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

FORM 8-K

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

Date of Report (Date of earliest event reported)
February 8, 2017

MICROCHIP TECHNOLOGY INCORPORATED
(Exact Name Of Registrant As Specified In Its Charter)

2355 West Chandler Boulevard, Chandler, Arizona 85224-6199
(Address of Principal Executive Offices, Including Zip Code)

(480) 792-7200
(Registrant’s Telephone Number, Including Area Code)

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

On February 8, 2017, Microchip Technology Incorporated, a Delaware corporation (the “Company”), entered into Amendment No. 2 to Amended and Restated Credit Agreement (the “Amendment”) with the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (the “Administrative Agent”), which amends that certain Amended and Restated Credit Agreement, dated as of June 27, 2013, as amended and restated as of February 4, 2015, by and among the Company, the lenders from time to time party thereto and the Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”).

The Amendment, among other things, provides for the grant of a security interest by the Company and the subsidiary guarantors in substantially all of their personal property pursuant to a Pledge and Security Agreement, dated as of February 8, 2017 (the “Security Agreement”), by and among the Company, the subsidiary guarantors party thereto and the Administrative Agent, to secure the obligations under the Credit Agreement. The Amendment also increases the maximum total leverage ratio from 4.50 to 1.00 to 5.00 to 1.00 and permits the Company, at its option in connection with certain acquisitions and subject to the terms and conditions provided in the Amendment, to increase the maximum ratio permitted thereunder to 5.50 to 1.00 for a period of four consecutive fiscal quarters, with a step down to 5.25 to 1.00 for a period of three consecutive fiscal quarters. The Company may utilize this increase option only one time during the term of the Credit Agreement. In addition, the maximum senior leverage ratio was increased from 3.00 to 1.00 to 3.50 to 1.00.

The Amendment amends the existing increase option, permitting the Company, subject to certain requirements, to arrange with existing lenders and/or new lenders for them to provide additional commitments (which commitments may be for revolving loans or term loans) up to an amount such that, after giving effect to any such increase, the senior leverage ratio is equal to or less than 2.50 to 1.00. The Amendment also permits the prepayment or repurchase of a portion of the Company’s 2.125% Junior Subordinated Convertible Debentures due 2037 with proceeds from the issuance of convertible junior subordinated notes due 2037, subject to certain conditions.

Certain of the lenders under the Credit Agreement and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Company or the Company’s affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

Additional details of the Credit Agreement were previously disclosed in the Company’s Current Reports on Form 8-K filed with the Securities and Exchange Commission on February 4, 2015 and December 7, 2015, and are incorporated herein by reference.

The foregoing description of the Amendment and the Security Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment and the Security Agreement, copies of which are filed as Exhibit 10.1 and Exhibit 10.2, respectively, hereto and incorporated herein by reference.

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

The information set forth in Item 1.01 above is incorporated herein by reference.

-2-
On February 8, 2017, the Company issued a press release announcing its intention to offer convertible senior subordinated notes due 2027 and convertible junior subordinated notes due 2037 in an aggregate principal amount of $2.0 billion in a private placement transaction to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. A copy of this press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Amendment No. 2 to Amended and Restated Credit Agreement, dated as of February 8, 2017, among Microchip Technology Incorporated, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</td>
</tr>
<tr>
<td>10.2</td>
<td>Pledge and Security Agreement, dated as of February 8, 2017, by and among Microchip Technology Incorporated, the other grantors party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</td>
</tr>
</tbody>
</table>
SIGNATURES

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

Microchip Technology Incorporated

Dated: February 8, 2017

By: /s/ J. Eric Bjornholt

J. Eric Bjornholt
Vice President and Chief Financial Officer
## EXHIBIT INDEX

<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Amendment No. 2 to Amended and Restated Credit Agreement, dated as of February 8, 2017, among Microchip Technology Incorporated, the lenders party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</td>
</tr>
<tr>
<td>10.2</td>
<td>Pledge and Security Agreement, dated as of February 8, 2017, by and among Microchip Technology Incorporated, the other grantors party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent.</td>
</tr>
</tbody>
</table>
AMENDMENT NO. 2

Dated as of February 8, 2017

to

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 27, 2013, as amended and restated as of February 4, 2015

THIS AMENDMENT NO. 2 (this “Amendment”) is made as of February 8, 2017 by and among Microchip Technology Incorporated, a Delaware corporation (the “Borrower”), the financial institutions listed on the signature pages hereof and JPMorgan Chase Bank, N.A., as Administrative Agent (the “Administrative Agent”), under that certain Amended and Restated Credit Agreement dated as of June 27, 2013, as amended and restated as of February 4, 2015, by and among the Borrower, the Lenders and the Administrative Agent (as further amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Credit Agreement.

WHEREAS, the Borrower has requested that the requisite Lenders and the Administrative Agent agree to make certain amendments to the Credit Agreement;

WHEREAS, the Borrower, the Lenders party hereto and the Administrative Agent have so agreed on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower, the Lenders party hereto and the Administrative Agent hereby agree to enter into this Amendment.

1. Amendments to the Credit Agreement. Effective as of the Amendment No. 2 Effective Date (as defined below), the parties hereto agree that the Credit Agreement is hereby amended as follows:

(a) Section 1.01 of the Credit Agreement is amended to add the following definitions thereto in the appropriate alphabetical order and, where applicable, replace the corresponding previously existing definitions:

“Alternative Rate” has the meaning assigned to such term in Section 2.14(a).”

“Amendment No. 2 Effective Date” means February 8, 2017.”

“Atmel Acquisition” means the acquisition of all of the outstanding capital stock of Atmel Corporation by the Borrower pursuant to the Agreement and Plan of Merger, dated as of January 19, 2016, by and among the Borrower, Hero Acquisition Corporation and Atmel Corporation.”

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.”
“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.”


“Collateral” means any and all property owned, leased or operated by a Person (including, without limitation, the Pledged Equity) that is subject to a security interest pursuant to the Collateral Documents and any and all other property of any Loan Party, now existing or hereafter acquired, that may at any time be or become subject to a security interest or Lien in favor of the Administrative Agent, on behalf of itself and the other Secured Parties, to secure the Obligations, in each case other than the Excluded Assets.”

“Collateral Documents” means, collectively, the Security Agreement, the Pledge Agreements and all other agreements, instruments and documents executed in connection with this Agreement that are intended to create, perfect or evidence Liens to secure the Obligations, including, without limitation, all other security agreements, pledge agreements, subordination agreements, pledges, powers of attorney, consents, assignments, contracts, financing statements and all other written matter whether heretofore, now, or hereafter executed by any Loan Party and delivered to the Administrative Agent.”

“Domestic Pledge Subsidiary” means each Domestic Subsidiary, but excluding, for the avoidance of doubt, but only to the extent such Subsidiary is a Foreign Sub Holdco, Microchip Technology LLC, a Delaware limited liability company, and Silicon Storage Technology LLC, a Delaware limited liability company.”

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.”

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.”

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.”

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.”

“Excluded Assets” means, collectively: (i) any fee-owned real property and all leasehold interests in real property, (ii) any “intent-to-use” application for registration of a trademark filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, prior to the filing of a “Statement of Use” pursuant to Section 1(d) of the Lanham Act of an “Amendment to Allege Use” pursuant to Section 1(c) of the Lanham Act with respect thereto, solely to the extent, if any,
that and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law, (iii) assets in respect of which pledges and security interests are prohibited by applicable law, rule or regulation or agreements with any governmental authority (other than to the extent that such prohibition would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408, 9-409 or other applicable provisions of the UCC of any relevant jurisdiction or any other applicable law); provided that, immediately upon the ineffectiveness, lapse or termination of any such prohibitions, such assets shall automatically cease to constitute Excluded Assets, (iv) Equity Interests in any entity other than wholly-owned Subsidiaries to the extent not permitted by the terms of such entity’s organizational or joint venture documents (unless any such restriction would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408, 9-409 or other applicable provisions of the UCC of any relevant jurisdiction or any other applicable law), (v) assets subject to certificates of title (other than motor vehicles subject to certificates of title, provided that perfection of security interests in such motor vehicles shall be limited to the filing of UCC financing statements), letter of credit rights (other than to the extent the security interest in such letter of credit right may be perfected by the filing of UCC financing statements) with a value of less than $10,000,000 and commercial tort claims with a value of less than $10,000,000, (vi) any lease, license or other agreement or any property subject to a purchase money security interest, capital lease or similar arrangement, and any security deposit in connection therewith, to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money arrangement, capital lease or similar arrangement or create a right of termination in favor of any other party thereto (other than the Borrower or a Subsidiary Guarantor) (other than (x) proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC notwithstanding such prohibition, (y) to the extent that any such term has been waived or (z) to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408, 9-409 or other applicable provisions of the UCC of any relevant jurisdiction or any other applicable law); provided that, immediately upon the ineffectiveness, lapse or termination of any such term, such assets shall automatically cease to constitute Excluded Assets, (vii) security deposits, cash collateral accounts, trust accounts, payroll accounts, accounts used for employee withholding tax and benefit payments, custodial accounts, escrow accounts and other similar deposit or securities accounts, (viii) foreign assets (other than pledges of 65% of the Equity Interest in any Foreign Pledge Subsidiary as contemplated by this Agreement), (ix) Margin Stock, (x) all voting Equity Interests in any Foreign Subsidiary that is a “controlled foreign corporation” as defined in Section 957 of the Code or Foreign Sub Holdco in excess of 65% of the outstanding voting Equity Interests of such Person, (xi) notwithstanding anything to the contrary in any Loan Document, but only to the extent such Subsidiary is a Foreign Sub Holdco, all Equity Interests in Microchip Technology LLC, a Delaware limited liability company, and Silicon Storage Technology LLC, a Delaware limited liability company, (xii) any asset or property right of any Loan Party of any nature if the grant of such security interest shall constitute or result in (1) the abandonment, invalidation or unenforceability of such asset or property right or such Loan Party’s loss of use of such asset or property right or (2) a breach, termination or default under any lease, license, contract or agreement (other than to the extent that to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408, 9-409 or other applicable provisions of the UCC of any relevant jurisdiction or any other applicable law) to which such Loan Party is party; provided that in any event, immediately upon the ineffectiveness, lapse or termination of any such provision, the term “Excluded Assets” shall not include all such rights and interests, (xiii) assets to the extent a security interest in such assets would result in material adverse tax consequences to the Borrower or any of its Subsidiaries as reasonably determined by the Borrower in consultation with the Administrative Agent and (xiv) those assets as to which the Administrative Agent and the Borrower reasonably agree that the cost of obtaining such a security interest or perfection
thereof are excessive in relation to the benefit to the Lenders of the security to be afforded thereby; provided that, “Excluded Assets” shall not include any proceeds, products, substitutions or replacements of Excluded Assets (unless such proceeds, products, substitutions or replacements would otherwise constitute Excluded Assets).”

“Federal Funds Effective Rate” means, for any day, the rate calculated by the NYFRB based on such day’s federal funds transactions by depositary institutions (as determined in such manner as the NYFRB shall set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as the federal funds effective rate.”

“Foreign Pledge Subsidiary” means each First Tier Foreign Subsidiary which is a Material Foreign Subsidiary.”

“Foreign Sub Holdco” means any Subsidiary organized under the laws of a jurisdiction located in the United States of America substantially all of the assets of which consists of stock (or stock and debt obligations owed or treated as owed) in one or more “controlled foreign corporations” as defined in Section 957 of the Code and/or one or more Subsidiaries described in this definition.”

“Margin Stock” means “margin stock” as defined under Regulation U promulgated by the Federal Reserve Bank.”

“Material Acquisition” has the meaning assigned to such term in the definition of “Consolidated EBITDA”.”

“Material Disposition” has the meaning assigned to such term in the definition of “Consolidated EBITDA”.”

“New Subordinated Debt” means any junior subordinated Indebtedness with a long term tenor (i.e., requiring no amortization or prepayment (other than payments upon conversion and customary put rights upon a change of control or termination of trading) of principal) of at least twenty (20) years and other features substantially similar to the Junior Convertible Debentures as reasonably determined by the Administrative Agent, in an aggregate outstanding principal amount not to exceed $700,000,000.”

“NYFRB” means the Federal Reserve Bank of New York.”

“NYFRB Rate” means, for any day, the greater of (a) the Federal Funds Effective Rate in effect on such day and (b) the Overnight Bank Funding Rate in effect on such day (or for any day that is not a Business Day, for the immediately preceding Business Day); provided that if none of such rates are published for any day that is a Business Day, the term “NYFRB Rate” means the rate for a federal funds transaction quoted at 11:00 a.m., New York City time, on such day received by the Administrative Agent from a Federal funds broker of recognized standing selected by it; provided, further, that if any of the aforesaid rates shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.”

“Overnight Bank Funding Rate” means, for any day, the rate comprised of both overnight federal funds and overnight eurodollar borrowings by U.S.-managed banking offices of depositary institutions (as such composite rate shall be determined by the NYFRB as set forth on its public website from time to time) and published on the next succeeding Business Day by the NYFRB as an overnight bank funding rate (from and after such date as the NYFRB shall commence to publish such composite rate).”
“Pledge Subsidiary” means each Domestic Pledge Subsidiary and each Foreign Pledge Subsidiary.

“Pro Forma Basis” means, with respect to any event, the calculation of compliance on a pro forma basis with the applicable covenant, calculation or requirement herein recomputed as if the event with respect to which compliance on a Pro Forma Basis is being tested had occurred on the first day of the four fiscal quarter period most recently ended on or prior to such date for which financial statements have been delivered pursuant to Section 5.01(a) or (b) (or, prior to the delivery of any such financial statements, ending with the last fiscal quarter included in the financial statements referred to in Section 3.04), and, to the extent applicable, giving effect to the historical earnings and cash flows associated with the assets acquired or disposed of and any related incurrence or reduction of Indebtedness, all in accordance with GAAP and Article 11 of Regulation S-X under the Securities Act of 1933, as amended. It is understood and agreed that, for purposes of calculating compliance with the financial covenants set forth in Section 6.11 and otherwise calculating any applicable ratio, test or basket availability (but not for purposes of determining or calculating the Applicable Rate), any computations of Consolidated EBITDA giving effect to any Material Acquisition (excluding the Atmel Acquisition) may give effect to (i) any projected cost synergies or cost savings (in each case net of continuing associated expenses) expected to be realized as a result of such Material Acquisition to the extent such cost synergies or cost savings would be permitted to be reflected in financial statements prepared in compliance with Article 11 of Regulation S-X under the Securities Act of 1933, as amended (the “S-X Adjustments”), and (ii) any other demonstrable cost synergies and cost-savings (in each case net of continuing associated expenses) not included in the foregoing clause (i) that are reasonably projected in good faith by the Borrower to be achieved in connection with any such Material Acquisition within the 12-month period following the consummation of such Material Acquisition, that are reasonably identifiable, quantifiable and factually supportable in the good faith judgment of the Borrower and that are set forth in reasonable detail in a certificate of a Financial Officer of the Borrower (the “Additional Adjustments”); provided that (x) all adjustments pursuant to this sentence will be without duplication of any amounts that are otherwise included or added back in computing Consolidated EBITDA in accordance with the definition of such term, whether through pro forma adjustment or otherwise, (y) if Additional Adjustments are to be added to Consolidated EBITDA pursuant to clause (ii) above, the aggregate amount of Additional Adjustments for any period being tested shall not exceed 10% of the Consolidated EBITDA for such period (calculated prior to giving effect to the Additional Adjustments) and (z) if any cost synergies or cost savings included in any pro forma calculations based on the anticipation that such cost synergies or cost savings will be achieved within such 12-month period shall at any time cease to be reasonably anticipated by the Borrower to be so achieved, then on and after such time pro forma calculations required to be made hereunder shall not reflect such cost synergies or cost savings.

“Reference Banks” means such banks as may be appointed by the Administrative Agent in consultation with the Borrower. No Lender shall be obligated to be a Reference Bank without its consent.

“Security Agreement” means that certain Pledge and Security Agreement (including any and all supplements thereto), dated as of February 8, 2017, between the Loan Parties and the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, as the same may be amended, restated or otherwise modified from time to time.”
“Subsidiary Guarantor” means each Material Domestic Subsidiary that is a party to the Subsidiary Guaranty and Microchip Technology LLC, a Delaware limited liability company, and Silicon Storage Technology LLC, a Delaware limited liability company. The Subsidiary Guarantors on the Original Effective Date are identified as such in Schedule 3.01 to the Disclosure Letter.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York or any other state the laws of which are required to be applied in connection with the issue of perfection of security interests.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (ii) the then outstanding principal amount of such Indebtedness.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

(b) The definition of “Alternate Base Rate” appearing in Section 1.01 of the Credit Agreement is hereby amended by replacing each reference to “Federal Funds Effective” appearing therein with a reference to “NYFRB”.

(c) The definition of “COF Rate” appearing in Section 1.01 of the Credit Agreement is hereby deleted in its entirety.

(d) The definition of “Consolidated EBITDA” appearing in Section 1.01 of the Credit Agreement is hereby amended by (i) deleting “and” at the end of clause (ix) thereof, (ii) replacing the “,” at the end of clause (x) thereof with “, and” and (iii) inserting a new clause (xi) immediately after clause (x) thereof as follows:

“(xi) for purposes of calculating compliance with the financial covenants set forth in Section 6.11 and otherwise calculating any applicable ratio, test or basket availability (but not for purposes of determining or calculating the Applicable Rate), cost savings and cost synergies (net of continued associated expenses) directly attributable to the Atmel Acquisition which shall not exceed an amount equal to (A) for the four fiscal quarter period of the Borrower ending on December 31, 2016, $83,000,000, and (B) for the four fiscal quarter period of the Borrower ending on March 31, 2017, $37,000,000,”

(e) The definition of “Defaulting Lender” appearing in Section 1.01 of the Credit Agreement is hereby amended by restating clause (d) thereof as follows:

“(d) has become the subject of (A) a Bankruptcy Event or (B) a Bail-In Action.”

(f) The definition of “Loan Documents” appearing in Section 1.01 of the Credit Agreement is hereby amended by replacing the reference to “Pledge Agreements” appearing therein with a reference to “Collateral Documents”.

6
(g) The definition of “Permitted Acquisition” appearing in Section 1.01 of the Credit Agreement is hereby amended by replacing the reference to “5.00 to 1.00” appearing in clause (c) therein with a reference to “5.50 to 1.00”.

(h) The definition of “Pledge Agreements” appearing in Section 1.01 of the Credit Agreement is hereby amended by replacing the reference to “Section 5.10” appearing therein with a reference to “Section 5.09(c)(ii)”.

(i) Section 2.14 of the Credit Agreement is hereby amended by restating clause (a)(ii) in its entirety as follows:

“(ii) if such Borrowing shall be requested in any Foreign Currency, the LIBO Rate shall be equal to the rate determined by the Administrative Agent in its reasonable discretion after consultation with the Borrower and consented to in writing by the Required Lenders (the “Alternative Rate”); provided, however, that until such time as the Alternative Rate shall be determined and so consented to by the Required Lenders, Borrowings shall not be available in such Foreign Currency.”

(j) Section 2.14 of the Credit Agreement is hereby further amended by replacing the reference to “COF Rate” appearing therein with a reference to “Alternative Rate”.

(k) Section 2.20 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“The Borrower may from time to time elect to increase the total 2020 Dollar Tranche Commitments or the total 2020 Multicurrency Tranche Commitments or enter into one or more tranches of term loans (each an “Incremental Term Loan”), in each case in minimum increments of $10,000,000 so long as the aggregate amount of such increases and all such Incremental Term Loans does not exceed an amount such that, after giving effect (including on a Pro Forma Basis) to any such increase in the Revolving Commitments of any Class (or in the Revolving Commitment of any Lender) or tranche of Incremental Term Loans (assuming that any such incremental Revolving Commitments and/or such Incremental Term Loans are drawn in full), the Senior Leverage Ratio is equal to or less than 2.50 to 1.00; provided that, at the option of the Borrower, in connection with any Acquisition-Related Incremental Term Loans (as defined below) and to the extent the Lenders participating in such Incremental Term Loans agree, the compliance with such maximum permitted Senior Leverage Ratio shall be tested at the time of the execution of the applicable Limited Conditionality Acquisition Agreement (as defined below) (after giving Pro Forma Effect to such Limited Conditionality Acquisition, the incurrence of such Acquisition-Related Incremental Term Loans and the application of the proceeds thereof); provided that to the extent compliance with such maximum permitted Senior Leverage Ratio is tested at the time of the execution of such Limited Conditionality Acquisition Agreement, then from such time of execution and prior to the earlier of the date on which such Limited Conditionality Acquisition is consummated or the date on which such Limited Conditionality Acquisition is terminated or expires, any calculation of any ratio, test or basket availability in Article VI (other than for purposes of calculation of any of the covenants contained in Section 6.11) shall be calculated (and shall be required to be satisfied) as if such Limited Conditionality Acquisition (and the incurrence of such applicable Acquisition-Related Incremental Term Loans) (x) had been consummated as of the date of execution of the related Limited Conditionality Acquisition Agreement by the parties thereto and (y) had not been consummated. The Borrower may arrange for any such increase or tranche to be provided by one or more Lenders (each Lender so agreeing to an increase in its 2020 Dollar Tranche Commitment.

7
or 2020 Multicurrency Tranche Commitment, or to participate in such Incremental Term Loans, an “Increasing Lender”), or by one or more new banks, financial institutions or other institutional investors or entities (each such new bank, financial institution or other investor or entity, an “Augmenting Lender”; provided that no Ineligible Institution may be an Augmenting Lender), which agree to increase their existing Revolving Commitments of the applicable Class, or to participate in such Incremental Term Loans, or provide new Revolving Commitments of the applicable Class, as the case may be; provided that (i) each Augmenting Lender, shall be subject to the approval of the Borrower and the Administrative Agent and (ii) (x) in the case of an Increasing Lender, the Borrower and such Increasing Lender execute an agreement substantially in the form of Exhibit C hereto, and (y) in the case of an Augmenting Lender, the Borrower and such Augmenting Lender execute an agreement substantially in the form of Exhibit D hereto. No consent of any Lender (other than the Lenders participating in the increase or any Incremental Term Loan) shall be required for any increase in Revolving Commitments or Incremental Term Loan pursuant to this Section 2.20. Increases and new Revolving Commitments and Incremental Term Loans created pursuant to this Section 2.20 shall become effective on the date agreed by the Borrower, the Administrative Agent and the relevant Increasing Lenders or Augmenting Lenders, and the Administrative Agent shall notify each Lender thereof. Notwithstanding the foregoing, no increase in the Revolving Commitments of any Class (or in the Revolving Commitment of any Lender) or tranche of Incremental Term Loans shall become effective under this paragraph unless, (i) on the proposed date of the effectiveness of such increase or Incremental Term Loans, (A) the conditions set forth in paragraphs (a) and (b) of Section 4.02 shall be satisfied or waived by the Required Lenders and the Administrative Agent shall have received a certificate to that effect dated such date and executed by a Financial Officer of the Borrower and (B) the Borrower shall be in compliance (on a Pro Forma Basis) with the covenants contained in Section 6.11 and (ii) the Administrative Agent shall have received documents consistent with those delivered on the Restatement Effective Date as to the corporate power and authority of the Borrower to borrow hereunder after giving effect to such increase; provided that, with respect to any Incremental Term Loans incurred for the purpose of financing an acquisition permitted by this Agreement for which the Borrower has determined, in good faith, that limited conditionality is reasonably necessary (any such acquisition, a “Limited Conditionality Acquisition”) (and such Incremental Term Loans, “Acquisition-Related Incremental Term Loans”), (x) clause (i)(A) of this sentence shall be deemed to have been satisfied so long as (1) as of the date of execution of the definitive acquisition documentation in respect of a Limited Conditionality Acquisition (a “Limited Conditionality Acquisition Agreement”) by the parties thereto, no Default or Event of Default shall have occurred and be continuing or would result from entry into such documentation, (2) as of the date of the borrowing of such Acquisition-Related Incremental Term Loans, no Event of Default under clause (a), (b), (h), (i) or (j) of Article VII is in existence immediately before or after giving effect (including on a Pro Forma Basis) to such borrowing and to any concurrent transactions and any substantially concurrent use of proceeds thereof, (3) the representations and warranties set forth in Article III shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or
Material Adverse Effect shall be true and correct in all respects) immediately prior to, and after giving effect to, the incurrence of such Acquisition-Related Incremental Term Loans, except to the extent any such representation and warranty specifically refers to an earlier date, in which case such representation and warranty shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality or Material Adverse Effect shall be true and correct in all respects) as of such earlier date and (y) clause (i)(B) of this sentence shall be deemed to have been satisfied so long as the Borrower shall be in compliance (on a Pro Forma Basis) with the covenants contained in Section 6.11 as of the date of execution of the related Limited Conditionality Acquisition Agreement by the parties thereto. On the effective date of any increase in the Revolving Commitments of any Class or any Incremental Term Loans being made, (i) each relevant Increasing Lender and Augmenting Lender shall make available to the Administrative Agent such amounts in immediately available funds as the Administrative Agent shall determine, for the benefit of the other Lenders of such Class, as being required in order to cause, after giving effect to such increase and the use of such amounts to make payments to such other Lenders, each Lender’s portion of the outstanding Revolving Loans of such Class of all the Lenders to equal its Applicable Percentage of such Class, as applicable, of such outstanding Revolving Loans of such Class, and (ii) except in the case of any Incremental Term Loans, the Borrower shall be deemed to have repaid and reborrowed all outstanding Revolving Loans of such Class as of the date of any increase in the Revolving Commitments of such Class (with such reborrowing to consist of the Types of Revolving Loans of such Class, with related Interest Periods if applicable, specified in a notice delivered by the Borrower, in accordance with the requirements of Section 2.03). The deemed payments made pursuant to clause (ii) of the immediately preceding sentence shall be accompanied by payment of all accrued interest on the amount prepaid and, in respect of each Eurocurrency Loan, shall be subject to indemnification by the Borrower pursuant to the provisions of Section 2.16 if the deemed payment occurs other than on the last day of the related Interest Periods. The Incremental Term Loans (a) shall rank pari passu in right of payment and security with the Revolving Loans, the initial Term Loans and any other Loans hereunder, (b) shall not mature earlier than the 2020 Maturity Date (but may have amortization prior to such date) and (c) shall be treated substantially the same as (and in any event no more favorably than) the Revolving Loans, the initial Term Loans and any other Loans hereunder; provided that (i) the terms and conditions applicable to any tranche of Incremental Term Loans maturing after the 2020 Maturity Date may provide for material additional or different financial or other covenants or prepayment requirements applicable only during periods after the 2020 Maturity Date (or, in the case of Incremental Term Loans marketed as term “B” loans to institutional investors ("Incremental Term B Loans"), such covenants and prepayment requirements may be applicable prior to the 2020 Maturity Date if, in the reasonable judgment of the Borrower and the Administrative Agent, such covenants and prepayment requirements are customarily included for such loans and, in the case of such prepayments, such Incremental Term B Loans may participate in such prepayments on a pro rata basis or a less than pro rata basis (but not a greater than pro rata basis) with any other term loans hereunder), (ii) the Incremental Term Loans may be priced differently than the Revolving Loans, the initial Term Loans and any other Loans hereunder, (iii) the Weighted Average Life to Maturity of any Incremental Term Loans shall be no shorter than the remaining Weighted Average Life to Maturity of any other term loans hereunder and Incremental Term Loans with the longest remaining Weighted Average Life to Maturity, (iv) any Incremental Term Loan Amendment with respect to Incremental Term B Loans may (A) include such features as are, in the reasonable judgment of the Borrower and the Administrative Agent, customarily applicable to such type of loans (including but not limited to the ability to do refinancing amendments, extensions/loan modification offers and repurchases of such Incremental Term B Loans and limitations on the applicability of financial covenants to such Incremental Term B Loans) and (B) may provide for additional Collateral hereunder so long as such Collateral is shared on a
pari passu basis with the Revolving Loans and any other Loans hereunder and (v) any lenders holding Incremental Term B Loans may agree in advance pursuant to an Incremental Term Loan Amendment to certain modifications to the negative (but not financial maintenance) covenants set forth in Article VI hereof so long as such modifications shall not be applicable under this Agreement until such time as, and to the extent that, the Required Lenders (calculated without giving effect to the lenders holding such Incremental Term B Loans) have otherwise approved such modifications. Incremental Term Loans may be made hereunder pursuant to an amendment or restatement (an “Incremental Term Loan Amendment”) of this Agreement and, as appropriate, the other Loan Documents, executed by the Borrower, each Increasing Lender participating in such tranche, each Augmenting Lender participating in such tranche, if any, and the Administrative Agent. In addition to the matters set forth in clauses (i)-(v) above, the Incremental Term Loan Amendment may, without the consent of any Lenders (other than the Lenders providing such Incremental Term Loans), effect such other amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent, to effect the provisions of this Section 2.20. Nothing contained in this Section 2.20 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Revolving Commitment hereunder, or provide Incremental Term Loans, at any time. No Lender shall be committed to increase its Revolving Commitment and/or to provide any portion of any Incremental Term Loans in respect of any exercise by the Borrower pursuant to this Section 2.20 without the consent of such Lender. The Borrower, the Lenders party thereto and the Administrative Agent may, in lieu of entering into an Increasing Lender Supplement in substantially the form of Exhibit C hereto, enter into Amendment No. 1 to this Agreement in order to give effect to the increase in Commitments contemplated by such Amendment No. 1 to this Agreement.

(l) Section 2.22 of the Credit Agreement is hereby amended by replacing the reference to “a Bankruptcy Event” appearing therein with a reference to “a Bankruptcy Event or a Bail-In Action”.

(m) Section 3.01 of the Credit Agreement is hereby amended by replacing the reference to “Pledge Agreements” appearing therein with a reference to “Collateral Documents”.

(n) Section 3.03 of the Credit Agreement is hereby amended by restating clause (a) thereof in its entirety as follows:

“(a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority by any Loan Party, except such as have been obtained or made and are in full force and effect or as may be required in connection with any Pledge Agreement and except for filings necessary to perfect Liens created pursuant to the Collateral Documents,”

(o) Section 3.03 of the Credit Agreement is hereby further amended by replacing the reference to “Pledge Agreements” appearing in clause (d) therein with a reference to “Collateral Documents”.

(p) Section 3.15 of the Credit Agreement, including the Section heading thereof, is hereby amended and restated in its entirety as follows:

“SECTION 3.15. Security Interest in Collateral. The provisions of the Collateral Documents create legal and valid Liens on all the Collateral in favor of the Administrative Agent, for the benefit of the Secured Parties, and (i) when financing statements or other filings in
appropriate form with respect to the applicable Loan Parties are filed in the appropriate offices in the appropriate jurisdictions 
and (ii) upon Administrative Agent taking such other actions to perfect its security interest in the Collateral as contemplated by 
the Security Agreement, such Liens constitute perfected and continuing Liens on the Collateral to the extent such Liens may be 
perfected by taking the actions contemplated by the foregoing clauses (i) and (ii), securing the Obligations, enforceable against 
the applicable Loan Party and all third parties, and having priority over all other Liens on the Collateral except in the case of 
(a) Liens permitted by Section 6.02, to the extent any such Liens permitted by Section 6.02 would have priority over the Liens 
in favor of the Administrative Agent pursuant to any applicable law and (b) Liens perfected only by possession (including 
possession of any certificate of title) to the extent the Administrative Agent has not obtained or does not maintain possession of 
such Collateral.”

(q) A new Section 3.17 is added to Article III of the Credit Agreement immediately following Section 3.16 thereof as 
follows:

“SECTION 3.17. EEA Financial Institution. No Loan Party is an EEA Financial Institution.”

(r) Section 5.05 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“The Borrower will, and will cause each of its Subsidiaries to, (a) keep and maintain all property material to the conduct of 
its business in good working order and condition, ordinary wear and tear excepted, except where the failure to do so could not 
reasonably be expected to have a Material Adverse Effect, and (b) maintain, with financially sound and reputable insurance 
companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the same 
or similar businesses operating in the same or similar locations. The Borrower will furnish to the Administrative Agent, upon 
the reasonable request of the Administrative Agent, information in reasonable detail as to the insurance so maintained. No later 
than 60 days following the Amendment No. 2 Effective Date (or such later date as may be agreed upon by the Administrative 
Agent), the Borrower shall, to the extent available in the applicable jurisdiction, deliver to the Administrative Agent 
endorsements (x) to all “All Risk” physical damage insurance policies on all of the tangible personal property and assets 
insurance policies of the Borrower and the Subsidiary Guarantors naming the Administrative Agent as lender loss payee, and 
(y) to all general liability and other liability policies of the Borrower and the Subsidiary Guarantors naming the Administrative 
Agent an additional insured. In the event the Borrower or any of its Subsidiaries at any time or times hereafter shall fail to obtain 
or maintain any of the policies or insurance required herein or to pay any premium in whole or in part relating thereto, then the 
Administrative Agent, without waiving or releasing any obligations or resulting Default hereunder, may at any time or times 
thereafter (but shall be under no obligation to do so) obtain and maintain such policies of insurance and pay such premiums and 
take any other action with respect thereto which the Administrative Agent deems advisable. All sums so disbursed by the 
Administrative Agent shall constitute part of the Obligations, payable as provided in this Agreement. The Borrower will furnish 
to the Administrative Agent and the Lenders prompt written notice of any casualty or other insured damage to any material 
portion of the Collateral or the commencement of any action or proceeding for the taking of any material portion of the 
Collateral or interest therein under power of eminent domain or by condemnation or similar proceeding.”
(s) Section 5.09 of the Credit Agreement, including the Section heading thereof, is amended and restated in its entirety as follows:

“SECTION 5.09. Subsidiary Guaranty; Collateral; Pledges; Further Assurances.

(a) As promptly as possible but in any event within thirty (30) days (or such later date as may be agreed upon by the Administrative Agent) after any Person qualifies independently as, or is designated by the Borrower or the Administrative Agent as, a Subsidiary Guarantor pursuant to the definition of “Material Domestic Subsidiary” or otherwise, the Borrower shall provide the Administrative Agent with written notice thereof setting forth information in reasonable detail describing the material assets of such Person and shall cause each such Material Domestic Subsidiary to deliver to the Administrative Agent a joinder to the Subsidiary Guaranty and the Security Agreement (in each case in the form contemplated thereby) pursuant to which such Subsidiary agrees to be bound by the terms and provisions thereof, such Subsidiary Guaranty and such Security Agreement to be accompanied by appropriate corporate resolutions, other corporate documentation and legal opinions in form and substance reasonably satisfactory to the Administrative Agent and its counsel (provided, that it is understood and agreed that no Affected Domestic Subsidiary shall be required to become a Subsidiary Guarantor pursuant to this Section).

(b) The Borrower will cause, and will cause each other Loan Party to cause, all of its owned property (whether personal, tangible, intangible, or mixed, and including the Applicable Pledged Equity but excluding the Excluded Assets) to be subject to first priority, perfected Liens in favor of the Administrative Agent for the benefit of the Secured Parties to secure the Obligations in accordance with the terms and conditions of this Agreement and the Collateral Documents, subject in any case to Liens permitted by Section 6.02 and any limitations set forth in this Agreement or the relevant Collateral Documents. As used herein, “Applicable Pledged Equity” means 100% of the issued and outstanding Equity Interests of each Domestic Pledge Subsidiary and 65% of the voting Equity Interests of each Foreign Pledge Subsidiary.

(c) Without limiting the foregoing but subject to the limitations set forth in this Agreement and the Collateral Documents, the Borrower will, and will cause each other Loan Party to, execute and deliver, or cause to be executed and delivered, to the Administrative Agent such documents, agreements and instruments, and will take or cause to be taken such further actions (including the filing and recording of financing statements), which may be required by law or which the Administrative Agent may, from time to time, reasonably request to carry out the terms and conditions of this Agreement and the other Loan Documents and to ensure perfection and priority of the Liens created or intended to be created by the Collateral Documents, all at the expense of the Borrower.

(d) Notwithstanding the foregoing in this Section 5.09 or anything to the contrary in any Collateral Document, the Administrative Agent shall not require the Borrower or any other Loan Party or any of their respective Affiliates (i) to obtain or deliver any landlord waivers, estoppels, collateral access agreements or any similar documents or instruments, (ii) to take any action with respect to any property (whether now owned or hereafter acquired) located outside of the United States, and no Loan Party shall be required to enter into any collateral documentation governed by or required by the laws of any jurisdiction outside the United States in order to create or perfect any security interest in any such property, whether or not located in any jurisdiction outside of the United States (provided that, this clause (ii) shall not apply to pledge documentation entered into by a Loan Party prior to the Amendment No. 2 Effective Date in respect of the pledge of Equity Interests in any Foreign Pledge Subsidiary), (iii) to enter into any control agreements or other control arrangements (other than with respect to uncertificated Equity Interests of Pledge Subsidiaries), (iv) to take actions to perfect a security interest in respect of letter of credit rights to the extent not perfected by the filing of a Form UCC-1 financing
statement, (v) to take any actions with respect to fixtures, (vi) to take actions to perfect a security interest in any Collateral if the cost, burden, difficulty or consequence of granting or perfecting a security interest therein outweighs the benefit of the security afforded thereby as reasonably determined by the Borrower and the Administrative Agent, (vii) to take any action under the Federal Assignment of Claims Act of 1940, as amended (31 U.S.C. § 3727 et seq. and 41 U.S.C. § 15 et seq.), or (viii) to take any actions to perfect a security interest in a motor vehicle other than the filing of a Form UCC-1 financing statement.”

(t) Section 5.10 of the Credit Agreement is hereby deleted in its entirety.

(u) Section 6.07 of the Credit Agreement is hereby amended by restating clause (l) thereof in its entirety as follows:

“(l) the Borrower may prepay, repurchase, defease, redeem, retire or otherwise acquire for value the Junior Convertible Debentures and New Subordinated Debt to the extent permitted under Section 6.09 and”

(v) Section 6.09 of the Credit Agreement is hereby amended by (i) replacing the reference to “New Convertible Debt Securities” appearing therein with a reference to “New Subordinated Debt”, (ii) immediately after “solely with” in the seventh line thereof inserting “common stock of the Borrower and/or” and (iii) replacing the reference to “ten (10) days of such issuance” appearing therein with a reference to “seventy-five (75) days of the Amendment No. 2 Effective Date”.

(w) Section 6.09 of the Credit Agreement is hereby further amended by restating the final sentence thereof in its entirety as follows:

“Notwithstanding the foregoing, this Section 6.09 shall not apply to any Indebtedness evidenced by Convertible Debt Securities other than, to the extent set forth above, the Junior Convertible Debentures and the New Subordinated Debt.”

(x) Section 6.11 of the Credit Agreement is hereby amended by restating clause (a) thereof in its entirety as follows:

“(a) Maximum Total Leverage Ratio. The Borrower will not permit the ratio (the “Total Leverage Ratio”), determined as of the end of each of its fiscal quarters ending on and after December 31, 2016, of (i) Consolidated Total Indebtedness to (ii) Consolidated EBITDA for the period of four (4) consecutive fiscal quarters ending with the end of such fiscal quarter, all calculated for the Borrower and its Subsidiaries on a consolidated basis, to be greater than 5.00 to 1.00 for any such period; provided that, for purposes of calculating the Total Leverage Ratio, any outstanding principal amount (up to, but not in excess of, $700,000,000 in the aggregate) in respect of the Junior Convertible Debentures (and, after the refinancing thereof in whole or in part with the proceeds of the New Subordinated Debt, the New Subordinated Debt to the extent the New Subordinated Debt is issued within seventy-five (75) days of the Amendment No. 2 Effective Date) shall be excluded from such calculation. Notwithstanding the foregoing, the Borrower shall be permitted to allow the maximum Total Leverage Ratio permitted under this Section 6.11(a) to be increased (i) to 5.50 to 1.00 for a period of four consecutive fiscal quarters in connection with a Permitted Acquisition occurring during the first of such four consecutive fiscal quarters (such fiscal quarters, the “Specified Quarters”) and (ii) to 5.25 to 1.00 for a period of the three consecutive fiscal quarters immediately following the Specified Quarters (such period of seven consecutive fiscal quarters, the “Adjusted Covenant Period”), in each case if the aggregate consideration paid or to be paid (whether in cash, stock or a combination thereof) in
respect of such acquisition exceeds $200,000,000 (and in respect of which the Borrower shall provide notice at any time at or prior to the closing of such Permitted Acquisition in writing to the Administrative Agent (for distribution to the Lenders) of such increase and a transaction description of such acquisition (regarding the name of the Person or summary description of the assets being acquired and the approximate purchase price)), so long as the Borrower is in compliance on a Pro Forma Basis with the maximum Total Leverage Ratio of 5.50 to 1.00 on the closing date of such acquisition (calculated as of the last day of the most recently ended fiscal quarter of the Borrower for which financial statements are available but giving effect (including giving effect on a Pro Forma Basis) to such acquisition (and any related incurrence or repayment of Indebtedness, with any new Indebtedness being deemed to be amortized over the applicable testing period in accordance with its terms)); provided that it is understood and agreed that (w) during any Adjusted Covenant Period, the Borrower may, by written notice to the Administrative Agent (which notice shall be irrevocable), elect to terminate such Adjusted Covenant Period prior to the expiration of the seven consecutive fiscal quarter period originally comprising such Adjusted Covenant Period and in such case the maximum Total Leverage Ratio permitted under this Section 6.11(a) shall revert to 5.00 to 1.00 for the fiscal quarter identified by the Borrower in such written notice and such Adjusted Covenant Period shall be deemed to have ended immediately following the end of the last day of the fiscal quarter immediately preceding such identified fiscal quarter, (x) the Borrower may not elect a new Adjusted Covenant Period for at least one fiscal quarter following the end of an Adjusted Covenant Period (regardless of whether an Adjusted Covenant Period has ended due to seven consecutive fiscal quarters having elapsed or by operation of the immediately preceding clause (x) of this proviso), (y) at the end of an Adjusted Covenant Period, the maximum Total Leverage Ratio permitted under this Section 6.11(a) shall revert to 5.00 to 1.00 as of the end of such Adjusted Covenant Period and thereafter until another Adjusted Covenant Period (if any) is elected pursuant to the terms and conditions described above, and (z) the Borrower may elect an Adjusted Covenant Period not more than one time from and after the Amendment No. 2 Effective Date.”

(y) Section 6.11 of the Credit Agreement is hereby further amended by restating clause (c) thereof in its entirety as follows:

“(c) Maximum Senior Leverage Ratio. The Borrower will not permit the ratio (the “Senior Leverage Ratio”), determined as of the end of each of its fiscal quarters ending on and after December 31, 2016, of (i) Consolidated Senior Indebtedness to (ii) Consolidated EBITDA for the period of four (4) consecutive fiscal quarters ending with the end of such fiscal quarter, all calculated for the Borrower and its Subsidiaries on a consolidated basis, to be greater than 3.50 to 1.00.”

(z) Article VII of the Credit Agreement is hereby amended by replacing the reference in clause (d) thereof to “5.08, 5.09 or 5.10” with a reference to “5.08 or 5.09”.

(aa) Article VII of the Credit Agreement is hereby further amended by restating clause (o) thereof in its entirety as follows:

“(o) any Collateral Document shall for any reason fail to create a valid and perfected (to the extent perfection is required under the terms of the Loan Documents) first priority security interest, subject to Liens permitted by Section 6.02, in any material portion of the Collateral purported to be covered thereby, except as permitted by the terms of any Loan Document;”
(bb) Article VII of the Credit Agreement is hereby further amended by replacing the reference to “exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity” appearing therein with a reference to “exercise any rights and remedies provided to the Administrative Agent under the Loan Documents or at law or equity, including all remedies provided under the UCC”.

(cc) Article VII of the Credit Agreement is hereby further amended by replacing the reference to “Pledged Equity” appearing therein with a reference to “Collateral”.

(dd) Article VIII of the Credit Agreement is hereby amended by restating the first sentence thereof in its entirety as follows:

“Each of the Lenders, on behalf of itself and any of its Affiliates that are Secured Parties, and the Issuing Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf, including execution of the other Loan Documents, and to exercise such powers as are delegated to the Administrative Agent by the terms of the Loan Documents, together with such actions and powers as are reasonably incidental thereto.”

(ee) Article VIII of the Credit Agreement is hereby further amended by replacing each reference to “Pledged Equity” appearing therein with a reference to “Collateral”.

(ff) Article VIII of the Credit Agreement is hereby further amended by restating the seventh paragraph thereof in its entirety as follows:

“Each Lender acknowledges and agrees that the extensions of credit made hereunder are commercial loans and letters of credit and not investments in a business enterprise or securities. Each Lender further represents that it is engaged in making, acquiring or holding commercial loans in the ordinary course of its business and has, independently and without reliance upon the Administrative Agent, any arranger of the credit facilities evidenced by this Agreement or any amendment thereof or any other Lender and their respective 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 as a Lender, and to make, acquire or hold Loans hereunder. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any arranger of the credit facilities evidenced by this Agreement or any amendment thereof or any other Lender and their respective Related Parties and based on such documents and information (which may contain material, non-public information within the meaning of the United States securities laws concerning the Borrower and its Affiliates) 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 and in deciding whether or to the extent to which it will continue as a lender or assign or otherwise transfer its rights, interests and obligations hereunder.”

(gg) Article VIII of the Credit Agreement is hereby further amended by replacing each reference to “Pledge Agreements” appearing therein with a reference to “Collateral Documents”.

15
(hh) **Article VIII** of the Credit Agreement is hereby further amended by inserting the following sentence at the end of the tenth paragraph thereof:

“Any execution and delivery by the Administrative Agent of documents in connection with any such release shall be without recourse to or warranty by the Administrative Agent.”

(ii) **Article VIII** of the Credit Agreement is hereby further amended by inserting the following new paragraphs at the end thereof:

“In case of the pendency of any proceeding with respect to any Loan Party under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, the Administrative Agent (irrespective of whether the principal of any Loan or any LC Disbursement 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, LC Exposure 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, the Issuing Bank and the Administrative Agent (including any claim under Sections 2.12, 2.13, 2.15, 2.16, 2.17 and 9.03) 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, sequestrator or other similar official in any such proceeding is hereby authorized by each Lender, the Issuing Bank and each other Secured Party 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, the Issuing Bank or the other Secured Parties, to pay to the Administrative Agent any amount due to it, in its capacity as the Administrative Agent, under the Loan Documents (including under Section 9.03).

The Secured Parties hereby irrevocably authorize the Administrative Agent, at the direction of the Required Lenders, to credit bid all or any portion of the Obligations (including by accepting some or all of the Collateral in satisfaction of some or all of the Obligations pursuant to a deed in lieu of foreclosure or otherwise) in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral (a) at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Sections 363, 1123 or 1129 of the Bankruptcy Code, or any similar laws in any other jurisdictions, or (b) at any other sale, foreclosure or acceptance of collateral in lieu of debt conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with any applicable law. In connection with any such bid and purchase, the Obligations owed to the Secured Parties shall be entitled to be, and shall be, bid by the Administrative Agent at the direction of the Required Lenders on a ratable basis (with Obligations with respect to contingent or unliquidated claims receiving contingent interests in the acquired assets on a ratable basis that shall vest upon the liquidation of such claims in an amount proportional to the liquidated portion of the contingent claim amount used in allocating the contingent interests) for the asset or assets so purchased (or for the equity interests or debt instruments of the acquisition vehicle or vehicles that are issued in connection with such purchase). In connection with any such bid (i) the Administrative Agent shall be authorized to form one or more acquisition vehicles and to assign any successful credit bid to such acquisition vehicle or vehicles, (ii) each of the Secured Parties’ ratable interests in the Obligations which were credit bid shall be deemed without any further action under this Agreement to be assigned to such vehicle or vehicles for the purpose of closing such sale, (iii) the Administrative Agent shall be authorized to adopt
documents providing for the governance of the acquisition vehicle or vehicles (provided that any actions by the Administrative Agent with respect to such acquisition vehicle or vehicles, including any disposition of the assets or equity interests thereof, shall be governed, directly or indirectly, by, and the governing documents shall provide for, control by the vote of the Required Lenders or their permitted assignees under the terms of this Agreement or the governing documents of the applicable acquisition vehicle or vehicles, as the case may be, irrespective of the termination of this Agreement and without giving effect to the limitations on actions by the Required Lenders contained in Section 9.02 of this Agreement), (iv) the Administrative Agent on behalf of such acquisition vehicle or vehicles shall be authorized to issue to each of the Secured Parties, ratable on account of the relevant Obligations which were credit bid, interests, whether as equity, partnership, limited partnership interests or membership interests, in any such acquisition vehicle and/or debt instruments issued by such acquisition vehicle, all without the need for any Secured Party or acquisition vehicle to take any further action, and (v) to the extent that Obligations that are assigned to an acquisition vehicle are not used to acquire Collateral for any reason (as a result of another bid being higher or better, because the amount of Obligations assigned to the acquisition vehicle exceeds the amount of Obligations credit bid by the acquisition vehicle or otherwise), such Obligations shall automatically be reassigned to the Secured Parties pro rata and the equity interests and/or debt instruments issued by any acquisition vehicle on account of such Obligations shall automatically be cancelled, without the need for any Secured Party or any acquisition vehicle to take any further action. Notwithstanding that the ratable portion of the Obligations of each Secured Party are deemed assigned to the acquisition vehicle or vehicles as set forth in clause (ii) above, each Secured Party shall execute such documents and provide such information regarding the Secured Party (and/or any designee of the Secured Party which will receive interests in or debt instruments issued by such acquisition vehicle) as the Administrative Agent may reasonably request in connection with the formation of any acquisition vehicle, the formulation or submission of any credit bid or the consummation of the transactions contemplated by such credit bid.

The Lenders hereby irrevocably authorize the Administrative Agent, at its option and in its sole discretion, to release any Liens granted to the Administrative Agent by the Loan Parties on any Collateral (other than any Pledged Equity) (i) upon the termination of all the Commitments, payment and satisfaction in full in cash of all Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination), (ii) constituting property being sold or disposed by any Loan Party in compliance with the terms of this Agreement (and the Administrative Agent has received an officer’s certificate of the Borrower certifying as to the same), or property being sold or disposed of by any Loan Party pursuant to any effective written consent to the release of such Lien on such Collateral pursuant to this Agreement, or (iii) as required to effect any sale or other disposition of such Collateral in connection with any exercise of remedies of the Administrative Agent and the Lenders pursuant to Article VII. Any such release shall not in any manner discharge, affect, or impair the Obligations or any Liens (other than those expressly being released) upon (or obligations of the Loan Parties in respect of) all interests retained by the Loan Parties, including the proceeds of any sale, all of which shall continue to constitute part of the Collateral. It is understood and agreed that, except as provided in this paragraph or in any Collateral Document, no agreement entered into pursuant to Section 9.02(b) shall release all or substantially all of the Collateral without the written consent of each Lender. In addition, each of the Lenders, on behalf of itself and any of its Affiliates that are Secured Parties, irrevocably authorizes the Administrative Agent, at its option and in its discretion, (i) to subordinate any Lien on any assets granted to or held by the Administrative Agent under any Loan Document (other than any Pledged Equity) to the holder of any Lien on such property that is permitted by Section 6.02(d) or (ii) in the event that the
Borrower shall have advised the Administrative Agent that, notwithstanding the use by the Borrower of commercially reasonable efforts to obtain the consent of such holder (but without the requirement to pay any sums to obtain such consent) to permit the Administrative Agent to retain its liens (on a subordinated basis as contemplated by clause (i) above), the holder of such other Indebtedness requires, as a condition to the extension of such credit, that the Liens on such assets granted to or held by the Administrative Agent under any Loan Document be released, to release the Administrative Agent’s Liens on such assets.”

(j) Section 9.01 of the Credit Agreement is hereby amended by replacing the reference in clause (a)(ii) thereof to “1301 2nd Avenue, Floor 25, Seattle, Washington 98101 Attention of Keith Winzenried (Telecopy No. (208) 298-0693; keith.f.winzenried@jpmorgan.com)” with a reference to “560 Mission Street, San Francisco, California 94105 Attention of Caitlin Stewart (Telecopy No. (415) 367-4725; caitlin.r.stewart@jpmorgan.com)”.

(kk) Section 9.04 of the Credit Agreement is hereby amended by replacing the reference in clause (b)(iv) thereof to “an agent of the Borrower” with a reference to “a non-fiduciary agent of the Borrower”.

(ll) Section 9.14 of the Credit Agreement is hereby amended by replacement reference in clause (c) thereof to “or Banking Services Agreement,” with a reference to “or Banking Services Agreement, in each case not due and payable,”.

(mm) A new Section 9.18 is added to Article IX of the Credit Agreement immediately following Section 9.17 thereof as follows:

“SECTION 9.18. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.”
A new Section 9.19 is added to Article IX of the Credit Agreement immediately following Section 9.18 thereof as follows:


(a) The Liens granted to the Administrative Agent by the Loan Parties shall automatically terminate on Collateral (other than Pledged Equity) upon any sale or other disposition by any Loan Party of such Collateral in compliance with the terms of this Agreement, or upon the sale or other disposition by any Loan Party of such property pursuant to any effective written consent to the release of the Lien on such Collateral pursuant to this Agreement. Upon delivery by the Borrower to the Administrative Agent of an officer’s certificate certifying that such sale or disposition was made in compliance with the terms of this Agreement or pursuant to such written consent to release (and the Administrative Agent may rely conclusively on such certificate without further inquiry), the Administrative Agent shall execute and deliver to the applicable Loan Party at such Loan Party’s expense and without recourse or warranty, all UCC termination statements, releases and similar documents that the Borrower or such Loan Party shall reasonably request to evidence such release.

(b) At such time as the principal and interest on the Loans, all LC Disbursements, the fees, expenses and other amounts payable under the Loan Documents and the other Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other Obligations expressly stated to survive such payment and termination) shall have been paid in full in cash, the Commitments shall have been terminated and no Letters of Credit shall be outstanding, the Liens granted to the Administrative Agent by the Loan Parties on the Collateral (other than the Pledged Equity) shall automatically terminate, all without delivery of any instrument or performance of any act by any Person, and the Administrative Agent shall (without notice to, or vote or consent of, any Lender or any Affiliate of a Lender party to a Swap Agreement or Banking Services Agreement) shall execute and deliver to the Loan Parties at the Loan Parties’ expense and without recourse or warranty, all UCC termination statements, releases and similar documents that any Loan Party shall reasonably request to evidence such termination."

2. Conditions of Effectiveness. The effectiveness of this Amendment (the "Amendment No. 2 Effective Date") is subject to the following conditions precedent:

(a) The Administrative Agent shall have received counterparts of this Amendment duly executed by the Borrower, the Required Lenders, the Issuing Bank, the Swingline Lender and the Administrative Agent.

(b) The Administrative Agent shall have received counterparts of the Security Agreement duly executed by the Loan Parties and the Administrative Agent and such other certificates, documents, instruments and agreements as the Administrative Agent shall reasonably request in connection with this Amendment, the Security Agreement and the other Loan Documents.

(c) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent and the Lenders and dated the Amendment No. 2 Effective Date) of Wilson Sonsini Goodrich & Rosati, P.C., counsel for the Loan Parties, in form and substance reasonably satisfactory to the Administrative Agent and its counsel and covering such matters relating to the Loan Parties, the Loan Documents, this Amendment or the Transactions as the Administrative Agent shall reasonably request. The Borrower hereby requests such counsel to deliver such opinions.

(d) The Administrative Agent shall have received payment of the Administrative Agent’s and its affiliates’ reasonable out-of-pocket expenses (including reasonable out-of-pocket fees and expenses of counsel for the Administrative Agent) in connection with this Amendment and the other Loan Documents.
3. **Representations and Warranties of the Borrower.** The Borrower hereby represents and warrants as follows:

(a) This Amendment and the Credit Agreement as modified hereby constitute valid and binding obligations of the Borrower and are enforceable against the Borrower in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) As of the date hereof and after giving effect to the terms of this Amendment, (i) no Default or Event of Default shall have occurred and be continuing, and (ii) the representations and warranties of the Borrower set forth in the Credit Agreement are true and correct in all material respects (except that any representation and warranty that is qualified by materiality shall be true and correct in all respects), except, in each case, to the extent any such representation or warranty specifically refers to an earlier date, in which case it shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality shall be true and correct in all respects) as of such earlier date.

4. **Reference to and Effect on the Credit Agreement.**

(a) Upon the effectiveness hereof, each reference to the Credit Agreement in the Credit Agreement or any other Loan Document shall mean and be a reference to the Credit Agreement as amended hereby.

(b) Each Loan Document and all other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

(c) Except with respect to the subject matter hereof, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders, nor constitute a waiver of any provision of the Credit Agreement, the Loan Documents or any other documents, instruments and agreements executed and/or delivered in connection therewith.

(d) This Amendment is a Loan Document.

5. **Governing Law.** This Amendment shall be construed in accordance with and governed by the law of the State of New York.

6. **Headings.** Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. **Counterparts.** This Amendment may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Signatures delivered by facsimile or PDF shall have the same force and effect as manual signatures delivered in person.

[Signature Pages Follow]
IN WITNESS WHEREOF, this Amendment has been duly executed as of the day and year first above written.

MICROCHIP TECHNOLOGY INCORPORATED,

as the Borrower

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Vice President and Chief Financial Officer

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
JPMORGAN CHASE BANK, N.A.,
individually as a Lender, as the Issuing Bank, as the
Swingline Lender and as Administrative Agent

By: /s/ Caitlin Stewart
Name: Caitlin Stewart
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Kenneth J. Tebelman
Name: Kenneth J. Tebelman
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated

HSBC BANK USA, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Aleem Shamji
Name: Aleem Shamji
Title: Director
U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Dan Stevens  
Name: Dan Stevens  
Title: Vice President

Signature Page to Amendment No. 2 to 
Amended and Restated Credit Agreement dated as of June 27, 2013, 
as amended and restated as of February 4, 2015  
Microchip Technology Incorporated
BMO HARRIS BANK, N.A.,
as a Lender

By: /s/ Matthew Freeman
Name: Matthew Freeman
Title: VP, Director

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
SUNTRUST BANK,
as a Lender

By: /s/ Min Park
Name: Min Park
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.,
as a Lender

By: /s/ Matthew Antioco
Name: Matthew Antioco
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
COMPASS BANK,
as a Lender

By: /s/ Raj Nambiar
Name: Raj Nambiar
Title: Sr. Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
DBS BANK LTD.,
as a Lender

By: /s/ Santanu Mitra
Name: Santanu Mitra
Title: Senior Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
BRANCH BANKING AND TRUST COMPANY,
as a Lender

By: /s/ Jim Wright
Name: Jim Wright
Title: Assistant Vice President
CITIZENS BANK, N.A.,
as a Lender

By: /s/ Patricia F. Grieve
Name: Patricia F. Grieve
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
ZB, N.A. dba NATIONAL BANK OF ARIZONA, as a Lender

By: /s/ Chase Foley
Name: Chase Foley
Title: Assistant Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
BOKF, NA d/b/a Bank of Arizona, as a Lender

By: /s/ James Wessel
Name: James Wessel
Title: Senior Vice President

Signature Page to Amendment No. 2 to Amended and Restated Credit Agreement dated as of June 27, 2013, as amended and restated as of February 4, 2015
Microchip Technology Incorporated
THE NORTHERN TRUST COMPANY,
as a Lender

By: /s/ John Lascody
Name: John Lascody
Title: Vice President

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
TAIWAN COOPERATIVE BANK, as a Lender

By: /s/ Ming-Chih Chen
Name: Ming-Chih Chen
Title: V.P. & General Manager

Signature Page to Amendment No. 2 to
Amended and Restated Credit Agreement dated as of June 27, 2013,
as amended and restated as of February 4, 2015
Microchip Technology Incorporated
PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, this “Security Agreement”) is entered into as of February 8, 2017 (the “Security Agreement Effective Date”) by and among MICROCHIP TECHNOLOGY INCORPORATED, a Delaware corporation (the “Borrower”), the Subsidiaries of the Borrower listed on the signature pages hereto (together with the Borrower, the “Initial Grantors,” and together with any additional Subsidiaries, whether now existing or hereafter formed or acquired which become parties to this Security Agreement from time to time, in accordance with the terms of the Credit Agreement (as defined below), by executing a Supplement hereto in substantially the form of Annex I, the “Grantors”), and JPMORGAN CHASE BANK, N.A., a national banking association, in its capacity as administrative agent (the “Administrative Agent”) for itself and for the Secured Parties (as defined in the Credit Agreement identified below).

PRELIMINARY STATEMENT

The Borrower, the Administrative Agent and the Lenders have entered into that certain Amended and Restated Credit Agreement dated as of June 27, 2013, as amended and restated as of February 4, 2015 (as may be amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”). The Grantors are entering into this Security Agreement in order to induce the Lenders to continue to extend credit to the Borrower under the Credit Agreement.

AGREEMENT

ACCORDINGLY, the Grantors and the Administrative Agent, on behalf of the Secured Parties, hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1. Terms Defined in the Credit Agreement. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Credit Agreement.

1.2. Terms Defined in UCC. Terms defined in the UCC which are not otherwise defined in this Security Agreement are used herein as defined in the UCC.

1.3. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the Preliminary Statement, the following terms shall have the following meanings:

“Accounts” shall have the meaning set forth in Article 9 of the UCC.

“Affected Domestic Subsidiary” means any Domestic Subsidiary that is a subsidiary of a “controlled foreign corporation” as defined in Section 957 of the Code.
“Article” means a numbered article of this Security Agreement, unless another document is specifically referenced.

“Chattel Paper” shall have the meaning set forth in Article 9 of the UCC.

“Collateral” means all Accounts, Chattel Paper, Commercial Tort Claims, Copyrights, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, letters of credit, Letter-of-Credit Rights, Licenses, Patents, Pledged Deposits, Supporting Obligations, Trademarks and Other Collateral, wherever located, in which any Grantor now has or hereafter acquires any right or interest, and the proceeds (including Stock Rights), insurance proceeds and products thereof, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto; provided that, notwithstanding the foregoing, Collateral shall expressly exclude the Excluded Assets.

“Collateral Disclosure Letter” means the collateral disclosure letter, dated as of the Security Agreement Effective Date, as supplemented from time to time and delivered by the Grantors to the Administrative Agent for the benefit of the Secured Parties.

“Commercial Tort Claims” means commercial tort claims, as defined in the UCC of any Grantor, including each commercial tort claim (with a value reasonably believed by such Grantor to be in excess of $10,000,000) specifically described in Schedule “F” to the Collateral Disclosure Letter.

“Control” shall have the meaning set forth in Article 8 or, if applicable, in Section 9-104, 9-105, 9-106 or 9-107 of Article 9 of the UCC.

“Copyrights” means, with respect to any Person, all of such Person’s right, title, and interest in and to the following: (a) all copyrights, rights and interests in copyrights, works protectable by copyright, copyright registrations, and copyright applications; (b) all renewals of any of the foregoing; (c) all income, royalties, damages, and payments now or hereafter due and/or payable under any of the foregoing, including, without limitation, damages or payments for past or future infringements for any of the foregoing; (d) the right to sue for past, present, and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world.

“Deposit Accounts” shall have the meaning set forth in Article 9 of the UCC.

“Documents” shall have the meaning set forth in Article 9 of the UCC.

“Domestic Subsidiary” means a Subsidiary organized under the laws of a jurisdiction located in the United States of America, other than a Foreign Sub Holdco.

“Equipment” shall have the meaning set forth in Article 9 of the UCC.

“Exhibit” refers to a specific exhibit to this Security Agreement, unless another document is specifically referenced.

“First-Tier Foreign Subsidiary” means each Foreign Subsidiary with respect to which any one or more of the Borrower and its Domestic Subsidiaries (other than an Affected Domestic Subsidiary) directly owns or Controls more than 50% of such Foreign Subsidiary’s issued and outstanding Equity Interests.

“Fixtures” shall have the meaning set forth in Article 9 of the UCC.
“Foreign Subsidiary” means any Subsidiary which is not a Domestic Subsidiary.

“Foreign Sub Holdco” means any Subsidiary organized under the laws of a jurisdiction located in the United States of America substantially all the assets of which consists of stock (or stock and debt obligations owed or treated as owed) in one or more “controlled foreign corporations” as defined in Section 957 of the Code and/or one or more Subsidiaries described in this definition.

“General Intangibles” shall have the meaning set forth in Article 9 of the UCC and, in any event, includes payment intangibles, contract rights, rights to payment, rights arising under common law, statutes, or regulations, choses or things in action, goodwill (including the goodwill associated with any Trademark), Patents, Trademarks, Copyrights, URLs and domain names, other industrial or Intellectual Property or rights therein or applications therefor, whether under license or otherwise, programs, programming materials, blueprints, drawings, purchase orders, customer lists, monies due or recoverable from pension funds, route lists, rights to payment and other rights under any royalty or licensing agreements, including Licenses, infringement claims, computer programs, information contained on computer disks or tapes, software, literature, reports, catalogs, pension plan refunds, pension plan refund claims, insurance premium rebates, tax refunds, and tax refund claims, interests in a partnership or limited liability company which do not constitute a security under Article 8 of the UCC, and any other personal property other than Commercial Tort Claims, money, Accounts, Chattel Paper, Deposit Accounts, Goods, Investment Property, negotiable Collateral, and oil, gas, or other minerals before extraction.

“Goods” shall have the meaning set forth in Article 9 of the UCC.

“Instruments” shall have the meaning set forth in Article 9 of the UCC.

“Intellectual Property” means all Patents, Trademarks, Copyrights and any other intellectual property.

“Inventory” shall have the meaning set forth in Article 9 of the UCC.

“Investment Property” shall have the meaning set forth in Article 9 of the UCC.

“Letter of Credit Rights” shall have the meaning set forth in Article 9 of the UCC.

“Licenses” means, with respect to any Person, all of such Person’s right, title, and interest in and to (a) any and all licensing agreements or similar arrangements in and to its Patents, Copyrights, or Trademarks, (b) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future breaches thereof, and (c) all rights to sue for past, present, and future breaches thereof.

“Other Collateral” means any personal property of the Grantors, not included within the defined terms Accounts, Chattel Paper, Commercial Tort Claims, Copyrights, Deposit Accounts, Documents, Equipment, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter-of-Credit Rights, Licenses, Patents, Pledged Deposits, Supporting Obligations and Trademarks, including, without limitation, all cash on hand, letters of credit, Stock Rights or any other deposits (general or special, time or demand, provisional or final) with any bank or other financial institution, it being intended that the Collateral include all personal property of the Grantors, subject to the limitations contained in Article II of this Security Agreement.
“Patents” means, with respect to any Person, all of such Person’s right, title, and interest in and to: (a) any and all patents and patent applications; (b) all inventions and improvements described and claimed therein; (c) all reissues, divisions, continuations, renewals, extensions, and continuations-in-part thereof; (d) all licenses of the foregoing whether as licensee or licensor; (e) all income, royalties, damages, claims, and payments now or hereafter due or payable under and with respect thereto, including, without limitation, damages and payments for past and future infringements thereof; (f) all rights to sue for past, present, and future infringements thereof; and (g) all rights corresponding to any of the foregoing throughout the world.

“Pledged Collateral” means all Instruments, Securities and other Investment Property of the Grantors that is included in the Collateral, whether or not physically delivered to the Administrative Agent pursuant to this Security Agreement.

“Pledged Deposits” means all time deposits of money (other than Deposit Accounts and Instruments), whether or not evidenced by certificates, which a Grantor may from time to time designate as pledged to the Administrative Agent or to any Secured Party as security for any Obligations, and all rights to receive interest on said deposits.

“Receivables” means the Accounts, Chattel Paper, Documents, Investment Property, Instruments or Pledged Deposits, and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

“Section” means a numbered section of this Security Agreement, unless another document is specifically referenced.

“Security” shall have the meaning set forth in Article 8 of the UCC.

“Securities Account” has the meaning set forth in Article 8 of the UCC.

“Stock Rights” means any securities, dividends, instruments or other distributions and any other right or property which any Grantor shall receive or shall become entitled to receive for any reason whatsoever with respect to, in substitution for or in exchange for any Equity Interest constituting Collateral, any right to receive an Equity Interest and any right to receive earnings, in which any Grantor now has or hereafter acquires any right, issued by an issuer of such securities.

“Supporting Obligation” shall have the meaning set forth in Article 9 of the UCC.

“Trademarks” means, with respect to any Person, all of such Person’s right, title, and interest in and to the following: (a) all trademarks (including service marks), trade names, trade dress, and trade styles and the registrations and applications for registration thereof and the goodwill of the business symbolized by the foregoing; (b) all licenses of the foregoing, whether as licensee or licensor; (c) all renewals of the foregoing; (d) all income, royalties, damages, and payments now or hereafter due or payable with respect thereto, including, without limitation, damages, claims, and payments for past and future infringements thereof; (e) all rights to sue for past, present, and future infringements of the foregoing, including the right to settle suits involving claims and demands for royalties owing; and (f) all rights corresponding to any of the foregoing throughout the world.

“Voting Power” means with respect to any share of voting Equity Interests, the number of votes that the holder of such share may cast in an election of members of the Board of Directors (or analogous governing body) of the issuer of such share.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.
ARTICLE II

GRANT OF SECURITY INTEREST

Each of the Grantors hereby pledges, collaterally assigns and grants to the Administrative Agent, on behalf of and for the benefit of the Secured Parties, a security interest in all of such Grantor’s right, title and interest, whether now owned or hereafter acquired, in and to the Collateral to secure the prompt and complete payment and performance of the Obligations. For the avoidance of doubt, (i) the grant of a security interest herein shall not be deemed to be an assignment of intellectual property rights owned by the Grantors and (ii) the security interest granted under this Security Agreement shall not extend to, and the definition of “Collateral” and definitions of and references to asset categories in the definition of Collateral and elsewhere in this Security Agreement or any agreement entered into or pursuant to this Security Agreement shall not include, Excluded Assets and, for the avoidance of doubt, no provision of this Agreement including, without limitation, any representation, warranty or covenant shall apply to any such Excluded Assets.

For the avoidance of doubt, in accordance with the terms of the Credit Agreement, (i) Microchip Technology LLC and Silicon Storage Technology LLC shall be Grantors under this Security Agreement and (ii) in the aggregate (taking into account the pledges of all Grantors), 65% of voting Equity Interests and 100% of non-voting Equity Interests in Microchip Technology (Barbados) II Incorporated shall be pledged as Collateral. Notwithstanding anything to the contrary in any Loan Document, the guarantee provided by each of Microchip Technology LLC and Silicon Storage Technology LLC, so long as each remains a Foreign Sub Holdco, shall be without recourse to voting Equity Interests in excess of 65%, in the aggregate, of Microchip Technology (Barbados) II Incorporated.

ARTICLE III

REPRESENTATIONS AND WARRANTIES

Each of the Initial Grantors represents and warrants to the Administrative Agent and the Secured Parties, and each Grantor that becomes a party to this Security Agreement pursuant to the execution of a Security Agreement Supplement in substantially the form of Annex I represents and warrants (after giving effect to supplements to the Collateral Disclosure Letter with respect to such subsequent Grantor as attached to such Security Agreement Supplement), that:

3.1. Title, Authorization, Validity and Enforceability. Such Grantor has good and valid rights in or the power to transfer the Collateral owned by it and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens except for Liens permitted under Section 4.1.6 hereof, and has full corporate, limited liability company or partnership, as applicable, power and authority to grant to the Administrative Agent the security interest in such Collateral pursuant hereto. The execution and delivery by such Grantor of this Security Agreement have been duly authorized by proper corporate, limited liability company, limited partnership or partnership, as applicable, proceedings on the part of such Grantor, and this Security Agreement constitutes a legal, valid and binding obligation of such Grantor and creates a security interest which is enforceable against such Grantor in all Collateral it now owns or hereafter acquires, except as enforceability may be limited by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization or similar laws relating to or affecting the enforcement of creditors’ rights generally, (ii) general equitable principles (whether considered in a proceeding in equity or at law), and (iii) requirements of reasonableness, good faith and fair dealing. When financing statements have been filed in the appropriate offices against such Grantor in the locations listed in Schedule “E” to the Collateral Disclosure Letter or any jurisdictions that may be required from time to time pursuant to Section 4.1.7 hereof, the Administrative Agent will have a fully perfected first priority security interest in the Collateral owned by such Grantor in which a security interest may be perfected by filing of a financing statement under the UCC, subject only to Liens permitted under Section 4.1.6 hereof.
3.2. **Conflicting Laws and Contracts.** Neither the execution and delivery by such Grantor of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance by such Grantor with the terms and provisions hereof will violate (i) any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on such Grantor, or (ii) such Grantor’s articles of incorporation, partnership agreement or by-laws (or similar constitutive documents), or (iii) the provisions of any indenture or any material instrument or agreement to which such Grantor is a party or is subject, or by which it, or its property may be bound or affected, or conflict with or constitute a default thereunder, or result in or require the creation or imposition of any Lien in, of or on the property of such Grantor pursuant to the terms of any such indenture or any material instrument or agreement (other than any Lien of the Administrative Agent on behalf of the Secured Parties).

3.3. **Principal Location.** As of the Security Agreement Effective Date (or in the case of a subsequent Grantor, the date of the applicable Security Agreement Supplement), the location of such Grantor’s chief executive office is disclosed in Schedule “A” to the Collateral Disclosure Letter.

3.4. **Property Locations.** As of the Security Agreement Effective Date (or in the case of a subsequent Grantor, the date of the applicable Security Agreement Supplement), Schedule “A” to the Collateral Disclosure Letter lists each location where each Grantor maintains Inventory, Equipment and Fixtures (other than (i) moveable items of Collateral, such as laptop computers and other mobile electronic equipment, and (ii) Inventory in transit) with a value exceeding $10,000,000 per location. All of said locations are owned by such Grantor except for locations which are leased by such Grantor as lessee and designated in Schedule “A” to the Collateral Disclosure Letter.

3.5. **No Other Names; Etc.** Within the five-year period ending as of the date such Person becomes a Grantor hereunder, such Grantor has not conducted business under any name, changed its jurisdiction of organization, merged with or into or consolidated with any other Person, except as disclosed in Schedule “A” to the Collateral Disclosure Letter. The name in which such Grantor has executed this Security Agreement is the exact name as it appears in such Grantor’s organizational documents, as amended, as filed with such Grantor’s jurisdiction of organization as of the date such Person becomes a Grantor hereunder.

3.6. [Intentionally Omitted]

3.7. [Intentionally Omitted]

3.8. **Filing Requirements.** None of the Collateral owned by such Grantor is of a type for which security interests or liens may be perfected by filing under any federal statute except for (i) motor vehicles described in Part B of Schedule “B” to the Collateral Disclosure Letter and (ii) Patents, Trademarks and Copyrights held by such Grantor and described in Part C of Schedule “B” to the Collateral Disclosure Letter.

3.9. **No Financing Statements, Security Agreements.** No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been terminated naming such Grantor as debtor has been filed or is of record in any jurisdiction except financing statements (i) naming the Administrative Agent on behalf of the Secured Parties as the secured party and (ii) in respect of Liens permitted by Section 6.02 of the Credit Agreement.
3.10. Federal Employer Identification Number; State Organization Number; Jurisdiction of Organization. As of the Security Agreement Effective Date (or in the case of a subsequent Grantor, the date of the applicable Security Agreement Supplement), such Grantor’s federal employer identification number is, and if such Grantor is a registered organization, such Grantor’s State of organization, type of organization and State of organization identification number are, listed in Schedule “G” to the Collateral Disclosure Letter.

3.11. Pledged Securities and Other Investment Property. Schedule “D” to the Collateral Disclosure Letter sets forth a complete and accurate list as of the Security Agreement Effective Date (or in the case of a subsequent Grantor, the date of the applicable Security Agreement Supplement) of the Instruments with a face value exceeding $10,000,000 and Equity Interests in Pledge Subsidiaries constituting Collateral and delivered (or to be delivered) to the Administrative Agent pursuant to the terms of the Loan Documents. Each Grantor is the direct and beneficial owner of each Instrument and each Equity Interest in Pledge Subsidiaries listed in Schedule “D” to the Collateral Disclosure Letter as being owned by it, free and clear of any Liens, except for the security interest granted to the Administrative Agent for the benefit of the Secured Parties hereunder or as permitted by Section 6.02 of the Credit Agreement. Each Grantor further represents and warrants that (i) all Pledged Collateral owned by it constituting an Equity Interest has been (to the extent such concepts are relevant with respect to such Pledged Collateral) duly authorized and validly issued, are fully paid and non-assessable and, in the case of Equity Interests in Pledge Subsidiaries, constitute the percentage of the issued and outstanding shares of stock (or other Equity Interests) of the respective issuers thereof indicated in Schedule “D” to the Collateral Disclosure Letter, and (ii) with respect to any certificates delivered to the Administrative Agent representing an Equity Interest, either such certificates are Securities as defined in Article 8 of the UCC of the applicable jurisdiction as a result of actions by the issuer or otherwise, or, if such certificates are not Securities, such Grantor has so informed the Administrative Agent so that the Administrative Agent may take steps to perfect its security interest therein as a General Intangible.


3.12.1 Schedule “B” to the Collateral Disclosure Letter contains a complete and accurate listing as of the Security Agreement Effective Date of all the following owned by any Grantor: (i) U.S. trademark registrations and trademark applications, (ii) U.S. patent registrations and patents applications, together with all reissuances, continuations, continuations in part, revisions, extensions, and reexaminations thereof, and (iii) U.S. copyright registrations and copyright applications. All of the material U.S. registrations, applications for registration or applications for issuance of the Intellectual Property are valid and subsisting, in good standing and are recorded or in the process of being recorded in the name of the applicable Grantor.

3.12.2 Such Intellectual Property is valid, subsisting, unexpired (where registered) and enforceable and has not been abandoned or adjudged invalid or unenforceable, in whole or in part, except in each case as could not be reasonably expected to result in a Material Adverse Effect.

3.12.3 [Intentionally Omitted].

3.12.4 Each Grantor has taken or caused to be taken steps so that none of its material Intellectual Property, the value of which to the Grantors are contingent upon maintenance of the confidentiality thereof, have been disclosed by such Grantor to any Person other than employees, contractors, customers, representatives and agents of the Grantors and other third parties who are parties to customary confidentiality and nondisclosure agreements with the Grantors.
3.12.5 To each Grantor’s knowledge, no Person has violated, infringed upon or breached, or is currently violating, infringing upon or breaching, any of the rights of the Grantors to the Intellectual Property or has breached or is breaching any duty or obligation owed to the Grantors in respect of the Intellectual Property except where those breaches, violations or infringements, individually or in the aggregate, could not be reasonably expected to result in a Material Adverse Effect.

3.12.6 No settlement or consents, covenants not to sue, nonassertion assurances, or releases have been entered into by any Grantor or to which any Grantor is bound that adversely affects its rights to own or use any Intellectual Property except as could not be reasonably expected to result in a Material Adverse Effect, in each case individually or in the aggregate.

3.12.7 No Grantor has received any written notice that remains outstanding challenging the validity, enforceability, or ownership of any Intellectual Property except where those challenges could not reasonably be expected to result in a Material Adverse Effect, and to such Grantor’s knowledge at the date hereof there are no facts upon which such a challenge could be made.

3.12.8 Each Grantor owns directly or is entitled to use, by license or otherwise, all Intellectual Property necessary for the conduct of such Grantor’s business.

3.12.9 Each Grantor uses adequate standards of quality in the manufacture, distribution, and sale of all products sold and in the provision of all services rendered under or in connection with all trademarks and has taken all commercially reasonable action necessary to insure that all licensees of the trademarks owned or licensed by such Grantor use such adequate standards of quality, except where the failure to use adequate standards of quality could not reasonably be expected to result in a Material Adverse Effect.

3.12.10 The consummation of the transactions contemplated by the Loan Documents will not result in the loss, termination or material impairment of any of the Intellectual Property that is material to any Grantor’s business.

ARTICLE IV
COVENANTS

From the date of this Security Agreement and thereafter until this Security Agreement is terminated, each of the Initial Grantors agrees, and from and after the effective date of any Security Agreement Supplement applicable to any Grantor (and after giving effect to supplements to the Collateral Disclosure Letter with respect to such subsequent Grantor as attached to such Security Agreement Supplement) and thereafter until this Security Agreement is terminated each such subsequent Grantor agrees:

4.1. General.

4.1.1 Inspection. Each Grantor will permit the Administrative Agent or any Secured Party, by its representatives and agents to inspect the Collateral in the manner set forth in Section 5.06 of the Credit Agreement as if it were a party thereto.

4.1.2 Taxes. Such Grantor will comply with Section 5.04 of the Credit Agreement as if it were a party thereto.
4.1.3 **Records and Reports.** Each Grantor comply with Section 5.06 of the Credit Agreement as if it were a party thereto.

4.1.4 **Financing Statements and Other Actions; Defense of Title.** Each Grantor hereby authorizes the Administrative Agent to file, and if requested will execute and deliver to the Administrative Agent, all financing statements describing the Collateral owned by such Grantor and, subject to the limitations set forth in the Credit Agreement, take such other actions as may from time to time reasonably be requested by the Administrative Agent in order to maintain a first priority, perfected security interest in and, if applicable, Control of, the Collateral owned by such Grantor, subject to Liens permitted under Section 6.02 of the Credit Agreement. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner as the Administrative Agent may determine, in its sole discretion, is necessary, advisable or prudent to ensure that the perfection of the security interest in the Collateral granted to the Administrative Agent herein, including, without limitation, describing such property as “all assets of the debtor whether now owned or hereafter acquired and wheresoever located, including all accessions thereto and proceeds thereof.” Each Grantor will take any and all actions that are reasonable and necessary to defend title to any material portion of the Collateral owned by such Grantor against all persons and to defend the security interest of the Administrative Agent in such Collateral and the priority thereof against any Lien not expressly permitted hereunder.

4.1.5 **Disposition of Collateral.** No Grantor will sell, lease or otherwise dispose of the Collateral owned by such Grantor except as permitted by the Credit Agreement.

4.1.6 **Liens.** No Grantor will create, incur, or suffer to exist any Lien on the Collateral owned by such Grantor except Liens permitted pursuant to Section 6.02 of the Credit Agreement.

4.1.7 **Change in Corporate Existence, Type or Jurisdiction of Organization, Location, Name.** Each Grantor will:

(i) not change its type of legal entity;

(ii) not change its name or jurisdiction of organization;

(iii) not maintain its place of business (if it has only one) or its chief executive office (if it has more than one place of business) at a location other than a location specified in Schedule “A” to the Collateral Disclosure Letter; and

(iv) not change its taxpayer identification number,

unless, in each such case, such Grantor shall have given the Administrative Agent not less than five (5) Business Days’ prior written notice of such event or occurrence (or such shorter notice as may be acceptable to the Administrative Agent).

4.1.8 **Other Financing Statements.** Each Grantor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement filed in connection herewith without the prior written consent of the Administrative Agent, subject to such Grantor’s rights under Section 9-509(d)(2) of the UCC.
4.2. Receivables.

4.2.1 Delivery of Invoices. Each Grantor will deliver to the Administrative Agent immediately upon its request after the occurrence and during the continuance of an Event of Default duplicate invoices with respect to each Account owned by such Grantor bearing such language of assignment as the Administrative Agent shall specify.

4.2.2 [Intentionally Omitted].

4.3. Maintenance of Goods. Each Grantor will do all things necessary to maintain, preserve, protect and keep the Inventory and the Equipment owned by such Grantor in good repair, working order and saleable condition (ordinary wear and tear excepted) and make all necessary and proper repairs, renewals and replacements so that its business carried on in connection therewith may be properly conducted at all times, except in each case where the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

4.4. Instruments, Securities, Chattel Paper, Documents and Pledged Deposits. Each Grantor will (i) deliver to the Administrative Agent immediately upon execution of this Security Agreement (or such later date as may be agreed by the Administrative Agent) the originals of all Chattel Paper with a face value exceeding $10,000,000, Instruments with a face value exceeding $10,000,000 and stock certificates and related stock powers in respect of Equity Interests in Pledge Subsidiaries (to the extent certificated), in each case constituting Collateral (if any then exist), (ii) hold in trust for the Administrative Agent upon receipt and, concurrently with the delivery of each compliance certificate provided to the Administrative Agent pursuant to Section 5.01(c) of the Credit Agreement, deliver to the Administrative Agent any Chattel Paper with a face value exceeding $10,000,000, Instruments with a face value exceeding $10,000,000 and stock certificates and related stock powers in respect of Equity Interests in Pledge Subsidiaries (to the extent certificated), in each case constituting Collateral, (iii) upon the designation of any Pledged Deposits (as set forth in the definition thereof), deliver to the Administrative Agent, concurrently with the delivery of each compliance certificate provided to the Administrative Agent pursuant to Section 5.01(c) of the Credit Agreement, such Pledged Deposits with a value exceeding $10,000,000 which are evidenced by certificates included in the Collateral endorsed in blank, marked with such legends and assigned as the Administrative Agent shall specify, (iv) upon the Administrative Agent’s request, after the occurrence and during the continuance of an Event of Default, deliver to the Administrative Agent (and thereafter hold in trust for the Administrative Agent upon receipt and immediately deliver to the Administrative Agent) any Document evidencing or constituting Collateral, and (v) upon the Administrative Agent’s request, deliver to the Administrative Agent a duly executed amendment to this Security Agreement, in the form of Exhibit “A” hereto (the “Amendment”), pursuant to which such Grantor will pledge such additional Collateral. Such Grantor hereby authorizes the Administrative Agent to attach each Amendment to this Security Agreement and agrees that all additional Collateral owned by it set forth in such Amendments shall be considered to be part of the Collateral. Notwithstanding anything to the contrary herein, it is understood and agreed that the stock certificates and related stock powers thereto in respect of any Domestic Pledge Subsidiary listed on Schedule “D” to the Collateral Disclosure Letter as of the Security Agreement Effective Date shall be delivered within thirty (30) days (or such later date as may be agreed upon by the Administrative Agent) of the Security Agreement Effective Date.

4.5. Uncertificated Securities and Certain Other Investment Property. Each Grantor will permit the Administrative Agent from time to time to cause the appropriate Pledge Subsidiaries of such Grantor that are issuers of uncertificated securities which are Collateral owned by such Grantor to mark their books and records with the numbers and face amounts of all such uncertificated securities and all rollovers and replacements therefor to reflect the Lien of the Administrative Agent granted pursuant to this Security Agreement.
4.6. **Stock and Other Ownership Interests.**

4.6.1 **Changes in Capital Structure of Issuers.** Except as permitted in the Credit Agreement, no Grantor will (i) permit or suffer any Subsidiary to dissolve, liquidate, retire any of its capital stock or other Instruments or Securities evidencing ownership, reduce its capital or merge or consolidate with any other entity, or (ii) vote any of the Instruments, Securities or other Investment Property in favor of any of the foregoing.

4.6.2 **Registration of Pledged Securities and other Investment Property.** Each Grantor will permit any registrable Collateral owned by such Grantor to be registered in the name of the Administrative Agent or its nominee at any time at the option of the Required Lenders following the occurrence and during the continuance of an Event of Default and without any further consent of such Grantor.

4.6.3 **Exercise of Rights in Pledged Securities and other Investment Property.** Each Grantor will permit the Administrative Agent or its nominee at any time during the continuance of an Event of Default, without notice, to exercise or refrain from exercising any and all voting and other consensual rights pertaining to the Collateral owned by such Grantor or any part thereof, and to receive all dividends and interest in respect of such Collateral.

4.7. [Intentionally Omitted].

4.8. [Intentionally Omitted].

4.9. [Intentionally Omitted].

4.10. **No Interference.** Each Grantor agrees that it will not interfere with any right, power and remedy of the Administrative Agent provided for in this Security Agreement or now or hereafter existing at law or in equity or by statute or otherwise, or the exercise or beginning of the exercise by the Administrative Agent of any one or more of such rights, powers or remedies, in each case to the extent exercised in accordance with the Loan Documents and applicable law.

4.11. [Intentionally Omitted].

4.12. **Intellectual Property.**

4.12.1 **If, after the date hereof, any Grantor registers, is issued, applies for, or otherwise acquires ownership of any U.S. Patent, Trademark or Copyright in addition to the owned U.S. Patents, Trademarks and Copyrights described in Part C of Schedule “B” to the Collateral Disclosure Letter, which are all of such Grantor’s U.S. trademark registrations and trademark applications, U.S. patents and patents applications, and U.S. copyright registrations and applications as of the Security Agreement Effective Date, or if any Grantor files a statement of use or an amendment to allege use with respect to any intent-to-use trademark application, then such Grantor shall give the Administrative Agent notice thereof, as part of each compliance certificate provided to the Administrative Agent pursuant to Section 5.01(c) of the Credit Agreement. Each Grantor agrees promptly upon request by the Administrative Agent to execute and deliver to the Administrative Agent any supplement to this Security Agreement or any other document reasonably requested by the Administrative Agent to evidence such security interest in a form appropriate for recording in the applicable federal office. Each Grantor also hereby authorizes the Administrative Agent to modify this Security Agreement unilaterally (i) by amending Part C of Schedule “B” to the Collateral Disclosure Letter to include any of the
foregoing U.S. Patents, Trademarks and/or Copyrights of which the Administrative Agent receives notification from such
Grantor pursuant hereto and (ii) by recording, in addition to and not in substitution for this Security Agreement, a duplicate
original of this Security Agreement containing in Part C of Schedule “B” to the Collateral Disclosure Letter a description of
such owned U.S. Patents, Trademarks and/or Copyrights.

4.12.2 As of the Security Agreement Effective Date, no Grantor has any interest in, or title to, any owned U.S. trademark
registrations, or trademark applications, U.S. patents or patents applications, or U.S. copyright registrations or copyright
applications, except as set forth in Schedule “B” to the Collateral Disclosure Letter. This Agreement is effective to create a valid
and continuing Lien on such owned U.S. Copyrights, Patents and Trademarks and, upon filing of the Confirmatory Grant of
Security Interest in Copyrights with the United States Copyright Office and filing of the Confirmatory Grant of Security Interest
in Patents and the Confirmatory Grant of Security Interest in Trademarks with the United States Patent and Trademark Office,
and the filing of appropriate financing statements in the jurisdictions listed in Schedule “E” to the Collateral Disclosure Letter,
all action necessary or desirable to protect and perfect the security interest in, to and on each Grantor’s owned U.S. trademark
registrations and trademark applications, U.S. patents and patent applications, and U.S. copyright registrations and copyright
applications has been taken and such perfected security interest is enforceable as such as against any and all creditors of and
purchasers from any Grantor. As of the Security Agreement Effective Date, no Grantor has any interest in any owned U.S.
copyright registration or application that is necessary in connection with the operation of such Grantor’s business, except for
those owned U.S. copyright registrations and applications identified in Schedule “B” to the Collateral Disclosure Letter.

4.13. Commercial Tort Claims. If, after the date hereof, any Grantor identifies the existence of a Commercial Tort Claim (with a
value reasonably believed by such Grantor to be in excess of $10,000,000) belonging to such Grantor that has arisen in the course
of such Grantor’s business in addition to the Commercial Tort Claims described in Schedule “E” to the Collateral Disclosure Letter,
which are all of such Grantor’s Commercial Tort Claims (with a value reasonably believed by such Grantor to be in excess of
$10,000,000) as of the Security Agreement Effective Date, then such Grantor shall give the Administrative Agent notice thereof as
part of the certificate of a Financial Officer of the Borrower as required by Section 5.01(c) of the Credit Agreement. Each Grantor
agrees promptly upon request by the Administrative Agent to execute and deliver to the Administrative Agent any supplement to this
Security Agreement or any other document reasonably requested by the Administrative Agent to evidence the grant of a security
interest therein in favor of the Administrative Agent.

4.14. Updating of Collateral Disclosure Letter. The Borrower will provide to the Administrative Agent, concurrently with the
delivery of the certificate of a Financial Officer of the Borrower as required by Section 5.01(c) of the Credit Agreement in respect of
each fiscal year of the Borrower (as contemplated by Section 5.01(b) of the Credit Agreement), updated versions of the Collateral
Disclosure Letter (provided that if there have been no changes to any Schedules to the Collateral Disclosure Letter since the previous
provision or updating thereof required hereby, the Borrower shall indicate that there has been “no change” to the applicable Schedule
(s)).

ARTICLE V
DEFAULT

5.1. The occurrence of an Event of Default under and as defined in the Credit Agreement shall constitute an Event of Default
under this Security Agreement.
5.2. Remedies.

5.2.1 Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent may, and at the direction of the Required Lenders shall, exercise any or all of the following rights and remedies:

(i) Those rights and remedies provided in this Security Agreement, the Credit Agreement, or any other Loan Document, provided that this clause (i) shall not be understood to limit any rights or remedies available to the Administrative Agent and the Secured Parties prior to an Event of Default.

(ii) Those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank’s right of setoff or bankers’ lien) when a debtor is in default under a security agreement.

(iii) [Intentionally Omitted].

(iv) Without notice, demand or advertisement of any kind (in each case except as specifically provided in Section 8.1 hereof or elsewhere herein or in any other Loan Document) to any Grantor or any other Person enter the premises of any Grantor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at any Grantor’s premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Administrative Agent may deem commercially reasonable.

(v) Concurrently with written notice to the applicable Grantor, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral, to exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations, to exercise the voting and all other rights as a holder with respect thereto, to collect and receive all cash dividends, interest, principal and other distributions made thereon and to otherwise act with respect to the Pledged Collateral as though the Administrative Agent was the outright owner thereof.

5.2.2 The Administrative Agent, on behalf of the Secured Parties, may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, and such compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

5.2.3 The Administrative Agent shall have the right upon any such public sale or sales and, to the extent permitted by law, upon any such private sale or sales, to purchase for the benefit of the Administrative Agent and the other Secured Parties, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption the Grantor hereby expressly releases to the extent permitted by applicable law.
5.2.4 Until the Administrative Agent is able to effect a sale, lease, or other disposition of Collateral, the Administrative Agent shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Administrative Agent. The Administrative Agent may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Administrative Agent’s remedies (for the benefit of the Administrative Agent and other Secured Parties), with respect to such appointment without prior notice or hearing as to such appointment.

5.2.5 Notwithstanding the foregoing, neither the Administrative Agent nor any other Secured Party shall be required to (i) make any demand upon, or pursue or exhaust any of their rights or remedies against, any Grantor, any other obligor, guarantor, pledgor or any other Person with respect to the payment of the Obligations or to pursue or exhaust any of their rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

5.2.6 Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all of the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with Section 5.2.1 above. Each Grantor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit any Grantor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the applicable Grantor and the issuer would agree to do so.

5.3. **Grantors’ Obligations Upon Default.** Upon the request of the Administrative Agent after the occurrence and during the continuance of an Event of Default, each Grantor will:

5.3.1 **Assembly of Collateral.** Assemble and make available to the Administrative Agent the Collateral and all books and records relating thereto at any place or places specified by the Administrative Agent.

5.3.2 **Secured Party Access.** Permit the Administrative Agent, by the Administrative Agent’s representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral, or the books and records relating thereto, or both, to remove all or any part of the Collateral, or the books and records relating thereto, or both, and to conduct sales of the Collateral, without any obligation to pay the Grantor for such use and occupancy.

5.3.3 Prepare and file, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to prepare and file, with the Securities and Exchange Commission or any other applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Administrative Agent may request, all in form and substance reasonably satisfactory to the Administrative Agent, and furnish to the Administrative Agent, or use commercially reasonable efforts to cause an issuer of Pledged Collateral to furnish to the Administrative Agent, any information regarding the Pledged Collateral in such detail as the Administrative Agent may specify.
5.3.4 Take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Administrative Agent to consummate a public sale or other disposition of the Pledged Collateral.

5.4. License. The Administrative Agent is hereby granted (to the extent grantable without such Grantor breaching or violating any agreement) a non-exclusive license or other right to use (subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of such Grantor to avoid the risk of invalidation of such Trademarks and in the case of trade secrets, to an obligation of the Administrative Agent to take reasonable steps under the circumstances to keep the trade secrets confidential to avoid the risk of invalidation of such trade secrets), following the occurrence and during the continuance of an Event of Default, without charge, each Grantor’s labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, customer lists and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral, and, following the occurrence and during the continuance of an Event of Default, such Grantor’s rights under all licenses and all franchise agreements shall inure to the Administrative Agent’s benefit. In addition, each Grantor hereby irrevocably agrees that the Administrative Agent may, following the occurrence and during the continuance of an Event of Default, sell any of such Grantor’s Inventory directly to any person, including without limitation persons who have previously purchased such Grantor’s Inventory from such Grantor and in connection with any such sale or other enforcement of the Administrative Agent’s rights under this Security Agreement, may sell Inventory which bears any trademark owned by or licensed to such Grantor and any Inventory that is covered by any copyright owned by or licensed to such Grantor and the Administrative Agent may (but shall have no obligation to) finish any work in process and affix any trademark owned by or licensed to such Grantor and sell such Inventory as provided herein. The license granted under this Section 5.4 shall continue in effect until payment in full of all of the Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination) and expiration or termination of all Letters of Credit (or cash collateralization or other arrangements for such Letters of Credit reasonably satisfactory to the Administrative Agent) and termination of this Security Agreement in accordance with its terms, at which time this license shall immediately terminate.

ARTICLE VI

WAIVERS, AMENDMENTS AND REMEDIES

No delay or omission of the Administrative Agent or any Secured Party to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or Event of Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Administrative Agent and each Grantor, and then only to the extent in such writing specifically set forth, provided that the addition of any Subsidiary as a Grantor hereunder by execution of a Security Agreement Supplement in the form of Annex I (with such modifications as shall be acceptable to the Administrative Agent) and an supplements to the Collateral Disclosure Letter shall not require receipt of any consent from or execution of any documentation by any other Grantor party hereto (or the Administrative Agent in the case of supplements to the Collateral Disclosure Letter). All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Administrative Agent and the Secured Parties until the Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other Obligations expressly stated to survive such payment and termination) have been paid in full and all Letters of Credit have expired or terminated (or otherwise become subject to cash collateralization or other arrangements reasonably satisfactory to the Administrative Agent).
ARTICLE VII

APPLICATION OF PROCEEDS

7.1. Application of Proceeds. The proceeds of the Collateral shall be applied by the Administrative Agent to payment of the Obligations as provided under Article VII of the Credit Agreement.

ARTICLE VIII

GENERAL PROVISIONS

8.1. Notice of Disposition of Collateral; Condition of Collateral. Each Grantor hereby waives, to the fullest extent permitted by applicable law, notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Borrower, addressed as set forth in Article IX, at least ten (10) days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. The Administrative Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. To the maximum extent permitted by applicable law, each Grantor waives all claims, damages, and demands against the Administrative Agent or any other Secured Party arising out of the repossession, retention or sale of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Administrative Agent or such other Secured Party as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, each Grantor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Administrative Agent or any other Secured Party, any valuation, stay, appraisal, extension, moratorium, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, each Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

8.2. Limitation on Administrative Agent’s and other Secured Parties’ Duty with Respect to the Collateral. The Administrative Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Administrative Agent and each other Secured Party shall use reasonable care with respect to the Collateral in its possession or under its control. Neither the Administrative Agent nor any other Secured Party shall have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Administrative Agent or such other Secured Party, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Administrative Agent to exercise remedies in a commercially reasonable manner, each Grantor acknowledges and agrees that it is commercially reasonable for the Administrative Agent (i) to fail to incur expenses deemed significant by the Administrative Agent to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) if not otherwise required by applicable law or contractual restriction, to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to
fail to exercise collection remedies against account debtors or other Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against account debtors and other Persons obligated on Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as such Grantor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction or disposition of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Administrative Agent against risks of loss, collection or disposition of Collateral or to provide to the Administrative Agent a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Administrative Agent, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Administrative Agent in the collection or disposition of any of the Collateral. Each Grantor acknowledges that the purpose of this Section 8.2 is to provide non-exhaustive indications of what actions or omissions by the Administrative Agent would be commercially reasonable in the Administrative Agent’s exercise of remedies against the Collateral and that other actions or omissions by the Administrative Agent shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 8.2. Without limitation upon the foregoing, nothing contained in this Section 8.2 shall be construed to grant any rights to any Grantor or to impose any duties on the Administrative Agent that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 8.2.

8.3. Compromises and Collection of Collateral. Each Grantor and the Administrative Agent recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with respect to a Receivable. In view of the foregoing, each Grantor agrees that the Administrative Agent may at any time and from time to time, if a Default has occurred and is continuing, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Administrative Agent in its sole discretion shall determine or abandon any Receivable, and any such action by the Administrative Agent shall be commercially reasonable so long as the Administrative Agent acts in good faith based on information known to it at the time it takes any such action.

8.4. Secured Party Performance of Grantor’s Obligations. Without having any obligation to do so, the Administrative Agent may perform or pay any obligation which any Grantor has agreed to perform or pay in this Security Agreement and such Grantor shall reimburse the Administrative Agent for any reasonable amounts paid by the Administrative Agent pursuant to this Section 8.4. Each Grantor’s obligation to reimburse the Administrative Agent pursuant to the preceding sentence shall be an Obligation payable on demand.

8.5. Authorization for Secured Party to Take Certain Action. Each Grantor irrevocably authorizes the Administrative Agent at any time and from time to time in the sole discretion of the Administrative Agent and appoints the Administrative Agent as its attorney in fact (i) to execute on behalf of such Grantor as debtor and to file financing statements necessary or desirable in the Administrative Agent’s sole discretion to perfect and to maintain the perfection and priority of the Administrative Agent’s security interest in the Collateral, (ii) to indorse and collect any cash proceeds of the Collateral, (iii) to file a carbon, photographic or other reproduction of this Security Agreement or any financing
statement with respect to the Collateral as a financing statement and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Administrative Agent in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Administrative Agent’s security interest in the Collateral, (iv) to contact and enter into one or more agreements with the issuers of uncertificated securities which are Collateral owned by such Grantor and which are Securities or with financial intermediaries holding other Investment Property as may be necessary or advisable to give the Administrative Agent Control over such Securities or other Investment Property, (v) subject to the terms of Section 4.1.5 hereof, to enforce payment of the Instruments, Accounts and Receivables in the name of the Administrative Agent or such Grantor, (vi) to apply the proceeds of any Collateral received by the Administrative Agent to the Obligations as provided in Article VII and (vii) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral (except for such Liens as are specifically permitted hereunder or under any other Loan Document), and each Grantor agrees to reimburse the Administrative Agent on demand for any reasonable payment made or any reasonable expense incurred by the Administrative Agent in connection therewith, provided that this authorization shall not relieve any Grantor of any of its obligations under this Security Agreement or under the Credit Agreement; provided further that the Administrative Agent may exercise the authorizations in the foregoing clause (ii) and clauses (iv) through (vii) only during the existence of an Event of Default.

8.6. [Intentionally Omitted]

8.7. Use and Possession of Certain Premises. Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent shall be entitled to occupy and use any premises owned or leased by the Grantors where any of the Collateral or any records relating to the Collateral are located until the Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination) are paid in full and all Letters of Credit expire or terminate (or otherwise become subject to cash collateralization or other arrangements reasonably satisfactory to the Administrative Agent) or the Collateral is removed therefrom, whichever first occurs, without any obligation to pay any Grantor for such use and occupancy.

8.8. [Intentionally Omitted]

8.9. Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor’s assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a “voidable preference,” “fraudulent conveyance,” or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

8.10. Benefit of Agreement; No Third Party Beneficiaries, etc. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Grantors, the Administrative Agent and the Secured Parties and their respective successors and assigns (including all persons who become bound as a debtor to this Security Agreement), except that the Grantors shall not have the right to assign their rights or delegate their obligations under this Security Agreement or any interest herein, without the prior written consent of the Administrative Agent. No sales of participations, assignments,
transfers, or other dispositions of any agreement governing the Obligations or any portion thereof or interest therein shall in any manner impair the Lien granted to the Administrative Agent, for the benefit of the Administrative Agent and the other Secured Parties, hereunder. No provision of this Security Agreement will inure to the benefit of any other creditor of any Grantor or any bankruptcy trustee, debtor-in-possession, creditor trust or other representative of an estate, including where any such trustee, debtor-in-possession, creditor trust or other representative of an estate is the beneficiary of a Lien securing Collateral by virtue of the avoidance of such Lien in an insolvency, bankruptcy, reorganization or liquidation proceeding.

8.11. Survival of Representations. All representations and warranties of the Grantors contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

8.12. Taxes and Expenses. Section 2.17 and Section 9.03 of the Credit Agreement shall be applicable, mutatis mutandis, to all payments made by any Grantor under this Security Agreement. Any Indemnified Taxes payable or ruled payable by a Federal or State Governmental Authority in respect of this Security Agreement shall be paid by the Grantors, together with interest and penalties, if any. Without duplication of any amounts so paid pursuant to the Credit Agreement, the Grantors shall reimburse the Administrative Agent for any and all reasonable out-of-pocket expenses paid or incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by the Grantors in the performance of actions required pursuant to the terms hereof shall be borne solely by the Grantors.

8.13. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

8.14. Termination. This Security Agreement shall continue in effect (notwithstanding the fact that from time to time there may be no Obligations outstanding) until such time as the principal and interest on the Loans, all LC Disbursements, the fees, expenses and other amounts payable under the Loan Documents and the other Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other Obligations expressly stated to survive such payment and termination) shall have been paid in full in cash, the Commitments shall have been terminated and no Letters of Credit shall be outstanding (or with respect to any outstanding Letters of Credit, a cash deposit or backup Letter of Credit has been delivered to the Administrative Agent as required by the Credit Agreement). The Liens granted under this Security Agreement shall be released in accordance with Section 9.19 of the Credit Agreement.

8.15. Entire Agreement. This Security Agreement, together with the other Loan Documents, embodies the entire agreement and understanding between the Grantors and the Administrative Agent relating to the Collateral and supersedes all prior agreements and understandings among the Grantors and the Administrative Agent relating to the Collateral.


8.16.1 THIS SECURITY AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.
8.16.2 Each Grantor hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan and of the United States District Court for the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Security Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Security Agreement or any other Loan Document shall affect any right that the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Security Agreement or any other Loan Document against any Grantor or its properties in the courts of any jurisdiction.

8.16.3 Each Grantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Security Agreement or any other Loan Document in any court referred to in Section 8.16.2. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

8.16.4 Each party to this Security Agreement irrevocably consents to service of process in the manner provided for notices in Article IX of this Security Agreement, and each of the Grantors hereby appoints the Borrower as its agent for service of process. Nothing in this Security Agreement or any other Loan Document will affect the right of any party to this Security Agreement to serve process in any other manner permitted by law.

8.16.5 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY 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 SECURITY AGREEMENT OR ANY OTHER LOAN DOCUMENT (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

8.17 Indemnity. Each Grantor hereby agrees, jointly with the other Grantors and severally, to indemnify the Administrative Agent and the Secured Parties, and their respective successors, assigns, agents and employees (each, and “Indemnitee”), from and against any and all liabilities, damages, penalties, suits and reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented fees, charges and disbursements of any counsel for any Indemnitee) of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Administrative Agent or any Secured Party is a party thereto) imposed on, incurred by or asserted against the Administrative Agent or the Secured Parties, or their respective successors, assigns, agents
and employees, in any way relating to or arising out of this Security Agreement, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Administrative Agent or the Secured Parties or any Grantor, and any claim for patent, trademark or copyright infringement); provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from (x) the gross negligence or willful misconduct of such Indemnitee or (y) a material breach in bad faith by such Indemnitee of its express contractual obligations under this Security Agreement or any other Loan Document pursuant to a claim made by such Grantor. This Section 8.17 shall not apply with respect to Taxes other than any Taxes that represent losses or damages arising from any non-Tax claim.

8.18. Subordination of Intercompany Indebtedness. Each Grantor agrees that any and all claims of such Grantor against any other Grantor (each an “Obligor”) with respect to any “Intercompany Indebtedness” (as hereinafter defined), or against any of its properties, shall be subordinate and subject in right of payment to the prior payment, in full and in cash, of all Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination) and expiration or termination of all Letters of Credit (or cash collateralization or other arrangements for such Letters of Credit reasonably satisfactory to the Administrative Agent), provided that, and not in contravention of the foregoing, so long as no Event of Default has occurred and is continuing, such Grantor may make loans to and receive payments with respect to such Intercompany Indebtedness from each such Obligor to the extent not prohibited by the terms of this Security Agreement and the other Loan Documents. Notwithstanding any right of any Grantor to ask, demand, sue for, take or receive any payment from any Obligor, all rights, liens and security interests of such Grantor, whether now or hereafter arising and howsoever existing, in any assets of any other Obligor shall be and are subordinated to the rights of the Secured Parties and the Administrative Agent in those assets until the payment in full in cash, of all Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination) and expiration or termination of all Letters of Credit (or cash collateralization or other arrangements for such Letters of Credit reasonably satisfactory to the Administrative Agent), provided that, and not in contravention of the foregoing, so long as no Event of Default has occurred and is continuing, such Grantor may make loans to and receive payments with respect to such Intercompany Indebtedness from each such Obligor to the extent not prohibited by the terms of this Security Agreement and the other Loan Documents. If an Event of Default exists, no Grantor shall have any right to possession of any such asset or to foreclose upon any such asset, whether by judicial action or otherwise, unless and until this Security Agreement has terminated in accordance with Section 8.14. If all or any part of the assets of any Obligor, or the proceeds thereof, are subject to any distribution, division or application to the creditors of such Obligor, whether partial or complete, voluntary or involuntary, and whether by reason of liquidation, bankruptcy, arrangement, receivership, assignment for the benefit of creditors or any other action or proceeding, or if the business of any such Obligor is dissolved or if substantially all of the assets of any such Obligor are sold, then, and in any such event (such events being herein referred to as an “Insolvency Event”), any payment or distribution of any kind or character, either in cash, securities or other property, which shall be payable or deliverable upon or with respect to any indebtedness of any Obligor to any Grantor (“Intercompany Indebtedness”) shall, if an Event of Default has occurred and is continuing, be paid or delivered directly to the Administrative Agent for application on any of the Obligations, due or to become due, until such Obligations (other than contingent indemnity obligations) shall have first been fully paid and satisfied (in cash). Should any payment, distribution, security or instrument or proceeds thereof be received by the applicable Grantor upon or with respect to the Intercompany Indebtedness after any Insolvency Event and prior to the termination of this Security Agreement in accordance with Section 8.14, such Grantor shall receive and hold the same in trust, as trustee, for the benefit of the Secured Parties and shall, if an Event of Default has occurred and is
continuing, forthwith deliver the same to the Administrative Agent, for the benefit of the Secured Parties, in precisely the form received (except for the endorsement or assignment of the Grantor where necessary), for application to any of the Obligations, due or not due, and, until so delivered, the same shall be held in trust by the Grantor as the property of the Secured Parties. If any such Grantor fails to make any such endorsement or assignment to the Administrative Agent, the Administrative Agent or any of its officers or employees is irrevocably authorized to make the same. Each Grantor agrees that until the termination of this Security Agreement in accordance with Section 8.14, except by operation of law pursuant to a merger permitted by the Credit Agreement no Grantor will assign or transfer to any Person (other than the Administrative Agent or the Borrower or another Grantor) any claim any such Grantor has or may have against any Obligor.

8.19. Severability. Any provision in this Security Agreement that is held to be inoperative, unenforceable, or invalid in any jurisdiction shall, as to that jurisdiction, be inoperative, unenforceable, or invalid without affecting the remaining provisions in that jurisdiction or the operation, enforceability, or validity of that provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

8.20. Counterparts. This Security 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. Delivery of an executed counterpart of a signature page of this Security Agreement by telecopy, e-mailed .pdf or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Security Agreement. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Security Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures, deliveries 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, physical delivery thereof 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.

8.21. California Waivers. To the extent California law applies, in addition to and not in lieu of any other provisions of this Security Agreement, each Grantor represents, warrants, covenants and agrees as follows:

8.21.1 The obligations of such Grantor under this Security Agreement shall be performed without demand by any Secured Party and shall be unconditional irrespective of the genuineness, validity, regularity or enforceability of any of the Loan Documents, Swap Agreements or Banking Services Agreements, and without regard to any other circumstance which might otherwise constitute a legal or equitable discharge of a surety or a guarantor. Each Grantor hereby waives to the extent permitted by law any and all benefits and defenses under California Civil Code Section 2810 and agrees that by doing so such Grantor shall be liable even if the Borrower or the relevant Subsidiary had no liability at the time of execution of the applicable Loan Documents, Swap Agreements or Banking Services Agreements, or thereafter ceases to be liable. Each Grantor hereby waives to the extent permitted by law any and all benefits and defenses under California Civil Code Section 2809 and agrees that by doing so such Grantor’s liability may be larger in amount and more burdensome than that of the Borrower and/or the relevant Subsidiary. Each Grantor hereby waives to the extent permitted by law the benefit of all principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms of this Security Agreement and agrees that such Grantor’s obligations
shall not be affected by any circumstances, whether or not referred to in this Security Agreement which might otherwise constitute a legal or equitable discharge of a surety or a guarantor. Each Grantor hereby waives to the extent permitted by law the benefits of any right of discharge under any and all statutes or other laws relating to guarantors or sureties and any other rights of sureties and guarantors thereunder.

8.21.2 In accordance with Section 2856 of the California Civil Code, each Grantor hereby waives to the extent permitted by law all rights and defenses arising out of an election of remedies by any Secured Party even though that election of remedies, such as a nonjudicial foreclosure with respect to security for the Obligations, has destroyed or otherwise impaired such Grantor’s rights of subrogation and reimbursement against the principal. Each Grantor hereby authorizes and empowers the Secured Parties to exercise, in their sole and absolute discretion, any right or remedy, or any combination thereof, which may then be available, since it is the intent and purpose of such Grantor that its obligations under this Security Agreement shall be absolute, independent and unconditional under any and all circumstances. Specifically, and without in any way limiting the foregoing, each Grantor hereby waives to the extent permitted by law any rights of subrogation, indemnification, contribution or reimbursement arising under Sections 2846, 2847, 2848 and 2849 of the California Civil Code or any other right of recourse to or with respect to the Borrower or any Subsidiary, any constituent of the Borrower or any Subsidiary, any other Person, or the assets or property of any of the foregoing or to any collateral for the Obligations until all of the Obligations (other than obligations under any Swap Agreement or Banking Services Agreement, in each case not due and payable, and other obligations expressly stated to survive such payment or termination) have been paid and satisfied in full in cash and the Commitments have terminated or expired and all Letters of Credit have expired or terminated (or otherwise become subject to cash collateralization or other arrangements reasonably satisfactory to the Administrative Agent). In connection with the foregoing, each Grantor expressly waives to the extent permitted by law any and all rights of subrogation against the Borrower or any Subsidiary, and each Grantor hereby waives to the extent permitted by law any rights to enforce any remedy which any Secured Party may have against the Borrower or any Subsidiary and any right to participate in any collateral for the Obligations.

8.21.3 Without limiting the generality of the foregoing, each Grantor hereby waives, to the fullest extent permitted by law, diligence in collecting the Obligations, presentment, demand for payment, protest, all notices with respect to this Security Agreement, or any other Loan Document, Swap Agreement or Banking Services Agreement which may be required by statute, rule of law or otherwise to preserve the Secured Parties’ rights against such Grantor under this Security Agreement, including, but not limited to, notice of acceptance, notice of any amendment of the Loan Documents, any Swap Agreement or any Banking Services Agreement, notice of the occurrence of any default, notice of intent to accelerate, notice of acceleration, notice of dishonor, notice of foreclosure, notice of protest, and notice of the incurring by the Borrower or any Subsidiary of any obligation or Indebtedness.

8.21.4 Without limiting the foregoing, each Grantor waives to the extent permitted by law all rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to such Grantor by reason of California Civil Code Sections 2787 to 2855, inclusive, including any and all rights or defenses such Grantor may have by reason of protection afforded to the Borrower or any Subsidiary with respect to any of the obligations of such Grantor under this Security Agreement by reason of a nonjudicial foreclosure or pursuant to the antideficiency or other laws of the State of California limiting or discharging the Obligations. Without limiting the generality of the foregoing, each Grantor hereby expressly waives to the extent permitted by law any and all benefits under
California Code of Civil Procedure Sections 580b(b) (which Section, if such Grantor had not given this waiver, would otherwise limit the Secured Parties’ right to recover a deficiency judgment with respect to purchase money obligations).

8.21.5 Likewise, each Grantor waives to the extent permitted by law (i) any and all rights and defenses available to such Grantor under California Civil Code Sections 2899 and 3433 and (ii) any rights or defenses such Grantor may have with respect to its obligations as a guarantor by reason of any election of remedies by any Secured Party.

ARTICLE IX

NOTICES

9.1. Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be sent (and deemed received) in the manner and to the addresses set forth in Section 9.01 of the Credit Agreement. Any notice delivered to the Borrower shall be deemed to have been delivered to all of the Grantors.

9.2. Change in Address for Notices. Each of the Grantors, the Administrative Agent and the Lenders may change the address for service of notice upon it by a notice in writing to the other parties in accordance with Section 9.01 of the Credit Agreement.

ARTICLE X

THE ADMINISTRATIVE AGENT

JPMorgan Chase Bank, N.A. has been appointed Administrative Agent for the Secured Parties hereunder pursuant to Article VIII of the Credit Agreement. It is expressly understood and agreed by the parties to this Security Agreement that any authority conferred upon the Administrative Agent hereunder is subject to the terms of the delegation of authority made by the Secured Parties to the Administrative Agent pursuant to the Credit Agreement, and that the Administrative Agent has agreed to act (and any successor Administrative Agent shall act) as such hereunder only on the express conditions contained in such Article VIII. Any successor Administrative Agent appointed pursuant to Article VIII of the Credit Agreement shall be entitled to all the rights, interests and benefits of the Administrative Agent hereunder.

[Signature Pages Follow]
IN WITNESS WHEREOF, each of the Grantors and the Administrative Agent have executed this Security Agreement as of the date first above written.

MICROCHIP TECHNOLOGY INCORPORATED,
as a Grantor

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Vice President and Chief Financial Officer

MICROCHIP TECHNOLOGY LLC,
as a Grantor

By: Microchip Technology Incorporated,
its sole member

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Vice President and Chief Financial Officer

SILICON STORAGE TECHNOLOGY, INC.,
as a Grantor

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Chief Financial Officer

SILICON STORAGE TECHNOLOGY LLC,
as a Grantor

By: Silicon Storage Technology, Inc.,
its sole member

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Chief Financial Officer

Signature Page to Pledge and Security Agreement
ATMEL CORPORATION,
as a Grantor

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: Chief Financial Officer

Signature Page to Pledge and Security Agreement
MICROCHIP HOLDING CORPORATION,
as a Grantor

By: /s/ J. Eric Bjornholt
Name: J. Eric Bjornholt
Title: President

Signature Page to Pledge and Security Agreement
JPMORGAN CHASE BANK, N.A., as  
Administrative Agent  

By: /s/ Caitlin Stewart  
Name: Caitlin Stewart  
Title: Vice President  

Signature Page to Pledge and Security Agreement
EXHIBIT “A”
(See Section 4.4 of Security Agreement)

AMENDMENT

This Amendment, dated ________, 20__ is delivered pursuant to Section 4.4 of the Security Agreement referred to below. All defined terms herein shall have the meanings ascribed thereto or incorporated by reference in the Security Agreement. The undersigned hereby certifies that the representations and warranties in Article III of the Security Agreement are and continue to be true and correct. The undersigned further agrees that this Amendment may be attached to that certain Pledge and Security Agreement, dated February [__], 2017, between the undersigned, as the Grantors, and JPMorgan Chase Bank, N.A., as the Administrative Agent, (the “Security Agreement”) and that the Collateral listed on Schedule I to this Amendment shall be and become a part of the Collateral referred to in said Security Agreement and shall secure all Obligations referred to in said Security Agreement.

By: __________________________________________
Name:
Title:

1
SCHEDULE I TO AMENDMENT

STOCKS

<table>
<thead>
<tr>
<th>Name of Grantor</th>
<th>Issuer</th>
<th>Certificate Number(s)</th>
<th>Number of Shares</th>
<th>Class of Stock</th>
<th>Percentage of Outstanding Shares</th>
</tr>
</thead>
</table>

BONDS

<table>
<thead>
<tr>
<th>Name of Grantor</th>
<th>Issuer</th>
<th>Number</th>
<th>Face Amount</th>
<th>Coupon Rate</th>
<th>Maturity</th>
</tr>
</thead>
</table>

GOVERNMENT SECURITIES

<table>
<thead>
<tr>
<th>Name of Grantor</th>
<th>Issuer</th>
<th>Number</th>
<th>Type</th>
<th>Face Amount</th>
<th>Coupon Rate</th>
<th>Maturity</th>
</tr>
</thead>
</table>

OTHER SECURITIES OR OTHER INVESTMENT PROPERTY (CERTIFICATED AND UNCERTIFICATED)

<table>
<thead>
<tr>
<th>Name of Grantor</th>
<th>Issuer</th>
<th>Description of Collateral</th>
<th>Percentage Ownership Interest</th>
</tr>
</thead>
</table>

[Add description of custody accounts or arrangements with securities intermediary, if applicable]

2
ANNEX I

to

PLEDGE AND SECURITY AGREEMENT

Reference is hereby made to the Pledge and Security Agreement (as amended, restated, supplemented or otherwise modified from time to time, the “Agreement”), dated as of February [__], 2017, made by each of MICROCHIP TECHNOLOGY INCORPORATED, a Delaware corporation (the “Borrower”), and the other Subsidiaries of the Borrower listed on the signature pages thereto (together with the Borrower, the “Initial Grantors”, and together with any additional Subsidiaries, including the undersigned, which become parties thereto by executing a Supplement in substantially the form hereof, the “Grantors”), in favor of the Administrative Agent. Capitalized terms used herein and not defined herein shall have the meanings given to them in the Agreement.

By its execution below, the undersigned, [NAME OF NEW GRANTOR], a [corporation/limited liability company/limited partnership] (the “New Grantor”) agrees to become, and does hereby become, a Grantor under the Agreement and agrees to be bound by the Agreement as if originally a party thereto. The New Grantor hereby collaterally assigns and pledges to the Administrative Agent for the benefit of the Secured Parties, and grants to the Administrative Agent for the benefit of the Secured Parties, a security interest in all of the New Grantor’s right, title and interest in and to the Collateral, whether now owned or hereafter acquired, to secure the prompt and complete payment and performance of the Obligations. For the avoidance of doubt, the grant of a security interest herein shall not be deemed to be an assignment of intellectual property rights owned by the New Grantor.

By its execution below, the undersigned represents and warrants as to itself that all of the representations and warranties contained in the Agreement are true and correct in all respects as of the date hereof. The New Grantor represents and warrants that the supplements to the Collateral Disclosure Letter attached hereto are true and correct in all respects and that such supplements set forth all information required to be scheduled under the Agreement with respect to the New Grantor. The New Grantor shall take all steps necessary and required under the Agreement, subject to the limitations set forth in the Credit Agreement, to perfect, in favor of the Administrative Agent, a first-priority security interest in and lien against the New Grantor’s Collateral.

THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the New Grantor has executed and delivered this Security Agreement Supplement as of this [_______] day of [_______], 20[____].

[NAME OF NEW GRANTOR]

By: ________________________________
Title: ______________________________

1
Microchip Technology Incorporated Announces Proposed $2 Billion Offering of Convertible Notes

Chandler, Arizona — February 8, 2017 — (NASDAQ:MCHP) — Microchip Technology Incorporated (“Microchip”) today announced its intention to offer, subject to market conditions and other factors, $1.5 billion aggregate principal amount of convertible senior subordinated notes due 2027 (the “2027 notes”) and $500 million aggregate principal amount of convertible junior subordinated notes due 2037 (the “2037 notes”, and together with the 2027 notes, the “notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Act”). Microchip also expects to grant the initial purchasers of the notes a 30-day option to purchase up to an additional $225 million aggregate principal amount of 2027 notes and $75 million aggregate principal amount of 2037 notes to cover over-allotments, if any.

The terms of the notes, including the interest rate, initial conversion rate and other terms, will be determined by negotiations between Microchip and the initial purchasers of the notes.

Microchip intends to use approximately $1.5 billion of the net proceeds from this offering to reduce borrowings under its amended credit facility. Microchip additionally plans to use a portion of the proceeds to enter into agreements with holders of up to $450 million of its 2.125% junior subordinated convertible debentures due 2037 (“existing debentures”) to exchange such existing debentures for cash up to the principal amount of the debentures and shares of Microchip common stock in respect of the conversion value in excess of the principal amount, plus a cash premium to induce holders to exchange. Assuming Microchip exchanges the existing debentures based on the last reported sale price of its common stock on February 7, 2017 of $69.62 per share, Microchip expects to issue up to approximately 12.4 million shares of its common stock in the exchange and pay cash for the principal amount and premium payable in the exchange. The remaining net proceeds will be used for general corporate purposes.

The notes will be sold to qualified institutional buyers pursuant to Rule 144A under the Act. Neither the notes nor the shares of Microchip’s common stock issuable upon conversion of the notes, if any, have been registered under the Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities, and shall not constitute an offer, solicitation, or sale in any jurisdiction in which such offer, solicitation, or sale is unlawful.

The Microchip logo and name are registered trademarks of Microchip Technology Incorporated.