

MACOM TECHNOLOGY SOLUTIONS
ANTI-CORRUPTION POLICY

I. POLICY’S PURPOSE AND SCOPE

It has been and continues to be the policy of MACOM Technology Solutions Holdings, Inc., including all of its affiliates, agents and subsidiaries (collectively, “**MACOM**” or the “**Company**”), to conduct its operations and activities inside and outside the United States in complete compliance with the letter and spirit of all applicable U.S. and foreign laws. These laws include the U.S. Foreign Corrupt Practices Act (the “**FCPA**”), U.S. Travel Act and the U.K. Bribery Act, as more fully described in this document (the “**Policy**”).

As discussed in greater detail below, the consequences of failing to comply with this Policy are potentially disastrous for the Company and its employees. Therefore, it is each employee’s and each Transaction Partner’s responsibility to understand what may constitute a violation, and to proactively seek assistance and ask questions if he or she is either unsure of what this Policy requires or suspects a possible violation has occurred or may occur.

Our employees and Transaction Partners are expected to review this Policy and its attachments in detail, and to know and comply with their responsibilities under the Policy. In addition to the policies stated in Section III below, each employee and Transaction Partner is required to review and become familiar with the common types of “Red Flags” listed on Attachment A to this Policy. Such persons are also expected to be vigilant in watching out for, and to review and resolve, any “Red Flags” as may appear in the conduct of the Company’s business with the help of the Company’s Legal Department as needed to comply with this Policy. If such “Red Flags” appear, they may not be ignored, and must be further examined as needed to prevent a violation of law or this Policy before the transaction in question proceeds.

II. KEY CONCEPTS & DEFINITIONS

“**Company Personnel**”: Company officers, directors and employees of the Company (including any employment agency, contract-basis personnel or any other person performing services for or acting on behalf of the Company), and any affiliate, subsidiary or other entity controlled by the Company.

“**Covered Recipient**”: Any (i) Foreign Official or (ii) child, spouse or other close relative of a Foreign Official. This definition’s broad scope is meant to encompass all persons who may be Foreign Officials or connected to Foreign Officials, and the Company’s conduct with Covered Recipients should be exactly the same as it would be with Foreign Officials.

“**Foreign Official**”: For the purposes of this Policy, the term Government Official should be broadly interpreted to include all non-US Government Officials. It includes (1) anyone holding public office, (2) employees of any government agency, department or office, (3) officers and employees of State-Owned Enterprises, (4) agents of political parties, (5) officers and employees of non-governmental international organizations and (6) any person with the responsibility to allocate or influence expenditures of government funds, including persons serving in unpaid, honorary or advisory positions.

“**FCPA**”: First, the FCPA’s *Anti-Bribery Provisions* make it illegal for Company Personnel or Transaction Partners to give anything of value to a foreign government official, political party or political candidate in order to obtain or retain a business advantage. Second, the FCPA’s *Accounting Provisions* require publicly traded companies to (1) maintain accurate books and records, (2) report transactions in reasonable detail and (3) have adequate internal controls over accounting records and assets.

“Anything of Value” and “Financial or Other Advantage”: These terms, as used in the FCPA and the U.K. Bribery Act, are broadly interpreted to include any direct or indirect benefit, including:

- monetary payments of any kind;
- travel, meals, drinks, gifts lodging, shopping, transportation or entertainment expenses;
- gift or sale of stock or other investment opportunities in other than an arm’s length transaction for demonstrated fair market value (e.g., selling to a Covered Recipient at deflated prices or buying from a Covered Recipient at inflated prices);
- charitable, social or political contributions;
- scholarships or internships; or
- any form of preferential treatment, including advanced access to products or opportunities not otherwise available to the general public.

“Red Flag”: A Red Flag is any indication of a possible violation, or any fact or circumstance that could indicate an increased likelihood of a violation of the FCPA, U.S. Travel Act, U.K. Bribery Act, the Policy or another country’s anti-corruption laws. Examples of Red Flags are provided in Attachment A.

“Transaction Partner”: A Transaction Partner is any joint venture partner, affiliate, supplier, distributor, broker, agent, contractor, consultant or any other third party acting on the Company’s behalf in commercial matters or with respect to transactions with a Covered Recipient, or other third party. The Company prohibits any payments of money or the provision of Anything of Value to Transaction Partners with knowledge that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any person for an improper purpose.

“Travel Act”: This U.S. law prohibits *private* commercial bribery by individuals and companies, and criminalizes domestic and foreign bribery-related conduct that may fall outside the FCPA.

“U.K. Bribery Act”: This U.K. law prohibits bribery of any kind, including commercial bribery and bribery of Foreign Officials, anywhere in the world by or on behalf of companies doing “any business” in the U.K. Both active (giving) and passive (receiving) bribery is prohibited under the Act. The U.K. Bribery Act authorizes fines against the Company if any Company Personnel or Transaction Partner provides a financial or other benefit to a Foreign Official for the purpose of retaining a business advantage, or to *any other person* for the purpose of inducing or rewarding the improper performance of a business activity.

III. PROHIBITED AND RESTRICTED PAYMENTS

Providing gifts, entertainment and travel may be considered a business courtesy and common in everyday business transactions in many countries. Nonetheless, many anti-corruption laws prohibit offering, promising, authorizing or giving anything of value to obtain an improper advantage or improperly influence the actions of Government Officials. Anti-bribery laws in many countries also prohibit bribery of private persons. In short, gifts, entertainment and travel can be very complicated, high-risk matters.

A. Meals, Other Business Courtesies, Lodging and Travel

Relevant Law: As outlined above, the FCPA and the U.K. Bribery Act permit the payment of reasonable, proportionate and *bona fide* expenditures, such as travel and lodging expenses directly related to a legitimate business purpose such as:

- the promotion, demonstration or explanation of products or services; or
- the execution or performance of a contract.

Business Meals: Provided the legitimate business purpose requirement is met, and the payment is otherwise permissible under the written laws of the country in which it is to be made, Company Personnel may provide business meals to Covered Recipients without written pre-approval, provided such business meals are valued at less than U.S. \$200 per person, reasonably adjusted for location and local business custom, and are not provided to the same individual more than four (4) times per year. Company Personnel must obtain prior approval from the Compliance Officer for all other meals to Covered Recipients (using the form in Attachment B).

Lodging and Travel: All Company Personnel must obtain prior approval from the Compliance Officer (using the form in Attachment B) for all travel and lodging involving a Covered Recipient.

All Other Business Courtesies: Company Personnel must obtain prior approval from the Compliance Officer (using the form in Attachment B) for all other permissible business courtesies involving a Covered Recipient, having a value of U.S. \$200 or greater per person and/or exceeding the frequency requirement (*i.e.*, no more than four (4) times to the same individual per year).

B. Gifts to Foreign Officials and Covered Recipients

In limited circumstances described herein, Company Personnel may give gifts to Covered Recipients. Generally, the gift must be connected to the promotion of the Company's products or services or a small token gift consistent with local custom. **All gifts must be approved pursuant to the Policy, and allowed under applicable local laws.** All gifts must be clearly and accurately reflected in expense reports, as well as in the Company's books and records as more fully described herein.

Provided all relevant conditions of these Procedures are met, Company Personnel may give a gift to Covered Recipients, such as Company-branded items and other modest gift items with a value less than U.S. \$200 (e.g., hats, paper weights, USB devices and other similar, inexpensive Company-branded items), in the normal course of business, so long as they are provided to the same person no more than four (4) times per year. Other than giving such inexpensive items in limited quantity and frequency as specified in the immediately preceding sentence, it is NOT permissible to provide gifts to Covered Recipients unless Company Personnel have first submitted a written request to the Compliance Officer seeking permission to make the gift (using the form in Attachment B) and received prior written approval from the Company's Legal Department.

C. "Facilitating Payments"

A Facilitating Payment is a small payment to a Covered Recipient necessary to expedite or secure performance of non-discretionary, routine governmental action that (i) the Covered Recipient ordinarily performs and (ii) the Company is entitled to under the laws of that country. Note, however, that Facilitating Payments are not permitted under the U.K. Bribery Act and U.S. Travel Act, and are illegal in most countries. The Company therefore prohibits the use of Facilitating Payments. If you believe a Facilitating Payment is necessary in a given situation, please contact the Company's Legal Department.

D. Extraordinary Circumstances

The Company recognizes that Company Personnel operating outside of the U.S. might sometimes confront situations in which seemingly non-routine payments are demanded, without advance notice or disclosure, by Covered Recipients, quasigovernment officials or persons claiming to exercise official authority (“**Extraordinary Circumstances**”), such as the following:

- You are stopped by police, military or paramilitary personnel or militia (uniformed or not) at designated or other checkpoints or other places and payment is demanded as a condition of passage of persons or property;
- You are stopped at the airport by customs or passport control personnel or military personnel (uniformed or not) and payment is demanded for entry or exit of persons or property; or
- You are asked by persons claiming to be security personnel, immigration control or health inspectors to pay for (or to avoid) an allegedly required inoculation or other similar procedure.

In these or other similar Extraordinary Circumstances, and where health or physical harm appears imminent, or where Company Personnel believe they or others may be in danger if payment is not made, such a payment may be made without prior approval by the Compliance Officer. In any such case, after such a payment is made and as soon as possible after the danger has passed, it must be reported to the Company’s Legal Department so that it can be addressed and recorded appropriately in the Company’s books and records.

Although such cases will typically fall outside of the FCPA’s Anti-Bribery provision because the payments are not made for the purpose of obtaining or retaining business, they will nevertheless be analyzed for compliance with the FCPA’s Accounting provisions.

E. Payments for Political Contributions and Social Responsibility Programs

In some of the countries in which the Company does business, the local government may ask the Company to spend a certain amount of money on training of local personnel and/or social or community responsibility programs. In all cases described above, the Company must ensure that any payment for training, a community or social program, political contribution or gift do not violate the FCPA, the U.S. Travel Act, the U.K. Bribery Act, the Company’s policies or local law. Therefore, it is the Company’s policy that all such requests must be reviewed and approved in writing by the Company’s Legal Department before such payment may be made (using the form in Attachment B).

F. Financial Accounting and Controls

In accordance with all relevant laws, rules and regulations and its internal policies and procedures, the Company requires that all books, records and accounts be kept in reasonable detail to accurately and fairly reflect all transactions and dispositions of assets, and that adequate internal controls be maintained to provide reasonable assurance that management is aware of, and directing, all transactions ethically and in compliance with applicable policies of the Company.

No accounts may be kept “off-book” in order to facilitate or conceal improper payments. All expenditures, gifts, hospitality, charitable donations and any other payments must be accurately and reliably recoded. All accounting records, expense reports, invoices, vouchers and other business records must be accurately and fully completed, properly retained, and reliably recorded. It is prohibited to circumvent, evade or attempt to circumvent or evade the Company’s internal financial controls.

Any submission by Company Personnel or Transaction Partners of information that could lead the Company to have false, misleading, incomplete, inaccurate or artificial entries in the Company's books and records is strictly prohibited.

IV. PENALTIES & DISCIPLINARY PROCEDURE

Violations of U.S. laws such as the FCPA and the Travel Act, and of foreign anti-bribery laws and regulations such as the U.K. Bribery Act, are serious matters and could result in significant criminal and/or civil penalties for the Company and for those individuals involved.

Bribery Violations: Under the FCPA, the Company could be subject to criminal penalties of up to either \$2,000,000 USD per violation, or twice the benefit obtained by making a corrupt payment. Individuals could be subject to fines of up to either \$250,000 USD per violation or twice the benefit obtained, as well as face up to five years in prison for the same.

Potential additional penalties resulting from an FCPA violation could include (1) the Company being barred from doing business with the US government and (2) being ruled ineligible to receive export licenses.

Under the U.K. Bribery Act, the Company could be subject to an unlimited fine for each violation, and Company Personnel with closer personal connections to the U.K. could be subject to unlimited fines, as well as up to 10 years imprisonment.

Accounting Violations: Under the FCPA's accounting provisions, a publicly traded company can be subject to fines of up to \$25,000,000 USD. Individuals could face fines of up to \$5,000,000 USD, as well as imprisonment for up to twenty years.

Other U.S. and National Anti-Corruption Laws: Conduct that violates the FCPA also may give rise to liability for both the Company and the individual under other US laws (including the above-described Travel Act), as well as under the anti-corruption laws of the country in which the foreign official was bribed. Civil and criminal penalties under these laws may be much more severe than under the FCPA.

Notification Policy: U.S. and foreign laws may require the Company to notify the appropriate law enforcement authorities of evidence potentially indicating that a crime has been committed. The Company therefore notifies all Company Personnel and Transaction Partners that it retains the right to make those notifications to US and national law enforcement authorities that it deems appropriate and necessary under the circumstances.

Disciplinary Procedure: Failure to comply with this Policy will be grounds for termination or other disciplinary action.

V. HOW TO REPORT A CONCERN

If you suspect corrupt activity, you should immediately report it by contacting your manager or the Legal Department. You are responsible for reporting any known misconduct by Company Personnel and Transaction Partners. Concerns may be reported on a confidential or anonymous basis (i) through a secure web form accessible on the main Company Intranet page by clicking on "Whistleblower Procedures" under the list of "Important Links" located at the top of that page, (ii) by sending an e-mail to MTSI@openboard.info or (iii) by leaving an anonymous voicemail message at 866.328.1131.

The Company does not tolerate any retaliation for reports made in good faith of suspected violations of this Policy. If you suspect retaliation for reporting a suspected violation of this Policy, you should report it immediately by contacting the Legal Department.

VI. QUESTIONS

Any questions concerning this Policy should be addressed to Ambra Roth of the Legal Department at ambra.roth@macom.com or 949.579.3013. Please also consult the helpful list of Frequently Asked Questions (Attachment C).

ATTACHMENT A

While not an exhaustive list, “Red Flags” may include any of the following:

1. The Transaction Partner or employee uses or submits inflated, inaccurate or otherwise suspicious-looking invoices, or requests reimbursement of extraordinary, poorly-documented or last minute expenses, including invoices where the dollar amount is a large, round number (ex. \$500,000);
2. The Transaction Partner or employee has a history of improper payment practices or engaging in corrupt activities, or is the subject of media reports or industry reports questioning the Transaction Partner’s or employee’s ethics or business reputation;
3. The Transaction Partner or employee has been debarred, suspended or otherwise disqualified from participating in government contracts;
4. The employee or Transaction Partner (or any of its owners, principals, officers or directors) is under investigation, has been fined, indicted or convicted of bribery or other corruption-related offense;
5. The Transaction Partner request unusual payment in advance or prior to an award of a concession, contract or other business;
6. The Transaction Partner requests large contingency or “success” fees, or unusual bonus or special payments;
7. The Transaction Partner or employee requests payment in cash, bearer instruments, to a numbered account or to an account in the name of a different person;
8. The Transaction Partner or employee requests payment in a different country from their home, or in a different currency than that in which they normally transact, especially if it is a country with little banking transparency or that has no relationship to the transaction or the entities involved in the transaction;
9. The payment mechanism to be utilized is secretive or unusual or insists on unusual or suspicious contracting procedures;
10. The Transaction Partner or employee asks that a new customer be granted an excessive credit line;
11. The Transaction Partner or employee has a family or business relationship with a Covered Recipient, particularly if that relationship is or could be in a position to direct business to the Company;
12. The Transaction Partner refuses to disclose its owners, partners or principals without a credible explanation, or insists that its identity remain confidential;
13. The Transaction Partner’s business seems understaffed, ill-equipped, ill-staffed, lacking adequate physical facilities, inexperienced, inconveniently located or otherwise not capable of undertaking its proposed relationship with the Company;

14. A business or banking reference of the Transaction Partner unreasonably refuses to answer questions, or provides problematic answers;
15. The Transaction Partner is insolvent or has significant financial difficulties that would reasonably be expected to impact the venture;
16. The Transaction Partner or employee displays ignorance of or indifference to local laws and regulations, the FCPA, other U.S. or foreign anti-corruption laws, or this Policy;
17. The termination of a business relationship with Transaction Partner or employee by another entity was done under suspicious or inadequately explained circumstances;
18. The transaction occurs in, or relates to, a country, region, or industry where there is widespread corruption, or that has a history of bribes and kickbacks, and those issues seem implicated in the present business interaction with a Transaction Partner;
19. A government customer recommends or insists on use of a particular intermediary or consultant in lieu of the Transaction Partner;
20. The Transaction Partner or employee intends to rely heavily on political/government contacts to promote the Company's interests.

ATTACHMENT B

**Pre-Approval Request Form for Gifts, Business Courtesies, Meals, Lodging,
Travel & Entertainment Involving any Covered Recipient**

1. To whom is the gift, travel, lodging and/or entertainment being given?

Name	Position	Organization/Company

- a. Is this individual a decision maker for his/her organization or does he/she influence decision makers?
YES NO

- b. Does this individual or their organization have regulatory authority over the Company?
YES NO

- c. Has this individual or their organization made any decisions with regard to the Company within the past 12 months? Is he/she expected to do so within the next 12 months?
YES NO

If yes, please explain.

- d. Has a gift, travel, lodging or entertainment been provided to this individual within the calendar year?
YES NO

If yes, please provide a description of the gift, travel, lodging and/or entertainment.

- e. Is the Company currently working on a project with the individual's agency/company?
YES NO

If yes, please provide a description of the project.

f. Is the Company currently bidding or planning to bid within the next 12 months on new work for this agency/company?

YES

NO

If yes, please provide details.

--

2. Date(s) of proposed travel, lodging and/or entertainment

Start Date	End Date

3. Destination

Destination	

4. Proposed Expenditures (Specify the name(s) of the person(s) for whom each expenditure is proposed.)

Flights	
Cost	
Class Details (economy/business/first)	
Journey Details (describe route)	

Train	
Cost	
Class Details (economy/business/first)	
Journey Details (describe route)	

Rental Car/Taxi Vouchers	
Cost	
If rental car, length of rental period	
If taxi vouchers, number to be issued	

Hotel	
Name	
Cost	
Duration Details (number of nights)	

Entertainment	
Type (describe)	
Venue(s)	
Cost	

Meals	
Hotel (number and combined cost)	
Outside Hotel (number and combined cost)	

Gifts (Please itemize.)	
Description of Gift(s)	
Market Value	
Cost	
Country in Which Gift(s) Will Be Given	

Others	
Additional Expenses	

5. Is there a contract with the entity or company that requires this expenditure?
 YES NO

(If yes, please append a copy of the relevant contract and note the applicable provision.)

6. Business Purpose of the Proposed Expenditures

Please append any documentation that supports the business purpose of the proposed expenditures, such as a copy of a training course schedule.

7. Were these expenditures requested by anyone?
YES NO

If yes, please provide the following information about the requestor.

Name	Position	Organization/Company

8. Please insert below a brief description of why you are submitting this form, any known “red flags” with regard to this matter, and any other important details regarding the proposed expenditures

Requested By: _____

Date: _____

Approval

Legal Department _____

Send copy of completed and approved form to Accounting Department, Head of Accounting Controls.

To be answered by the Legal Department:

Gift, Business Courtesy, travel, meal, entertainment or other Payment are legal in location of the Company entity.

YES NO

Gift, Business Courtesy, travel, meal, entertainment or other Payment are legal in location where the Gift, Business Courtesy, travel, meal, entertainment or other Payment is to be made.

YES NO

ATTACHMENT C

FREQUENTLY ASKED QUESTIONS

Does the U.S. FCPA also apply to non-US citizens and to activities outside of the United States?

Yes. In fact, the FCPA particularly targets illegal activities outside the U.S. Individuals may be subject to U.S. jurisdiction with regard to the FCPA because they are employees of the Company, which is subject to the FCPA. Individuals also may be directly subject to U.S. law as U.S. permanent residents or US citizens, or because the relevant business is a U.S. listed securities issuer or incorporated in the United States.

If there is a conflict between U.S. law and the laws of a different jurisdiction in relation to application of the FCPA, which takes precedence?

The Company and all of the Company's Employees and Representatives, wherever located, are covered by the U.S. FCPA. If there is a difference between the application of the U.S. FCPA and the laws of a different jurisdiction, the Company's Policy still covers all employees and you should comply with the Company Policy. If you have a question about a specific scenario, contact the Legal Department.

If the FCPA relates to bribing foreign officials, does this mean bribing someone who works for a private company is OK?

No. Improper payments between private company employees – sometimes called “commercial bribery” – is improper under U.S. law and violates both the U.K. Bribery Act and the Company's Policy. For guidance on hospitality and gift-giving among private company employees, refer to the Company's publicly-available Code of Business Conduct and Ethics as posted at its website, www.macom.com.

What about payments to employees at a state-owned company? Do these violate the FCPA?

Yes, payments to employees of state-owned companies may violate the FCPA, as well as the U.K. Bribery Act, the U.S. Travel Act and the Company's Policy. The FCPA views employees of many state-owned businesses as being employees of the governments that own them. Importantly, the FCPA may view a company as state-owned, and its employees as government officials, even if local law does not view that entity as state-owned. If you have questions about a specific company, please call the Legal Department.

What is the FCPA risk with distributors or suppliers? Why are distributors included in the Policy if they are not acting on our behalf like agents or consultants?

The Company may be liable under the FCPA, the U.K. Bribery Act and other non-US laws if a distributor or supplier makes an improper payment, the Company knew of or was aware of a high probability of the payment, and the Company did not make appropriate efforts to prevent it from happening.

When evaluating whether to retain a sales agent in a certain country, the candidate claimed proudly to be the brother of the Minister of Industry. Is this a red flag?

Yes, for two reasons. First, the candidate may be a close relative of a government official in a position to “assist in obtaining or retaining business,” a key element under the FCPA. The Company must ensure that the agent, if retained, does not seek to corruptly influence his relative on the Company's behalf. Second, the candidate's proud claim about his relation may suggest that he views this relationship as an asset for

assisting the Company in obtaining or retaining business. In both cases, the risks of an FCPA concern are heightened because of this candidate's proximity to a government official, and you should consult with Legal Department about the best way to proceed.

May the Company transact business with government entities?

Yes, the FCPA does not categorically bar the Company from engaging in legitimate business transactions with government entities, such as contracting for the delivery of various goods and services. The FCPA, instead, is focused on corrupt payments to individual government officials that are made in order to unfairly gain business opportunities. That said, the Company must at all times be very vigilant in supervising these relationships and gaining assurances that the government officials will comply with the FCPA. The Company may not enter into agreements with such entities or persons without completing the due diligence process and obtaining a review and written approval from the Legal Department.

What if my personal safety is in danger?

In exceptional circumstances involving threats to the health or safety of a Company employee, prior approval is not required before making a payment. However, a report must still be made to the Legal Department within five days of the event, so that the Company's books and records accurately reflect the transaction.

Is the Company liable for the acts of its transaction partners?

Yes, the Company may be liable for bribes made by both its U.S. and non-U.S. Transaction Partners acting on its behalf if the Company had prior knowledge of or should reasonably have known about the bribes. If the circumstances indicate that the Company "turned a blind eye" to conduct that violates the anti-bribery provisions of the FCPA, the Company is deemed to have knowledge of the unlawful conduct. All Employees have a duty to inquire when circumstances raise a red flag.