available to the Lenders and the Administrative Agent to the extent that they have arisen notwithstanding that they may not have been used or been available for use during the Certain Funds Period (subject to the cure provisions in Section 10.1(n)).

- (b) Paragraph (a) above does not apply if:
 - (i) a Major Default is continuing or would result from the proposed Extension of Credit; or
 - (ii) a Major Representation is not true in any material respect when made or deemed made; or
 - (iii) it is unlawful for the Lender to perform its obligations in relation to the Extension of Credit in question.

SECTION 6.4 Conditions to All Other Extensions of Credit. Following the Certain Funds Period, the obligations of the Lenders to make any Extensions of Credit, convert or continue any Loan (in each case, other than Certain Funds Utilizations) are subject to the satisfaction of the following conditions precedent on the relevant borrowing, continuation, or conversion:

(a) Continuation of Representations and Warranties. The representations and warranties contained in Article VII shall be true and correct in all material respects, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects on and as of such borrowing, continuation or conversion with the same effect as if made on and as of such date (except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which such representation and warranty shall be true and correct in all respects as of such earlier date).

(b) No Existing Default. No Default or Event of Default shall have occurred and be continuing on the borrowing, continuation or conversion date with respect to such Loan or after giving effect to the Loans to be made, continued or converted on such date.

(c) Notices. The Administrative Agent shall have received a Notice of Borrowing or Notice of Conversion/Continuation, as applicable, from the Borrower in accordance with Section 2.3(a) or Section 5.2, as applicable.

ARTICLE VII.

REPRESENTATIONS AND WARRANTIES OF THE CREDIT PARTIES

To induce the Administrative Agent and Lenders to enter into this Agreement and to induce the Lenders to make Extensions of Credit, the Credit Parties hereby represent and warrant to the Administrative Agent and the Lenders both before and after giving effect to the transactions contemplated hereunder, which representations and warranties shall be deemed made on the Closing Date and as otherwise set forth in Section 6.4, that:

SECTION 7.1 Organization; Power; Qualification. Each Credit Party and each Subsidiary thereof (a) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation (to the extent such jurisdiction provides for the designation of entities organized or incorporated thereunder as existing in good standing), (b) has the power and authority to own its Properties and to carry on its business as now being and hereafter proposed to be conducted and (c) is duly qualified and authorized to do business in each jurisdiction in which the character of its Properties or the nature of its business requires such qualification and authorization except in jurisdictions where the failure to be so qualified or in good standing could not reasonably be expected to result in a Material Adverse Effect. The jurisdictions in which each Credit Party and each Subsidiary thereof are organized and qualified to do business as of the Closing Date are described on Schedule 7.1.

SECTION 7.2 Ownership. Each Subsidiary of the Borrower as of the Closing Date is listed on Schedule 7.2. As of the Closing Date, the capitalization of each Subsidiary of the Borrower consists of the number of shares, issued and outstanding, of such classes and series, with or without par value, described on Schedule 7.2. All such outstanding shares have been duly authorized and validly issued and are fully paid and nonassessable (to the extent such concepts are applicable to such entity) and, as of the Closing Date, are not subject to any preemptive or similar rights, except as described in Schedule 7.2. The shareholders or other owners, as applicable, of each Subsidiary of the Borrower and the number of shares owned by each as of the Closing Date are described on Schedule 7.2. As of the Closing Date, there are no outstanding stock purchase warrants, subscriptions, options, securities, instruments or other rights of any type or nature whatsoever, which are convertible into, exchangeable for or otherwise provide for or require the issuance of Capital Stock of any Subsidiary of the Borrower, except as described on Schedule 7.2.

SECTION 7.3 Authorization Enforceability. Each Credit Party has the right, power and authority and has taken all necessary corporate and other action to authorize the execution, delivery and performance of this Agreement and each of the other Loan Documents to which it is a party in accordance with their respective terms. This Agreement and each of the other Loan Documents have been duly executed and delivered by the duly authorized officers of each Credit Party that is a party thereto, and each such document constitutes the legal, valid and binding obligation of each Credit Party that is a party thereto, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal debtor relief laws from time to time in effect which affect the enforcement of creditors' rights in general and the availability of equitable remedies.

SECTION 7.4 Compliance of Agreement, Loan Documents and Borrowing with Laws, Etc.

The execution, delivery and performance by each Credit Party of the Loan Documents to which each such Person is a party, in accordance with their respective terms, the Extensions of Credit hereunder and the transactions contemplated hereby do not and will not, by the passage of time, the giving of notice or otherwise, (a) require any Governmental Approval or violate any Applicable Law relating to any Credit Party where the failure to obtain such Governmental Approval or such violation could reasonably be expected to have a Material Adverse Effect, (b) conflict with, result in a breach of or constitute a default under the articles of incorporation, bylaws or other organizational documents of any Credit Party, (c) conflict with, result in a breach of or constitute a default under any indenture, agreement or other instrument to which such Person is a party or by which any of its properties may be bound or any Governmental Approval relating to such Person, which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (d) result in or require the creation or imposition of any Lien upon or with respect to any property now owned or hereafter acquired by such Person other than Permitted Liens or (e) require any consent or authorization of, filing with, or other act in respect of, an arbitrator or Governmental Authority and no consent of any other Person is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement, other than (i) consents, authorizations, filings or other acts or consents previously obtained or for which the failure to obtain or make could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect and (ii) consents or filings under the UCC or other security filings. For the avoidance of doubt, this Section 7.4 shall not apply to the Target Acquisition.

SECTION 7.5 Compliance with Law; Governmental Approvals. Each Credit Party and each Subsidiary thereof (a) has all Governmental Approvals required by any Applicable Law for it to conduct its business, each of which is in full force and effect, is final and not subject to review on appeal and is not the subject of any pending or, to its knowledge, threatened attack by direct or collateral proceeding, (b) is in compliance with each Governmental Approval applicable to it and in compliance with all other Applicable Laws relating to it or any of its respective properties and (c) has timely filed all material reports, documents and other materials required to be filed by it under all Applicable Laws with any Governmental Authority and has retained all material records and documents required to be retained by it under Applicable Law, except in each case for clauses (a), (b) or (c) where the failure to have, comply or file could not reasonably be expected to have a Material Adverse Effect.

SECTION 7.6 Tax Returns and Payments. Each Credit Party and each Subsidiary thereof has prepared in an accurate and complete manner and duly filed or caused to be filed all federal, state, local and other tax returns required by Applicable Law to be filed (or obtained extensions therefor), and has paid, or made adequate provision for the payment of, all federal, state, local and other taxes, assessments and governmental charges or levies upon it and its property, income, profits and assets which are due and payable except, in each case, (a) Taxes that are being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the relevant Credit Party or Subsidiary or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect. There is no ongoing audit or examination or, to the knowledge of the Borrower, other investigation by any Governmental Authority of the tax liability of any Credit Party or any Subsidiary thereof that could reasonably be expected to result in a Material Adverse Effect. No Governmental Authority has asserted any Lien or other material claim against any Credit Party or any Subsidiary thereof with respect to unpaid taxes which has not been discharged or resolved (other than (a) any amount the validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided for on the books of the relevant Credit Party or Subsidiary and (b) Permitted Liens).

SECTION 7.7 Intellectual Property Matters. Each Credit Party and each Subsidiary thereof owns or possesses rights to use all material franchises, licenses, copyrights, copyright applications, patents, patent rights or licenses, patent applications, trademarks, trademark rights, service mark, service mark rights, trade names, trade name rights, copyrights and other rights with respect to the foregoing which are reasonably necessary to conduct its business. No event has occurred which permits, or after notice or lapse of time or both would permit, the revocation or termination of any such rights, and no Credit Party nor any Subsidiary thereof is liable to any Person for infringement under Applicable Law with respect to any such rights as a result of its business operations, except, in each case, as could not reasonably be expected to have a Material Adverse Effect.

SECTION 7.8 Environmental Matters. Except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect:

(a) The properties owned, leased or operated by each Credit Party and each Subsidiary thereof now or in the past do not contain, and to their knowledge have not previously contained, any Hazardous Materials in amounts or concentrations which constitute or constituted a violation of applicable Environmental Laws;

(b) To the knowledge of the Borrower and its Subsidiaries, each Credit Party and each Subsidiary thereof and such properties and all operations conducted in connection therewith are in compliance, and have been in compliance, with all applicable Environmental Laws, and there is no contamination at, under or about such properties or such operations which could interfere with the continued operation of such properties;

(c) No Credit Party nor any Subsidiary thereof has received any written notice of violation, alleged violation, non-compliance, liability or potential liability regarding environmental matters, Hazardous Materials, or compliance with Environmental Laws, nor does any Credit Party or any Subsidiary thereof have knowledge or reason to believe that any such notice will be received or is being threatened;

(d) To the knowledge of the Borrower and its Subsidiaries, Hazardous Materials have not been transported or disposed of to or from the properties owned, leased or operated by any Credit Party or any Subsidiary thereof in violation of, or in a manner or to a location which could give rise to liability under, Environmental Laws, nor have any Hazardous Materials been generated, treated, stored or disposed of at, on or under any of such properties in violation of, or in a manner that could give rise to liability under, any applicable Environmental Laws;

(e) No judicial proceedings or governmental or administrative action is pending, or, to the knowledge of the Borrower, threatened, under any Environmental Law to which any Credit Party or any Subsidiary thereof is or will be named as a potentially responsible party with respect to such properties or operations conducted in connection therewith, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to any Credit Party, any Subsidiary thereof or such properties or such operations; and

(f) There has been no release, or to the best of the Borrower's knowledge, threat of release, of Hazardous Materials at or from properties owned, leased or operated by any Credit Party or any Subsidiary, now or in the past, in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws.

SECTION 7.9 Employee Benefit Matters.

(a) As of the Closing Date, no Credit Party nor any ERISA Affiliate maintains or contributes to, or has any obligation under, any Pension Plan or Multiemployer Plan other than those identified on Schedule 7.9;

(b) Each Credit Party and each ERISA Affiliate is in compliance with all applicable provisions of ERISA, the Code and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans except for any required amendments for which the remedial amendment period as defined in Section 401(b) of the Code has not yet expired and except where a failure to so comply could not reasonably be expected to have a Material Adverse Effect. No liability has been incurred by any Credit Party or any ERISA Affiliate which remains unsatisfied for any taxes or penalties assessed with respect to any Employee Benefit Plan or any Multiemployer Plan except for a liability that could not reasonably be expected to have a Material Adverse Effect;

(c) As of the Closing Date, no Pension Plan has been terminated, nor has any Pension Plan become subject to funding based benefit restrictions under Section 436 of the Code, nor has any funding waiver from the IRS been received or requested with respect to any Pension Plan, nor has any Credit Party or any ERISA Affiliate failed to make any material contributions or to pay any material amounts due and owing as required by Sections 412 or 430 of the Code, Section 302 of ERISA or the terms of any Pension Plan prior to the due dates of such contributions under Sections 412 or 430 of the Code or Section 302 of ERISA, nor has there been any event requiring any disclosure under Section 4041(c)(3)(C) or 4063(a) of ERISA with respect to any Pension Plan;

(d) Except where the failure of any of the following representations to be correct could not reasonably be expected to have a Material Adverse Effect, no Credit Party nor any ERISA Affiliate has: (i) engaged in a nonexempt prohibited transaction described in Section 406 of the ERISA or Section 4975 of the Code, (ii) incurred any liability to the PBGC which remains outstanding other than the payment of premiums and there are no premium payments which are due and unpaid, (iii) failed to make a required contribution or payment to a Multiemployer Plan, or (iv) failed to make a required installment or other required payment under Sections 412 or 430 of the Code;

(e) No Termination Event has occurred or is reasonably expected to occur; and

(f) Except where the failure of any of the following representations to be correct in all material respects could not reasonably be expected to have a Material Adverse Effect, no proceeding, claim (other than a benefits claim in the ordinary course of business), lawsuit and/or investigation is existing or, to the knowledge of the Borrower, threatened concerning or involving (i) any employee welfare benefit plan (as defined in Section 3(1) of ERISA) currently maintained or contributed to by any Credit Party or any ERISA Affiliate, (ii) any Pension Plan or (iii) any Multiemployer Plan.

SECTION 7.10 Margin Stock. No Credit Party nor any Subsidiary thereof is engaged principally or as one of its important activities in the business of extending credit for the purpose of “purchasing” or “carrying” any “margin stock” (as each such term is defined or used, directly or indirectly, in Regulation U of the Board of Governors of the Federal Reserve System). No part of the proceeds of any of the Loans will be used for purchasing or carrying margin stock in violation of the provisions of Regulation U or X of such Board of Governors. Following the application of the proceeds of each Extension of Credit, not more than twenty-five percent (25%) of the value of the assets (either of the Borrower only or of the Borrower and its Subsidiaries on a Consolidated basis) will be “margin stock”. If applicable, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form G-3 or FR Form U 1 referred to in Regulation U.

SECTION 7.11 Government Regulation. No Credit Party nor any Subsidiary thereof is an “investment company” or a company “controlled” by an “investment company” (as each such term is defined or used in the Investment Company Act of 1940, as amended) and no Credit Party nor any Subsidiary thereof is, or after giving effect to any Extension of Credit will be, subject to regulation under the Interstate Commerce Act, as amended, or any other Applicable Law which limits its ability to incur the indebtedness contemplated hereby.

SECTION 7.12 Reserved.

SECTION 7.13 Employee Relations. As of the Closing Date, no Credit Party or any Subsidiary thereof is party to any collective bargaining agreement or has any labor union been recognized as the representative of its employees except as set forth on Schedule 7.13. The Borrower knows of no pending, threatened or contemplated strikes, work stoppage or other collective labor disputes involving its employees or those of its Subsidiaries that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

SECTION 7.14 Burdensome Provisions. No Subsidiary is party to any agreement or instrument or otherwise subject to any restriction or encumbrance that restricts or limits its ability to make dividend payments or other distributions in respect of its Capital Stock to the Borrower or any Subsidiary or to transfer any of its assets or properties to the Borrower or any other Subsidiary in each case other than existing under or by reason of the Loan Documents, Applicable Law or as permitted under Section 9.10 (b).

SECTION 7.15 Financial Statements. The audited and unaudited financial statements delivered pursuant to Section 6.1(e)(i) fairly present on a Consolidated basis the assets, liabilities and financial condition of the Borrower and its Subsidiaries as at such dates, and the results of the operations and changes of financial condition for the periods then ended (other than customary year-end adjustments for unaudited financial statements). All such financial statements, including the related schedules and notes thereto, have been prepared in accordance with GAAP. Such financial statements show all material indebtedness and other material liabilities, direct or contingent, of the Borrower and its Subsidiaries as of the date thereof, including material liabilities for taxes, material commitments, and Indebtedness, in each case, to the extent required to be disclosed under GAAP. The projections delivered pursuant to Section 6.1(e)(ii) were prepared in good faith on the basis of the assumptions believed to be reasonable at the time delivered and in light of then existing conditions, it being understood that (1) actual results may vary materially from the projections, (2) the projections relate to future events and are not to be viewed as facts, (3) the projections are subject to significant uncertainties, many of which are beyond the control of the Borrower, (4) no assurance can be given that the projections will be realized, and (5) the projections do not relate to the Target or its Subsidiaries.

SECTION 7.16 No Material Adverse Change. Since March 30, 2013, no event has occurred or condition arisen, either individually or in the aggregate, that could reasonably be expected to have a Material Adverse Effect and there are no other matters known to the Credit Parties that could reasonably be expected to result in a Material Adverse Effect.

SECTION 7.17 Solvency. The Borrower and its Subsidiaries, on a Consolidated basis, are Solvent.

SECTION 7.18 Titles to Properties. As of the Closing Date, the real property listed on Schedule 7.18 constitutes all of the real property that is owned, leased, subleased or used by any Credit Party or any of its Subsidiaries. Each Credit Party and each Subsidiary thereof has such title to the real property owned or leased by it and valid and legal title to all of its personal property and assets, in each case, as is necessary or desirable to the conduct of its business, except those which have been disposed of by the Credit Parties and their Subsidiaries subsequent to such date which dispositions have been in the ordinary course of business or as otherwise expressly permitted hereunder.

SECTION 7.19 Litigation. There are no actions, suits or proceedings pending nor, to the knowledge of the Borrower, threatened against or in any other way relating adversely to or affecting any Credit Party or any Subsidiary thereof or any of their respective properties in any court or before any arbitrator of any kind or before or by any Governmental Authority that could reasonably be expected to have a Material Adverse Effect.

SECTION 7.20 Anti-Terrorism, Anti-Money Laundering. No Credit Party nor any of its Subsidiaries (i) is an “enemy” or an “ally of the enemy” within the meaning of Section 2 of the Trading with the Enemy Act of the United States (50 U.S.C. App. §§ 1 et seq.), as amended, (ii) is in violation of (A) the Trading with the Enemy Act, as amended, (B) any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto or (C) the PATRIOT Act (collectively, the “Anti-Terrorism Laws”), or (iii) is a Sanctioned Person. No part of the proceeds of any Extension of Credit hereunder will be unlawfully used directly or indirectly to fund any operations in, finance any investments or activities in or make any payments to, a Sanctioned Person or a Sanctioned Country, or in any other manner that will result in any violation by any Person (including any Lender or the Administrative Agent) of any Anti-Terrorism Laws.

SECTION 7.21 Absence of Defaults. No event has occurred or is continuing (a) which constitutes a Default or an Event of Default, or (b) which constitutes, or which with the passage of time or giving of notice or both would constitute, a default or event of default by any Credit Party or any Subsidiary thereof under any judgment, decree or order to which any Credit Party or any Subsidiary thereof is a party or by which any Credit Party or any Subsidiary thereof or any of their respective properties may be bound that, in any case under this clause (b), could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

SECTION 7.22 Reserved.

SECTION 7.23 Disclosure. No financial statement, material report, material certificate or other material information furnished by or on behalf of any Credit Party or any Subsidiary thereof to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished), taken together as a whole, contains any untrue statement of a material 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, (a) with respect to projected financial information, pro forma financial information, estimated financial information and other projected or estimated information, such information was prepared in good faith based upon assumptions believed to be reasonable at the time delivered and in light of then existing conditions, it being understood that (i) such information shall be subject to normal year end closing and audit adjustments, (ii) actual results may vary materially from the projections, (iii) the projections relate to future events and are not to be viewed as facts, (iv) the projections are subject to significant uncertainties, many of which are beyond the control of the Borrower, (v) no assurance can be given that the projections will be realized and (vi) the projections do not include the Target and its Subsidiaries and (b) with respect to financial statements, reports, certificates and other information pertaining to the Target and its Subsidiaries, such representation is to Borrower's knowledge.

SECTION 7.24 Material Domestic Subsidiaries. As of the Closing Date, there are no Material Domestic Subsidiaries.

SECTION 7.25 Scheme Documents. The Scheme Documents, taken as a whole, contain (or once published, will contain) all the material terms of the Scheme Acquisition, in each case as at the date they are published.

SECTION 7.26 Offer Documents. If the Offer Conversion has occurred, the Offer Documents, taken as a whole, contain (or once published, will contain) all the material terms of the Takeover Offer Acquisition, in each case as at the date they are published.

SECTION 7.27 Press Release. The Press Release or, if the Offer Conversion has occurred, the Offer Press Announcement, contains (or once published, will contain) all the material terms of the Scheme (or the Offer Acquisition, as the case may be), in each case as at the date they are published.

ARTICLE VIII.

AFFIRMATIVE COVENANTS

Until all of the Obligations (other than contingent indemnification obligations not then due) have been paid and satisfied in full in cash) and the Commitments terminated, each Credit Party will, and will cause each of its Subsidiaries to:

SECTION 8.1 Financial Statements. Deliver to the Administrative Agent, in form and detail reasonably satisfactory to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) Annual Financial Statements. As soon as practicable and in any event within seventy-five (75) days (or, if earlier, on the date of any required public filing thereof) after the end of each Fiscal Year (commencing with the Fiscal Year ended March 29, 2014), an audited Consolidated balance sheet of the Borrower and its Subsidiaries as of the close of such Fiscal Year and audited Consolidated statements of income, retained earnings and cash flows including the notes thereto, all in reasonable detail setting forth in comparative form the corresponding figures as of the end of and for the preceding Fiscal Year and prepared in accordance with GAAP and, if applicable, containing disclosure of the effect on the financial position or results of operations of any change in the application of accounting principles and practices during the year. Such annual financial statements shall be audited by Ernst & Young or another independent certified public accounting firm of recognized national standing acceptable to the Administrative Agent, and accompanied by a report and opinion thereon by such certified public accountants prepared in accordance with generally accepted auditing standards that is not subject to any "going concern" or similar qualification or exception (other than with respect to the current maturity of the Obligations) or any qualification as to the scope of such audit or with respect to accounting principles followed by the Borrower not in accordance with GAAP (other than with respect to financial statements of Foreign Subsidiaries being prepared in accordance with IFRS).

(b) Quarterly Financial Statements. As soon as practicable and in any event within forty (40) days (or, if earlier, on the date of any required public filing thereof) after the end of the first three fiscal quarters of each Fiscal Year (commencing with the fiscal quarter ended June 28, 2014), an unaudited Consolidated balance sheet of the Borrower and its Subsidiaries as of the close of such fiscal quarter and unaudited Consolidated statements of income, retained earnings and cash flows for the fiscal quarter then ended and that portion of the Fiscal Year then ended, including the notes thereto, all in reasonable detail setting forth in comparative form the corresponding figures as of the end of and for the corresponding period in the preceding Fiscal Year and prepared by the Borrower in accordance with GAAP (provided, that information with respect to Foreign Subsidiaries may be prepared in accordance with IFRS) and, if applicable, containing disclosure of the effect on the financial position or results of operations of any change in the application of accounting principles and practices during the period, and certified by the chief financial officer of the Borrower to present fairly in all material respects the financial condition of the Borrower and its Subsidiaries on a Consolidated basis as of their respective dates and the results of operations of the Borrower and its Subsidiaries for the respective periods then ended, subject to normal year-end adjustments and the absence of footnotes.

SECTION 8.2 Certificates; Other Reports. Deliver to the Administrative Agent (which shall promptly make such information available to the Lenders in accordance with its customary practice):

(a) at each time financial statements are delivered pursuant to Sections 8.1(a) or (b), a duly completed Officer's Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller of the Borrower;

(b) promptly upon receipt thereof, copies of all reports, if any, submitted to any Credit Party thereof or any of their respective boards of directors by their respective independent public accountants in connection with their auditing function, including, without limitation, any management report and any management responses thereto;

(c) promptly after the furnishing thereof, copies of any statement or report furnished to any holder of Indebtedness of any Credit Party or any Subsidiary thereof in excess of the Threshold Amount pursuant to the terms of any indenture, loan or credit or similar agreement;

(d) promptly after the assertion or occurrence thereof, notice of any action or proceeding against or of any noncompliance by any Credit Party or any Subsidiary thereof with any Environmental Law that could reasonably be expected to have a Material Adverse Effect;

(e) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of the Borrower, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(f) promptly, and in any event within five (5) Business Days after receipt thereof by any Credit Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Credit Party or any Subsidiary thereof;

(g) promptly upon the request thereof, such other information and documentation required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations (including, without limitation, the PATRIOT Act), as from time to time reasonably requested by the Administrative Agent or any Lender; and

(h) such other information regarding the operations, business affairs and financial condition of any Credit Party or any Subsidiary thereof as the Administrative Agent or any Lender may reasonably request.

Documents required to be delivered pursuant to Section 8.1(a) or (b) or Section 8.2(e) or (f) (to the extent any such documents are included in materials otherwise filed with the SEC or such comparable agency) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower or such Subsidiary posts such documents, or provides a link thereto on the Borrower's or such Subsidiary's website on the Internet at the website address listed in Section 12.1; or (ii) on which such documents are posted on the Borrower's or such Subsidiary's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) the Borrower shall deliver paper copies of such documents to the Administrative Agent or any Lender that requests the Borrower to deliver such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender and (ii) the Borrower shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions of such documents. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper copies of the Officer's Compliance Certificates required by Section 8.2 to the Administrative Agent. Except for such Officer's Compliance Certificates, the Administrative Agent shall have no obligation to request the delivery or to maintain copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower hereby acknowledges that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, SyndTrak Online or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information (within the meaning of United States Federal securities laws) with respect to the Borrower or its Affiliates or their respective securities) (each, a "Public Lender"). The Borrower hereby agrees that it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (w) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 12.11); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Lender;" and (z) the Administrative Agent shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Lender." The Administrative Agent shall use commercially reasonable efforts to ensure that any Borrower Materials not marked as "PUBLIC" will not be distributed to Public Lenders and, in the event that any such Borrower Materials are inadvertently disclosed to Public Lender(s), the Administrative Agent will notify the Borrower promptly upon obtaining knowledge thereof.

SECTION 8.3 Notice of Litigation and Other Matters. Promptly (but in no event later than ten (10) days after any Responsible Officer of any Credit Party obtains knowledge thereof) notify the Administrative Agent in writing of (which shall promptly make such information available to the Lenders in accordance with its customary practice):

- (a) the occurrence of any Default or Event of Default;
- (b) the commencement of all proceedings and investigations by or before any Governmental Authority and all actions and proceedings in any court or before any arbitrator against or involving any Credit Party or any Subsidiary thereof or any of their respective properties, assets or businesses in each case that if adversely determined could reasonably be expected to result in a Material Adverse Effect;
- (c) any notice of any violation received by any Credit Party or any Subsidiary thereof from any Governmental Authority including, without limitation, any notice of violation of Environmental Laws which in any such case could reasonably be expected to have a Material Adverse Effect;
- (d) any attachment, judgment, lien, levy or order exceeding the Threshold Amount that may be assessed against or threatened against any Credit Party or any Subsidiary thereof;
- (e) (i) any unfavorable determination letter from the IRS regarding the qualification of an Employee Benefit Plan under Section 401(a) of the Code (along with a copy thereof), (ii) all notices received by any Credit Party or any ERISA Affiliate of the PBGC's intent to terminate any Pension Plan or to have a trustee appointed to administer any Pension Plan, (iii) all notices received by any Credit Party or any ERISA Affiliate from a Multiemployer Plan sponsor concerning the imposition or amount of withdrawal liability pursuant to Section 4202 of ERISA and (iv) the Borrower obtaining knowledge or reason to know that any Credit Party or any ERISA Affiliate has filed or intends to file a notice of intent to terminate any Pension Plan under a distress termination within the meaning of Section 4041(c) of ERISA; and
- (f) any other event or condition, on a non-customer specific basis, known to the Borrower that the Borrower expects to result in a Material Adverse Effect.

Each notice pursuant to Section 8.3 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 8.3(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

SECTION 8.4 Preservation of Corporate Existence and Related Matters. Except as permitted by Section 9.4, preserve and maintain its separate corporate existence and all rights, franchises, licenses and privileges necessary to the conduct of its business, and qualify and remain qualified as a foreign corporation or other entity and authorized to do business in each jurisdiction in which the failure to so qualify could reasonably be expected to have a Material Adverse Effect.

SECTION 8.5 Maintenance of Property and Licenses.

(a) (i) Protect and preserve all Properties necessary in and material to its business, including any such copyrights, patents, trade names, service marks and trademarks, (ii) maintain in good working order and condition, ordinary wear and tear excepted, all buildings, equipment and other tangible real and personal property, and (iii) from time to time make or cause to be made all repairs, renewals and replacements thereof and additions to such Property necessary for the conduct of its business, so that the business carried on in connection therewith may be conducted in a commercially reasonable manner, in each case for clauses (i) through (iii) above except as such action or inaction would not reasonably be expected to result in a Material Adverse Effect.

(b) Maintain, in full force and effect in all material respects, each and every material license, permit, certification, qualification, approval or franchise issued by any Governmental Authority (each a "License") required for each of them to conduct their respective businesses as presently conducted, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 8.6 Insurance. Maintain insurance with financially sound and reputable insurance companies against at least such risks and in at least such amounts as are customarily maintained by similar businesses and as may be required by Applicable Law (including, without limitation, hazard and business interruption insurance). With respect to insurance of the Credit Parties, all such insurance shall (a) provide that no cancellation shall be effective until at least 30 days after written notice thereof to the Administrative Agent (or 10 days in the case of non-payment) and (b) name the Administrative Agent as an additional insured party under liability insurance (other than directors' and officers' insurance and workers' compensation). On the Closing Date and from time to time thereafter deliver to the Administrative Agent upon its request information in reasonable detail as to the insurance then in effect, stating the names of the insurance companies, the amounts and rates of the insurance, the dates of the expiration thereof and the properties and risks covered thereby.

SECTION 8.7 Accounting Methods and Financial Records. Maintain a system of accounting, and keep proper books, records and accounts (which shall be accurate and complete in all material respects) as may be required or as may be necessary to permit the preparation of consolidated financial statements in accordance with GAAP and in compliance with the regulations of any Governmental Authority having jurisdiction over it or any of its Properties (provided that Foreign Subsidiaries may maintain books and records in accordance with IFRS).

SECTION 8.8 Payment of Taxes and Other Obligations. Pay and perform (a) all taxes, assessments and other governmental charges that may be levied or assessed upon it or any of its Property and (b) all other indebtedness, obligations and liabilities in accordance with customary trade practices (unless being contested in good faith), except where the failure to pay or perform such items described in clauses (a) or (b) of this Section could not reasonably be expected to have a Material Adverse Effect.

SECTION 8.9 Compliance with Laws and Approvals. Observe and remain in compliance in all material respects with all Applicable Laws and maintain in full force and effect all Governmental Approvals, in each case applicable to the conduct of its business except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

SECTION 8.10 Environmental Laws. In addition to and without limiting the generality of Section 8.9, (a) comply with, and ensure such compliance by all tenants and subtenants with all applicable Environmental Laws and obtain and comply with and maintain, and ensure that all tenants and subtenants, if any, obtain and comply with and maintain, any and all licenses, approvals, notifications, registrations or permits required by applicable Environmental Laws in each case except as could not reasonably be expected to have a Material Adverse Effect, (b) conduct and complete all investigations, studies, sampling and testing, and all remedial, removal and other actions required under Environmental Laws, and promptly comply with all lawful orders and directives of any Governmental Authority regarding Environmental Laws in each case except as could not reasonably be expected to have a Material Adverse Effect, and (c) defend, indemnify and hold harmless the Administrative Agent and the Lenders, and their respective parents, Subsidiaries, Affiliates, employees, agents, officers and directors, from and against any claims, demands, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature known or unknown, contingent or otherwise, arising out of, or in any way relating to the presence of Hazardous Materials, or the violation of, noncompliance with or liability under any Environmental Laws applicable to the operations of the Borrower or any such Subsidiary, or any orders, requirements or demands of Governmental Authorities related thereto, including, without limitation, reasonable attorney's and consultant's fees, investigation and laboratory fees, response costs, court costs and litigation expenses, except to the extent that any of the foregoing directly result from the gross negligence or willful misconduct of the party seeking indemnification therefor, as determined by a court of competent jurisdiction by final nonappealable judgment.

SECTION 8.11 Compliance with ERISA. In addition to and without limiting the generality of Section 8.9, (a) except where the failure to so comply could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (i) comply with applicable provisions of ERISA, the Code and the regulations and published interpretations thereunder with respect to all Employee Benefit Plans, (ii) not take any action or fail to take action the result of which could reasonably be expected to result in a liability to the PBGC or to a Multiemployer Plan, (iii) not participate in any prohibited transaction that could result in any civil penalty under ERISA or tax under the Code and (iv) operate each Employee Benefit Plan in such a manner that will not incur any tax liability under Section 4980B of the Code or any liability to any qualified beneficiary as defined in Section 4980B of the Code and (b) furnish to the Administrative Agent upon the Administrative Agent's request such additional information about any Employee Benefit Plan as may be reasonably requested by the Administrative Agent.

SECTION 8.12 Reserved.

SECTION 8.13 Visits and Inspections. Permit representatives of the Administrative Agent (or any Lender following an Event of Default), from time to time upon prior reasonable notice and at such times during normal business hours, all at the expense of the Borrower, to visit and inspect its properties; inspect, audit and make extracts from its books, records and files, including, but not limited to, management letters prepared by independent accountants; and discuss with its principal officers, and its independent accountants, its business, assets, liabilities, financial condition, results of operations and business prospects; provided that (a) upon the occurrence and during the continuance of an Event of Default, the Administrative Agent or any Lender may do any of the foregoing at the expense of the Borrower at any time without advance notice, (b) unless an Event of Default exists, the foregoing may only be conducted one time per calendar year at the Borrower's expense and (c) the Borrower and its Subsidiaries may prohibit the Administrative Agent and the Lenders from viewing information subject to customer confidentiality obligations.

(a) Required Subsidiary Guarantors. Subject to the time period set forth in Section 8.14(b) below, cause (i) all Material Domestic Subsidiaries to be Subsidiary Guarantors; and (ii) other Domestic Subsidiaries, other than Excluded Subsidiaries, to be Subsidiary Guarantors to the extent necessary such that the Credit Parties collectively either (1) generate 90% or more of the gross revenues of the Borrower and its Domestic Subsidiaries (other than Excluded Subsidiaries) or (2) hold assets that constitute 90% or more of the assets of the Borrower and its Domestic Subsidiaries (other than Excluded Subsidiaries) as a whole.

(b) Additional Subsidiary Guarantors. Notify the Administrative Agent of a change in circumstances and of the creation or acquisition of any Domestic Subsidiary, in each case to the extent resulting in a Domestic Subsidiary that is a Material Domestic Subsidiary (and not already a Subsidiary Guarantor) or a Domestic Subsidiary that is otherwise required to be a Subsidiary Guarantor pursuant to paragraph (a) above, and promptly thereafter (and in any event within thirty (30) days after such change in circumstances or such creation or acquisition), cause such Person to (i) become a Subsidiary Guarantor by delivering to the Administrative Agent a duly executed supplement to the Subsidiary Guaranty Agreement or such other document as the Administrative Agent shall deem appropriate for such purpose, (ii) grant a security interest in all Collateral (subject to the exceptions specified in the Collateral Agreement) owned by such Subsidiary by delivering to the Administrative Agent a duly executed supplement to each applicable Security Document or such other document as the Administrative Agent shall deem appropriate for such purpose and comply with the terms of each applicable Security Document, (iii) deliver to the Administrative Agent such documents and certificates referred to in Section 6.1(b)(i) through (iii), (c) and (h)(ii) as may be reasonably requested by the Administrative Agent, (iv) to the extent its parent entity is a Credit Party and such Capital Stock is certificated, deliver to the Administrative Agent such original certificated Capital Stock and stock or other transfer power evidencing the Capital Stock of such Person, (v) deliver to the Administrative Agent updated Schedules to the Loan Documents with respect to such Person, and (vi) deliver to the Administrative Agent such other documents as may be reasonably requested by the Administrative Agent, all in form, content and scope reasonably satisfactory to the Administrative Agent.

(c) Merger Subsidiaries. Notwithstanding the foregoing, to the extent any new Subsidiary is created solely for the purpose of consummating a merger transaction pursuant to a Permitted Acquisition, and such new Subsidiary at no time holds any assets or liabilities other than any merger consideration contributed to it contemporaneously with the closing of such merger transaction, to the extent such Domestic Subsidiary is a Material Domestic Subsidiary or to the extent such Domestic Subsidiary is otherwise required to be a Subsidiary Guarantor pursuant to Section 8.14(a), such new Subsidiary shall not be required to take the actions set forth in Section 8.14(b) until the consummation of such Permitted Acquisition (at which time, the surviving entity of the respective merger transaction shall be required to so comply with Section 8.14(b) within ten (10) Business Days of the consummation of such Permitted Acquisition).

SECTION 8.15 Use of Proceeds. The Borrower shall use the proceeds of the Extensions of Credit for working capital and general corporate purposes of the Borrower and its Subsidiaries, including, without limitation, Permitted Acquisitions and fees and expenses in connection therewith, stock repurchases, dividends, Capital Expenditures and may use such proceeds for the payment of certain fees and expenses incurred in connection with the Transactions and this Agreement.

SECTION 8.16 Further Assurances. Execute any and all further documents, financing statements, agreements and instruments, and take all such further actions (including the filing and recording of financing statements and other documents), which may be required under any Applicable Law, or which the Administrative Agent or the Required Lenders may reasonably request, to effectuate the transactions contemplated by the Loan Documents or to grant, preserve, protect or perfect the Liens created or intended to be created by the Security Documents or the validity or priority of any such Lien, all at the expense of the Credit Parties. The Borrower also agrees to provide to the Administrative Agent, from time to time upon the reasonable request by the Administrative Agent, evidence reasonably satisfactory to the Administrative Agent as to the perfection and priority of the Liens created or intended to be created by the Security Documents.

SECTION 8.17 Post-Closing Matters. Execute and deliver the documents and complete the tasks set forth on Schedule 8.17, in each case, within the time limits specified on such schedule (or such later date as the Administrative Agent may agree).

ARTICLE IX.

NEGATIVE COVENANTS

Until all of the Obligations (other than contingent, indemnification obligations not then due) have been paid and satisfied in full in cash and the Commitments terminated, the Credit Parties will not, and will not permit any of their respective Subsidiaries to:

SECTION 9.1 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness except:

- (a) the Obligations;
- (b) Indebtedness and obligations owing under Hedge Agreements entered into in order to manage existing or anticipated interest rate, exchange rate or commodity price risks and not for speculative purposes;
- (c) Indebtedness existing on the Closing Date and listed on Schedule 9.1, and the renewal, refinancing, extension and replacement (but not the increase in the aggregate principal amount) thereof;
- (d) Indebtedness incurred in connection with Capital Leases and purchase money Indebtedness in an aggregate amount not to exceed \$20,000,000 at any time outstanding;
- (e) Indebtedness of a Person existing at the time such Person became a Subsidiary or assets were acquired from such Person in connection with an Investment permitted pursuant to Section 9.3, to the extent that (i) such Indebtedness was not incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or the acquisition of such assets, (ii) neither the Borrower nor any Subsidiary thereof (other than such Person or any other Person that such Person merges with or that acquires the assets of such Person) shall have any liability or other obligation with respect to such Indebtedness and (iii) the aggregate outstanding principal amount of such Indebtedness does not exceed \$10,000,000 at any time outstanding;

(f) Guarantees with respect to (i) Indebtedness permitted pursuant to subsections (a) through (e) of this Section and (ii) contractual obligations of Subsidiaries entered into in the ordinary course of business not constituting borrowed money;

(g) unsecured intercompany Indebtedness (i) owed by any Credit Party to another Credit Party, (ii) owed by any Non-Guarantor Subsidiary to any Credit Party in an aggregate principal amount not to exceed \$10,000,000 at any time outstanding and (iii) owed by any Credit Party to any Non-Guarantor Subsidiary (provided that such Indebtedness shall be subordinated to the Obligations in a manner reasonably satisfactory to the Administrative Agent);

(h) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or other similar instrument drawn against insufficient funds in the ordinary course of business;

(i) Indebtedness under performance bonds, surety bonds, release, appeal and similar bonds, statutory obligations or with respect to workers' compensation claims, in each case incurred in the ordinary course of business, and reimbursement obligations in respect of any of the foregoing;

(j) unsecured Indebtedness consisting of promissory notes issued to current or former officers, directors and employees (or their respective family members, estates or trusts or other entities for the benefit of any of the foregoing) of the Borrower or its Subsidiaries to purchase or redeem Capital Stock or options of the Borrower in an aggregate principal amount not to exceed \$5,000,000 at any time outstanding;

(k) Indebtedness incurred in the ordinary course of business in connection with the financing of insurance premiums;

(l) Indebtedness for bank products (including cash management services and commercial credit cards) incurred in the ordinary course of business;

(m) obligations under take or pay contracts entered into with suppliers and manufacturers;

(n) Indebtedness under the Existing Target Credit Agreement in an aggregate outstanding principal amount not to exceed \$25,000,000; provided that within thirty (30) days after the Scheme Effective Date or the Unconditional Date (as applicable), the Existing Target Credit Agreement shall be terminated and any outstanding Indebtedness thereunder shall be paid in full; and

(o) Indebtedness of any Credit Party or any Subsidiary thereof not otherwise permitted pursuant to this Section in an aggregate principal amount not to exceed \$10,000,000 at any time outstanding.

SECTION 9.2 Liens. Create, incur, assume or suffer to exist, any Lien on or with respect to any of its Property, whether now owned or hereafter acquired, except:

(a) Liens created pursuant to the Loan Documents;

(b) Liens in existence on the Closing Date and described on Schedule 9.2, including Liens incurred in connection with any refinancing, refunding, renewal or extension of Indebtedness pursuant to Section 9.1(c) (solely to the extent that such Liens were in existence on the Closing Date and described on Schedule 9.2); provided that the scope of any such Lien shall not be increased, or otherwise expanded, to cover any additional property or type of asset, as applicable, beyond that in existence on the Closing Date, except for products and proceeds of the foregoing;

(c) Liens for taxes, assessments and other governmental charges or levies (i) not yet due or as to which the period of grace, if any, related thereto has not expired or (ii) which are being contested in good faith and by appropriate proceedings if adequate reserves are maintained to the extent required by GAAP;

(d) Liens of materialmen, mechanics, carriers, warehousemen, processors or landlords for labor, materials, supplies or rentals incurred in the ordinary course of business, which (i) are not overdue for a period of more than sixty (60) days, or if more than sixty (60) days overdue, no action has been taken to enforce such Liens and such Liens are being contested in good faith and by appropriate proceedings if adequate reserves are maintained to the extent required by GAAP and (ii) do not, individually or in the aggregate, materially impair the use thereof in the operation of the business of the Borrower or any of its Subsidiaries;

(e) Liens on deposits or pledges made in the ordinary course of business in connection with, or to secure payment of, obligations under workers' compensation, unemployment insurance and other types of social security or similar legislation, or to secure the performance of bids, earnest money, trade contracts and leases (other than Indebtedness), statutory obligations, surety bonds (other than bonds related to judgments or litigation), performance bonds and other obligations of a like nature incurred in the ordinary course of business, in each case, so long as no foreclosure sale or similar proceeding has been commenced with respect to any portion of the Collateral on account thereof;

(f) encumbrances in the nature of zoning restrictions, easements and rights or restrictions of record on the use of real property, which in the aggregate do not, in any case, impair the use thereof in the ordinary conduct of business;

(g) Liens arising from the filing of precautionary UCC financing statements relating solely to personal property leased pursuant to operating leases entered into in the ordinary course of business of the Borrower and its Subsidiaries;

(h) Liens securing Indebtedness permitted under Section 9.1(d); provided that (i) such Liens shall be created within ninety (90) days of the acquisition, repair, improvement or lease, as applicable, of the related Property, (ii) such Liens do not at any time encumber any property other than the Property financed by such Indebtedness and proceeds thereof, (iii) the amount of Indebtedness secured thereby is not increased and (iv) the principal amount of Indebtedness secured by any such Lien shall at no time exceed one hundred percent (100%) of the original price for the purchase, repair improvement or lease amount (as applicable) of such Property at the time of purchase, repair, improvement or lease (as applicable);

(i) Liens securing judgments for the payment of money not constituting an Event of Default under Section 10.1(m) or securing appeal or other surety bonds relating to such judgments;

(j) Liens on Property (i) of any Subsidiary which are in existence at the time that such Subsidiary is acquired pursuant to a Permitted Acquisition and (ii) of the Borrower or any of its Subsidiaries existing at the time such tangible property or tangible assets are purchased or otherwise acquired by the Borrower or such Subsidiary thereof pursuant to a transaction permitted pursuant to this Agreement; provided that, with respect to each of the foregoing clauses (i) and (ii), (A) such Liens are not incurred in connection with, or in anticipation of, such Permitted Acquisition, purchase or other acquisition, (B) such Liens are applicable only to specific Property, (C) such Liens are not "blanket" or all asset Liens, (D) such Liens do not attach to any other Property of the Borrower or any of its Subsidiaries and (E) the Indebtedness secured by such Liens is permitted under Section 9.1(e) of this Agreement; provided further that the limitations set forth in clauses (B), (C) and (D) above shall not apply to any such Liens on the assets of the Target and its Subsidiaries that are in existence at the time of the Scheme Effective Date or Unconditional Date (as applicable);

(k) (i) Liens of a collecting bank arising in the ordinary course of business under Section 4-210 of the Uniform Commercial Code in effect in the relevant jurisdiction, (ii) Liens of any depository bank or securities intermediary in connection with statutory, common law and contractual rights of set-off and recoupment with respect to any deposit account or securities account (or assets therein) of any Borrower or any Subsidiary thereof (including for the purposes of Section 9.1(l)) and (iii) rights of set off and netting under Hedge Agreements;

(l) (i) contractual or statutory Liens of landlords to the extent relating to the property and assets relating to any lease agreements (or situated on a leased premises) with such landlord, and (ii) vendor retention of title and contractual Liens of suppliers (including sellers of goods) or customers granted in the ordinary course of business to the extent limited to the property or assets relating to such contract;

(m) any interest or title of a licensor, sublicensor, lessor or sublessor with respect to any assets under any license or lease agreement entered into in the ordinary course of business which do not (i) interfere in any material respect with the business of the Borrower or its Subsidiaries or materially detract from the value of the relevant assets of the Borrower or its Subsidiaries or (ii) secure any Indebtedness;

(n) Liens to secure Indebtedness permitted under Section 9.1(k); provided that (i) such Liens are limited to securing only the unpaid premiums under the applicable insurance policy and (ii) such Liens only encumber the proceeds of the applicable insurance policy;

(o) Liens on the assets of the Target and its Subsidiaries securing Indebtedness to RBS Invoice Finance Limited and to The Royal Bank of Scotland plc (and their permitted transferees and permitted assigns); provided that such Liens do not attach to any other Property of the Borrower or any of its Subsidiaries (other than the Target and its Subsidiaries); provided further that the Borrower shall use reasonable endeavors to ensure such Liens in favor of RBS Invoice Finance Limited shall be released as soon as reasonably practicable after the termination of the Existing Target Credit Agreement provided for in Section 9.1(n); and

(p) Liens not otherwise permitted hereunder securing Indebtedness permitted under Section 9.1(o); provided that the aggregate amount of Indebtedness secured pursuant to this clause (p) shall not exceed \$5,000,000 at any time outstanding.

Notwithstanding the foregoing, no Credit Party will, or will permit any of their respective Subsidiaries to, create, incur, assume or suffer to exist, any Lien on or with respect to any of its fee-owned real property, Intellectual Property (as defined in the Collateral Agreement) or Contracts (as defined in the Collateral Agreement), whether now owned or hereafter acquired, other than (i) Liens described above in clauses (a), (c), (d), (f), (i), (j), (l), (m) and (o), as applicable, and (ii) Liens on any such assets of the Target and its Subsidiaries that are in existence at the time of the Scheme Effective Date or the Unconditional Date (as applicable), so long as such Liens are not incurred in contemplation of the Target Acquisition.

SECTION 9.3 Investments. Purchase, own, invest in or otherwise acquire (in one transaction or a series of transactions), directly or indirectly, any Capital Stock of another Person, interests in any partnership or joint venture (including, without limitation, the creation or capitalization of any Subsidiary), evidence of Indebtedness or other debt security, all or substantially all of the business or assets of any other Person (or a business unit or division of another Person) or any other investment or interest whatsoever in any other Person, or make or permit to exist, directly or indirectly, any loans, advances or extensions of credit to, or any investment in cash or by delivery of Property in, any Person (all the foregoing, "Investments") except:

(a) (i) Investments existing on the Closing Date in or to Subsidiaries existing on the Closing Date, (ii) Investments existing on the Closing Date (other than Investments in Subsidiaries existing on the Closing Date) and described on Schedule 9.3, (iii) Investments made after the Closing Date by any Credit Party in any other Credit Party and (iv) Investments made after the Closing Date by any Non-Guarantor Subsidiary in any other Non-Guarantor Subsidiary or in any Credit Party;

(b) Investments in cash and Cash Equivalents;

(c) Investments by the Borrower or any of its Subsidiaries in the form of Capital Expenditures permitted pursuant to this Agreement;

- (d) deposits made in the ordinary course of business to secure the performance of leases or other obligations as permitted by Section 9.2;
- (e) Hedge Agreements permitted pursuant to Section 9.1;
- (f) purchases of assets in the ordinary course of business;
- (g) Investments by the Borrower or any Subsidiary thereof in the form of Permitted Acquisitions and Investments of any Person that becomes a Subsidiary pursuant to a Permitted Acquisition in existence at the time such Person becomes a Subsidiary;
- (h) Investments in the form of loans and advances to officers, directors and employees in the ordinary course of business in an aggregate amount not to exceed at any time outstanding \$5,000,000 (determined without regard to any write-downs or write-offs of such loans or advances);
- (i) Investments in the form of intercompany Indebtedness permitted pursuant to Section 9.1(g);
- (j) Investments in any Non-Guarantor Subsidiary in an aggregate amount not to exceed \$20,000,000 at any time;
- (k) Guarantees permitted pursuant to Section 9.1;
- (l) Investments in joint ventures; provided that the aggregate amount of all such Investments shall not at any time exceed \$25,000,000;
- (m) receivables owing to the Credit Parties or any of their Subsidiaries or any advances to suppliers, in each case if created, acquired or made in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;
- (n) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;
- (o) Investments constituting open market purchases of Target Shares;
- (p) after the Scheme Effective Date or the Unconditional Date (as applicable), Investments constituting the contribution or transfer of the Target Shares to a Wholly-Owned Subsidiary of the Borrower or of a Subsidiary Guarantor; and
- (q) Investments not otherwise permitted pursuant to this Section in an aggregate amount not to exceed \$10,000,000 at any time outstanding; provided that, immediately before and immediately after giving pro forma effect to any such Investments, no Default or Event of Default shall have occurred and be continuing.

For purposes of determining the amount of any Investment outstanding for purposes of this Section 9.3, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired (without adjustment for subsequent increases or decreases in the value of such Investment) less any amount realized in respect of such Investment upon the sale, collection or return of capital (not to exceed the original amount invested).

SECTION 9.4 Fundamental Changes. Merge, consolidate or enter into any similar combination with any other Person or liquidate, wind-up or dissolve itself (or suffer any liquidation or dissolution) except:

(a) (i) any Subsidiary of the Borrower may be merged, amalgamated or consolidated with or into the Borrower (provided that the Borrower shall be the continuing or surviving entity) or (ii) any Subsidiary of the Borrower may be merged, amalgamated or consolidated with or into, or be liquidated or dissolved into, any Subsidiary Guarantor (provided that a Subsidiary Guarantor shall be the continuing or surviving entity or the continuing or surviving entity shall become a Subsidiary Guarantor and the Borrower shall comply with Section 8.14 in connection therewith within the time period specified therein, in each case, to the extent required to do so);

(b) (i) any Non-Guarantor Subsidiary that is a Foreign Subsidiary may be merged, amalgamated or consolidated with or into, or be liquidated or dissolved into, any other Non-Guarantor Subsidiary and (ii) any Non-Guarantor Subsidiary that is a Domestic Subsidiary may be merged, amalgamated or consolidated with or into, or be liquidated or dissolved into, any other Non-Guarantor Subsidiary that is a Domestic Subsidiary;

(c) any Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation, dissolution, winding up or otherwise) to the Borrower or any Subsidiary Guarantor; provided that, with respect to any such disposition by any Non-Guarantor Subsidiary, the consideration for such disposition shall not exceed the fair value of such assets;

(d) (i) any Non-Guarantor Subsidiary that is a Foreign Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation, dissolution, winding up or otherwise) to any other Non-Guarantor Subsidiary and (ii) any Non-Guarantor Subsidiary that is a Domestic Subsidiary may dispose of all or substantially all of its assets (upon voluntary liquidation, dissolution, winding up or otherwise) to any other Non-Guarantor Subsidiary that is a Domestic Subsidiary;

(e) dispositions permitted by Section 9.5;

(f) any Person may merge with or into the Borrower or any of its Wholly-Owned Subsidiaries in connection with a Permitted Acquisition; provided that (i) in the case of a merger involving the Borrower or a Subsidiary Guarantor, the continuing or surviving Person shall be the Borrower or such Subsidiary Guarantor (or the continuing or surviving Person shall become a Subsidiary Guarantor and the Borrower shall comply with Section 8.14 in connection therewith within the time period specified therein, in each case, to the extent required to do so) and (ii) the continuing or surviving Person shall be the Borrower or a Wholly-Owned Subsidiary of the Borrower; and

(g) the Target Acquisition.

SECTION 9.5 Asset Dispositions. Make any Asset Disposition except:

- (a) the sale of obsolete, worn-out or surplus assets no longer used or useful in the business of the Borrower or any of its Subsidiaries;
- (b) non-exclusive licenses and sublicenses (and terminations thereof) of intellectual property rights in the ordinary course of business not interfering, individually or in the aggregate, in any material respect with the conduct of the business of the Borrower and its Subsidiaries;
- (c) leases, subleases, licenses or sublicenses (and terminations thereof) of real or personal property granted by any Borrower or any of its Subsidiaries to others in the ordinary course of business not interfering in any material respect with the business of the Borrower or any of its Subsidiaries;
- (d) dispositions in connection with Insurance and Condemnation Events;
- (e) the abandonment or disposition of intellectual property determined by Borrower and its Subsidiaries to no longer be necessary in the conduct of their businesses;
- (f) dispositions by the Target and its Subsidiaries of receivables pursuant to the Existing Target Credit Agreement;
- (g) Asset Dispositions not otherwise permitted pursuant to this Section; provided that (i) at the time of such Asset Disposition, no Default or Event of Default shall exist or would result from such Asset Disposition and (ii) the aggregate book value of all property disposed of in reliance on this clause (f) shall not exceed \$10,000,000 in any Fiscal Year; and
- (h) Investments permitted under Section 9.3.

SECTION 9.6 Restricted Payments. Declare or pay any dividend on, or make any payment or other distribution on account of, or purchase, redeem, retire or otherwise acquire (directly or indirectly), or set apart assets for a sinking or other analogous fund for the purchase, redemption, retirement or other acquisition of, any class of Capital Stock of any Credit Party or any Subsidiary thereof, or make any distribution of cash, property or assets to the holders of shares of any Capital Stock of any Credit Party or any Subsidiary thereof (all of the foregoing, the "Restricted Payments,") provided that:

- (a) the Borrower or any Subsidiary thereof may make Restricted Payments in shares of its own Qualified Capital Stock;
- (b) any Subsidiary of the Borrower may make Restricted Payments to the Borrower or any Subsidiary Guarantor or ratably to all holders of its outstanding Qualified Capital Stock;
- (c) (i) Non-Guarantor Subsidiaries that are Domestic Subsidiaries may make Restricted Payments to other Non-Guarantor Subsidiaries that are Domestic Subsidiaries and (ii) Non-Guarantor Subsidiaries that are Foreign Subsidiaries may make Restricted Payments to other Non-Guarantor Subsidiaries;

(d) the Borrower may repurchase Capital Stock of the Borrower upon the exercise of options or the vesting of restricted stock awards or units to the extent such Capital Stock represents a portion of the exercise price therefor or for payment of associated taxes; provided that the total consideration paid for repurchases of Capital Stock described in this clause (d) shall not exceed \$10,000,000 in any Fiscal Year;

(e) the Borrower or any Subsidiary may make Restricted Payments in respect of the Target Shares in connection with the Target Acquisition, including any exchange of the Target Shares for the New Target Shares and the exercise of its rights under the Squeeze-Out Procedures; and

(f) the Borrower or any Subsidiary thereof may make any other Restricted Payment not otherwise permitted by clauses (a), (b), (c), (d) or (e) above so long as the Borrower demonstrates, on a Pro Forma Basis, a Consolidated Leverage Ratio of not greater than 1.50 to 1.00.

SECTION 9.7 Transactions with Affiliates. Directly or indirectly enter into any transaction, including, without limitation, any purchase, sale, lease or exchange of Property, the rendering of any service or the payment of any management, advisory or similar fees, with (a) any officer, director, holder of any Capital Stock in, or other Affiliate of, the Borrower or any of its Subsidiaries or (b) any Affiliate of any such officer, director or holder, other than:

(i) transactions permitted by Sections 9.1, 9.3, 9.4, 9.5, 9.6 and 9.13;

(ii) transactions existing on the Closing Date and described on Schedule 9.7;

(iii) other transactions in the ordinary course of business on terms as favorable as would be obtained by it on a comparable arm's-length transaction with an independent, unrelated third party as determined in good faith by the Borrower;

(iv) employment and severance arrangements (including equity incentive plans and employee benefit plans and arrangements) with their respective officers and employees in the ordinary course of business;

(v) payment of customary fees and reasonable out of pocket costs to, and indemnities for the benefit of, directors, officers and employees of the Borrower and its Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Borrower and its Subsidiaries;

(vi) transactions solely among Credit Parties; and

(vii) transactions of any Person that becomes a Subsidiary pursuant to a Permitted Acquisition in existence at the time such Person becomes a Subsidiary.

SECTION 9.8 Accounting Changes; Organizational Documents.

(a) Change its Fiscal Year end (other than to change the Target and its Subsidiaries to a March year end), or make (without the consent of the Administrative Agent) any material change in its accounting treatment and reporting practices except as required by GAAP (or IFRS with respect to Foreign Subsidiaries).

(b) Amend, modify or change its articles of incorporation (or corporate charter or other similar organizational documents) or amend, modify or change its bylaws (or other similar documents) in each case in any manner materially adverse to the rights or interests of the Lenders.

SECTION 9.9 Payments and Modifications of Subordinated Indebtedness.

(a) Amend, modify, waive or supplement (or permit the modification, amendment, waiver or supplement of) any of the terms or provisions of any Subordinated Indebtedness in any respect which would materially and adversely affect the rights or interests of the Administrative Agent and Lenders hereunder.

(b) Make any prepayment on, or redeem or acquire for value prior to maturity (including, without limitation, by way of depositing with any trustee with respect thereto money or securities before due for the purpose of paying when due) any Subordinated Indebtedness, except:

(i) refinancings, refundings, renewals, extensions or exchanges of any Subordinated Indebtedness permitted by Section 9.1; and

(ii) so long as no Event of Default exists, the payment of interest, expenses and indemnities in respect of Subordinated Indebtedness permitted by the intercreditor agreement (or subordination provisions) applicable thereto.

SECTION 9.10 No Further Negative Pledges; Restrictive Agreements.

(a) Enter into, assume or be subject to any agreement prohibiting or otherwise restricting the creation or assumption of any Lien upon its properties or assets, whether now owned or hereafter acquired, or requiring the grant of any security for such obligation if security is given for some other obligations, except (i) pursuant to this Agreement and the other Loan Documents, (ii) pursuant to any document or instrument governing Indebtedness incurred pursuant to Sections 9.1(d), or Indebtedness incurred pursuant to Section 9.1(n) or (o) and secured pursuant to Section 9.2(o) or (p), respectively; provided, that, in the case of Section 9.1(d), any such restriction contained therein relates only to the asset or assets acquired in connection therewith, (iii) restrictions contained in the organizational documents of any Credit Party or Subsidiary as of the Closing Date or date acquired or any joint venture, (iv) restrictions in connection with any Permitted Lien or any document or instrument governing any Permitted Lien (provided, that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien) and (v) customary provisions in leases, licenses and other contracts restricting the assignment thereof. Notwithstanding the foregoing, no Credit Party will, or will permit any of their respective Subsidiaries to, enter into, assume or be subject to any agreement prohibiting or otherwise restricting the creation or assumption of any Lien upon its fee-owned real property, owned Intellectual Property or Contracts (other than as set forth in the applicable Contract), whether now owned or hereafter acquired and excluding restrictions contained in any purchase and sale agreement pending a disposition thereof provided such restrictions apply only to the property to be sold and such sale is permitted hereunder. The restrictions set forth in the preceding two sentences shall not apply to agreements that are binding on the Target and its Subsidiaries at the time of the Scheme Effective Date or the Unconditional Date (as applicable), so long as such agreements are not entered into in contemplation of the Target Acquisition.

(b) Create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Credit Party or any Subsidiary thereof to (i) pay dividends or make any other distributions to any Credit Party or any Subsidiary on its Capital Stock or with respect to any other interest or participation in, or measured by, its profits, (ii) pay any Indebtedness or other obligation owed to the Borrower or any Subsidiary Guarantor, (iii) make loans or advances to the Borrower or any Subsidiary Guarantor, (iv) sell, lease or transfer any of its properties or assets to the Borrower or any Subsidiary Guarantor or (v) with respect to a Domestic Subsidiary (other than an Excluded Subsidiary), act as a Subsidiary Guarantor pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except (in respect of any of the matters referred to in clauses (i) through (v) above) for such encumbrances or restrictions existing under or by reason of (A) this Agreement and the other Loan Documents, (B) Applicable Law, (C) any document or instrument governing Indebtedness incurred pursuant to Section 9.1(d) (provided, that any such restriction contained therein relates only to the asset or assets acquired in connection therewith) or Section 9.1(n), (D) any Permitted Lien or any document or instrument governing any Permitted Lien (provided, that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien), (E) obligations that are binding on a Subsidiary at the time such Subsidiary first becomes a Subsidiary of the Borrower, so long as such obligations are not entered into in contemplation of such Person becoming a Subsidiary, (F) customary restrictions contained in an agreement related to the sale of Property (to the extent such sale is permitted pursuant to Section 9.5) that limit the transfer of such Property pending the consummation of such sale, (G) customary restrictions in leases, subleases, licenses and sublicenses or asset sale agreements otherwise permitted by this Agreement so long as such restrictions relate only to the assets subject thereto and (H) customary provisions restricting assignment of any agreement entered into in the ordinary course of business.

SECTION 9.11 Nature of Business. Engage in any business other than the business conducted by the Borrower and its Subsidiaries as of the Closing Date and business activities reasonably related or ancillary thereto or that are reasonable extensions thereof (including the business of the Target and its Subsidiaries).

SECTION 9.12 Reserved.

SECTION 9.13 Sale Leasebacks. Directly or indirectly become or remain liable as lessee or as guarantor or other surety with respect to any lease, whether an operating lease or a Capital Lease, of any Property (whether real, personal or mixed), whether now owned or hereafter acquired, (a) which any Credit Party or any Subsidiary thereof has sold or transferred or is to sell or transfer to a Person which is not another Credit Party or Subsidiary of a Credit Party or (b) which any Credit Party or any Subsidiary of a Credit Party intends to use for substantially the same purpose as any other Property that has been sold or is to be sold or transferred by such Credit Party or such Subsidiary to another Person which is not another Credit Party or Subsidiary of a Credit Party in connection with such lease; provided that the foregoing shall not apply to any Person that becomes a Subsidiary pursuant to a Permitted Acquisition to the extent the lease arrangements referred to in this Section 9.13 are in existence at the time such Person becomes a Subsidiary.

SECTION 9.14 Reserved.

SECTION 9.15 Financial Covenants.

(a) Consolidated Leverage Ratio. At the end of any fiscal quarter, permit the Consolidated Leverage Ratio to be greater than 1.75 to 1.00.

(b) Minimum Liquidity. At any time, permit the sum of cash and Cash Equivalents of the Borrower and its Subsidiaries on a Consolidated basis to be less than \$75,000,000.

SECTION 9.16 Disposal of Subsidiary Interests. The Borrower will not permit any Domestic Subsidiary (other than an Excluded Subsidiary) to be a non-Wholly-Owned Subsidiary except (a) as a result of or in connection with a dissolution, merger, amalgamation, consolidation or disposition permitted by Section 9.4 or 9.5 or (b) so long as such Domestic Subsidiary continues to be a Subsidiary Guarantor to the extent required by this Agreement.

SECTION 9.17 The Scheme or Takeover Offer. The Borrower undertakes that:

(a) it will not:

(i) take or permit to be taken any step as a result of which there shall occur any increase in the offer price for any of the Target Shares above the maximum price agreed in writing between the Borrower and the Administrative Agent, except where the Initial Lender has consented to such increase;

(ii) take or permit to be taken any step as a result of which it will or may be required to increase the cash component of the offer consideration payable to the holders of Target Shares (or the holders of any options, warrants or awards related to, or securities convertible into, Target Shares) or to provide a cash alternative to holders of Target Shares in lieu of a share consideration pursuant to Rule 11 of the Code, in each case which results in the cash consideration for the Target Shares exceeding the maximum price referred to in clause (i) above;

(iii) waive, amend or vary any other term or condition of the Scheme or Takeover Offer in any respect which is material and which would reasonably be expected to be materially adverse to the interests of the Lenders under this Agreement unless such waiver, amendment or variation (1) is required by the Panel or a court of competent jurisdiction or (2) is made with the consent of the Initial Lender (acting reasonably);

(iv) without the consent of the Initial Lender, any Lender whose name appears therein and the Administrative Agent (such consent not to be unreasonably withheld or delayed), make any statement or announcement which makes reference by name to some or all of the Lenders or the Administrative Agent unless required by Applicable Law, or by the Panel or the City Code (in which case the Borrower shall notify the Administrative Agent as soon as practicable upon becoming aware of the requirement and the Borrower shall use all reasonable endeavors to consult with the Administrative Agent prior to making such announcement or statement or issuing such press release); or

(v) commence any Scheme Acquisition or Takeover Offer Acquisition or make any Press Release relating thereto unless the terms of such Scheme Acquisition or Takeover Offer Acquisition have been (or simultaneously with such commencement and Announcement will be) recommended by the board of directors of the Target to its shareholders.

(b) it will, save as agreed otherwise with the Initial Lender:

(i) use its reasonable endeavors to comply in all material respects with the City Code (subject to any waivers granted by the Panel) and all applicable laws and regulations relevant in the context of the Scheme or the Takeover Offer, if the Offer Conversion has occurred;

(ii) keep the Administrative Agent informed as to the status and progress of (or otherwise relating to) the Scheme or, if the Offer Conversion has occurred, the Takeover Offer, and, in particular, will from time to time and promptly upon request give to the Administrative Agent reasonable details as to the current level of proxies received in respect of the Scheme or acceptances received in respect of the Takeover Offer as the case may be;

(iii) (subject to applicable legal or regulatory restrictions on disclosure of such information) promptly supply to the Administrative Agent:

(A) a copy of any Scheme Circular or, if the Offer Conversion has occurred, the Takeover Offer Document, after its posting to the shareholders of the Target;

(B) copies of all other documents, certificates, notices or announcements received or issued by it (or on its behalf) in relation to the Scheme or, if the Offer Conversion has occurred, the Takeover Offer to the extent material to the interests of the Lenders, and any material documents or statements issued by the Panel, the European Commission or any other regulatory authority in relation to the Scheme or, if the Offer Conversion has occurred, the Takeover Offer;

(C) details of the date of purchase, price, period and number of all Target Shares purchased by the Borrower or any Subsidiary of the Borrower other than pursuant to a Scheme or, if the Offer Conversion has occurred, the Takeover Offer; and

(D) in the case of a Scheme Acquisition, the date of the Scheme Effective Date;

(E) in the case of a Takeover Offer Acquisition:

(1) the date of no further acceptances being possible under the terms of the Takeover Offer;

(2) the Unconditional Date; and

(3) each of the commencement and completion of the compulsory acquisition of Target Shares contemplated in paragraph (b) of the definition of "Takeover Offer Acquisition" (if applicable);

(F) any other information regarding the progress of the Scheme or Takeover Offer as the Administrative Agent may reasonably request;

(iv) ensure that it is not obliged to make a mandatory offer under Rule 9 of the City Code; and

(v) issue the first Announcement within 5 Business Days of the Closing Date;

(c) save as the same may be varied or amended pursuant to Sections 9.17(a)(i) through (iii), it will ensure that the Scheme Documents or, if the Offer Conversion has occurred, the Offer Documents are in all material respects on the terms set out in the Press Release or, if the Offer Conversion has occurred, the Offer Press Announcement;

(d) if the Offer Conversion has occurred, promptly (and in any event within 14 days) after becoming entitled to do so, give Takeover Offer Squeeze-Out Notices in respect of all classes of the Target Shares upon the conditions contained in the Companies Act 2006 for the giving of those notices being satisfied; and

(e) as soon as reasonably practicable following the exercise of its rights under the Squeeze-Out Procedures, inform the Administrative Agent that the relevant notices have been dispatched, and thereafter, upon request, inform the Administrative Agent as to the status of all Squeeze-Out Procedures which are capable of being implemented and all payments required by the Squeeze-Out Procedures to be made to (or for the benefit of) shareholders in the Target and diligently pursue its rights under the Squeeze-Out Procedures to ensure that all of the shares in the Target are acquired by it.

SECTION 9.18 Conversion from Scheme Acquisition to Takeover Offer Acquisition. The Borrower may elect to cease the process of a Scheme Acquisition and may commence a Takeover Offer Acquisition (in which case all the provisions of this Agreement relating to a Takeover Offer Acquisition will apply) if:

(a) the Takeover Offer is on substantially the terms of the Scheme (save for any changes necessary to reflect the fact that the Target Acquisition will be completed by way of Takeover Offer rather than by way of Scheme and to permit an acceptance level of the Target Shares carrying not less than 75% of the voting rights or other changes not prohibited by this Agreement); and

(b) the making of the Takeover Offer would not breach any term of Section 9.17 or Section 9.18(a) of this Agreement (including the undertaking as to price in Section 9.17(a)(i)).

ARTICLE X.

DEFAULT AND REMEDIES

SECTION 10.1 Events of Default. Each of the following shall constitute an Event of Default:

(a) Default in Payment of Principal of Loans. The Borrower shall default in any payment of principal of any Loan when and as due (whether at maturity, by reason of acceleration or otherwise).

(b) Other Payment Default. The Borrower or any other Credit Party shall default in the payment when and as due (whether at maturity, by reason of acceleration or otherwise) of interest on any Loan or the payment of any other Obligation, and such default shall continue for a period of three (3) Business Days.

(c) Misrepresentation. Any representation or warranty made or deemed made by or on behalf of any Credit Party or any Subsidiary thereof in this Agreement, in any other Loan Document, or in any document delivered in connection herewith or therewith that is subject to materiality or Material Adverse Effect qualifications, shall be incorrect or misleading in any respect when made or deemed made or any representation or warranty made or deemed made by or on behalf of any Credit Party or any Subsidiary thereof in this Agreement, any other Loan Document, or in any document delivered in connection herewith or therewith that is not subject to materiality or Material Adverse Effect qualifications, shall be incorrect or misleading in any material respect when made or deemed made.

(d) Default in Performance of Certain Covenants. Any Credit Party shall default in the performance or observance of any covenant or agreement contained in Sections 8.1, 8.2(a), 8.4, 8.13, 8.14, 8.15, 8.16 or 8.17 or Article IX.

(e) Default in Performance of Other Covenants and Conditions. Any Credit Party or any Subsidiary thereof shall default in the performance or observance of any term, covenant, condition or agreement contained in this Agreement (other than as specifically provided for in this Section) or any other Loan Document and such default shall continue for a period of thirty (30) days after the earlier of (i) the Administrative Agent's delivery of written notice thereof to the Borrower and (ii) a Responsible Officer of the Borrower having obtained knowledge thereof.

(f) Indebtedness Cross-Default. Any Credit Party or any Subsidiary thereof shall (i) default in the payment of any Indebtedness (other than the Loans) the aggregate outstanding amount of which Indebtedness is in excess of the Threshold Amount beyond the period of grace if any, provided in the instrument or agreement under which such Indebtedness was created, or (ii) default in the observance or performance of any other agreement or condition relating to any Indebtedness (other than the Loans) the aggregate outstanding amount (or, with respect to any Hedge Agreement, the Hedge Termination Value) of which Indebtedness is in excess of the Threshold Amount or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause, with the giving of notice and/or lapse of time, if required, any such Indebtedness to become due prior to its stated maturity (any applicable grace period having expired), in each case other than as a result of any change of control or termination right by the lender under the Existing Target Credit Agreement caused by the Target Acquisition.

(g) Reserved.

(h) Change in Control. Any Change in Control shall occur.

(i) Voluntary Bankruptcy Proceeding. Any Credit Party or any Subsidiary thereof shall (i) commence a voluntary case under the Debtor Relief Laws, (ii) file a petition seeking to take advantage of any Debtor Relief Laws, (iii) consent to or fail to contest in a timely and appropriate manner any petition filed against it in an involuntary case under any Debtor Relief Laws, (iv) apply for or consent to, or fail to contest in a timely and appropriate manner, the appointment of, or the taking of possession by, a receiver, custodian, trustee, or liquidator of itself or of a substantial part of its property, domestic or foreign, (v) admit in writing its inability to pay its debts as they become due, (vi) make a general assignment for the benefit of creditors, (vii) file for administration, (viii) commence an insolvent voluntary arrangement or insolvent scheme of arrangement, in each case with its creditors or (ix) take any corporate action for the purpose of authorizing any of the foregoing.

(j) Involuntary Bankruptcy Proceeding. A case or other proceeding shall be commenced against any Credit Party or any Subsidiary thereof in any court of competent jurisdiction seeking (i) relief under any Debtor Relief Laws, or (ii) the appointment of a trustee, receiver, custodian, liquidator, administrator, administrative receiver, trustee in bankruptcy, compulsory manager or the like for any Credit Party or any Subsidiary thereof or for all or any substantial part of their respective assets, domestic or foreign, and such case or proceeding shall continue without dismissal or stay for a period of sixty (60) consecutive days, or an order granting the relief requested in such case or proceeding (including, but not limited to, an order for relief under such federal bankruptcy laws) shall be entered.

(k) Failure of Agreements. (i) Any material provision of this Agreement or any material provision of any other Loan Document shall for any reason cease to be valid and binding on any Credit Party or any Subsidiary thereof party thereto or any such Person shall so state in writing, (ii) any Credit Party or any Subsidiary repudiates, or evidences an intention in writing to repudiate, this Agreement or any provision of any other Loan Document or (iii) any Security Document shall for any reason cease to create a valid and perfected Lien on or security interest in (in each case subject to Permitted Liens) any material portion of the Collateral purported to be covered thereby, in each case, other than in accordance with the express terms hereof or thereof or by virtue of any action or inaction of the Administrative Agent.

(l) ERISA Events. The occurrence of any of the following events: (i) any Credit Party or any ERISA Affiliate fails to make full payment when due of all amounts which, under the provisions of any Pension Plan or Sections 412 or 430 of the Code, any Credit Party or any ERISA Affiliate is required to pay as contributions thereto and are in excess of the Threshold Amount, (ii) a Termination Event or (iii) any Credit Party or any ERISA Affiliate as employers under one or more Multiemployer Plans makes a complete or partial withdrawal from any such Multiemployer Plan and the plan sponsor of such Multiemployer Plans notifies such withdrawing employer that such employer has incurred a withdrawal liability requiring payments in an amount exceeding the Threshold Amount.

(m) Judgment. A judgment or order for the payment of money which causes the aggregate amount of all such judgments or orders (net of any amounts paid or fully covered by independent third party insurance as to which the relevant insurance company does not dispute coverage) to exceed the Threshold Amount shall be entered against any Credit Party or any Subsidiary thereof by any court and such judgment or order shall continue without having been discharged, vacated or stayed for a period of thirty (30) consecutive days after the entry thereof.

(n) Clean Up Period. Notwithstanding any other provision of this Agreement, if during the Clean Up Period any event or circumstance exists which (but for this Section 10.1(n)) would constitute an Event of Default, Default, breach of a representation, warranty, covenant or undertaking, then such event or circumstance will not constitute an Event of Default, Default or breach of a representation, warranty, covenant or undertaking during the Clean Up Period if:

- (i) it relates exclusively to the Target or its Subsidiaries or to an obligation to cause or ensure compliance in relation to the Target or its Subsidiaries;
- (ii) it is capable of remedy during the Clean Up Period and reasonable steps are being taken by the Borrower to remedy it; and
- (iii) it has not been caused, procured or approved by the Borrower or any Subsidiary (other than the Target or its Subsidiaries);

provided that this Section 10.1(n) shall not apply to any Event of Default that would reasonably be likely to have a Material Adverse Effect. In this paragraph (n) the term "capable of remedy" in relation to any breach of a representation, warranty, covenant or undertaking or any Event of Default or Default means that the underlying facts or circumstances are capable of remedy such that if the representation or warranty were repeated or compliance with the covenant, undertaking or default event were tested, as the case may be, after the expiry of the Clean Up Period, such representation, warranty, covenant or undertaking would not be breached or default event would not exist. If the relevant circumstances are continuing on or after the Clean Up Period, there shall be a breach of a representation, warranty, covenant or an Event of Default, as the case may be, notwithstanding the above (and without prejudice to the rights and remedies of the Lenders or the Administrative Agent).

SECTION 10.2 Remedies. Upon the occurrence of an Event of Default (but subject to Section 1.11), with the consent of the Required Lenders, the Administrative Agent may, or upon the request of the Required Lenders, the Administrative Agent shall, by notice to the Borrower:

(a) Acceleration; Termination of Credit Facility. Terminate the Commitment and declare the principal of and interest on the Loans at the time outstanding, and all other amounts owed to the Lenders and to the Administrative Agent under this Agreement or any of the other Loan Documents and all other Obligations, to be forthwith due and payable, whereupon the same shall immediately become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or the other Loan Documents to the contrary notwithstanding, and terminate the Credit Facility and any right of the Borrower to request borrowings thereunder; provided, that upon the occurrence of an Event of Default specified in Section 10.1(i) or (j), the Credit Facility shall be automatically terminated and all Obligations shall automatically become due and payable without presentment, demand, protest or other notice of any kind, all of which are expressly waived by each Credit Party, anything in this Agreement or in any other Loan Document to the contrary notwithstanding.

(b) General Remedies. Exercise on behalf of the Secured Parties all of its other rights and remedies under this Agreement, the other Loan Documents and Applicable Law, in order to satisfy all of the Secured Obligations.

SECTION 10.3 Rights and Remedies Cumulative; Non-Waiver; etc.

(a) The enumeration of the rights and remedies of the Administrative Agent and the Lenders set forth in this Agreement is not intended to be exhaustive and the exercise by the Administrative Agent and the Lenders of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder or under the other Loan Documents or that may now or hereafter exist at law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Administrative Agent or any Lender in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No course of dealing between the Borrower, the Administrative Agent and the Lenders or their respective agents or employees shall be effective to change, modify or discharge any provision of this Agreement or any of the other Loan Documents or to constitute a waiver of any Event of Default.

(b) Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Credit Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.2 for the benefit of all the Secured Parties; provided that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 12.4 (subject to the terms of Section 5.6), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Credit Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.2 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 5.6, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

SECTION 10.4 Crediting of Payments and Proceeds. In the event that the Obligations have been accelerated pursuant to Section 10.2 or the Administrative Agent or any Lender has exercised any remedy set forth in this Agreement or any other Loan Document, all payments received on account of the Secured Obligations and all net proceeds from the enforcement of the Secured Obligations shall be applied by the Administrative Agent as follows:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts, including attorney fees, payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Lenders under the Loan Documents, including attorney fees, ratably among the Lenders in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans and payment obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth payable to them; and

Last, the balance, if any, after all of the Secured Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Applicable Law.

Notwithstanding the foregoing, Secured Obligations arising under Secured Hedge Agreements and Secured Cash Management Agreements shall be excluded from the application described above if the Administrative Agent has not received written notice thereof, together with such supporting documentation as the Administrative Agent may request, from the applicable Hedge Bank or Cash Management Bank, as the case may be. Each Hedge Bank and Cash Management Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article XI for itself and its Affiliates as if a "Lender" party hereto.

SECTION 10.5 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 5.3 and 12.3) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequesteror or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 5.3 and 12.3.

SECTION 10.6 Credit Bidding.

(a) The Administrative Agent, on behalf of itself and the Lenders, shall have the right to credit bid and purchase for the benefit of the Administrative Agent and the Lenders all or any portion of Collateral at any sale thereof conducted by the Administrative Agent under the provisions of the UCC, including pursuant to Sections 9-610 or 9-620 of the UCC, at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including Section 363 thereof, or a sale under a plan of reorganization, or at any other sale or foreclosure conducted by the Administrative Agent (whether by judicial action or otherwise) in accordance with Applicable Law.

(b) Each Lender hereby agrees that, except as otherwise provided in any Loan Documents or with the written consent of the Administrative Agent and the Required Lenders, it will not take any enforcement action, accelerate obligations under any Loan Documents, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales or other similar dispositions of Collateral.

ARTICLE XI.

THE ADMINISTRATIVE AGENT

SECTION 11.1 Appointment and Authority.

(a) Each of the Lenders hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Except as provided in Sections 11.6 and 11.9, the provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and neither the Borrower nor any Subsidiary thereof shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders (including in its capacity as a potential Hedge Bank or Cash Management Bank) hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Credit Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto (including, without limitation, to enter into additional Loan Documents or supplements to existing Loan Documents on behalf of the Secured Parties). In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to this Article XI for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Security Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of Articles XI and XII (including Section 12.3, as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents) as if set forth in full herein with respect thereto. The Administrative Agent, in its capacity as “collateral agent”, shall have the sole right to enforce any and all Liens on the Collateral granted by any of the Credit Parties to secure the Secured Obligations and otherwise exercise any and all remedies under the Security Documents.

SECTION 11.2 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

SECTION 11.3 Exculpatory Provisions.

(a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder and thereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 12.2 and Section 10.2) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default unless and until notice describing such Default or Event of Default is given to the Administrative Agent by the Borrower or a Lender.

(c) 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 this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default or Event of Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article VI or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 11.4 Reliance by the Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), 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 11.5 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub agents appointed by the Administrative Agent. The Administrative Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions 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 their respective activities in connection with the syndication of the Credit Facility as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub agents.

SECTION 11.6 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower and subject to the consent of the Borrower (provided no Event of Default has occurred and is continuing at the time of such resignation), to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such 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 (or such earlier day as shall be agreed by the Required Lenders) (the “Resignation Effective Date”), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by Applicable Law, by notice in writing to the Borrower and such Person, remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the “Removal Effective Date”), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable), (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring or removed Administrative Agent (other than any rights to indemnity payments owed to the retiring or removed Administrative Agent), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder and under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 12.3 shall continue in effect for the benefit of such retiring or removed 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 or removed Administrative Agent was acting as Administrative Agent.

SECTION 11.7 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. Except for notices, reports and other documents and information expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the affairs, financial condition or business of the Borrower (or any of its Affiliates) which may come into the possession of such Person or any of its Affiliates.

SECTION 11.8 Reserved.

(a) Each of the Lenders (including in its or any of its Affiliate's capacities as a potential Hedge Bank or Cash Management Bank) irrevocably authorize the Administrative Agent, at its option and in its discretion:

(i) to release any Lien on any Collateral granted to or held by the Administrative Agent, for the ratable benefit of the Secured Parties, under any Loan Document (A) upon the termination of the Commitments and payment in full of all Secured Obligations (other than (1) contingent indemnification obligations and (2) obligations and liabilities under Secured Cash Management Agreements or Secured Hedge Agreements as to which arrangements satisfactory to the applicable Cash Management Bank or Hedge Bank shall have been made), (B) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents, (C) if approved, authorized or ratified in writing in accordance with Section 12.2;

(ii) to subordinate any Lien on any Collateral granted to or held by the Administrative Agent under any Loan Document to the holder of any Permitted Lien; and

(iii) to release any Subsidiary Guarantor from its obligations under any Loan Documents if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Subsidiary Guarantor from its obligations under the Subsidiary Guaranty Agreement pursuant to this Section 11.9. In each case as specified in this Section 11.9, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Credit Party such documents as such Credit Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Security Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Subsidiary Guaranty Agreement, in each case in accordance with the terms of the Loan Documents and this Section 11.9. In the case of any such sale, transfer or disposal of any property constituting Collateral in a transaction constituting an Asset Disposition permitted pursuant to Section 9.5, the Liens created by any of the Security Documents on such property shall be automatically released without need for further action by any person.

(b) The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 11.10 Secured Hedge Agreements and Secured Cash Management Agreements. No Hedge Bank or Cash Management Bank that obtains the benefits of Section 10.4 or any Collateral by virtue of the provisions hereof or of any Security Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article XI to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Hedge Agreements and Secured Cash Management Agreements unless the Administrative Agent has received written notice of such Secured Hedge Agreements and Secured Cash Management Agreements, together with such supporting documentation as the Administrative Agent may request, from the applicable Hedge Bank or Cash Management Bank.

ARTICLE XII.

MISCELLANEOUS

SECTION 12.1 Notices.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in paragraph (b) below), 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:

If to the Borrower:

Cirrus Logic, Inc.
800 West Sixth Street
Austin, Texas 78701
Attention of: Thurman Case
Telephone No.: (512) 851-4000
Facsimile No.: (512) 851-4527
E-mail: thurman.case@cirrus.com

With copies to:

Cirrus Logic, Inc.
800 West Sixth Street
Austin, Texas 78701
Attention of: Office of the General Counsel
Telephone No.: (512) 851-4000
Facsimile No.: (512) 851-4527
E-mail: scott.thomas@cirrus.com

If to Wells Fargo as Administrative Agent:

Wells Fargo Bank, National Association
MAC D1109-019
1525 West W.T. Harris Blvd.
Charlotte, NC 28262
Attention of: Syndication Agency Services
Telephone No.: (704) 590-2703
Facsimile No.: (704) 715-0092

With copies to:

Wells Fargo Bank, National Association
111 Congress Avenue, Suite 2200
Austin, Texas 78701
Attention of: Stuart Edwards
Telephone No.: (512) 344-7017
Facsimile No.: (512) 496-0970
E-mail: stuart.edwards@wellsfargo.com

If to any Lender:

To the address set forth on the signature pages hereto or in the Assignment and Acceptance pursuant to which it became a Lender.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in paragraph (b) below, shall be effective as provided in said paragraph (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that is incapable of receiving notices under such Article by electronic communication. 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. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or other communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) Administrative Agent's Office. The Administrative Agent hereby designates its office located at the address set forth above, or any subsequent office which shall have been specified for such purpose by written notice to the Borrower and Lenders, as the Administrative Agent's Office referred to herein, to which payments due are to be made and at which Loans will be disbursed.

(d) Change of Address, Etc. Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

(e) Platform.

(i) Subject to Section 12.11 and the last paragraph of Section 8.2, each Credit Party agrees that the Administrative Agent may, but shall not be obligated to, make the Borrower Materials available to the Lenders by posting the Borrower Materials on the Platform.

(ii) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy or completeness of the Borrower Materials or the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Borrower Materials. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Borrower Materials or the Platform. Subject to Section 12.11 and the last paragraph of Section 8.2, in no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to any Credit Party, any Lender or any other Person or entity for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Credit Party's or the Administrative Agent's transmission of communications through the Internet (including, without limitation, the Platform), except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided that in no event shall any Agent Party have any liability to any Credit Party, any Lender or any other Person for indirect, special, incidental, consequential or punitive damages, losses or expenses (as opposed to actual damages, losses or expenses).

(f) Private Side Designation. Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and Applicable Law, including United States Federal and state securities Applicable Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities Applicable Laws.

SECTION 12.2 Amendments, Waivers and Consents. Except as set forth below or as specifically provided in any Loan Document, any term, covenant, agreement or condition of this Agreement or any of the other Loan Documents may be amended or waived by the Lenders, and any consent given by the Lenders, if, but only if, such amendment, waiver or consent is in writing signed by the Required Lenders (or by the Administrative Agent with the consent of the Required Lenders) and delivered to the Administrative Agent and, in the case of an amendment, signed by the Borrower; provided, that no amendment, waiver or consent shall:

(a) increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 10.2) or the amount of Loans of any Lender, in any case, without the written consent of such Lender;

(b) waive, extend or postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly and adversely affected thereby;

(c) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (ii) of the second proviso to this Section) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly and adversely affected thereby; provided that only the consent of the Required Lenders shall be necessary (i) to waive any obligation of the Borrower to pay interest at the rate set forth in Section 5.1(c) during the continuance of an Event of Default or (ii) waive a default or to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such waiver or amendment would be to reduce the rate of interest on any Loan or to reduce any fee payable hereunder;

(d) change Section 5.6 or Section 10.4 in a manner that would alter the pro rata sharing of payments or order of application required thereby without the written consent of each Lender directly and adversely affected thereby;

(e) change any provision of this Section or reduce the percentages specified in the definitions of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender directly affected thereby;

(f) consent to the assignment or transfer by any Credit Party of such Credit Party's rights and obligations under any Loan Document to which it is a party (except as permitted pursuant to Section 9.4), in each case, without the written consent of each Lender;

(g) release all of the Subsidiary Guarantors or Subsidiary Guarantors comprising substantially all of the credit support for the Secured Obligations, in any case, from the Subsidiary Guaranty Agreement (other than as authorized in Section 11.9), without the written consent of each Lender; or

(h) release all or substantially all of the Collateral or release any Security Document (other than as authorized in Section 11.9 or as otherwise specifically permitted or contemplated in this Agreement or the applicable Security Document) without the written consent of each Lender.

provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; (ii) the Fee Letter may not be amended, or rights or privileges thereunder waived, unless in writing executed only by the parties thereto, and (iii) the Administrative Agent and the Borrower shall be permitted to amend any provision of the Loan Documents (and such amendment shall become effective without any further action or consent of any other party to any Loan Document) if the Administrative Agent and the Borrower shall have jointly identified an obvious error or any error or omission of a technical or immaterial nature in any such provision. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender.

SECTION 12.3 Expenses; Indemnity.

(a) Costs and Expenses. The Borrower and any other Credit Party, jointly and severally, 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 one primary outside counsel for the Administrative Agent) in connection with the syndication of the Credit Facility prior to the Closing Date, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable out of pocket expenses incurred by the Administrative Agent or any Lender (including the reasonable fees, charges and disbursements of one primary counsel for the Administrative Agent or any Lender, unless a conflict of interest exists among such Persons in which case each such Person shall have separate counsel, the reasonable fees of which shall be reimbursed by the Borrower) in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification by the Borrower. The Borrower shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, and shall pay or reimburse any such Indemnitee for, any and all losses, claims (including, without limitation, any Environmental Claims), damages, liabilities and related reasonable out of pocket expenses (including the reasonable fees, charges and disbursements of one primary outside counsel, one local outside counsel in each applicable jurisdiction and one regulatory outside counsel for all Indemnitees, unless a conflict of interest exists among such Persons in which case each such Person shall have separate counsel, the reasonable fees of which shall be reimbursed by the Borrower) incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Credit Party), other than such Indemnitee and its Related Parties, arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby (including, without limitation, the Transactions), (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by any Credit Party or any Subsidiary thereof, or any Environmental Claim related in any way to any Credit Party or any Subsidiary or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Credit Party or any Subsidiary thereof, and regardless of whether any Indemnitee is a party thereto, and the prosecution and defense thereof, arising out of or in any way connected with the Loans, this Agreement, any other Loan Document, or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby, including without limitation, reasonable consultant’s fees, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, (y) result from a claim brought by any Credit Party or any Subsidiary thereof against an Indemnitee for breach in bad faith of such Indemnitee’s obligations hereunder or under any other Loan Document, if such Credit Party or such Subsidiary has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction or (z) arise out of a dispute that is brought by an Indemnitee against another Indemnitee (other than against the Administrative Agent, in its capacity as such, in which case such indemnity shall apply with respect to the Administrative Agent, to the extent otherwise available) not involving any act or omission by the Borrower, its Subsidiaries or its Affiliates. This Section 12.3(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under clause (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party of the Administrative Agent (or any such sub-agent), each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender’s pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender’s share of the aggregate Credit Exposures at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); 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 (or any such sub-agent) in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this clause (c) are subject to the provisions of Section 5.7.

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Law, no party to this Agreement shall assert, and each hereby waives, any claim against any other party to this Agreement, 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, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof; provided that the foregoing limitation shall not be deemed to impair or affect the indemnification obligations of the Borrower under the Loan Documents. Provided that such distribution of information or other materials is made in compliance with the applicable provisions of this Agreement, no Indemnitee referred to in clause (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby.

(e) Payments. All amounts due under this Section shall be payable promptly after demand therefor.

(f) Survival. Each party's obligations under this Section shall survive the termination of the Loan Documents and payment of the obligations hereunder.

SECTION 12.4 Right of Setoff. Subject to Section 1.11, if an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by Applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Credit Party against any and all of the obligations of the Borrower or such Credit Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or any of its Affiliates, irrespective of whether or not such Lender or any such Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Credit Party may be contingent or unmatured or are owed to a branch or office of such Lender or such Affiliate different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 10.4 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and its Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or its Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 12.5

Governing Law; Jurisdiction, Etc.

(a) Governing Law. This Agreement and the other Loan Documents and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement or any other Loan Document (except, as to any other Loan Document, as expressly set forth therein) and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the law of the State of New York.

(b) Submission to Jurisdiction. The Borrower and each other Credit Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender or any Related Party of the foregoing in any way relating to this Agreement or any other Loan Document or the transactions relating hereto or thereto, in any forum other than the courts 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 in the Borough of Manhattan, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Applicable Law, in such federal court. Each of the parties hereto agrees that a final judgment in any such action, litigation 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 this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or any other Credit Party or its properties in the courts of any jurisdiction.

(c) Waiver of Venue. The Borrower and each other Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Service of Process. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 12.1. Nothing in this Agreement will affect the right of any party hereto to serve process in any other manner permitted by Applicable Law.

SECTION 12.6 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY 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 THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 12.7 Reversal of Payments. To the extent any Credit Party makes a payment or payments to the Administrative Agent for the ratable benefit of the Lenders or the Administrative Agent receives any payment or proceeds of the Collateral which payments or proceeds or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any Debtor Relief Law, other Applicable Law or equitable cause, then, to the extent of such payment or proceeds repaid, the Obligations or part thereof intended to be satisfied shall be revived and continued in full force and effect as if such payment or proceeds had not been received by the Administrative Agent.

SECTION 12.8 Injunctive Relief. The Borrower recognizes that, in the event the Borrower fails to perform, observe or discharge any of its obligations or liabilities under this Agreement, any remedy of law may prove to be inadequate relief to the Lenders. Therefore, the Borrower agrees that the Lenders, at the Lenders' option, shall be entitled to temporary and permanent injunctive relief in any such case without the necessity of proving actual damages.

SECTION 12.9 Accounting Matters. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

SECTION 12.10 Successors and Assigns; Participations.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of paragraph (b) of this Section, (ii) by way of participation in accordance with the provisions of paragraph (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of paragraph (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in paragraph (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or in the case of an assignment to a Lender or an Affiliate of a Lender, no minimum amount need be assigned; and

(B) in any case not described in paragraph (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$5,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided that the Borrower shall be deemed to have given its consent five (5) Business Days after the date written notice thereof has been delivered by the assigning Lender (through the Administrative Agent) unless such consent is expressly refused by the Borrower prior to such fifth (5th) Business Day;

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan or the Commitment assigned;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by paragraph (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment or (y) such assignment is to a Lender or an Affiliate of a Lender; provided, that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 5 Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments if such assignment is to a Person that is not a Lender or an Affiliate of a Lender; and

(C) the consent of the Financial Advisor (such consent not to be unreasonably withheld or delayed, it being acknowledged that it would be reasonable for the Financial Advisor to withhold consent based on the Financial Advisor's own reasonable credit assessment of the proposed assignee) shall be required for assignments if such assignment takes place during the Certain Funds Period. The Financial Advisor shall be deemed a third party beneficiary of this subclause (C).

(iv) Assignment and Assumption. The Lender and the assignee party to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500 for each assignment; provided that (A) only one such fee will be payable in connection with simultaneous assignments to two or more Affiliates by a Lender and (B) the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made to (A) the Borrower or any of the Borrower's Subsidiaries or Affiliates or (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B).

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural Person.

(vii) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested, but not funded by, the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each Lender hereunder (and interest accrued thereon), and (B) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Commitment Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under Applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to paragraph (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, 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 and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption 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 5.8, 5.9, 5.10, 5.11 and 12.3 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph 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 paragraph (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices in Charlotte, North Carolina, a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amounts of (and stated interest on) 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, absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender (but only to the extent of entries in the Register that are applicable to such Lender), at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or 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, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 12.3(c) with respect to any payments made by such Lender to its Participant(s).

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 this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; 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 or modification described in Section 12.2(b), (c), (d) or (e) that directly and adversely affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 5.9, 5.10 and 5.11 (subject to the requirements and limitations therein, including the requirements of Section 5.11(f) (it being understood that the documentation required under Section 5.11(f) shall be delivered to the participating Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Section 5.12 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 5.10 or 5.11, with respect to such participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 5.12(b) with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 12.4 as though it were a Lender; provided that such Participant agrees to be subject to Section 5.6 as though it were a Lender.

(e) Participant Register. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Certain Pledges. 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 without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledge or assignee for such Lender as a party hereto.

(a) Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (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 required or requested by, or required to be disclosed to, any regulatory or similar authority purporting to have jurisdiction over such Person or its Related Parties (including the Takeover Panel and any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by Applicable Laws or regulations (including the Takeover Code or pursuant to the requirements of any applicable stock exchange (including the London Stock Exchange)) or by any subpoena or similar legal process, (d) to any other party hereto, except that Information that is not marked "PUBLIC" shall not be furnished to any Public Lender, (e) in connection with the exercise of any remedies under this Agreement, under any other Loan Document or under any Secured Hedge Agreement or Secured Cash Management Agreement, or any action or proceeding relating to this Agreement, any other Loan Document or any Secured Hedge Agreement or Secured Cash Management Agreement, or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section and obtaining confirmation as to the required Information Barriers, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder; (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the Credit Facility or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Credit Facility; (h) with the consent of the Borrower, (i) with the consent of the Borrower, not to be unreasonably withheld, to Gold Sheets and other similar bank trade publications, such information to consist of deal terms and other information customarily found in such publications, (j) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower or (k) to governmental regulatory authorities in connection with any regulatory examination of the Administrative Agent or any Lender or in accordance with the Administrative Agent's or any Lender's regulatory compliance policy if the Administrative Agent or such Lender deems necessary for the mitigation of claims by those authorities against the Administrative Agent or such Lender or any of its subsidiaries or affiliates.

(b) Price Sensitive Information. Each of the Administrative Agent and the Lenders acknowledge that some or all of the Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and undertakes not to use any Information for any unlawful purpose. Each of the Administrative Agent and the Lenders further acknowledges that as a result of being given the Information they may well become insiders and, therefore, be unable to take certain actions which they would otherwise be able to take. Each of the Administrative Agent and the Lenders represents, warrants and undertakes to the Borrower and each of its Affiliates either: (i) that neither it nor any other its Affiliates holds any shares in the Target or is otherwise interested in shares carrying voting rights in the Target and that it will not (and will ensure that each of its Affiliates will not): (A) acquire or offer to acquire, or cause any other Person to acquire or to offer to acquire, any shares in Target or other interests in shares carrying voting rights in Target until the end of the offer period; or (B) enter into an agreement or arrangement (whether or not legally binding) that would result in the acquisition of shares in the Target or other interests in shares carrying voting rights in Target until the end of the offer period, provided that nothing in this Section 12.11(b) shall prevent the acquisition of shares in the Target or other interests in shares carrying voting rights in the Target: (I) carried out in a client-serving capacity by any part of the trading operations of an entity in its Participant Group that is a recognized intermediary within the meaning of the Takeover Code; or (II) with the consent of the Panel, by a member of its Participant Group as security for a loan in the normal course of business; or (ii) that it and each of its Affiliates: (A) has established Information Barriers between the persons or entities (and their officers, directors and employees) within its Participant Group which are responsible for (I) making decisions in relation to this Agreement; and (II) trading, or making investment decisions in relation to, equity investments; and (B) will maintain the Information Barriers, and ensure that the Information may not be accessed by any Persons or entities within its Participant Group who hold or may acquire shares in the Target or who are or may be otherwise interested in shares carrying voting rights in the Target until the end of the offer period.

For purposes of this Section 12.11, “Information” means all information received from any Credit Party or any Subsidiary thereof (or any Person acting on their behalf) relating to any Credit Party or any Subsidiary thereof or any of their respective businesses or to the Target Acquisition, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by or on behalf of any Credit Party or any Subsidiary thereof; provided that, in the case of information received from any Credit Party or any Subsidiary thereof (or any Person acting on their behalf) after the Closing Date, all such information shall be confidential and constitute “Information” under this Section 12.11 unless otherwise marked by the Borrower or its Subsidiaries as “PUBLIC”. For purposes of this Section, “offer period” has the meaning given to that term in the Takeover Code and “interests in shares” shall have the same meaning as “interests in securities” under the Takeover Code.

SECTION 12.12 Performance of Duties. Each of the Credit Party’s obligations under this Agreement and each of the other Loan Documents shall be performed by such Credit Party at its sole cost and expense.

SECTION 12.13 All Powers Coupled with Interest. All powers of attorney and other authorizations granted to the Lenders, the Administrative Agent and any Persons designated by the Administrative Agent or any Lender pursuant to any provisions of this Agreement or any of the other Loan Documents shall be deemed coupled with an interest and shall be irrevocable so long as any of the Obligations remain unpaid or unsatisfied, any of the Commitments remain in effect or the Credit Facility has not been terminated.

SECTION 12.14 Survival.

(a) All representations and warranties made under this Agreement and the other Loan Documents shall survive the Closing Date and shall not be waived by the execution and delivery of this Agreement, any investigation made by or on behalf of the Lenders or any borrowing hereunder.

(b) Notwithstanding any termination of this Agreement, the indemnities to which the Administrative Agent and the Lenders are entitled under the provisions of this Article XII and any other provision of this Agreement and the other Loan Documents shall continue in full force and effect and shall protect the Administrative Agent and the Lenders against events arising after such termination as well as before.

SECTION 12.15 Titles and Captions. Titles and captions of Articles, Sections and subsections in, and the table of contents of, this Agreement are for convenience only, and neither limit nor amplify the provisions of this Agreement.

SECTION 12.16 Severability of Provisions. Any provision of this Agreement or any other Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 12.17 Counterparts; Integration; Effectiveness; Electronic Execution.

(a) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and 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 6.1, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement.

(b) Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

SECTION 12.18 Term of Agreement. This Agreement shall remain in effect from the Closing Date through and including the date upon which all Obligations (other than contingent indemnification obligations not then due) arising hereunder or under any other Loan Document shall have been indefeasibly and irrevocably paid and satisfied in full and the Commitments have been terminated. No termination of this Agreement shall affect the rights and obligations of the parties hereto arising prior to such termination or in respect of any provision of this Agreement which survives such termination.

SECTION 12.19 USA PATRIOT Act. The Administrative Agent and each Lender hereby notifies the Borrower that pursuant to the requirements of the PATRIOT Act, each of them is required to obtain, verify and record information that identifies the Borrower and the Subsidiary Guarantors, which information includes the name and address of the Borrower and each Subsidiary Guarantor and other information that will allow such Lender to identify the Borrower or such Subsidiary Guarantor in accordance with the PATRIOT Act.

SECTION 12.20 Independent Effect of Covenants. The Borrower expressly acknowledges and agrees that each covenant contained in Articles VIII or IX hereof shall be given independent effect. Accordingly, the Borrower shall not engage in any transaction or other act otherwise permitted under any covenant contained in Articles VIII or IX, before or after giving effect to such transaction or act, the Borrower shall or would be in breach of any other covenant contained in Articles VIII or IX.

SECTION 12.21 Inconsistencies with Other Documents. In the event there is a conflict or inconsistency between this Agreement and any other Loan Document, the terms of this Agreement shall control; provided that any provision of the Security Documents which imposes additional burdens on the Borrower or any of its Subsidiaries or further restricts the rights of the Borrower or any of its Subsidiaries or gives the Administrative Agent or Lenders additional rights shall not be deemed to be in conflict or inconsistent with this Agreement and shall be given full force and effect.

SECTION 12.22 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees that: (a) (i) the arranging and other services regarding this Agreement provided by the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Lenders, on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b) (i) each of the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (ii) no Lender has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby, except those obligations expressly set forth herein and in the other Loan Documents; and (c) each of the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and no Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates.

[Signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers, all as of the day and year first written above.

CIRRUS LOGIC, INC.,
as Borrower

By: /s/ Thurman K. Case
Name: Thurman K. Case
Title: Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent and Lender

By: /s/ Stuart Edwards
Stuart Edwards
Senior Relationship Manager

Cirrus Logic Agrees to Acquire Wolfson Microelectronics*Acquisition Expected to Strengthen Cirrus Logic's Leadership Position in Audio ICs and Software for Portable Audio Applications*

AUSTIN, Texas & EDINGBURGH, Scotland--(BUSINESS WIRE)--April 29, 2014--Cirrus Logic, Inc. (NASDAQ : CRUS) and Wolfson Microelectronics plc (LSE : WLF or WLF.L) today announced the terms of a recommended transaction under which Cirrus Logic would acquire Wolfson at a price of £2.35 per share in cash, implying an enterprise value of £278 million, or approximately \$467 million. The transaction, if approved, is expected to strengthen Cirrus Logic's ability to expand its customer base with highly differentiated, end-to-end audio solutions for portable audio applications. The transaction will be financed by a combination of existing cash on Cirrus Logic's balance sheet and \$225 million in debt funding.

"Wolfson has a rich history of audio innovation, a broad catalog of audio products and a first class customer list," said Jason Rhode, Cirrus Logic President and Chief Executive Officer. "This acquisition strengthens Cirrus Logic's core business as a leader in audio signal processing components, enhances our ability to differentiate our products with software, and adds new product categories such as MEMS microphones to our portfolio."

"The Board of Wolfson believes that this is an attractive offer for Wolfson shareholders," said Michael Ruetger, Chairman of the Board of Wolfson Microelectronics. "We believe this reflects the hard work that Mike Hickey and his team have put into building Wolfson as a leader in the supply of high performance Audio Hubs and MEMS microphones to the consumer electronics market. Together with Cirrus Logic, we believe this will create a powerful platform for future growth, above and beyond our standalone potential."

The acquisition is expected to be completed in the second half of 2014. Cirrus Logic expects the acquisition to be accretive to non-GAAP earnings per share in the first full quarter after the transaction closes (excluding the impact of one-time integration and acquisition related costs). The transaction is subject to regulatory approvals and the approval of Wolfson shareholders. Additional details about the transaction are available at the Investor Relations section of Cirrus Logic's website at investor.cirrus.com.

Conference call

Cirrus Logic will host a conference call today at 7:00 a.m. CDT / 1:00 p.m. London time to discuss this announcement. Participants may listen to the conference call on the Cirrus Logic investor relations website or by dialing (253) 237-1153 or toll free at (877) 392-9886 (Access Code: 34114274).

A replay of the conference call will be available on the Cirrus Logic investor relations website beginning approximately two hours following the completion of the call, or by dialing (404) 537-3406 or toll free at (855) 859-2056 (Access Code: 34114274).

About Cirrus Logic, Inc.:

Cirrus Logic develops high-precision, analog and mixed-signal integrated circuits for a broad range of innovative customers. Building on its diverse analog and signal-processing patent portfolio, Cirrus Logic delivers highly optimized products for a variety of audio and energy-related applications. The company operates from headquarters in Austin, Texas, with offices in Phoenix, Ariz., Europe, Japan and Asia. More information about Cirrus Logic is available at www.cirrus.com.

About Wolfson Microelectronics plc:

Wolfson Microelectronics plc is a global leader in the supply of high performance, mixed-signal semiconductor devices and audio solutions to the consumer electronics market. In the home, in the office and on the move, Wolfson's innovative technology can be found at the heart of many of the world's leading digital consumer goods, including premier hi-fi equipment, smartphones, mobile phones, tablet computers, MP3 players, televisions, digital still cameras and gaming.

Wolfson's headquarters are located in Edinburgh, UK. Wolfson's customers are located worldwide, and so is Wolfson, with design centers, sales offices, applications teams and engineering expertise across Europe, the US, Australia and Asia.

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Forward-Looking Statements

Except for historical information contained herein, this news release contains forward-looking statements, including statements related to the recommended transaction under which Cirrus Logic would acquire Wolfson (the "Acquisition"), the anticipated closing of the Acquisition; the effect of the Acquisition on our earnings per share; future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; business and management strategies and the expansion and growth of Cirrus Logic's or Wolfson's operations and potential synergies resulting from the Acquisition; and the effects of government regulation on Cirrus Logic's or Wolfson's business. In some cases, forward-looking statements are identified by words such as "expect," "anticipate," "target," "project," "believe," "goals," "opportunity," "estimates," "intend," and variations of these types of words and similar expressions. In addition, any statements that refer to our plans, expectations, strategies or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, but are not limited to, the risk of failing to complete the Acquisition and the risk of failing to successfully integrate Wolfson into the business and operations of Cirrus Logic following the Acquisition; and the risk factors listed in our Form 10-K for the year ended March 30, 2013, and in our other filings with the Securities and Exchange Commission, which are available at www.sec.gov. The foregoing information is as of the date of this news release, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new developments or otherwise.

No Offer or Solicitation

This news release is not intended to and does not constitute or form part of an offer or invitation to purchase or otherwise acquire any securities or the solicitation of any vote or approval in any jurisdiction in contravention of applicable law.

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Cirrus Logic to Acquire Wolfson Microelectronics
April 29, 2014



Disclaimer

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This document is being made available only to persons who fall within the exemptions contained in Article 19 and Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and persons who are otherwise permitted by law to receive it. This document is not available to, and must not be relied upon, by any other person.

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This presentation relates to the acquisition by Cirrus Logic of the shares of Wolfson Microelectronics, a Scottish company which is proposed to be effected by means of a scheme of arrangement under the laws of the United Kingdom (the "Acquisition"). Neither the proxy solicitation rules nor (unless implemented by means of a takeover offer) the tender offer rules under the US Securities Exchange Act of 1934, as amended, will apply to the Acquisition. Moreover, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom and under the United Kingdom Takeover Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. If Cirrus Logic exercises its right to implement the Acquisition by way of a takeover offer, the takeover offer will be made in compliance with applicable US securities laws and regulations.

The information contained herein does not, and will not, form any part of a contract or offer for sale. Furthermore it does not constitute an offer capable of acceptance and no binding commitment may be entered into on the basis of the information contained herein. No investment decision should be taken in relation to any matter discussed herein except in reliance upon the formal documentation relating to this transaction.

No representations or warranties, express or implied are given in, or in respect of, this presentation or any further information supplied. In no circumstances, to the fullest extent permitted by law, will Cirrus Logic, or any of its respective subsidiaries, shareholders, affiliates, representatives, partners, directors, officers, employees, advisers or agents have any responsibility or liability for the information contained in this presentation other than in respect of the correctness and fairness of its reproduction.

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Forward Looking Statements

Except for historical information contained herein, this presentation contains forward-looking statements, including statements related to the recommended transaction under which Cirrus Logic would acquire Wolfson (the "Acquisition"), the anticipated closing of the Acquisition; the effect of the Acquisition on our earnings per share; future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; business and management strategies and the expansion and growth of Cirrus Logic's or Wolfson's operations and potential synergies resulting from the Acquisition; and the effects of government regulation on Cirrus Logic's or Wolfson's business. In some cases, forward-looking statements are identified by words such as "expect," "anticipate," "target," "project," "believe," "goals," "opportunity," "estimates," "intend," and variations of these types of words and similar expressions. In addition, any statements that refer to our plans, expectations, strategies or other characterizations of future events or circumstances are forward-looking statements. These forward-looking statements are based on our current expectations, estimates and assumptions and are subject to certain risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, but are not limited to, the risk of failing to complete the Acquisition and the risk of failing to successfully integrate Wolfson into the business and operations of Cirrus Logic following the Acquisition; and the risk factors listed in our Form 10-K for the year ended March 30, 2013, and in our other filings with the Securities and Exchange Commission, which are available at www.sec.gov. The foregoing information is as of the date of this presentation, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new developments or otherwise.

No Offer or Solicitation

This presentation is not intended to and does not constitute or form part of an offer or invitation to purchase or otherwise acquire any securities or the solicitation of any vote or approval in any jurisdiction in contravention of applicable law.

Cirrus Logic to Acquire Wolfson Microelectronics

TRANSACTION

- £278M (\$467M)¹ enterprise value²
- £2.35/share in cash
- Financed with existing cash on balance sheet and debt funding
- Expected to be accretive the first full quarter after closing¹

SYNERGIES

- Combined scale and R&D resources to enhance competitive position in advanced audio solutions
- Anticipate \$12M in ongoing annual cost savings within 12 months following completion

TIMING

- Expect to close in 2H 2014. Closing subject to:
 - Completion of scheme process, including Wolfson shareholder vote
 - Regulatory approvals

¹ GBP/USD foreign exchange rate of 1.68.

² Excluding the impact of one-time integration and acquisition related costs.

Strategic Rationale

- Accelerates Ability to Offer Complete Audio Solutions
- Strengthens Competitive Position
- Broadens and Diversifies Customer Base
- Expands Product Portfolio with MEMS Microphones & Enhanced Software Capabilities
- Enhances Scale and Global Presence
- Unites Engineering Driven Cultures
- Provides Meaningful Financial Benefits

Cirrus Logic & Wolfson at a Glance



- Headquartered in Austin, Texas
- Founded 1984, listed on NASDAQ: CRUS
- FY2014 revenue \$714M
- 751 employees (as at 29 March 2014)



- Headquartered in Edinburgh, United Kingdom
- Founded 1984, listed on LSE: WLF
- CY2013 revenue \$179M
- 437 employees (as at 29 Dec 2013)

Combined Company

- Provide best-in-class audio solutions across the audio signal chain from microphone to speaker
- Significant advantage of scale
- IP portfolio with over 1,200 issued/pending patents
- Diversified customer and revenue base
- Operations in North America, Europe, Asia and Australia

Broad Portfolio of Ultra Low Power Audio Products

SMARTPHONE



TABLETS



MOBILE
ACCESSORIES



WEARABLE
DEVICES



MEMS
Microphones

Audio
CODECs

Audio
DSP

Audio
Amplifiers



Compelling Software Suite & Tools

In Summary

- Provides scale in revenue, as well as R&D with combined resources
- Accretive the first full quarter after closing
- Acquisition expands Cirrus Logic's global footprint and customer base while strengthening its competitive position
- Combined company offers innovative audio and voice processing solutions across the entire signal chain from microphone to speaker
- Best-in-class engineering resources enable the development of compelling products in markets that are expected to drive long-term revenue opportunities

