



ANNUAL INFORMATION FORM

For the Year Ended November 30, 2010

February 25, 2011

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FORWARD-LOOKING STATEMENTS

This document contains statements which constitute forward-looking statements. These forward-looking statements are not descriptive of historical matters and may refer to management's expectations or plans. These statements include but are not limited to statements concerning: Gennum's business objectives and plans including Gennum's corporate strategy and strategic priorities; Gennum's future financial performance and prospects including revenues, gross margins and earnings, and ability to achieve operating earnings, cash flow and other business model targets; future trends in the semiconductor products and intellectual property licensing industries and, in particular, market trends for analog and mixed-signal products, optical products and intellectual property products and licensing; Gennum's expectations for sales and licensing of its products in these markets including anticipated costs and fees, sales, product prices, size, duration, growth or decline of market opportunities and competitive and pricing pressures in these markets; Gennum's product roadmap and the speed at which Gennum is able to introduce new products; the adoption of new standards in the markets in which Gennum competes and the ability of Gennum to anticipate these changes and successfully address new opportunities; sales and capital spending plans and estimates, shipment levels and operating expenses; exchange rate fluctuations in, and the relative values of, the Canadian dollar, the U.S. dollar and the Japanese yen; Gennum's ability to finance its growth plans and make necessary investments; and litigation in which Gennum is involved.

Inherent in forward-looking statements are risks and uncertainties beyond Gennum's ability to predict or control including, but not limited to, risks associated with: competitive and pricing pressures in the increasingly competitive environment in which Gennum operates; changes in the mix of products sold which, due to associated margins, can impact Gennum's financial results; economic cycles in the semiconductor industry including downturns which can result from adverse general economic conditions; our ability to anticipate needs for future products and successfully execute our product roadmap, including the possibility of the emergence of disruptive technologies which negatively impact our positioning in the marketplace; the risk that unforeseen factors may arise that result in us not being able to achieve our operating income, cash flow and other business model targets; possible impairments of assets which could be required in the future; fluctuations in foreign exchange rates and their potential adverse impact upon our financial results; our reliance on external foundries and suppliers and the potential adverse effects of disruptions in any of these arrangements; the successful integration of acquisitions; our ability to attract and retain key personnel necessary for our business; our ability to successfully protect our intellectual property rights; and the initiation and outcome of legal proceedings. Readers should also refer to the section entitled "Risk Factors" in this document, and the section entitled "Risks and Uncertainties" in our 2010 management's discussion and analysis as filed on SEDAR at www.sedar.com.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this document. Such statements are based on a number of assumptions which may prove to be incorrect including, but not limited to, the following assumptions: there is no material deterioration in the business and economic conditions in the marketplace for Gennum's products; Gennum's expectations regarding market trends for analog and mixed-signal products, optical products and intellectual property products and licensing are not materially incorrect; Gennum is able to execute its product roadmap without delays or disruptions having a material impact on Gennum; Gennum's expectations relating to the needs and direction of the marketplace for its products are within reasonable bounds of accuracy and Gennum is able to introduce products and capitalize on new opportunities generally as expected; Gennum's expectations relating to its future operating expenses, as well as the capital required to conduct its business in the future, are not materially incorrect; significant impairments of assets will not arise; material disruptions in the manufacture and supply of products and services to Gennum by foundries and suppliers will not materialize; Gennum's expectations relating to competitive pressures, including pricing pressures, as well as Gennum's expectations relating to the mix of products to be sold by it, are not materially incorrect; significant fluctuations in foreign exchange rates which materially adversely affect Gennum's financial results do not arise; customer demand for Gennum's products remains generally as anticipated; Gennum is able to successfully integrate acquisitions; and Gennum is able to continue to retain and attract technical and other key employees.

Readers are cautioned that the foregoing list of important factors and assumptions is not exhaustive. Forward-looking statements are not guarantees of future performance. Events or circumstances could cause Gennum's actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. Consequently, readers should not place any undue reliance on these forward-looking statements. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. In addition, these forward-looking statements relate to the date on which they are made. We disclaim any intention or obligation to update or revise any forward-looking statements or the foregoing list of factors, whether as a result of new information, future events or otherwise, except to the extent required by law.

CORPORATE STRUCTURE

NAME, ADDRESS AND INCORPORATION

Gennum Corporation (the “Corporation” or “Gennum”) is a company organized and existing under the *Business Corporations Act* (Ontario). The registered and head office of the Corporation is located at 4281 Harvester Road, Burlington, Ontario, Canada L7L 5M4.

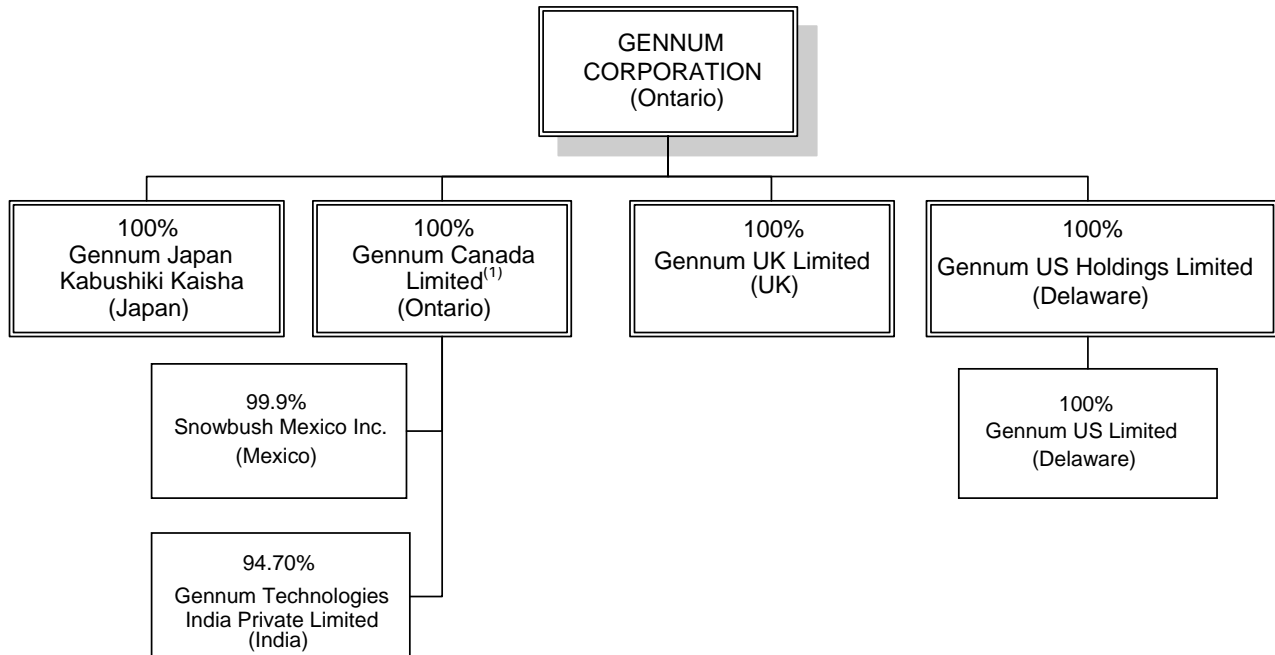
The business of the Corporation was originally carried on by Linear Technology Inc., a company incorporated under the laws of the Province of Ontario on May 28, 1973. Gennum Corporation, which was a wholly-owned subsidiary of Linear Technology Inc., was incorporated under the laws of the Province of Ontario on October 20, 1987. Linear Technology Inc. and Gennum Corporation were amalgamated under the name Gennum Corporation on December 1, 1990.

By articles of amendment on April 11, 1996, and again on April 15, 1999, each of the Corporation’s issued and outstanding common shares was subdivided into three common shares.

INTERCORPORATE RELATIONSHIPS

The Corporation has four direct wholly-owned subsidiaries, Gennum Japan Kabushiki Kaisha, Gennum UK Limited, Gennum Canada Limited and Gennum US Holdings Limited and three indirect subsidiaries, Snowbush Mexico Inc., Gennum Technologies India Private Limited and Gennum US Limited. In this Annual Information Form, unless the context otherwise requires, “we”, “our” and similar expressions include Gennum Corporation and its subsidiaries, and “Gennum” or the “Corporation” refers to Gennum Corporation.

The following chart sets out information regarding the corporate structure of the Corporation and its subsidiaries and the jurisdiction of incorporation of each such company.



(1) Branch offices for Gennum Canada Limited have been established in Germany and Taiwan.

GENERAL DEVELOPMENT OF THE BUSINESS

Certain technical terms used in this Annual Information Form are defined in the Glossary of Technical Terms attached hereto as Schedule B. Unless otherwise stated, all dollar amounts in this Annual Information Form are in Canadian dollars and all information set out herein is given as of February 25, 2011.

OVERVIEW

Gennum designs, develops and markets semiconductor products and intellectual property (“IP”) cores for advanced enterprise, video broadcast, data communications and consumer connectivity applications. Gennum’s products are designed to ensure that signals used to transmit video and data in applications such as networking, home entertainment and broadcasting maintain their original integrity, and to eliminate the potential for errors in sending and receiving information. Headquartered in Burlington, Canada, Gennum has global design, research, development and sales offices in Canada, Germany, India, Japan, Mexico, Taiwan, the United States and the United Kingdom. The Corporation employs globally approximately 386 individuals. The common shares of the Corporation are listed on the Toronto Stock Exchange under the trading symbol “GND”.

HISTORY

Our predecessor company, Linear Technology Inc., was established in 1973 with the acquisition of assets from the Solid State Devices Division of Westinghouse Canada Inc. and royalty-free rights to use its advanced semiconductor technology.

In recent years, there have been a number of significant events that have influenced the general development of our business, as described below:

Year	Event
2008	<ul style="list-style-type: none">▪ On February 8, 2008, we sold our VXP[®] image processing business to Sigma Designs, Inc. as part of our strategy to focus on optical, analog and mixed signal solutions for the video broadcast, data communications and consumer connectivity markets.▪ In February 2008, we announced Gennum’s development of a receiver on a chip-based receiver optical sub-assembly (“ROSA”) product for 10 Gigabit per second (Gb/s) fiber optic applications.▪ On April 7, 2008, we announced that Gennum had developed single-chip transmit and receive solutions to support 3 Gb/s, as well as high definition and standard definition, for serial digital interface (“SDI”) applications.▪ In April 2008, Gennum introduced a re-timed repeater solution that integrates clock and data recovery (“CDR”); the device supports PCI Express (“PCIe”) 2.0 and InfiniBand and combines the Gennum ClearEdge™ CDR and high-gain equalization technologies.▪ On July 28, 2008, we acquired ASIC Architect, Inc., a developer of high-speed controller intellectual property based in Santa Clara, CA.▪ In August 2008, Gennum introduced a first four-lane PCI Express-to-local bus bridge chip which offers four lanes at 2.5 Gb/s or 10 Gb/s in each direction.▪ On September 4, 2008, we announced that we had extended our ActiveConnect™ product family to support low-cost Category 5 enhanced (Cat 5e) and Category 6 (Cat 6) cables.▪ On December 8, 2008, we announced the further expansion of our ActiveConnect™ family with a new connectivity solution for DisplayPort cable products, expanding cable lengths by up to 15 times.

- 2009**
- On February 25, 2009, Gennum announced that it had developed a new audio-video interface for professional and industrial applications such as advanced video security and surveillance systems.
 - On March 5, 2009, Gennum sold its barium strontium titanate (“BST”) technology group and associated assets to Paratek Microwave, Inc.
 - On March 9, 2009, Gennum announced that its Snowbush IP group had developed an integrated USB 3.0 Super Speed physical layer (“PHY”) and controller solution.
 - On March 9, 2009, Gennum announced that its Snowbush IP group had developed a PCIe Gen 2 9-port switch IP block with optional embedded endpoints, allowing designers to integrate switch, endpoint and custom logic functions on a single chip.
 - On April 6, 2009, Gennum introduced 3 Gb/s SDI video optical receiver modules that enable “zero penalty” pathological performance.
 - On April 6, 2009, Gennum announced that its Snowbush IP group had developed a Serial Advanced Technology Attachment (SATA) 6 Gb/s PHY IP block.
 - On April 14, 2009, Gennum introduced seven new products that include new equalizers, reclockers and cable drivers which feature improvements in jitter performance over previous-generation and competitive solutions, and also feature improvements in power consumption.
 - On June 8, 2009, Gennum announced that its Snowbush IP group had developed an integrated PCIe 3.0 (Gen 3) PHY and Controller IP solution.
 - On October 19, 2009, Gennum announced the introduction of a single-chip 10G Ethernet passive optical network (EPON) transceiver for next-generation passive optical network (PON) systems.
 - On October 19, 2009, Gennum announced that it had delivered to market its new Avia™ HD Receiver, an interface for high-definition video over coaxial cable lengths up to and beyond 100 metres.
- 2010**
- On March 22, 2010, Gennum announced two new fully integrated IC solutions for SFP+ optical modules.
 - On March 23, 2010, Gennum announced its second generation 16G Fiber Channel CDR, designed to address increasing signal integrity requirements in data communications and storage networks. Gennum also introduced new highly integrated CDRs for telecom and datacom optical module applications.
 - On April 12, 2010, Gennum announced five new video optical module products for intra-studio and networking applications, and the addition of two feature-rich 3G/HD/SD cable equalizers to its broadcast solutions portfolio.
 - On June 21, 2010, Gennum announced that its serial digital interface (SDI) solutions had been selected by Panasonic Corporation for use in professional quality 3D video equipment.
 - On September 7, 2010, Gennum introduced its new 3Gb/s crosspoint product portfolio, enabling equipment manufacturers and broadcasters to more effectively handle next-generation video formats and the increasing data rate requirements in the studio.
 - On October 26, 2010, Gennum announced that it had extended its portfolio of 10G EPON offerings aimed at equipment serving FTTx installations.
 - On December 6, 2010, Gennum announced that two of its digital IP cores have achieved PCI-SIG compliance with three new entries added to the PCI-SIG Integrators List. The IP is expected to facilitate the development of embedded switch and storage products based on the pervasive PCIe 2.0 standard.

NARRATIVE DESCRIPTION OF THE BUSINESS

OVERVIEW

Genum designs, develops and markets semiconductor products and IP cores for advanced enterprise, video broadcast, data communications and consumer connectivity applications. Our products are designed to ensure that signals used to transmit video and data in applications such as networking, home entertainment and broadcasting maintain their original integrity, and to eliminate the potential for errors in sending and receiving information. We believe that we have gained recognized expertise in markets in which we compete, and have received a Technical Emmy® for advances in high-definition (“HD”) broadcasting.

Our end-user customers include leading original equipment manufacturers (“OEMs”) such as Evertz Microsystems Ltd., Harris Corporation, Huawei Technologies Co., Ltd., Miranda Technologies Inc., Panasonic Corporation, SONY Corporation, Sumitomo Corporation and Thomson S.A. Customers also include optical module suppliers such as Avago Technologies, Inc., Finisar Corporation, and Opnext Inc. With respect to these end-user customers, we engage in distribution and sales efforts directly and/or indirectly through distributors.

Genum’s registered and head office is located at 4281 Harvester Road in Burlington, Ontario, Canada L7L 5M4, and our phone number is (905) 632-2996. We have global design, research, development and sales offices in Canada, Germany, India, Japan, Mexico, Taiwan, the United States and the United Kingdom.

The common shares of the Corporation are listed on the Toronto Stock Exchange under the trading symbol “GND”.

INDUSTRY BACKGROUND

The past decade has witnessed dramatic growth in the amount of data transmitted through video and communications networks. This growth, which has been driven by increasing usage of data-intensive applications such as the internet, high-definition television (“HDTV”) and e-commerce and the need to transfer large blocks of stored data across networks, has resulted in the need to rapidly expand high bandwidth communications infrastructure necessary to support this growth.

We expect that the pace of this growth in data transmission volumes and the related need for new communications infrastructure and services will continue in the future. Faced with the challenges associated with the emergence of new data-intensive applications and services, video and communications companies, including video producers and broadcasters, telecom service providers and enterprises, are deploying equipment to more efficiently handle and transport the various types of traffic required by these new applications and services. They are also upgrading their infrastructure to serve the variety of unique video and communications standards and protocols that deliver and process data. In addition, companies have had to respond to the increased demands for data storage systems and methods of interconnecting these systems associated with increasing internet usage and related information management, movement and storage requirements.

Video Broadcast

The video broadcast industry consists of a value chain of content creators (production and post-production companies), content packagers (broadcasters and specialty channels) and television service providers (cable, satellite and telecommunications companies). The predominant interconnect within high-definition broadcast is the serial digital interface commonly known as SDI. This is also more specifically known as HD-SDI for the transmission of high-definition video signals.

The past decade has witnessed the transition from standard-definition television to high-definition (HD) television, which has increased associated data rates to 1.5 Gb/s. The broadcast industry is currently in

the process of moving to higher data rates - 3.0 Gb/s - in order to support the 1080p video format in addition to the 720p and 1080i formats of HDTV. The higher data rates allow video content to be captured, distributed and ultimately consumed in a progressive (non-interlaced) 1080 line format which maintains video quality throughout the value chain.

Future increases in bandwidth capacity will be driven by new emerging applications such as 3D HDTV, increasing resolution formats and the need to transmit increasing amounts of data over existing infrastructure.

Data Communications

Ever-increasing amounts of data are being transmitted around the world by an ever-increasing number of users. Estimates from internetworldstats.com put the number of internet users as of June 30, 2010 at about 1.97 billion. That represents a 19% compound average growth rate since the year 2000. Roughly six million new users are being added every month and video downloads are being conducted at a rate of over 2 billion per day. All of the major North American networks are now streaming their programming over the internet on a delayed basis and, in the United States, Verizon Networks has announced that it will include over 100 high-definition channels on its fiber-to-home ("FiOS") distribution network.

Driven by the massive amounts of information being transmitted around the world, networking equipment data rates and densities are climbing past 10 Gb/s and we believe are well on their way to 25 Gb/s, 40 Gb/s and 100 Gb/s.

During the coming years, the carrier network industry is expected to witness a transition of SONET/SDH networks to Ethernet-over-SONET/SDH ("EoS") networks and, ultimately, to Carrier Ethernet as Ethernet itself moves deeper into networks. Key trends in the enterprise network include the potential for multiple networks to converge into one standard at the higher data rates. Today, organizations may use Ethernet for the Local Area Network ("LAN"), Fiber Channel for Storage Area Network ("SAN") applications and InfiniBand for server clustering. Serial Attached SCSI ("SAS") is also emerging as a technology that can expand the market for lower cost networks.

For these 10 Gb/s and greater data rates, semiconductor integrated circuits ("ICs") are sold to the OEMs for backplane and line card applications and to optical transceiver manufacturers that sell optical modules to the same OEMs. We expect high-speed transceiver volumes, which define the number of new ports or connections in the industry, to double each year for the next three years.

As data rates increase, there is an increased probability for data transmission errors between components and equipment sub-systems. We believe that this increases the need for high-performance signal integrity components to ensure that signals can be transmitted without errors.

Consumer Connectivity

The continued penetration of HD audio-video formats such as Blu-Ray and internet-based video into the home have resulted in consumer connectivity requiring the same high-speed signal integrity solutions previously required for the broadcast or communication networks. As an example, for long cable runs higher quality cables integrating signal integrity ICs are required in order to achieve the full Blu-Ray experience in the home over HDMI. As the industry moves to 3D HDTV with higher resolutions and richer content, we believe that cabling will remain a bottleneck because of price and reduced performance at long lengths.

Intellectual Property (IP) Cores

IP cores are a reusable unit of logic, cell, or chip layout design used in part to develop highly integrated systems-on-a-chip ("SoC"). SoCs are becoming highly integrated and complex, thus driving up development times and costs. This has caused integrated circuit companies to seek out third-party IP vendors to supply them with IP blocks to speed time to market and reduce overall design cost. Further,

certain semiconductor companies developing SoC devices have focused digital, software and systems expertise, rather than analog and mixed-signal capability which is required to develop PHY IP for high-speed interfaces approaching and exceeding 10 Gb/s.

Increasing Demands for Next-Generation Networking Integrated Circuits

We believe that the market for video and communications infrastructure equipment will benefit from the following significant trends:

Growing Demand for Higher-Bandwidth, Higher-Capacity Networks

We expect that communication infrastructure will have to continue to evolve to support increasing traffic flow associated with the emergence of new data-intensive applications. To meet this challenge, we believe that there will be a need for the deployment of additional infrastructure equipment, as well as new networks with new capabilities.

Video as the Driver of Future Bandwidth Increases

The leading applications driving the increase in future bandwidths involve video. Whether it is video-on-demand services, internet protocol television or the next generation of wireless infrastructure to support video, Gennum believes that it is well positioned to benefit from this trend due to its expertise and customer relationships in the video and communications markets.

In June of 2009, Cisco Systems estimated that, "the sum of all forms of video (TV, video on demand, internet, and P2P) will account for over 91 percent of global consumer traffic by 2013. Internet video alone will account for over 60 percent of all consumer internet traffic in 2013."

OUR STRATEGY

Our objective is to be a leading supplier of high-performance semiconductor products for advanced enterprise, video broadcast, data communications and consumer connectivity markets. To attain this goal, we are pursuing a corporate strategy which encompasses the following elements:

Leadership in Chosen Markets

It is one of our core beliefs that we must strive to be a clear leader in our chosen markets. Apart from helping drive the success of our business, we believe that this positioning enables the necessary investment in strategic partnerships with significant customers, and assists us in attracting, retaining and motivating highly skilled employees who are necessary for the success of our business.

Core Signal Integrity

Our core signal integrity strategy is based on the premise that our analog mixed signal and optical expertise becomes more important as data rates get faster and the amount of data being transmitted continues to increase.

Signal integrity is a measure of the quality of an electrical signal. At high bit rates and over distance, various effects can degrade the electrical signal to the point where errors occur, and the device fails. Signal integrity engineering is the task of analyzing and mitigating these impairments.

We specialize in providing signal integrity solutions to the video transport and communications markets. This includes expertise in equalization, clock and data recovery ("CDR"), serializer/deserializer ("SerDes"), transport processing, optical transimpedance amplifiers ("TIAs"), and optical laser drivers. These products address signaling issues arising from ever-increasing signal speeds over copper traces on boards, across connectors and backplanes, copper cables, as well as over multi-mode and single-mode optical fiber.

Our first priority is to secure our leadership in core content creation and transmission markets such as video broadcast and optical data communications. We believe that these core markets also provide the opportunity for future growth given the increasing need for signal integrity solutions to accommodate the higher speed requirements of video and communications equipment manufacturers.

Expand Signal Integrity Offerings in our Core Markets

As data rates for an ever-increasing number of communication standards move towards and beyond 10 Gb/s, we believe that Gennum has the opportunity to continue to develop signal integrity products for these markets and expand our product portfolio.

Our IP core offering has also been expanded in order to capture opportunities with select interconnect standards where customers want to purchase a complete PHY and controller solution from a single vendor.

We believe that there is an increasing number of opportunities for Gennum to leverage its signal integrity solutions to build more complete product portfolios and offer complete system solutions to customers.

Customers

Our major customers are sophisticated purchasers of semiconductor solutions who have chosen our products after having investigated our ability to introduce innovative technology on a timely basis while also serving them reliably with products and technology over the long term. One of our top priorities has been to preserve existing business with significant customers while expanding our customer base through new programs. We believe that the key to this strategy is our ability to design and demonstrate the right technology and product solutions, as well as solving specific business or technology challenges.

Gennum has 5 regional sales offices and 17 channel partners, all located close to major customers and fast-growth markets around the world.

Our People

We believe that our future success is dependent on our ability to attract, retain and motivate highly skilled employees, including our designers and engineers, our support, operations, sales and marketing personnel, as well as our corporate management. In support of our corporate objectives, and to provide opportunities for fulfilling work, career advancement and a sense of pride, we have fostered a high-performance culture among our employees under which an ownership philosophy is promoted and leading contributors are recognized. We endeavor to attract and retain top talent within our organization.

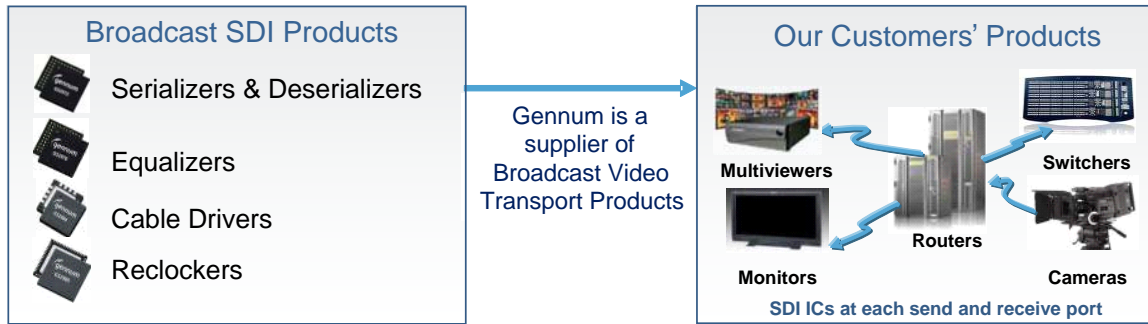
OUR PRODUCTS

We design and develop a wide variety of products that are primarily marketed to video transport and communication networking and data center infrastructure OEMs. While many of our products are targeted at specific markets, some of them have applications in several types of communications equipment. Our products fall into the following categories.

Video Broadcast - SDI/HD-SDI Products

Gennum offers a family of SDI/HD-SDI products, summarized in the graphic below, that are compatible with industry standards established by the Society of Motion Picture and Television Engineers (SMPTE).

Broadcast Video Products Enable Studio Connectivity



These devices also support DVB-ASI, a standard which is used to transport multiple compressed video signals over a single SDI link. Further information regarding our family of SDI/HD-SDI products is set forth below.

Serializers & Deserializers (SerDes) – These are products which perform conversions from slower speed parallel multi-line signals to single higher speed line signals (serializers) or from single higher speed line signals to slower speed parallel multi-line signals (deserializers). Our SerDes products are used in HD-SDI, SD-SDI, and DVB-ASI applications.

Equalizers – These devices equalize and restore SDI signals received over co-axial cable. This is necessary to compensate for signal attenuation that occurs when signals are transmitted over long lengths of co-axial cable. Gennum devices offer high performance, long cable lengths, and multi-rate capability for 3G-SDI, HD-SDI, SD-SDI and DVB-ASI applications.

Cable Drivers – These devices drive output signals over co-axial cable in compliance with industry standards. Gennum offers low jitter, low power consumption, and small packaged cable drivers for 3G-SDI, HD-SDI, SD-SDI and DVB-ASI applications.

Reclockers – These are a variety of low power consumption clock and data recovery devices with wide input jitter tolerances and low intrinsic jitter for 3G-SDI, HD-SDI, SD-SDI and DVB-ASI applications.

Sync Separators – These devices extract timing information from reference signals in order to lock video signals together in a video facility for clean switching.

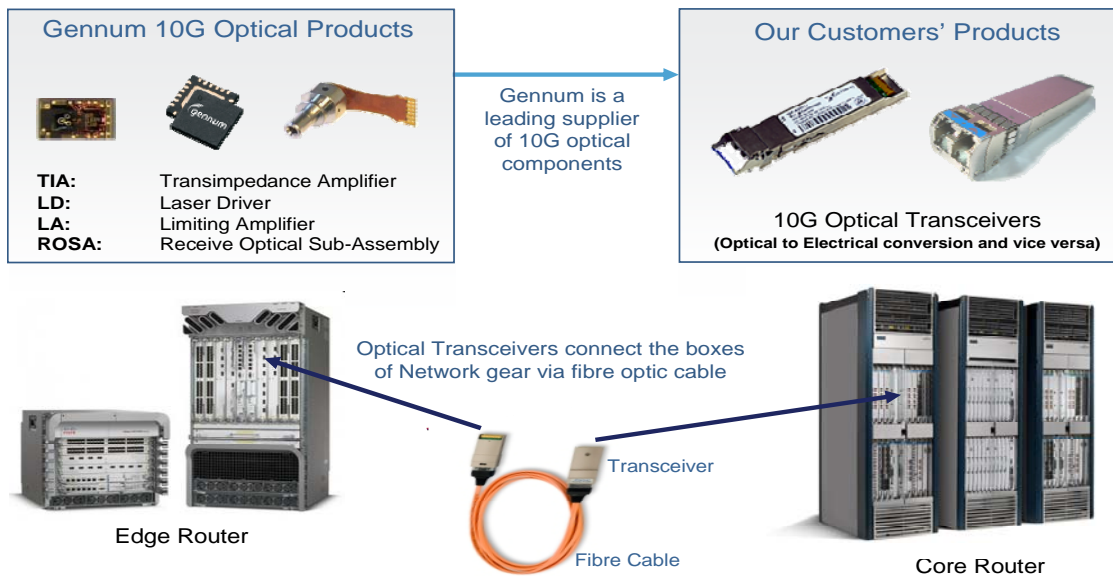
Timing – These are a variety of highly flexible, digitally controlled timing generators and ClockCleaner™ solutions used for jitter reduction.

Video Optical Modules – Gennum's 3 Gb/s SDI video optical modules extend the reach of digital video over optical fiber. They include support for video pathological test patterns and run at 3 Gb/s SDI, HD-SDI and SD-SDI rates without any user intervention required to change the data rate. They can also be used for other formats such as Ethernet and SONET. Gennum's small form factor modules for digital video (Video SFP) are "hot pluggable", easy to use, and offer a high density optical solution for carrying digital video over optical fiber.

Data Communications - Optical PMD Products

The physical media device ("PMD") serves as the actual physical connection to a fiber optic cable by converting incoming optical signals into electric signals. Similarly, for data flowing in the opposite direction, the PMD converts electric signals into optical signals. We offer ROSAs, laser drivers, transimpedance amplifiers and post-amplifiers operating at speeds ranging from 1.25 Gb/s to 12.5 Gb/s. These products are currently being used in a variety of applications from carrier long-haul and metro

networks to Enterprise Gigabit Ethernet and 10 Gigabit Ethernet networks, including storage networks and systems. The graphic below summarizes our 10 Gb/s optical PMD products and illustrates how these products are used by our customers.



We also develop products for application in passive optical networks (“PON”) that enable fiber-to-the-home deployments. Typically, we sell these products to optical module manufacturers who service the equipment manufacturers, or directly to OEMs who build discrete board-based solutions. Categories of products which we offer are as follows:

Laser/Modulator Drivers – These components provide the electrical signals to a laser which then produces the optical (light) transmission pulses used to send a data stream over a glass fiber.

Limiting Amplifiers – We offer stand-alone limiting amplifiers for high-performance optical transceivers. These devices, the output amplitude of which are limited to a maximum value, are commonly used to amplify electrical signals within an optical receive chain.

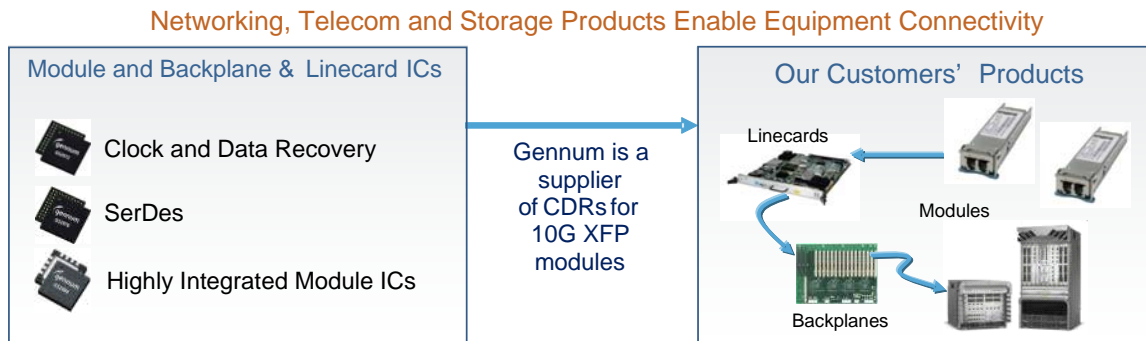
Transimpedance Amplifiers – These are analog components which interface to light sensing elements or diodes to help produce amplified electric signals from optical data streams. We offer wideband, low-noise transimpedance amplifiers with industry leading stressed receiver sensitivity.

ROSAs – Genum’s receiver optical sub-assemblies (“ROSAs”) offer industry leading stressed receiver sensitivity, high gain to ensure exceptional crosstalk performance within the module, and patented R-chip technology to ensure maximum module manufacturing yield.

Data Communications – Backplane & Module PHY Products

Physical layer (“PHY”) products convert high-speed analog signals from the PMD to low-speed digital signals. They include the high-speed analog functions of CDR and serialization and deserialization. A CDR recovers the clock within a signal and retimes the signal to synchronize it with the overall system clock, while the SerDes converts low-speed parallel data into higher speed serial data and vice versa. These products can also incorporate additional signal integrity features, such as integrated equalization and pre-emphasis/de-emphasis that can dramatically improve signal integrity transmission and reception. We develop our products in low-cost CMOS and high-performance silicon germanium (“SiGe”) silicon process technologies, depending on the technology requirements of the product and application. The

graphic below summarizes our backplane and module PHY products and illustrates how these products are used by our customers.



Gennum's backplane and CDR PHY layer products support a wide range of technologies including PCIe, InfiniBand, Serial RapidIO, CX4, LX4, XAUI, OC-48, SDR/DDR/QDR, 10 GbE, 40 GbE and 100 GbE. Categories of products which we offer are as follows:

Clock and Data Recovery – Our CDR products offer high performance in the key areas of power consumption, receiver sensitivity, output jitter and jitter tolerance. These devices are often used in optical module applications such as XFP, a form factor for 10 Gb/s optical interface modules.

Backplane SerDes – Our backplane SerDes products offer efficient and reliable data transmission across a backplane, being an electronic circuit board containing sockets into which additional electronic devices on other circuit boards or cards can be plugged.

Backplane Repeater / Retimers – These signal integrity products integrate equalization, CDR (optional) and output drivers. These devices often support up to 4 channels on a device for applications that support 4 lanes or up to 12 lanes in a single application.

Module ICs – These highly integrated products include combinations of CDRs, laser drivers, and limiting amplifiers.

Video – ActiveConnect™ Products

ActiveConnect™ is a family of signal integrity products that enable the transmission of HDMI 1.3 and DisplayPort version 1.1 over extended distances using co-axial, CATx or shielded twisted pair (“STP”) cables. These new HDMI and DisplayPort standards offer next-generation features such as higher resolution video, deep colour, and higher frame rates that enable a new user experience. In order to achieve the full spectrum of features and benefits, aggregate data rates of 10 Gb/s for these features are required.

IP Cores

SoC designs are becoming highly integrated and complex, thus driving up development times and costs. This has caused integrated circuit companies to seek out third-party IP vendors to supply them with IP blocks to speed time to market and reduce overall design cost. IP cores are a reusable unit of logic, cell, or chip layout design used in part to develop highly integrated SoCs.

Gennum offers a range of IP cores for deep sub-micron process nodes, all of which are developed and licensed to help our customers reduce the technical risk and time to market associated with analog and mixed-signal components of semiconductor and SoC products.

Gennum IP offers standards-based IP cores, such as the PHY and controller for PCIe 3.0, an emerging high-speed interconnect protocol that is being integrated into next-generation HD broadcast, medical and industrial applications. Gennum's IP is used within our own product development programs and is licensed externally to customers that do not compete with us on a product basis.

SALES AND DISTRIBUTION

We market and sell our semiconductor products directly to leading OEMs and original design manufacturers, as well as through third-party electronic component distributors and manufacturing service providers. Product sales to distributors accounted for approximately 46% of our net revenues for our financial year ended November 30, 2010.

Because of the significant engineering support required in connection with the sale of high-performance ICs and IP, we provide our customers with both field engineering and application engineering support. Our sales headquarters are located in Burlington, Ontario. We have additional sales and field application support offices in the United States, Europe, Japan, and Taiwan.

Our sales cycle is typically lengthy, often 6 to 12 months or more, and requires the continued participation of salespeople, field engineers, application engineers and management.

Sales by Product Group

Analog and mixed signal products include video products (broadcast and ActiveConnect™) and datacom products (module, backplane & linecard, PCIe). Optical products include all optical components (TIA, LA, LD) and sub-assemblies (ROSA). Our sales by product group for the last two financial years of the Corporation were as follows:

(Sales figures in millions of U.S. dollars)

Product Group	2009		2010	
	\$	%	\$	%
Analog and Mixed Signal	61.0	71.6	95.8	74.3
Optical	12.4	14.6	22.5	17.4
IP	11.8	13.8	10.6	8.3
TOTAL	85.2		128.9	

Sales by Geographic Region

Our sales by geographic region for the last two financial years of the Corporation were as follows:

(Sales figures in millions of U.S. dollars)

Region	2009		2010	
	\$	%	\$	%
North America	34.7	40.7	35.8	27.8
Europe	7.5	8.8	12.4	9.6
Japan	17.3	20.3	33.9	26.3
Pacific Rim	25.7	30.2	46.8	36.3
TOTAL	85.2		128.9	

Gennum's methodology for attributing revenue to principal markets has been changed to allocate revenue based on the billing location of the customer. The comparative balances have been reclassified to conform to this methodology.

Cyclical

The semiconductor industry is cyclical and is characterized by constant and rapid technological change, product obsolescence, price erosion, evolving technical standards, and wide fluctuations in product supply and demand. From time to time, these and other factors, together with changes in general economic conditions, cause significant upturns and downturns in the industry and within our business.

In addition, our operating results are subject to substantial quarterly and annual fluctuations due to a number of factors, such as demand for video and network infrastructure equipment, the timing of receipts, reduction or cancellation of significant orders, fluctuations in the levels of component inventories held by our customers and channel partners, the gain or loss of significant customers, market acceptance of our products and our customers' products, our ability to develop, introduce, and market new products and technologies on a timely basis, the availability and cost of products from our suppliers, new product and technology introductions by competitors, intellectual property disputes, and the timing and extent of product development costs.

PRODUCTION AND SERVICES

Use of Third-Party Silicon Wafer Foundries

We are a "fabless" semiconductor company, and outsource wafer fabrication for our products to third-party silicon wafer foundries such as United Manufacturing Corporation ("UMC"), STMicroelectronics and Tower Semiconductor Ltd. (Jazz). By outsourcing our wafer manufacturing requirements, we avoid significant costs associated with owning, operating, and upgrading fabrication facilities, and are able to focus our resources on product development and design and test applications.

There are risks associated with our reliance on independent foundries. For instance, any failure of these foundries to continue to provide the necessary capacity or output for our products could result in significant production delays and could materially and adversely affect our business, financial condition, and results of operations. From time to time, it is possible that we may not be able to secure adequate foundry capacity on acceptable terms, if at all. Also, should a foundry suffer damage to or destruction of its facilities or experience financial difficulties or any other disruption of foundry capacity, we may not be able to secure alternative manufacturing sources for our products in a timely manner. We do not have long-term agreements with any of our third-party foundries. Instead, we subcontract our manufacturing requirements on a purchase order basis. Accordingly, while we believe that we have sufficient access to foundry capacity to support our current requirements, it is possible that the capacity we will need in the future may not be available to us on acceptable terms, if at all.

As we rely on independent wafer foundries to produce products of acceptable quality in a timely manner, we are also subject to risks associated with limited control over delivery schedules, reductions in manufacturing yields, the possibility of manufacturing defects, possible increased production costs, and variable product quality.

Wafer Probe, Assembly and Final Product Test

Once completed, wafers are probed to determine whether the die on the wafer meet applicable functional and performance specifications. The "yield" of a wafer is the proportion of its acceptable die as determined through wafer probe testing. The majority of our wafer probe activities are conducted in our probe and test facility located in Burlington, Ontario.

Following probing, wafers are sliced, with acceptable die being assembled into packages. We outsource our packaging requirements to several assembly subcontractors in Asia. Following assembly, packaged products are returned to us for final testing.

During “final test”, products are tested in packaged form to ensure that they meet all functional, performance and quality requirements prior to shipment to customers. This test process determines the “final yield”, which includes any yield loss in the assembly process. The majority of our final test procedures are conducted in our probe and test facility located in Burlington, Ontario.

As is the case with wafer fabrication, we are dependent on our subcontractors to provide enough capacity to address all of our assembly requirements, and from time to time it is possible that we may not be able to secure adequate assembly capacity on acceptable terms, if at all. Should an assembly subcontractor suffer damage to or destruction of its facilities or experience financial difficulties or any other disruption of assembly capacity, we may not be able to secure assembly services for our products in a timely manner. We do not have long-term agreements with any of our assembly subcontractors, but instead we subcontract our assembly requirements on a purchase order basis. As a result, it is possible that the capacity we will need in the future may not be available to us on acceptable terms, if at all.

In addition, certain of our products have very long life cycles which may exceed those typically supported by wafer and/or assembly subcontractors. Accordingly, we may periodically receive end-of-life (“EOL”) notices for certain materials and services provided by these subcontractors. This may impact our ability to continue to support certain products, forcing us to EOL our products if alternative sources of materials and services cannot be secured, or to temporarily increase inventory to allow our customers sufficient time to transition to alternative products. This may impact revenue and/or require us to incur additional costs to provide alternative sources for these materials and services.

RESEARCH AND DEVELOPMENT

The markets in which we compete are characterized by constant and sometimes rapid technological change, evolving technical standards, and increasing levels of functional integration. We believe that our future success is largely dependent upon our ability to continue to anticipate and respond to these changing industry dynamics and standards, and to improve our products and develop new technologies to address the needs of our customers. Our product development efforts are focused on designing new products and IP cores for high-speed connectivity markets based on our understanding of the evolving needs of our customers in this rapidly changing marketplace. We work closely with our customers to identify their future needs and to develop products designed to fulfill such needs. We have a dedicated team of engineers who follow technology changes, developments in industry standards, and the product directions of our customers in an effort to formulate our forward-looking “product roadmap”.

In addition to addressing these needs, our design efforts are focused on increasing the speed and functionality, and reducing the power dissipation, of our products, and thereby differentiating our products from those of our competitors. In order to reduce design cycle time and first-time errors, we have developed, and intend to continue to develop, common IP cores and standard blocks that can be reused in multiple products. The time required for us to introduce a new product is typically 12 to 18 months.

We have research, engineering, and product development resources located in eight design centers throughout the world located in Canada, the United States, the United Kingdom, Mexico and India. We believe that our design centers are located in areas of strong technical talent pools and/or in areas of concentrations of customers.

COMPETITIVE CONDITIONS

The markets for our products are highly competitive and subject to rapid technological advancements in design technology and alternate technologies. In order to be successful, and to offset the price erosion that affects many aspects of our industry, we strive to identify and capture future market opportunities by developing and deploying value-added products.

We often face competition at the “design stage”, during which customers evaluate alternative design approaches in the development of their systems. During design stage evaluation, our customers assess our products and IP along with those of our competitors and make a selection based on a variety of

factors including functionality, features, availability and pricing. If selected, our products are then “designed-in” by our customers through the development of their systems in conjunction with our component products. Substantial resources are invested by our customers in designing their systems, hardware and software designs that, in many cases, are dependent on the ICs and IP that they have selected. The term “design win” is used by us to classify a design where we have a strong indication from a customer that they have selected our device in preference to a competing product offered by a competitor. In some cases, where complex hardware and software is developed to be dependent on our IC, we are “single-sourced”, meaning that we are the only supplier selected for a project. Once we have “won” a single-sourced design, it can be difficult for a competitor to replace us until the next “design stage.” However, due to shortened product life and design-in cycles in many products, our competitors have increasingly frequent opportunities to supplant our products in next-generation systems.

In the video market, our main competitors include Altera Corporation, Cypress Semiconductor Corporation, Mindspeed Technologies, Inc., National Semiconductor Corporation and Xilinx, Inc. In the communications market, our main competitors include Mindspeed Technologies, Inc., Maxim Integrated Products, Inc., Texas Instruments Incorporated and Vitesse Semiconductor Corporation. In the IP core market, our competitors include Synopsys, Inc. Over the next few years, we expect additional competitors, some of whom may have greater financial and other resources, to enter the market with new products. In addition, we are aware of smaller, privately-held companies that focus on specific portions of our range of products. These companies, individually and collectively, represent future competition for design wins and subsequent sales.

INTELLECTUAL PROPERTY

We utilize proprietary designs and processes in the design and manufacture of our products. We hold patents in various countries, including Canada, the United States, Japan and the United Kingdom. A number of patents are also pending.

We have a number of trademarks in various countries, including Canada, the United States, Japan and the United Kingdom. These include: ActiveConnect, ClearEdge, GENNUM, GEN-Clocks, GenLINX, HD-Linx, ClockCleaner, Aviiia, Snowbush and Enabling Brilliance.

We rely on a combination of patent, copyright, trademark and trade secret laws to protect our rights. In addition, we maintain internal security measures and require non-disclosure and similar provisions in contracts with our employees, customers and suppliers. We consider our intellectual property to be a valuable and growing asset.

PROPERTIES

The Corporation’s business is conducted from leased properties in a number of jurisdictions:

Location	Purpose	Space	Own/Lease
Burlington, Ontario, Canada	Corporate headquarters	60,400 sq. ft.	Lease
Burlington, Ontario, Canada	Operations	20,900 sq. ft.	Lease
Ottawa, Ontario, Canada	Design	16,300 sq. ft.	Lease
Toronto, Ontario, Canada	Design	8,300 sq. ft.	Lease
Calgary, Alberta, Canada	Design	2,700 sq. ft.	Lease
Milpitas, California, USA	Sales and Design	6,000 sq. ft.	Lease
Aguascalientes, Mexico	Design	5,900 sq. ft.	Lease
Tokyo, Japan	Sales	2,700 sq. ft.	Lease

Location	Purpose	Space	Own/Lease
Bishops Stortford, United Kingdom	Design	4,000 sq. ft.	Lease
Taipei, Taiwan	Sales	1,300 sq. ft.	Lease
Munich, Germany	Sales	1,500 sq. ft.	Lease
Bhubaneswar, India	Design	3,400 sq. ft.	Lease

ENVIRONMENTAL POLICY

We have an environmental and health and safety policy in place that addresses applicable requirements under environmental, health and safety laws and our own internal corporate environmental standards. The policy also serves to communicate our environmental, health and safety requirements and programs to employees of the Corporation and to contractors, customers, suppliers and the public as necessary. We periodically evaluate the Corporation's activities, establish objectives and measure our performance in light of the objectives set out in our health and safety policy. The policy provides, among other things, that all employees of the Corporation are to be aware of their roles and responsibilities in fulfilling the objectives of the policy.

We believe that our products are compliant with the requirements of the Restriction of Hazardous Substances Directive ("RoHS"), the European legislation that restricts the use of a number of substances, including lead, mercury and cadmium, effective July 2006.

EMPLOYEES

At the end of the financial year of the Corporation ended November 30, 2010, we employed 386 people in our operations. The functional breakdown of our employees is as follows:

Administrative	Research & Development	Operations ⁽¹⁾	Marketing and Sales	Total ⁽²⁾
64	198	68	56	386

(1) Personnel included under Operations are employed in test operations, supply chain management, facilities and shipping and receiving.

(2) Includes full-time and part-time employees.

We believe that our future success is dependent on our ability to attract and retain highly skilled employees. We are dependent on our highly talented engineers and designers, as well as on skilled sales and marketing personnel, both in Canada and abroad.

RISK FACTORS

We are subject to a number of risks and uncertainties that could significantly affect our financial condition and performance. As we grow, continue our commitment to research and development, and enter into new markets, these risks can increase. Key risks include, among others:

Highly competitive environment – The fabless optical and analog and mixed-signal semiconductor supplier space is extremely competitive. We compete in our target markets with many companies including but not limited to Texas Instruments Incorporated, National Semiconductor Corporation, Maxim

Integrated Products Inc. and Mindspeed Technologies Inc. We compete on the basis of technical performance, product features, price, availability, quality and sales and technical support. Our ability to compete successfully depends on elements both within and outside of our control, including successful and timely development of new products, product performance and quality, product availability, IP protection obtained by us and our competitors, customer service, pricing, industry trends and general economic trends. The entry of new competitors or new technologies into the market, or the introduction of competitive products on a timelier basis, or with superior functionality to our products, could have a material adverse effect on our business, results and financial condition. Please also refer to “Narrative Description of the Business – Competitive Conditions” above.

Economic cycles – Historically, the semiconductor industry has been characterized by wide fluctuations in supply and demand. The industry has also experienced significant downturns, often in connection with, or in anticipation of, declines in general economic conditions. These downturns have been characterized by diminished product demand and production overcapacity. In times of high growth, production capacity may be unavailable. While we maintain constant dialogue with customers to gauge current and expected market conditions and spending patterns, fluctuations in the business environment can occur quickly and with little warning. For instance, in 2009, the semiconductor industry experienced a significant downturn which negatively impacted Gennum’s results in the year. Please also refer to “Narrative Description of the Business – Sales and Distribution – Cyclicalities” above.

Rapid technological change – The semiconductor industry is characterized by rapid technological change. Demand for the Corporation’s products may change in ways it may not anticipate because of evolving industry standards or as a result of evolving customer needs that are increasingly sophisticated and varied, or because of the introduction by competitors of new services and technologies. Innovations aimed at offering enhanced or new services generally may require a substantial investment before the Corporation can determine their commercial viability, and we may not have the financial resources to fund such initiatives. Even if the Corporation were to succeed in creating new services or technologies, they may not produce revenue in excess of the costs of development and they may be quickly rendered obsolete by changing customer preferences or by technologies or features offered by its competitors.

Foreign exchange – We are exposed to foreign currency rate fluctuations as revenue is predominantly earned in U.S. dollars and Japanese yen. Expenses are incurred mainly in Canadian dollars, but also in U.S. dollars and Japanese yen. In addition, we are exposed to rate fluctuations on assets and liabilities denominated in foreign currencies. From time to time, we may utilize a combination of forward, option or spot strategies to manage the risk associated with fluctuations in foreign exchange rates; however, these programs cannot fully offset the long-term impact of foreign currency rate movements.

In 2010, the Corporation estimates that approximately 77% of consolidated revenue and approximately 18% of operating expenses were transacted in U.S. dollars. As well, approximately 23% of consolidated revenue was transacted in Japanese yen and approximately 6% and 4% of operating expenses were transacted in British pounds and Japanese yen, respectively. As a result, the Corporation may experience transaction exposures because of the volatility in the exchange rate between the Canadian and U.S. dollar and between the Canadian dollar and the Japanese yen. During 2009, the Corporation modified its hedging policy to more effectively offset exposure on the translation of U.S. dollar-based net monetary assets to the Canadian dollar functional currency. The conversion of our Canadian dollar consolidated financial statements to the U.S. dollar reporting currency is not hedged, resulting in a reporting exposure of pre-tax \$0.3 million for a \pm change of one cent in the U.S. dollar to Canadian dollar exchange rate.

Reliance on foundries, ASIC providers and test providers and operations – We currently rely on external foundries and Application Specific Integrated Circuit (“ASIC”) providers to manufacture certain products used in our components. We also rely on certain external providers to test products. While we have been able to maintain good relationships with suppliers, economic recoveries in the semiconductor industry can lead to increased demand on these providers. Any disruption in supply could have a material adverse impact on our business, results and financial condition. In addition, we test a significant amount of our products internally. Any disruption in our internal operations as a result of equipment failures, shut-downs or other unforeseen circumstances could have a material adverse impact on our business, results

and financial condition. Please also refer to “Narrative Description of the Business – Production and Services” above.

Reliance on key employees – Our future success is dependent on our ability to attract, retain and motivate highly skilled employees, including our designers, engineers, and support, operations and marketing and sales personnel, as well as our corporate management. We face a high degree of competition in the industry for these highly-skilled employees, which continues to be a challenge. The loss of certain key employees, or the inability to hire and attract key employees, could adversely affect our business, results and financial condition.

Investments and acquisitions – We have made, and may in the future continue to make, strategic investments or acquisitions or enter into joint ventures or strategic alliances with other companies. Such transactions may entail risks, including an inability to successfully integrate businesses, an inability to realize synergies or other value associated with such transactions, the diversion of management’s attention and disruption of ongoing business, and an inability to retain key personnel. A failure to avoid such risks could have a material adverse effect on our business, results and financial condition. In addition, future investments or acquisitions may result in the issuance of additional equity or debt securities, borrowings, and significant one-time costs and write-offs. In the event that we need to raise additional funds, we may not be able to obtain such funds on a timely basis or on acceptable terms.

Need to manage growth and expansion – To manage its growth, including geographic expansion, the Corporation must continue to implement and improve operational, financial, and management information systems and to hire, train, motivate, and effectively manage additional qualified personnel. The continued expansion by the Corporation into international operations exposes the Corporation to additional risks that include greater difficulties in collecting accounts receivable, increased costs with respect to changes in regulatory requirements, challenges in effectively protecting and enforcing intellectual property rights, language barriers, political instability, and potential adverse tax consequences. Failure to successfully manufacture and sell products internationally will impact the Corporation’s ability to increase future revenue and grow the business.

Reliance on key customers – If one or more customers were to delay, reduce or cancel orders, the overall orders could fluctuate and adversely affect revenue either at the corporate or divisional level. Three customers accounted for more than 10% of total revenue each in 2010, two of which were distributors.

Intellectual property – To compete effectively we must protect our proprietary information. We rely on a combination of patent, copyright, trademark and trade secret laws to protect our rights. There can be no assurance that these efforts will prevent misappropriation of such intellectual property by competitors. In addition, although we do not believe we are infringing the intellectual property rights of others, claims of infringement are becoming increasingly common in the industry.

In asserting claims or defending against claims, we may become involved in time-consuming and costly disputes or litigation. An unfavourable judgment or prolonged legal action may have a material adverse effect on our business, results and financial condition.

Taxes and tax credits – We make estimates for income tax expenses and liability, primarily regarding assumptions made in recognizing investment tax credits related to research and development activities in Canada. Our scientific research and experimental development claims for 2008 through to 2010 have not yet been audited. Our financial results could be negatively affected by a determination pursuant to an audit which is adverse to the Corporation.

Risks associated with information systems – The Corporation relies on information systems in its business to obtain, rapidly process, analyze and manage data in all areas of its operations. Results of operations could be adversely affected if these systems are interrupted, damaged by unforeseen events or fail for any extended period of time, including due to the actions of third parties.

Environmental and health and safety – We are subject to a variety of laws, rules and regulations relating to the discharge and disposal of hazardous chemicals used in manufacturing processes and the health and safety of employees. We believe we are complying with these laws, rules and regulations. The failure to comply with present or future regulations could result in legal claims, fines, suspension of production or a cessation of operations. A failure to avoid such results could have a material adverse effect on our business, results and financial condition. Also, we could be required to acquire equipment or incur other expense to achieve compliance, which might result in significant additional costs.

DIVIDENDS

Genum has a dividend policy pursuant to which it currently pays a quarterly dividend. The dividend policy of Genum is periodically reviewed by the board of directors of the Corporation. Our dividend history for the past three financial years of the Corporation is set out below:

Year	Record Date	Payable Date	Dividend Amount (Cdn\$)
2010	February 22, 2011	March 8, 2011	\$0.035
	October 6, 2010	October 20, 2010	\$0.035
	July 7, 2010	July 21, 2010	\$0.035
	April 21, 2010	May 5, 2010	\$0.035
2009	February 24, 2010	March 10, 2010	\$0.035
	October 7, 2009	October 21, 2009	\$0.035
	July 8, 2009	July 22, 2009	\$0.035
	April 8, 2009	April 22, 2009	\$0.035
2008	February 11, 2009	February 25, 2009	\$0.035
	October 8, 2008	October 22, 2008	\$0.035
	July 9, 2008	July 23, 2008	\$0.035
	April 9, 2008	April 23, 2008	\$0.035

CAPITAL STRUCTURE

The authorized share capital of the Corporation consists of an unlimited number of common shares ("Common Shares") and an unlimited number of preference shares, issuable in series, of which, as of February 25, 2011, 35,541,659 Common Shares and no preference shares were issued and outstanding. Each Common Share entitles the holder thereof to dividends if, as and when declared by the directors, to one vote at all meetings of holders of Common Shares, and to participate rateably in any distribution of assets of the Corporation upon liquidation, dissolution, or winding-up, subject to the prior rights of holders of shares ranking in priority to the Common Shares. In the event preference shares are to be issued, the directors are to determine the designation, rights, privileges, restrictions and conditions attaching to each series of such preference shares including, without limitation, the rate or amount of dividends, the dates of payment thereof, and any redemption, purchase or conversion rights.

MARKET FOR SECURITIES

The Common Shares are listed and posted for trading on the TSX under the trading symbol "GND". The following table sets forth the high and low trading prices and trading volumes for Common Shares during the months indicated, as reported by the TSX.

Year	Month	High	Low	Volume
2011	January	7.74	6.93	1,183,092
2010	December	7.13	6.82	487,938
	November	7.20	6.82	961,540
	October	7.25	6.70	716,210
	September	7.41	6.10	930,083
	August	7.10	5.87	360,181
	July	7.11	6.50	1,503,036
	June	7.67	6.40	501,585
	May	8.30	7.02	1,221,297
	April	8.25	6.35	2,342,175
	March	6.70	6.00	1,663,617
	February	6.24	4.40	1,768,391
	2009	January	4.79	4.42
December		4.71	3.99	567,635

DIRECTORS AND OFFICERS

The following table and accompanying information below sets forth, for each director of the Corporation, the name and jurisdiction of residence of such director, the principal occupation of such director during the past five years and the period of time during which such director has served as a director of the Corporation. Directors of the Corporation are elected annually at our annual meeting of shareholders.

Directors:

Name and Jurisdiction of Residence	Director Since	Principal Occupation
Alexander (Sandy) Adam ^{(1) (2)} Ontario, Canada	April 2004	Corporate Director
Steven J. Bilodeau ⁽²⁾ Maine, USA	March 2008	Corporate Director
Thomas W. Cryer ⁽¹⁾ Ontario, Canada	September 2008	Corporate Director
Roger M. Dickhout ⁽³⁾ Ontario, Canada	December 2003	President and Chief Executive Officer of Pineridge Group
Franz J. Fink Ontario, Canada	September 2006	President and Chief Executive Officer of the Corporation
Jeffrey S. McCreary ⁽³⁾ Indiana, USA	March 2008	Independent Consultant
Fred Shlapak ⁽³⁾ Ontario, Canada	April 2004	Corporate Director
Robert S. Weiss ^{(1) (2)} Ontario, Canada	September 2003	Chairman of the Board

- (1) Member of the Audit Committee of the Board. Mr. Cryer serves as Chair of the Audit Committee.
- (2) Member of the Corporate Governance Committee of the Board. Mr. Adam serves as Chair of the Corporate Governance Committee.
- (3) Member of the Human Resource Committee of the Board. Mr. Shlapak serves as Chair of the Human Resource Committee.

The following table and accompanying information below sets forth, for each executive officer of the Corporation, the name and jurisdiction of residence of such person, the title of such person with the Corporation and the principal occupation of such person during the past five years.

Officers:

Name and Jurisdiction of Residence	Title
Robert S. Weiss Ontario, Canada	Chairman of the Board (non-executive)
Franz J. Fink Ontario, Canada	President and Chief Executive Officer
Gary M. Beauchamp Ontario, Canada	Senior Vice-President and General Manager, Mixed Signal and Optical Products
Bruce W. Hannah Ontario, Canada	Senior Vice-President, Human Resources
D. Chad Hutchison Ontario, Canada	Senior Vice-President, General Counsel and Corporate Secretary
R. Greg Miller Ontario, Canada	Senior Vice-President, Finance and Administration and Chief Financial Officer
Klaus D. Mueller Ontario, Canada	Senior Vice-President, Global Sales
Hariharan Subramaniam Ontario, Canada	Vice-President, Operations

Each of our directors and executive officers has held his present principal occupation noted above, or other positions within the same organization, for the past five years except as set out below.

Alexander (Sandy) Adam – Mr. Adam has served as Chair of the Corporate Governance Committee since August 2006. Mr. Adam retired in 2002 from Algoma Steel Inc. (“Algoma”) where he served as its Chief Executive Officer from 1996 until his retirement. In April 2001, Algoma obtained court protection under the *Companies’ Creditors Arrangement Act* (Canada) (“CCAA”). In January 2002, Algoma’s plan of arrangement and reorganization was implemented and Algoma emerged from CCAA protection. Prior to this, he was a Senior Vice-President with Toyota Motor Manufacturing Canada Inc. Mr. Adam was also previously employed with Stelco Inc., where he held various management positions. Mr. Adam joined the board of directors of Hamilton Utilities Corporation, a municipal utilities company, in 2008 and has served as its Chairman since January 1, 2009. From October 2006 to June 2010, Mr. Adam served as a director of HSE Integrated Ltd., a public company providing industrial health, safety and environmental services, and was the chair of its Corporate Governance Committee and a member of its Audit and Compensation Committees.

Steven J. Bilodeau – Mr. Bilodeau currently serves as Chairman of Standard Microsystems Corporation (“SMSC”), a public semiconductor company. He was President and Chief Executive Officer of SMSC from March 1999 to October 2008. Prior to this, he was President of the Semiconductor Equipment Group of Robotic Vision Systems, Inc., a supplier of laser-based inspection systems, device handlers and assembly machines to the semiconductor industry. From February 2004 to present, Mr. Bilodeau has also served as a director of Conexant Systems, Inc., a public semiconductor company, and is a member of its Audit Committee, and Compensation and Management Development Committee. In addition, from November 2009 to present, Mr. Bilodeau has served as a director of Cohu, Inc., a public company which supplies test handling, burn-in and thermal solutions used in the semiconductor industry and in certain communications equipment, and is a member of its Audit, Compensation and Nominating and Governance Committees. From June 2009 to January 2011, Mr. Bilodeau served as a director of Nu Horizons Electronics Corp. which, prior to its acquisition by Arrow Electronics, Inc. in January 2011, was a public company engaged in the distribution of semiconductor, display, illumination, power and system solutions, and was a member of its Audit and Compensation Committees and the chairman of its Governance Committee.

Thomas W. Cryer – Mr. Cryer has served as Chair of the Audit Committee since March 2009. Until his retirement in May 2008, Mr. Cryer was a partner with Deloitte Touche Tohmatsu, an accounting firm, where he served in various executive level and leadership roles for over 20 years, including Executive Chairman and Chief Executive Officer, Nautilus Professional Indemnity, from 1998 to May 2008, Managing Partner, Latin America and the Caribbean from 1996 to 2004, and Chairman of Deloitte & Touche Canada LLP from 1997 to 1998. Mr. Cryer is also a director and the chair of the Audit Committee of Canada Post Corporation, a Crown corporation responsible for mail services in Canada. He is a director of Skyservice Investments, a private company, and is currently a member of the board of St. Michael’s Hospital Foundation, and serves as its treasurer. Mr. Cryer was a director and chair of the Audit Committee of Grey Horse Corporation, a public transfer agency services company, from 2005 to 2007. Mr. Cryer served as a member of the restructured board of directors of Royal Group Technologies Inc. (“Royal Group”), a public buildings products company, from August 2005 to the acquisition of Royal Group by Georgia Gulf Corporation in October 2006. During this time, Royal Group was the subject of a “management” cease trade order issued by Canadian securities regulatory authorities relating to the delay in filing its financial statements for its 2005 financial year. Royal Group ceased to be a reporting issuer under applicable securities legislation in Canada in December 2006 following its acquisition by Georgia Gulf Corporation.

Roger M. Dickhout – Mr. Dickhout has served as President and Chief Executive Officer of Pineridge Group, a company owning and operating a portfolio of private label and specialty branded consumer companies, since August 2004. From 2003 to August 2004, he was a private consultant, serving as President of Private Equity Operating Partners Inc., a strategic and operating consulting firm. From 1999 to 2002, Mr. Dickhout was President and Chief Executive Officer of Canada Bread Company Ltd., a manufacturer and marketer of flour-based products. Prior to this he was a Partner with McKinsey & Company Inc., a management consulting firm. Mr. Dickhout has been a director of World Wildlife Fund Canada, a conservation organization since November 2006, and is currently the Chairman of the Board. Since 2003, Mr. Dickhout has been a director of Investeco Capital Corp., an environmental investment management company.

Franz J. Fink – Dr. Fink was appointed President and Chief Executive Officer of the Corporation in September 2006. Dr. Fink was Senior Vice-President and General Manager of Freescale Semiconductor’s Wireless and Mobile Systems Group from July 2004 until September 2006, having served as Vice-President and General Manager of such division from April 2003. Dr. Fink was General Manager of the 32-bit Embedded Microprocessor Division in Motorola’s Semiconductor Products Sector from April 2001 to April 2003. Prior to this, he held senior management roles with Freescale Semiconductor and Motorola in the United States and Europe.

Jeffrey S. McCreary – Mr. McCreary was Senior Vice-President and Manager, Worldwide Sales and Marketing with Texas Instruments Incorporated (“TI”) from 1998 until his retirement in 2005. He joined TI, a public company, in 1981 and held a variety of senior management positions. He is currently an

independent consultant, and conducts keynote speeches around the globe on sales management, team building and essential general management concepts. Since 2006, Mr. McCreary has served on the board of directors of the Isola Group, a technology-driven, global designer, developer and manufacturer of high performance base materials used in the manufacture of advanced multi-layer printed circuit boards worldwide. Mr. McCreary is also the Executive Director of the National Hockey League Coaches' Association.

Fred Shlapak – Mr. Shlapak has served as Chair of the Human Resource Committee since March 2009. Mr. Shlapak was appointed Executive Vice-President of Motorola Corporation and President and Chief Executive Officer of its Semiconductor Products Sector (located in Austin, Texas) in September 2000, and he held that position until his retirement in 2003. Mr. Shlapak joined Motorola in 1970 as an applications engineer and in 1976 was promoted to head its Canadian semiconductor operations. He later moved to Europe where he held roles of increasing responsibility, eventually leading Motorola's European semiconductor group in Switzerland. From May 2006 to present, Mr. Shlapak has also served as a director of Applied Micro Circuits Corporation ("AMCC"), a public semiconductor company which delivers silicon, hardware and software solutions for global wide area networks, embedded applications, storage area networks and high-growth storage markets. The Corporation competes with AMCC in a limited number of markets. From June 2007 to present, Mr. Shlapak has served as a director of SiGe Semiconductor, a supplier of highly integrated radio frequency, or RF, semiconductor front-end solutions that enable wireless connectivity across a wide range of applications, and currently serves as its Chairman. From September 2004 to June 2009, Mr. Shlapak served as a director of Tundra Semiconductor Corporation, which, prior to its acquisition in June 2009 by Integrated Device Technology, Inc., was a public semiconductor company.

Robert S. Weiss – Mr. Weiss has served as Chairman of the Board of the Corporation since March 2008. He is a Chartered Accountant who was Managing Partner - Ontario for Arthur Andersen & Co., Canada ("Arthur Andersen"), an accounting firm, from 1995 until his retirement in 2000. Prior to this he held various senior positions with Arthur Andersen since 1974. From June 2006 to present, Mr. Weiss has served as a director and the chair of the Audit Committee of Gluskin Sheff + Associates Inc., a public wealth management company. From April 2006 to February 2009, Mr. Weiss also served as a director and the chair of the Audit Committee of Northbridge Financial Corporation, a public insurance company. He continues to serve as a director of the operating subsidiaries of Northbridge Financial. From April 2006 to June 2008, Mr. Weiss served as a director and the chair of the Audit Committee of Cunningham Lindsey Group Inc., a public insurance claim services company.

Gary M. Beauchamp – Mr. Beauchamp joined the Corporation as Director of Business Development in January 2000. He was appointed Director of Data Communications Products in December 2001 and subsequently appointed Vice-President and General Manager of the Data Communications Products group in July 2002. He was appointed Senior Vice-President and General Manager, Optical Products Group in August 2007. In January 2011, Mr. Beauchamp was appointed Senior Vice-President and General Manager, Mixed Signal and Optical Products Group of the Corporation. Prior to joining the Corporation, Mr. Beauchamp was employed with COM DEV International Ltd. where he held several management positions.

Bruce W. Hannah – Mr. Hannah joined the Corporation in May 2007 as Senior Vice-President, Human Resources. He has over 25 years' international experience in human resources, finance and operations. He has held senior human resource positions at MTS Allstream, Quebecor World Inc., Geac Computers and EDS Canada.

D. Chad Hutchison – Mr. Hutchison joined Gennum in February 2008 as Vice-President, General Counsel and Corporate Secretary. Prior to joining the Corporation, Mr. Hutchison was General Counsel and Corporate Secretary of Stelco Inc. (now U.S. Steel Canada Inc.), a steel company. Prior to joining Stelco Inc., Mr. Hutchison was a partner, and prior thereto an associate, engaged in corporate and securities law practice with Fraser Milner Casgrain LLP, a law firm.

R. Gregory Miller – Mr. Miller joined Gennum in February 2010 as Senior Vice-President, Finance and Administration and Chief Financial Officer. Prior to this, he held senior finance positions with WJ Communications, Inc., California Micro Devices Corporation, LSI Logic Corporation and National Semiconductor Corporation.

Klaus D. Mueller – Mr. Mueller joined Gennum in March 2007 as Senior Vice-President, Global Sales. Prior to this he was Vice-President of ZMD AG, a mixed signal semiconductor company based in Germany.

Hariharan Subramaniam – Mr. Subramaniam joined the Corporation in June 2004 as Manager, Test Operations. He was appointed Director of Manufacturing and Test in January 2007, and in February 2010 was appointed Vice-President, Operations. Prior to joining the Corporation, Mr. Subramaniam was employed with STMicroelectronics Group and was in charge of its Phoenix operations as part of its central front-end manufacturing.

Our directors and executive officers, as a group, beneficially own, or exercise control or direction over, directly or indirectly, approximately 441,869 Common Shares as at February 25, 2011, representing approximately 1.2% of the outstanding Common Shares.

CONFLICTS OF INTEREST

Our code of business conduct provides that all directors and officers of the Corporation are expected to avoid situations where personal interests conflict or could reasonably appear to conflict with duties and responsibilities or the interests of Gennum as a whole. The code further provides that, when faced with an actual or potential conflict of interest, directors must inform the Chairman of the Board and comply with the applicable requirements of the *Business Corporations Act* (Ontario) and Gennum's by-laws. Pursuant to these requirements, among other things, any director who is party to an actual or proposed material contract or transaction with Gennum, or who is a director or officer of or has a material interest in any person who is a party to an actual or proposed material contract or transaction with Gennum or a subsidiary of Gennum, is required to disclose in writing to Gennum or ask to have entered into the minutes of meetings of its directors the nature and extent of his interest, and generally is not permitted to attend any part of a meeting of directors during which the contract or transaction is discussed or vote on any resolution to approve the contract or transaction.

Fred Shlapak, one of our directors, serves on the board of directors of AMCC. AMCC delivers silicon, hardware and software solutions for global wide area networks, embedded applications, storage area networks, and high-growth storage markets. We compete with AMCC in a limited number of markets.

LEGAL PROCEEDINGS

In the ordinary course of business, we may become involved in litigation or claims with customers, suppliers, employees or third parties.

MATERIAL CONTRACTS

Other than contracts eligible for the ordinary course of business filing exemption, no material contracts were entered into by the Corporation in the year ended November 30, 2010 or on or after January 1, 2002 which remain in effect.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is CIBC Mellon Trust Company, 320 Bay Street, Toronto, Ontario, Canada M5H 4A6.

EXPERTS

Ernst & Young LLP, Chartered Accountants, have been the auditors of the Corporation for over 20 years, and are independent in accordance with the auditor's Rules of Professional Conduct in Canada.

AUDIT COMMITTEE

Composition and Independence. The current members of the Audit Committee of the Board are Messrs. Adam, Cryer and Weiss. All of the members of the Committee are "independent" within the meaning of National Instrument 52-110, Audit Committees, of the Canadian Securities Administrators ("NI 52-110"). Mr. Cryer is the Chairman of the Committee.

Financial Literacy and Relevant Knowledge and Experience. All members of the Audit Committee are "financially literate" within the meaning of NI 52-110. Messrs. Cryer and Weiss are Chartered Accountants, with experience in the fields of audit and accounting at major accounting firms. Mr. Adam has served as chief executive officer of a public company with significant financial reporting obligations and has the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues comparable to those raised by the financial statements of the Corporation. See "Directors and Officers".

External Auditors' Fees. For its financial years ended November 30, 2010 and November 30, 2009, the Corporation incurred expenses of Cdn\$443,620 and Cdn\$554,373, respectively, relating to services performed by Ernst & Young LLP and its affiliates, as set out below:

	Year Ended November 30, 2010 (Cdn\$)	Year Ended November 30, 2009 (Cdn\$)
Audit fees	\$378,260 ⁽¹⁾	\$368,677 ⁽²⁾
Audit-related fees	65,360	2,976
Non-audit fees	---	<u>182,720</u>
Total	<u>\$443,620</u>	<u>\$554,373</u>

(1) Includes Cdn\$49,200 of audit fees incurred in 2010 in respect of the financial year ended November 30, 2009.

(2) Includes Cdn\$76,721 of audit fees incurred in 2009 in respect of the financial year ended November 30, 2008.

For the purposes of the above table, for the financial years ended November 30, 2010 and 2009, (i) "Audit fees" include fees in respect of the audits of Genum Corporation, Genum Canada Limited, Genum UK Limited and Genum US Limited, and (ii) "Audit-related fees" include a Canadian Public Accountability Board levy fee, fees relating to attendance at Audit Committee Meetings and, for the year ended November 30, 2010, fees relating to the review of Genum's accounting policy choices under International Financial Reporting Standards, which Genum is required to adopt in the near future. For the financial year ended November 30, 2009, "Non-audit fees" include fees for services in connection with the review of quarterly financial statements of the Corporation and relating to the incorporation by reference of financial statements of the Corporation in the management proxy circular of Tundra Semiconductor Corporation ("Tundra") in connection with the terminated acquisition transaction by the Corporation of Tundra

The Mandate of the Audit Committee provides that the Audit Committee is to review and pre-approve all non-audit services conducted by the auditors, and the fees for same, in the manner required and subject to the provisions of applicable securities legislation. The Audit Committee has adopted policies and procedures pertaining to services, including non-audit services, conducted by the auditors of the Corporation. These policies and procedures provide, among other things, that the Audit Committee may delegate the authority to pre-approve certain specified non-audit services to the Chair of the Audit

Committee, provided that the monetary limit of such pre-approved services may not exceed a specific amount.

A copy of the mandate of the Audit Committee is attached as Schedule A to this Annual Information Form. Additional information regarding our Audit Committee can be found in our most recent management information circular.

ADDITIONAL INFORMATION

Additional information with respect to the Corporation, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities, and securities authorized for issuance under equity compensation plans, if applicable, is contained in the Corporation's management information circular for its most recent annual meeting of shareholders. Additional financial information is provided in the Corporation's audited consolidated comparative financial statements and the notes thereto and related management's discussion and analysis for the most recently completed financial year of the Corporation. Additional information relating to the Corporation has been filed with the securities regulatory authorities in Canada and may be accessed at www.sedar.com.

SCHEDULE A
GENNUM CORPORATION
AUDIT COMMITTEE MANDATE

The purpose of the Audit Committee (the “Committee”) is to assist and where appropriate make recommendations to the Board of Directors (the “Board”) of Gennum Corporation (the “Company”) concerning matters relating to financial reporting and controls, the external auditor and financial and other risk. The Committee exists at the pleasure of the Board, and its Mandate may be changed by the Board at any time.

The Committee’s overall duties and responsibilities are to:

- Oversee the financial reporting process and monitor the integrity of the Company’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance.
- Assess the quality of the Company’s financial reporting in order to ensure it presents fairly the condition of the Company.
- Identify and monitor the management of the principal risks that could impact the financial reporting and viability of the Company.
- Oversee the work of the external auditor and review the independence and performance of the Company’s external auditor.

Committee Composition

The Committee shall consist of three or more directors as determined and appointed by the Board, all of whom shall be outside directors who are independent, free from any direct or indirect relationship that, in the opinion of the Board, interferes with the exercise of their independent judgment. In making such determination of independence, the Board shall take into account any rules or guidance provided by the applicable securities regulators and stock exchanges.

All members of the Committee shall be financially literate, being defined as able to read and understand financial statements of comparable breadth and complexity to those of the Company. At least one member of the Committee shall have sufficient accounting or related financial management expertise to be considered a financial expert. The terms “financially literate” and “financial expert” shall be construed in accordance with any rules or guidance provided by the applicable securities regulators and stock exchanges.

The Chairman of the Committee shall be appointed by the Committee. The Committee may appoint its own secretary. The secretary to the Committee need not be a member of the Committee and shall be the Corporate Secretary unless the Committee determines otherwise.

Meetings and Committee Process

The Committee shall meet at least four times per year or more frequently as circumstances dictate. The quorum necessary for the transaction of business at Committee meetings will be a majority of the members of the Committee. Following each meeting the Chairman shall report on the Committee’s activities to the Board. Each member of the Board will have access to the minutes of the Committee’s meetings.

The Committee should meet without management present at least semi-annually with the external auditor. In addition, the Committee should communicate with management quarterly to review the Company's financial statements. Committee meetings will provide, or allow for, independent discussions and input from all Committee members. The Committee will hold unscheduled or regularly scheduled meetings, or portions of each regularly scheduled meeting, at which management (including any management directors) are not present.

Committee liaison with the Company will be principally through the Chief Executive Officer, the Chief Financial Officer and the General Counsel of the Company. The Committee shall have access to, and assistance shall be available from, the Chief Executive Officer of the Company as required. Assistance will also be available from the Manager of Corporate Services of the Company.

The Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and has direct access to the external auditor as well as the books, records, facilities and personnel of the organization. The Committee, or an individual director with the approval of the Committee (not to be unreasonably withheld), has the ability to retain, at the Company's expense, independent legal counsel, or accounting or other consultants, advisors or experts it deems necessary in the performance of its duties.

Specific Functions, Responsibilities and Duties

Committee Operation

- (1) Maintain an awareness of the overall responsibilities and functions of an audit committee, including awareness of developments in applicable law and practices relating to same.
- (2) Review and reassess the adequacy of this Mandate from time to time as appropriate and submit any recommended changes in the Mandate to the Corporate Governance Committee of the Board.
- (3) Periodically assess the effectiveness of the Committee against its Mandate and report the results of the assessment to the Board.

Audit and Auditor

- (4) Annually review the qualifications, expertise and resources and the overall performance of the external auditor and annually recommend to the Board the appointment of the external auditor or, where circumstances warrant, the discharge and replacement of the auditor, subject to any applicable shareholder approval.
- (5) When there is to be a change in the independent auditor, the Committee will review all issues related to the change, including the information to be included in the notice of change of auditor called for under applicable securities rules and regulations, and the planned steps for an orderly transition.
- (6) Require the auditor to report directly to the audit committee.
- (7) The Committee shall review and pre-approve the external auditor's audit plan, and the fees and other significant compensation to be paid to the external auditor for same.
- (8) The Committee shall also review and pre-approve all non-audit services and the fees for same, in the manner required and subject to the provisions of applicable securities legislation.
- (9) Review annually the auditor's engagement letter.
- (10) Review annually management's letter of representation to the auditor.

- (11) Review the independence of the auditor, including at least annually, the Committee obtaining and reviewing a report by the independent auditor describing: (A) all relationships between the independent auditor and the Company, and (B) confirmation that the independent auditor is objective with respect to the Company within the rules of Professional Conduct of the Institute of Chartered Accountants of Ontario. The Committee shall engage in a dialogue with the auditor regarding issues of objectivity and independence.
- (12) Review any audit comments memorandum, including any responses by management.
- (13) Consider the external auditor's judgements about the quality and appropriateness of the Company's accounting principles as reflected in the Company's financial reporting.
- (14) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor.

Financial Statements and Reporting

- (15) Interim Statements – Review the unaudited and consolidated quarterly results and related notes and Management's Discussion and Analysis statements and make the appropriate recommendation to the Board.
- (16) Year End Statements – Review the audited consolidated financial statements and related notes and Management's Discussion and Analysis statements and make the appropriate recommendation to the Board.

Quarter and year-end financial statement review should include, if necessary, discussion with management and the external auditor of significant issues regarding accounting principles and practices and changes thereto, and significant management estimates and judgments.

- (17) News Releases – Review all news releases incorporating any or all of the following: quarterly results, financial statements, Management's Discussion and Analysis and statements of dividends (the latter to be in accordance with the guidelines established by the Board) and make the appropriate recommendation to the Board.
- (18) Public Disclosure Documents – Review any financial information extracted from the year end or interim statements which is to be publicly disclosed.

Review and if appropriate, approve all disclosures pertaining to the Committee and its operations contained in the Company's public disclosure documents.

- (19) Review material financial information, including financial performance guidance, prior to the public disclosure of such information, provided that the Committee may delegate such responsibility to the Chair of the Committee.
- (20) Understand and consider disclosure controls and procedures in respect of all financial reporting to the public. This would include news releases, quarterly and annual financial statements and related Management Discussion and Analysis, conference calls with investors.
- (21) Receive for information financial statements of subsidiaries and review as appropriate.

Oversight

- (22) With a view to safeguarding corporate assets, understand and be satisfied that reasonable internal controls, systems and procedures exist at the Company and its subsidiaries.

4.

- (23) Evaluate the areas of exposure to director and officer liability and consider alternatives for minimizing risk.
- (24) Review the adequacy of the Company's insurance coverage, including the director liability coverage.
- (25) Review legal and regulatory matters that could have a significant impact on the Company's financial statements and assess compliance policies, programs and procedures.
- (26) Consider appropriateness of expense payments relating to benefit plans.
- (27) Consider appropriateness of the expenses of the CEO and review same annually.
- (28) Review and concur in the appointment, reassignment, or dismissal of the Chief Financial Officer.
- (29) Review the reports of the Disclosure and Compliance Committee.
- (30) Monitor the Company's compliance with environmental legislation.
- (31) Monitor the Company's health and safety policy.
- (32) Establish procedures for (a) receiving, retaining and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, and (b) confidential, anonymous submission by employees of Company of concerns regarding questionable accounting or auditing matters.

The Committee shall be responsible for any other function, responsibility or duty required by applicable law or assigned to it by the Board from time to time.

SCHEDULE B

GLOSSARY OF TECHNICAL TERMS

ActiveConnect™

ActiveConnect™ is Gennum's proprietary, ultra high-performance technology that enables cable manufacturers and home theater installers to provide competitively priced, high performance HDMI and DisplayPort connectivity products. ActiveConnect™ is ideal for both the short-range consumer cable and long-range professional installer markets. Applications that benefit from this performance include home theater systems, HDTV, digital set-top boxes, digital projection systems and personal computers.

Analog

Refers to signals or parameters which are continuous in level as opposed to limited to discrete values. Real world phenomena, such as sounds and images, are analog.

ASIC

Application Specific Integrated Circuit (ASIC). This is a custom device, like most of our components, created for a specific market need or customer.

Backplane

An electronic circuit board containing sockets into which additional electronic devices on other circuit boards or cards can be plugged.

CDR

Clock and Data Recovery (CDR) is a generic term used in the video and data communications markets for components which recover the signal (data) and associated timing (clock) after it has traveled through some transmission medium.

Cable Driver

A generic term used in the video and data communications markets for components which buffer and amplify signals for transmission over a cable.

Crosspoint

Crosspoint is a switch which allows multiple input signals to be routed to multiple output signals.

Crosstalk

Crosstalk refers to a signal affecting another nearby signal. Usually the coupling is capacitive, and to the nearest neighbour, but other forms of coupling and effects on signals further away are sometimes important, especially in analog designs.

Enterprise Application

An enterprise application is a software application hosted on a server which simultaneously provides services to a large number of users, typically over a computer network.

Equalizer

A component which compensates for the impairments caused by the medium the signal is travelling in (e.g. copper cables).

FPGA

Field-programmable Gate Array (FPGA) is a semiconductor device that can be configured by the customer or designer after manufacturing. To program an FPGA you specify how you want the chip to work with a logic circuit diagram or a source code in a hardware description language (HDL). FPGAs can be used to implement any logical function that an application-specific integrated circuit (ASIC) could perform, but the ability to update the functionality after shipping offers advantages for many applications.

GigE

Gigabit Ethernet (GbE or 1 GigE) is a term describing various technologies for transmitting Ethernet frames at a rate of a gigabit per second, as defined by the IEEE 802.3-2005 standard. Half-duplex gigabit links connected through hubs are allowed by the specification but in the marketplace full-duplex with switches is the norm.

Gb/s

Gigabits per second. (Also cited as Gbps.)

HDMI

High-Definition Multimedia Interface (HDMI) is a compact audio/video interface for transmitting uncompressed digital data. It represents a digital alternative to consumer analog standards such as Radio Frequency (RF) coaxial cable, composite video, S-Video, SCART, component video, D-Terminal, and VGA. HDMI connects digital audio/video sources such as set-top boxes, Blu-ray Disc players, personal computers (PCs), video game consoles, and AV receivers to compatible digital audio devices, computer monitors, and digital televisions. HDMI supports, on a single cable, any TV or PC video format including standard, enhanced, and high-definition video along with up to 8 channels of digital audio.

HDTV

High-Definition Television (HDTV) refers generically to any TV signal which has higher resolution, or number of pixels, than traditional standard definition TV. Most HDTV formats have a wide screen format.

InfiniBand

InfiniBand is a communications link primarily used in high-performance computing. Its features include quality of service and failover, and it is designed to be scalable. The InfiniBand architecture specification defines a connection between processor nodes and high performance I/O nodes such as storage devices. It is a superset of the Virtual Interface Architecture.

Integrated Circuit

An Integrated Circuit (also referred to as IC) is a silicon chip containing multiple elements that act together to form a complete circuit.

Laser Driver

A component which provides the electrical signals to a laser which then produces the optical (light) transmission pulses used to send a data stream over a glass fiber.

Limiting Amplifier

An amplifier whose output amplitude is limited to a maximum value. Limiting amplifiers are commonly used to amplify electrical signals within an optical receive chain.

Mixed Signal

An integrated circuit that has both digital and analog functions on the same semiconductor chip, permitting a high degree of system integration.

Optical Transceiver

An Optical Transceiver is utilized by telecommunications and networking equipment manufacturers in their optical transmission systems, to convert high-speed electrical signals to optical signals and vice-versa for transmission over fiber optic cables.

PCI Express®

PCI Express (Peripheral Component Interconnect Express), officially abbreviated as PCIe® (PCI-E is also commonly used), is a computer expansion card standard introduced by Intel in 2004, and currently is the most recent and high-performance standard for expansion cards that is generally available on modern personal computers.

PHY

Abbreviation for the Physical Layer of the Open Systems Interconnection (OSI) Reference Model developed by the International Organization for Standardization. A PHY connects a link layer device (often called a MAC) to a physical medium such as an optical fiber or copper cable.

ROSA

ROSA is an acronym for Receiver Optical Sub-Assembly.

Reclocker

A reclocker is a device used to reduce the jitter of a digital signal. This is accomplished by detecting the data rate of the input signal and then recovering a low jitter clock from it. This recovered clock is then used to “relock” the data at the output. Reclockers are useful any time jitter needs to be reduced in SDI applications such as prior to re-transmission in switching systems.

SDI

Serial Digital Interface (SDI) is a standard for digital video transmission over coaxial cable.

Semiconductor

A material with properties of both a conductor and an insulator.

Serial Data Rates

The data rate at which information is transmitted in sequence over a single line, rather than in parallel over two or more lines.

Serializer/Deserializer

Also referred to as a SerDes. This is a generic term used in the video and data communications markets for products which either convert from a slower speed parallel multi-line signal to a single higher speed line signal (Serializer) or from a single higher speed line signal to a slower speed parallel multi-line signal (Deserializer).

SFP+

A form factor for optical interface modules. It is specified to be a smaller size and lower power than an XFP module.

Signal Integrity

Signal Integrity is a measure of the quality of an electrical signal. At high bit rates and over longer distances, various effects can degrade the electrical signal to the point where errors occur, and the device fails. Signal integrity engineering is the task of analyzing and mitigating these impairments.

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TIA

Transimpedance Amplifier (TIA) is an analog component which interfaces to a light sensing element or diode to help produce an amplified electric signal from an optical data stream.

USB

Universal Serial Bus (USB) is a serial bus standard to interface devices to a host computer. USB was designed to allow many peripheral to be connected using a single standard interface socket to improve the Plug and Play capabilities. USB Implementers Forum is the related standards body.

Voltage-Controlled Oscillator

A voltage-controlled oscillator (VCO) is an electronic oscillator designed to be controlled in oscillation frequency by a voltage input. The frequency of oscillation is varied by the applied DC voltage, while modulating signals may also be fed into the VCO to cause frequency modulation (FM) or phase modulation (PM).

XFP

A form factor for 10 Gb/s optical interface modules.