

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): January 2, 2020

AVIAT NETWORKS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	001-33278	20-5961564
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

200 Parker Dr., Suite C100A, Austin, Texas	78728
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (408) 941-7100

(Former Name or Former Address, If Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01 per share	AVNW	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

The information required herein is incorporated by reference to Item 5.02 below.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 2, 2020, Aviat Networks, Inc. (“Aviat” or the “Company”) announced the appointment of Peter Smith as President and Chief Executive Officer of Aviat, effective January 2, 2020, pursuant to an employment agreement (the “Employment Agreement”) with him.

Mr. Smith has over 20 years of experience in business management and leadership, including leading organic and acquisitive growth, operational excellence and profit and loss management at companies across multiple industries. Before joining the Company, Mr. Smith, age 54, was Senior Vice President US Windows and Canada for Jeld-Wen, a manufacturer of windows and doors, since 2017. From 2013 to 2017, Mr. Smith served as President, Transportation and Industrial Segment, for Polypore International, a manufacturer of microporous membranes, where he implemented a strategy for growth in a stagnant lead acid separator business and helped prepare the formerly-public company for its sale to the Asahi Kasei Group in 2015. From 2011 to 2013, Mr. Smith was the Chief Executive Officer and a director of Voltaix Inc., a supplier to the semiconductor industry, until its sale to Air Liquide. Mr. Smith also served on the board of directors of Soleras Advanced Coatings, a specialty materials company, from 2015 to 2018. Earlier in his career, Mr. Smith held a number of executive operational and leadership positions at Cooper Industries’ industrial wireless business, Dover Knowles Electronics’ semiconductor components business and Honeywell Corporation’s specialty materials business. Mr. Smith has a Bachelor of Science degree in Material (Ceramics) Engineering from Rutgers University, received his PhD in Material Science and Engineering from Rutgers University and holds a Master of Business Administration degree from Arizona State University.

Pursuant to the Employment Agreement, Mr. Smith will receive an annual base salary of \$400,000 and be eligible for cash bonus payments of up to an annual aggregate of 70% (with partial years to be paid on a pro-rated basis), subject to the terms of the Company’s Annual Incentive Plan for 2020 and the discretion of the Company’s board of directors.

Mr. Smith will also receive restricted stock units (“RSUs”) pursuant to his Employment Agreement. He will receive 18,750 RSUs which shall vest if and when the price of the Company’s common stock reaches \$22.50, subject to his continuous employment from the grant date until such vesting date. If a vesting threshold is not reached by January 2, 2022, those RSUs shall be cancelled and given no further effect. Mr. Smith will also receive 27,750 RSUs which shall vest if and when the price of the Company’s common stock reaches \$30.00, subject to his continuous employment from the grant date until such vesting date. If a vesting threshold is not reached by January 2, 2023, those RSUs shall be cancelled and given no further effect. In addition, subject to the approval of the Company’s board of directors, Mr. Smith is eligible to participate in the Company’s long-term equity incentive plan beginning in fiscal year 2022.

Mr. Smith employment is at will, and his employment may be terminated by him or the Company at any time, with or without cause or notice.

In the event that Mr. Smith resigns from the Company without “good reason” or Mr. Smith’s employment is terminated by the Company for “cause,” each as defined in the Employment Agreement, he will not be entitled to any compensation or benefits from the Company other than those earned through the date of termination of employment. If Mr. Smith’s employment is terminated by reason of death, he will not be entitled to any compensation or benefits from the Company other than those earned through the date of such termination, except that his estate will receive a pro rata portion of any short-term incentive bonus that he would have earned during the incentive bonus period in which his employment terminates.

If Mr. Smith’s employment is terminated by the Company without cause or in connection with a long-term disability, or if Mr. Smith resigns from his employment for good reason, Mr. Smith will be entitled to the following severance benefits as long as he signs a general release in favor of the Company:

- all compensation and benefits that are earned but unpaid through the date of termination;
- severance payments at Mr. Smith's final base salary rate for a period of 12 months following such termination;
- payment of premiums necessary to continue group health insurance under COBRA for a period of up to 12 months following such termination;
- the prorated portion of any incentive bonus that Mr. Smith would have earned, if any, during the incentive bonus period in which Mr. Smith's employment terminates; and
- with respect to any stock options or other equity-related awards, vesting will cease upon Mr. Smith's termination date, but he will be entitled to purchase any vested shares of stock that are subject to options until the earlier of (a) 12 months following the termination date or (b) the date on which the applicable options expire.

If, within 12 months following any "change of control" (as defined in the employment agreement), Mr. Smith is terminated by the Company without cause or if he resigns from his employment for good reason and signs a release in favor of the Company, he will be entitled to the severance benefits and payments described above, except that he will receive a payment (in lieu of the incentive bonus described above) equal to his target incentive bonus for the year in which his employment terminates. Such payment will be made to Mr. Smith within 15 days following the date on which a general release becomes irrevocable. The Company will also accelerate the vesting of all unvested stock options granted to Mr. Smith by the Company, and all other then-unvested equity-related awards that vest based solely on continued employment by the Company or its affiliates (unless the terms of such other equity-related awards expressly provide that there is not to be any such acceleration). The total cash compensation pursuant in connection with a change of control shall not exceed \$750,000.

The Company has also agreed to compensate Mr. Smith for temporary living expenses in Austin, Texas for three months, up to \$10,000 per month, and relocation expenses up to \$75,000.

Mr. Smith is subject to non-compete provisions during the term of the employment agreement and non-solicitation covenants during the term of his employment agreement and for 12 months after his employment terminates.

Mr. Smith has not engaged in a related party transaction with the Company during the last two fiscal years, and there are no family relationships between Mr. Smith and any of Aviat's executive officers or directors.

Effective as of January 2, 2020, the Company's prior Interim President and Chief Executive Officer, Stan Gallagher, will continue serving the Company in his role as Chief Operating Officer and Principal Financial Officer.

The foregoing summary description of the Employment Agreement is qualified in its entirety by reference to the full text of the Employment Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated herein in its entirety by reference. A copy of the press release announcing Mr. Smith's appointment is furnished as Exhibit 99.1 to this Form 8-K.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	<u>Employment Agreement, dated January 2, 2020, between Aviat Networks, Inc. and Peter Smith.</u>
<u>99.1</u>	<u>Press Release, dated January 2, 2020.</u>

SIGNATURES

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

AVIAT NETWORKS, INC.

Date: January 2, 2020

By: /s/ Walter Stanley Gallagher, Jr.

Name: Walter Stanley Gallagher, Jr.

Title: Chief Operating Officer and Principal Financial Officer

Employment Agreement

Dear Peter:

This letter agreement sets forth the terms of your employment with Aviat Networks, Inc. (the "Company"), as well as our understanding with respect to any termination of that employment relationship. This Agreement will become effective January 2, 2020 (the "Start Date").

1. Position and Duties. You will be employed by the Company as its President and Chief Executive Officer, reporting to the Board of Directors. This position will be based at our location in Austin, Texas, but you will be required to travel to Aviat's other office locations as needed. Business travel expenses will be reimbursed by the Company. You accept employment with the Company on the terms and conditions set forth in this Agreement, and you agree during your employment not to engage in any business, other employment or other activities which would conflict with your obligations to the Company or create an actual or the appearance of a conflict of interest with the Company's interests or your employment relationship with the Company. The Company will recommend that you be elected as a member of the Board at no additional compensation.

2. Term of Employment. Your employment with the Company is at will, which means that your employment is for no specified term, and may be terminated by you or the Company at any time, with or without cause or notice, subject to the provisions of Paragraphs 5 and 6 below.

3. Compensation. You will be compensated by the Company for your services as follows:

(a) Salary: Effective on the Start Date, you will be paid a base salary of \$400,000 per year ("Base Salary"), less applicable taxes and withholdings, in accordance with the Company's normal payroll procedures and applicable law. In conjunction with your annual performance review, the Base Salary will be reviewed by the Board, and may be subject to adjustment based upon various factors including, but not limited to, your performance and the Company's profitability.

(b) Annual Short-Term Incentive Plan: Subject to the Board's discretion to substitute alternative short-term incentives when deemed advisable, and subject to approval of such a plan for Company employees each year, you will be eligible to participate in the Company's Annual Incentive Plan with a target annual bonus of 70% of Base Salary at target, based upon achievement of the same performance objectives, floors and caps determined by the Board for the Annual Incentive Plan for executives generally. Such performance objectives and metrics will be reviewed and set by the Board in the first quarter of each fiscal year. You will participate in any alternative short-term incentive adopted by the Board in lieu of a cash bonus. For fiscal year 2020, you will participate in the FY2020 AIP plan already in place on a pro-rated basis for time worked (6/12ths) of the FY2020 annual award at 70% of Base Salary, but subject to all other terms of the plan, which shall control.

Peter Smith
Employment Agreement

(c) Equity Grants: As soon as practicable after the Start Date, you shall receive an equity award in the form of restricted stock units (“RSUs”). You shall receive 18,750 RSUs which shall vest if and when the price of the Company’s common stock reaches \$22.50, subject to your continuous employment from the grant date until the vesting date. If a vesting threshold is not reached within two years of the Start Date, those RSUs shall be cancelled and given no further effect. You shall receive 27,750 RSUs which shall vest if and when the price of the Company’s common stock reaches \$30, subject to your continuous employment from the grant date until the vesting date. If a vesting threshold is not reached within three years of the Start Date, those RSUs shall be cancelled and given no further effect. Subject to Board approval, you shall be eligible to participate in the FY2022 long-term incentive plan. Both the grants of RSUs and the participation in the FY2022 long-term incentive plan shall be subject to any award agreement and/or the terms of the plan, which shall control.

(d) Benefits: You will have the right, on the same basis as other employees of the Company, to participate in and to receive benefits under any Company group medical, dental, or other group insurance plans, as well as under the Company’s business expense reimbursement, educational assistance, holiday, and other benefit plans and policies. You will also be eligible to participate in the Company’s 401(k) plan and will be eligible to participate in any new benefits for which executives are eligible in the future.

(e) Vacation and Holidays: You will receive 4 weeks of personal, sick or vacation time in accordance with the Company’s PTO policy and will receive paid holiday time in accordance with the Company’s Holiday program.

(f) Earned Compensation: For purposes of those Paragraphs of this Agreement pertaining to termination of the employment relationship, whether involuntary or voluntary, unless otherwise expressly provided herein, no part of (i) the Annual Incentive Plan for the year in which the termination occurs, (ii) no part of any performance shares for any multi-year period or periods in which the termination occurs and (iii) no part of any equity awards that are not vested as of the termination date will be deemed earned as of the date of termination.

4. Relocation.

(a) The Company will pay for temporary living expenses in Austin, Texas for 3 months, with a maximum expenditure of \$10,000 per month. Subsequent housing expenses are your responsibility. You may utilize the services of Cornerstone Relocation to assist with your home sale and marketing, real estate agent selection, home sale program, home finding assistance, temporary living assistance, home purchase assistance, household goods and automobile assistance. There is no cost for Cornerstone’s services provided you follow the Cornerstone process for real estate agent selection.

Peter Smith
Employment Agreement

(b) The Company will reimburse you for the reasonable cost (not to exceed \$75,000) of moving your personal possessions from your current principal residence to a new principal residence in Austin, and for transportation of your immediate family members to Austin

(c) The Company will reimburse you and/or pay directly for the reasonable cost of temporary living accommodations in Austin for up to three months from the Start Date, subject to a maximum of \$10,000 per month.

(d) All reimbursement under this Paragraph 4 will be made in accordance with the Company's expense reimbursement policies and procedures. To the extent reimbursements or payments under this Paragraph create a taxable liability under this Paragraph 4, the Company will reimburse you for the approximate amount of such tax liability, to be paid in the year such taxes are payable, but shall not reimburse more than \$75,000 for such tax liability. Reimbursement shall be made promptly after submission of required documentation, but in any event, no later than the last day of the year following the year in which the expense is incurred.

5. Termination. Your employment may be terminated under the circumstances set forth below. In all cases, upon termination, you (or your estate) shall receive reimbursement for any approved Company expenses and, except for termination under Paragraph 5(d), you (or your estate) shall receive any accrued, but unused PTO time. In all cases, except as otherwise provided herein, you shall cease vesting and immediately forfeit all unvested equity awards.

(a) Voluntary Termination. In the event that you voluntarily resign from your employment with the Company (other than for Good Reason or Good Reason Following a Change of Control as defined in Paragraphs 5(f) and 6(b)), you will be entitled to no compensation or benefits from the Company other than those earned under Paragraph 3 through the date of termination. You agree that if you voluntarily terminate your employment with the Company for any reason, you will provide the Company with at least 10 business days' written notice of your resignation. The Company shall have the option, in its sole discretion, to make your resignation effective at any time prior to the end of such notice period, provided the Company pays you an amount equal to the base salary and benefits you would have earned through the end of the notice period.

(b) Termination on Account of Death. In the event that your employment terminates as a result of your death, you will be entitled to no compensation or benefits from the Company other than those earned under Paragraph 3 through the date of termination. However, the Company will pay your estate the prorated portion of any short-term incentive bonus that you would have earned during the incentive bonus period in which your employment terminates (the pro-ration shall be equal to the percentage of that bonus period that you are actually employed by the Company); such prorated bonus will be paid at the time that such incentive bonuses are paid to other Company employees.

Peter Smith
Employment Agreement

(c) Termination by Disability: If, by reason of any physical or mental incapacity, you have been or will be prevented from performing your then-current duties under this Agreement with reasonable accommodation, then, to the extent permitted by law, the Company may terminate your employment without any advance notice. Upon such termination, if you sign a general release of known and unknown claims in a form satisfactory to the Company which becomes valid and irrevocable within 60 days of your termination, and you fully comply with your obligations under Paragraphs 7, 8 and 10 of this Agreement, the Company will provide you with a pro-rated bonus as a severance payment as described in Paragraph 5(e)(iii). Any stock options or other equity-related awards granted to you by the Company shall be treated as described in Paragraph 5(e)(iv). Nothing in this paragraph shall affect your rights under any applicable Company disability plan.

(d) Termination for Cause: The Company may terminate your employment at any time for Cause (as described below) without providing any notice (except to the extent expressly provided below). If your employment is terminated by the Company for Cause, you shall be entitled to no compensation or benefits from the Company other than those earned under Paragraph 3 through the date of your termination. For purposes of this Agreement, a termination for Cause occurs if you are terminated for any of the following reasons: (i) theft, dishonesty, misconduct or falsification of any employment or Company records; (ii) improper disclosure of the Company's confidential or proprietary information; (iii) any action by you which has a material detrimental effect on the Company's reputation or business; (iv) your refusal or inability to perform any assigned duties (other than as a result of a disability), after written notice from the Company to you of, and a 30-day opportunity to cure, such refusal or inability; (v) your material breach of this Agreement or of the employee proprietary information/confidentiality/assignment of inventions agreement not otherwise described in this paragraph, after written notice from the Company to you of, and a 30-day opportunity to cure, such breach; (vi) your violation of the Company's Code of Conduct; or (vii) your conviction (including any plea of guilty or no contest) for any criminal act that impairs your ability to perform your duties under this Agreement.

(e) Termination Without Cause: The Company may terminate your employment without Cause at any time with or without advance notice. If your employment is terminated by the Company without Cause, and you sign a general release of known and unknown claims in a form satisfactory to the Company within the applicable review period which thereupon is (or, if any revocation period is required by law, following expiration of such period becomes) valid and irrevocable within 60 days of your termination, and you fully comply with your obligations under Paragraphs 7, 8 and 10, you will receive the following severance benefits:

(i) payments at your final Base Salary rate for a period of twelve (12) months following your termination; such payments will be subject to applicable withholding and made in accordance with the Company's normal payroll practices; provided, however, that any such payments that would have been paid in accordance with the Company's normal payroll practices before your release becomes valid and irrevocable will accumulate and be paid only if and when both (x) your release becomes valid and irrevocable and (y) such validity and irrevocability in no event occurs more than 60 days after your termination;

Peter Smith
Employment Agreement

(ii) payment of the premiums necessary to continue your group health insurance under COBRA provided you have timely elected COBRA coverage until the earlier of (x) twelve (12) months following your termination date; or (y) the date you first became eligible to participate in another employer's group health insurance plan; or (z) the date on which you are no longer eligible for COBRA coverage;

(iii) the Company will pay you the prorated portion of any incentive bonus that you would have earned, if any, during the incentive bonus period in which your employment terminates (the pro-ration shall be equal to the percentage of that bonus period that you are actually employed by the Company), and such prorated bonus will be paid to you at the time that such incentive bonuses are paid to other Company employees, or at any earlier time required by applicable law; and

(iv) with respect to any stock options or other equity-related awards granted to you by the Company, you will cease vesting upon your termination date; however, you will be entitled to purchase any vested shares of stock that are subject to those options until the earlier of (x) twelve (12) months following your termination date, or (y) the date on which the applicable option(s) expire(s); except as set forth in this subparagraph, your Company stock options and other equity-related awards will continue to be subject to and governed by the Plan and the applicable agreements between you and the Company.

(f) Resignation for Good Reason: If you resign from your employment with the Company for Good Reason (as defined in this paragraph), and such resignation does not qualify as a resignation for Good Reason Following a Change of Control (as defined in Paragraph 6(b), and you sign a general release of known and unknown claims in a form satisfactory to the Company within the applicable review period which thereupon is (or, if any revocation period is required by law, following expiration of such period becomes) valid and irrevocable within 60 days of your termination, and you fully comply with your obligations under Paragraphs 7, 8 and 10, you shall receive the severance benefits described in Paragraph 5(e). For purposes of this Paragraph, "Good Reason" means any of the following conditions, which condition(s) remain in effect 60 days after written notice from you to the Chairman of said condition(s):

(i) a reduction in your Base Salary, below the Base Salary in effect as of the Start Date, other than a reduction that is similarly applicable to all members of the Company's executive staff; or

(ii) a material diminution in your authority, duties and responsibilities;

(iii) your dismissal from the Board of Directors, except as incident to your termination from employment; or

(iv) the relocation of the Company's workplace to a location that is more than 75 miles from its planned location in Austin,

TX.

The foregoing condition(s) shall not constitute "Good Reason" if you do not provide the Chairman with the written notice described above within 45 days after you first become aware of the condition(s).

Peter Smith
Employment Agreement

(g) Termination or Resignation For Good Reason Following a Change of Control: If, within 12 months following any Change of Control (as defined below), your employment is terminated by the Company without Cause, or if you resign from your employment with the Company for Good Reason Following a Change of Control (as defined below), and you sign a general release of known and unknown claims in a form satisfactory to the Company within the applicable review period which thereupon is (or, if any revocation period is required by law, following expiration of such period becomes) valid and irrevocable within 60 days of your termination, and you fully comply with your obligations under Paragraphs 7, 8 and 10, you shall receive the severance benefits described in Paragraph 5(e). In addition, if such termination occurs, you shall receive a payment (in lieu of any payment under subparagraph 5(e)(iii)) equal to your target incentive bonus for the year in which your employment terminates. Such payment will be made to you within 15 days following the date on which the general release of claims described above becomes irrevocable. The Company will also accelerate the vesting of all unvested stock options granted to you by the Company, and all other then-unvested equity-related awards that vest based solely on continued employment by the Company or its affiliates (unless the terms of such other equity-related awards expressly provide that there is not to be any such acceleration. The total cash compensation pursuant to this section shall not exceed \$750,000.

6. Change of Control/Good Reason.

(a) For purposes of this Agreement, a “Change of Control” of the Company shall mean the occurrence of any of the following:

(i) any merger, consolidation, share exchange or Acquisition, unless, immediately following such merger, consolidation, share exchange or Acquisition, at least 50% of the total voting power (in respect of the election of directors, or similar officials in the case of an entity other than a corporation) of (A) the entity resulting from such merger, consolidation or share exchange, or the entity which has acquired all or substantially all of the assets of the Company (in the case of an asset sale that satisfies the criteria of an Acquisition) (in either case, the “Surviving Entity”), or (B) if applicable, the ultimate parent entity that directly or indirectly has beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of the total voting power (in respect of the election of directors, or similar officials in the case of an entity other than a corporation) of the Surviving Entity (the “Parent Entity”) is represented by Company securities that were outstanding immediately prior to such merger, consolidation, share exchange or Acquisition (or, if applicable, is represented by shares into which such Company securities were converted pursuant to such merger, consolidation, share exchange or Acquisition), or

(ii) any person or group of persons (within the meaning of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended and in effect from time to time) directly or indirectly acquires beneficial ownership (determined pursuant to Securities and Exchange Commission Rule 13d-3 promulgated under the said Exchange Act) other than through a merger, consolidation, share exchange, or Acquisition, of securities possessing more than 50% of the total combined voting power of the Company’s outstanding securities other than (A) an employee benefit plan of the Company or any of its Affiliates, (B) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, or (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or

Peter Smith
Employment Agreement

- (iii) a majority of the Board determines that a Change of Control has occurred, or
- (iv) the complete liquidation or dissolution of the Company.

For the purposes of this Agreement, the term "Affiliate" means any corporation, partnership, limited liability company, business trust, or other entity controlling, controlled by or under common control with the Company, and "Acquisition" means a merger or consolidation of the Company into another person (i.e., which merger or consolidation the Company does not survive) or the sale, transfer, or other disposition of all or substantially all of the Company's assets to one or more persons in a single transaction or series of related transactions.

(b) For purposes of this Agreement, "Good Reason Following a Change of Control" means any of the following conditions, which condition(s) remain in effect 60 days after written notice from you to the Chairman of said condition(s):

- (i) a material and adverse change in your position, duties or responsibilities for the Company, as measured against your position, duties or responsibilities immediately prior to the Change of Control; or
- (ii) a reduction in your Base Salary as measured against your Base Salary immediately prior to the Change in Control; or
- (iii) a material reduction in your employee benefits, other than a reduction that is similarly applicable to a majority of the members of the Company's executive staff; or
- (iv) the relocation of the Company's workplace to a location that is more than 75 miles from its planned location in Austin, TX.

7. Confidential and Proprietary Information: As a condition of your employment, you agree to sign and abide by the Company's standard form of employee proprietary information/confidentiality/assignment of inventions agreement.

8. Termination Obligations.

(a) You agree that all property, including, without limitation, all equipment, proprietary information, documents, books, records, reports, notes, contracts, lists and computer files and data, and copies thereof, created on any medium and furnished to, obtained by, or prepared by you in the course of or incident to your employment, belongs to the Company and shall be returned to the Company promptly upon any termination of your employment.

Peter Smith
Employment Agreement

(b) Upon your termination for any reason, and as a condition of your receipt of any severance benefits hereunder, you will promptly resign in writing from all offices and directorships then held with the Company or any affiliate of the Company.

(c) Following the termination of your employment with the Company for any reason, you shall fully cooperate with the Company in all matters relating to the winding up of pending work on behalf of the Company and the orderly transfer of work to other employees of the Company. You shall also cooperate in the defense of any action brought by any third party against the Company.

9. Limitation of Payments and Benefits.

To the extent that any of the payments and benefits provided for in this Agreement or otherwise payable to you (the "Payments") constitute "parachute payments" within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code"), the amount of such Payments shall be either:

(a) the full amount of the Payments, or

(b) a reduced amount that would result in no portion of the Payments being subject to the excise tax imposed pursuant to Section 4999 of the Code (the "Excise Tax"), whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by you, on an after-tax basis, of the greatest amount of benefit. In the event that any Excise Tax is imposed on the Payments, you will be fully responsible for the payment of any and all Excise Tax, and the Company will not be obligated to pay all or any portion of any Excise Tax.

10. Other Activities. You agree that during your employment and for a period of one year following the termination of your employment (the "Restricted Period"), you will not, as a compensated or uncompensated officer, director, consultant, advisor, partner, joint venturer, investor, independent contractor, employee or otherwise, provide any labor, services, advice or assistance to any entity or its successor involved in the design, manufacture, distribution (directly or indirectly), or integration of any digital microwave products and used in terrestrial microwave point-to-point telecommunications networks anywhere in the world. You acknowledge and agree that the restrictions contained in the preceding sentence are reasonable and necessary. You also agree that during the Restricted Period, you will not solicit any employee of the Company directly or indirectly to leave employment with the Company for any purpose, including but not limited to for purposes of providing labor, services, advice or assistance to any entity or individual. You also agree that during the Restricted Period, you may not, directly or indirectly, solicit or attempt to solicit business from the Company's customers or actively sought prospective customers with whom you had contact during your employment for the purpose of providing products or services that are competitive with those provided by the Company. In the event of your breach of this Paragraph, the Company shall not be obligated to provide you with any further severance payments or benefits subsequent to such breach, in addition to other remedies available under applicable laws. If any of the covenants contained in this Paragraph 10 are held to be unenforceable by a court of competent jurisdiction because of the temporal or geographic scope of such provision or the area covered thereby, the parties agree that the court making such determination shall have the power to reduce the duration and/or geographic area of such provision and, in its reduced form, such provision shall be enforceable. You agree that (i) the provisions of this Paragraph 10 are necessary and reasonable to protect the Company's confidential information, inventions, and goodwill; (ii) the specific temporal and substantive provisions are reasonable and necessary to protect the Company's business interests; and (iii) in the event of any breach of any of the covenants set forth herein, the Company would suffer substantial irreparable harm and would not have an adequate remedy at law for such breach. In recognition of the foregoing, you agree that in the event of a breach or threatened breach of any of these covenants, in addition to such other remedies as the Company may have at law, without posting any bond or security, the Company shall be entitled to seek and obtain equitable relief, in the form of specific performance, and/or temporary, preliminary or permanent injunctive relief, or any other equitable remedy which then may be available. The seeking of such injunction or order shall not affect the Company's right to seek and obtain damages or other equitable relief on account of any such actual or threatened breach.

Peter Smith
Employment Agreement

11. Dispute Resolution. The parties agree that any suit, action, or proceeding arising out of or relating to this Agreement, the parties' employment relationship, or the termination of that relationship for any reason, shall be brought in the appropriate state or federal court appropriate for disputes arising in Austin, Texas, and you agree to submit to the personal jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection they may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Paragraph 11 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

12. Compliance with Section 409A of the Internal Revenue Code. This Agreement is intended to comply with, or otherwise be exempt from, Section 409A of the Code and the rules and regulations promulgated thereunder (collectively, "Section 409A"). However, the Company has not made and is making no representation to you relating to the tax treatment of any payment pursuant to this Agreement under Section 409A and the corresponding provisions of any applicable State income tax laws.

Notwithstanding anything to the contrary in this Agreement, any payments or benefits due hereunder upon a termination of employment which are a "deferral of compensation" within the meaning of Section 409A shall only be payable or provided to you upon a "separation from service" as defined for purposes of Section 409A. In addition, if you are a "specified employee" as determined pursuant to Section 409A as of the date of your separation from service, as so defined, and if any payments or entitlements provided for in this Agreement constitute a "deferral of compensation" within the meaning of Section 409A and cannot be paid or provided in the manner provided herein without subjecting you to additional tax, interest or penalties under Section 409A, then any such payment or entitlement which is otherwise payable during the first six months following your separation from service shall be paid or provided to you in a lump sum on the earlier of (i) the first business day of the seventh calendar month immediately following the month in which your separation from service occurs or (ii) the date of your death. To the extent required to satisfy the provisions of the foregoing sentence with respect to any benefit to be provided in-kind, the Company shall bill you, and you shall promptly pay, the value for tax purposes of any such benefit and the Company shall therefore promptly refund the amount so paid by you as soon as allowed by the foregoing sentence.

Peter Smith
Employment Agreement

For purposes of Section 409A, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. With respect to any reimbursement of your expenses, or any provision of in-kind benefits to you, as specified under this Agreement, such reimbursement of expenses or provision of in-kind benefits shall be subject to the following conditions: (1) the expenses eligible for reimbursement or the amount of in-kind benefits provided in one taxable year shall not affect the expenses eligible for reimbursement or the amount of in-kind benefits provided in any other taxable year, except for any medical reimbursement arrangement providing for the reimbursement of expenses referred to in Section 105(b) of the Code; (2) the reimbursement of an eligible expense shall be made no later than the end of the year after the year in which such expense was incurred; and (3) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

13. Severability. If any provision of this Agreement is deemed invalid, illegal or unenforceable, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected.

14. Confirmation of Rights which Are not Dependent Upon Signing a Release. Whether or not you sign a release as provided in certain provisions of this Agreement, (a) you will be paid all wages due as of your last day of work, (b) your health care coverage as a primary insured under the Company's health plan will continue through the end of the month in which your last day of work falls, (c) thereafter, you (or your family) will be eligible for continuation of health insurance at your own expense if you timely elect coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"), and (d) you (or your family) will receive information regarding your right to continue health insurance under COBRA.

15. Applicable Withholding. All salary, bonus, severance and other payments identified in this Agreement are subject to applicable withholding by the Company.

16. Assignment. In view of the personal nature of the services to be performed under this Agreement by you, you cannot assign or transfer any of your obligations under this Agreement.

17. Entire Agreement. This Agreement and the agreements referred to above constitute the entire agreement between you and the Company regarding the terms and conditions of your employment, and they supersede all prior negotiations, representations or agreements between you and the Company regarding your employment, whether written or oral. This Agreement sets forth our entire agreement regarding the Company's obligation to provide you with severance benefits upon any termination of your employment, and you shall not be entitled to receive any other severance benefits from the Company pursuant to any Company severance plan, policy or practice.

Peter Smith
Employment Agreement

18. Governing Law. The Agreement, and any disputes related thereto, shall be governed by and interpreted in accordance with the laws of the State of Texas, regardless of any conflict of law principles requiring the application of any other law.

19. Modification. This Agreement may only be modified or amended by a supplemental written agreement signed by you and an authorized representative of the Board.

20. Indemnification, Advancement, Insurance. You will be entitled to indemnification and advancement in accordance with the Company's bylaws as currently in effect. The Company will provide reasonable directors' and officers' insurance coverage for its directors and officers, including you.

Please sign and date this letter on the spaces provided below to acknowledge your acceptance of the terms of this Agreement.

Sincerely,

Aviat Networks, Inc.

By: /s/ Walter Stanley Gallagher
Walter Stanley Gallagher

I agree to and accept employment with Aviat Networks, Inc. on the terms and conditions set forth in this Agreement.

Dated: December 16, 2019

/s/ Peter Smith
Peter Smith

Aviat Networks Names Peter Smith as Its New President and Chief Executive Officer

AUSTIN, Texas – January 2, 2020 – Aviat Networks, Inc. (NASDAQ: AVNW), the leading expert in wireless transport solutions, today announced the appointment of Peter Smith as President and Chief Executive Officer. Mr. Smith's employment with the Company is effective as of today and concludes an extensive search process undertaken by the Board of Directors. Stan Gallagher, who took on the additional role as Interim Chief Executive Officer in September 2019, will remain with the Company, serving as Chief Operating Officer and Principal Financial Officer.

John Mutch, chairman of the board of directors of Aviat Networks stated, "The addition of Pete to our team is a win for Aviat and all of our stakeholders as he comes to us with a proven track record of creating value. He brings vast operational, business development and M&A experience, which the board believes is highly complementary, and will blend very well with the talent we have assembled. This is critical as we are moving into an expected period of growth and improved profitability, while concurrently looking at all avenues that will drive a new cycle of value creation."

Mr. Smith brings more than 25 years of leadership experience in business management, having most recently served as Senior Vice President, US Windows and Canada for Jeld-Wen (NYSE: JELD), one of the world's largest door and window manufacturers. In this role, he had full profit and loss responsibility for Jeld-Wen's \$1B+ windows business and helped deliver growth and improved profitability through the implementation of lean manufacturing principles and strategic growth programs. Prior to Jeld-Wen, he served as President of Polypore International's Transportation and Industrial segment, where he implemented a strategy for growth in a stagnant business and helped prepare the former public company for sale to the Asahi Kasei Group. Previously, he served as Chief Executive Officer and a director of Voltaix Inc., a specialty chemicals manufacturer and supplier to the semiconductor industry, until its sale to Air Liquide.

Earlier in his career, Mr. Smith held a number of executive leadership positions at Fortune 100 and Fortune 500 companies including Cooper Industries (wireless business), Dover Knowles Electronics (semiconductor components business) and Honeywell Specialty Materials (display business). In these roles, he held various responsibilities in the areas of operations, sales and marketing, business development, and mergers and acquisitions. Mr. Smith also served on the board of Soleras Advanced Coatings, a specialty materials company from 2015 to 2018. He has a Bachelor of Science degree in Material (Ceramics) Engineering from Rutgers University, received his PhD in Material Science and Engineering from Rutgers University and holds a Master of Business Administration degree from Arizona State University.

Mr. Smith added, “I am very excited to join Aviat and truly looking forward to working with Stan, the leadership team and our talented employees, as we seek to grow our business and enhance our competitive position. The Company has a strong brand and the trust of its customers, innovative and differentiated solutions, and is entering a phase of anticipated growth. It is my goal to support the team in its execution of operational excellence programs, while leveraging my skillsets to enhance our platform further, potentially expand into new business areas or markets, and ultimately, lead to a stronger offering for our customers and greater value for our shareholders.”

About Aviat Networks

Aviat Networks, Inc. is the leading expert in wireless transport solutions and works to provide dependable products, services and support to its customers. With more than one million systems sold into 170 countries worldwide, communications service providers and private network operators including state/local government, utility, federal government and defense organizations trust Aviat with their critical applications. Coupled with a long history of microwave innovations, Aviat provides a comprehensive suite of localized professional and support services enabling customers to drastically simplify both their networks and their lives. For more than 70 years, the experts at Aviat have delivered high performance products, simplified operations, and the best overall customer experience. For more information, visit www.aviatnetworks.com or connect with Aviat Networks on [Twitter](#), [Facebook](#) and [LinkedIn](#).

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