# 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 20, 2016

# AVIAT NETWORKS, INC.

(Exact name of registrant as specified in its charter)

Delaware001-3327820-5961564(State or other jurisdiction<br/>of incorporation)(Commission File<br/>Number)(I.R.S. Employer<br/>Identification No.)

Address of principal executive offices: 5200 Great America Parkway, Santa Clara, CA 95054

Registrant's telephone number, including area code: 408-567-7000

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:

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

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

On January 20, 2016, Aviat Networks, Inc. (the "Company") announced the appointment of Eric Chang as the Company's Vice President and Principal Accounting Officer. Mr. Chang's employment with the Company will commence on February 3, 2016.

Before joining the Company, Mr. Chang, , was a Senior Director and Corporate Controller at Micrel from November 2013 to January 2016 and has an active CPA Prior to Micrel, Mr. Chang held senior accounting positions at Atmel from June 2007 to November 2013 and worked at both Ernst & Young and PricewaterhouseCoopers earlier in his career.

Mr. Chang does not have a family relationship with any of the officers or directors of the Company.

There are no related party transactions reportable under Item 5.02 of Form 8-K and Item 404(a) of Regulation S-K.

The Company entered into an employment agreement with Mr. Chang in connection with his appointment as Vice President and Principal Accounting Officer. The Company may terminate Mr. Chang's employment without cause at any time and Mr. Change may terminate his employment with the Company with at least 10 business days' notice to the Company.

The employment agreement provides for an annual base salary of \$240,000, subject to annual review and adjustment by the Company's Board of Directors (the "Board"). Mr. Chang will also be eligible to participate in the Company's Annual Incentive Plan with a target annual bonus of 30% of annual base salary, based upon achievement of the same performance objectives, floors and caps determined by the Board for the Annual Incentive Plan for executives generally. For fiscal year 2016, Mr. Chang's participation will be prorated based upon his hire date.

Mr. Chang will be eligible to participate in the Company's Long-Term Incentive Program with a target value of 30% of base salary as determined by the Board. For fiscal year 2016, Mr. Chang's participation will be prorated based upon his hire date.

Mr. Chang will also receive a one-time award of 75,000 shares of restricted stock with a four-year vesting period (25%/25%/25%), with the first applicable vesting date for such awards on the first anniversary of his start date and additional vesting on each anniversary of such date thereafter.

In the event that Mr. Chang resigns from the Company without "good reason" or Mr. Chang'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. Chang'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. Chang's employment is terminated by the Company without cause or in connection with a long-term disability, or if Mr. Chang resigns from his employment for good reason, Mr. Chang 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;
- monthly severance payments at Mr. Chang's final base salary rate for a period of six months following such termination;
- payment of premiums necessary to continue group health insurance under COBRA for a period of up to six months following such termination;
- the prorated portion of any incentive bonus that Mr. Chang would have earned, if any, during the incentive bonus period in which Mr. Chang's employment terminates;
- with respect to any stock options or other equity-related awards, vesting will cease upon Mr. Chang's termination date, but he will be entitled to purchase any vested shares of stock that are subject to options

until the earlier of (1) 12 months following the termination date or (2) the date on which the applicable options expire; and

reasonable outplacement assistance selected and paid for by the Company for up to six months.

If, within 18 months following any "change of control" (as defined in the employment agreement), Mr. Chang 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 monthly severance payments, COBRA benefits and outplacement assistance for 12 months instead of six months.

In addition, Mr. Chang will receive a payment (in lieu of the payment described in the fourth bullet above) equal to the greater of (1) the average of the annual incentive bonus payments received by him, if any, for the previous three years; and (2) his target incentive bonus for the year in which his employment terminates. The Company will also accelerate the vesting of all unvested stock options and all other then-unvested equity-related awards that vest based solely on continued employment.

Mr. Chang 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.

#### Item 9.01. Financial Statements and Exhibits.

- (d) Exhibits.
- 10.1 Employment Agreement, dated January 20, 2016, between Aviat Networks, Inc., and Eric Chang.

#### 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 20, 2016 By: /s/ Michael Pangia

Name: Michael Pangia

Title: President and Chief Executive Officer

## EXHIBIT INDEX

Exhibit No. Under Regulation S-K, Item 601

Description

10.1 Employment Agreement, dated January 20, 2016, between Aviat Networks, Inc. and Eric Chang.



Eric Chang 18088 King Court Saratoga, CA 95070

### **Re: Employment Agreement**

Dear Eric:

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 on your first day of employment, which is anticipated to be February 3, 2016.

- 1. <u>Position and Duties</u>. You will be employed by the Company as a Vice President, Corporate Controller and Principal Accounting Officer reporting to the Chief Finance Officer. This position will be based at our location in Santa Clara, California. You accept full-time 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.
- 2. <u>Term of Employment</u>. 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 4 and 5 below.
  - 3. <u>Compensation</u>. You will be compensated by the Company for your services as follows:
- (a) <u>Salary</u>: You will be paid a monthly base salary of \$20,000.00 (\$240,000.00 per year), less applicable withholding, in accordance with the Company's normal payroll procedures and applicable law. In conjunction with your annual performance review, which will occur at or about the start of each fiscal year (currently July 1<sup>st</sup>, 2016) your 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. Your base salary will not be reduced except as part of a salary reduction program that similarly affects all members of the executive staff reporting to the Chief Executive Officer of the Company.
- (b) <u>Annual Short-Term Incentive Plan</u>: Subject to the Board's approval of such a plan for Company employees each year, starting in FY2016, you will be eligible to participate in the

Company's Annual Incentive Plan with a target bonus of 30% of your annual base salary, based upon achievement of the same performance objectives, floors, cap and valuations determined by the Board for the Annual Incentive Plan for executives generally. For FY2016 your participation will be pro-rated based upon your hire date.

- (c) <u>Long-Term Incentive Program</u>: Subject to Board approval of such a plan for the Company employees each year starting with FY 2016, you will be eligible to participate in a Long-Term Incentive Plan with a target value of 30% of your base salary as determined by the Board. The structure for future periods is subject to determination by the Board each year. For FY2016 your LTIP grant will be pro-rated based upon your date of hire.
- (d) New Hire One-Time Equity Awards: You will also receive an award of 75,000 restricted shares with a 4-year vesting period, 25% of grant vesting at each applicable period, with the first applicable vesting date for such awards on the first anniversary of your start date and additional vesting on each anniversary of such date thereafter, subject to your continued service through each vesting date. Such awards shall be made within thirty (30) days of your start date and will be subject to the Company's 2007 Stock Equity Plan, as amended, and the terms of a form of restricted share agreement thereunder.
- (e) <u>Benefits</u>: 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, life, disability 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.
- (f) <u>Vacation</u>: Once your employment begins, you will accrue paid vacation at the rate of 3 weeks per year. Maximum accrued vacation will be in accordance with the Company's vacation policy.
- (g) <u>Earned Compensation</u>: 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) any performance-vesting equity or other awards for any period in which the termination occurs and (iii) any time-vesting equity or other awards that are not vested as of the termination date will be deemed earned as of the date of termination.
- 4. <u>Voluntary Termination or Death</u>. 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(d) and 6(b)), or 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, if your employment terminates as a result of your death, 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. 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.

- 5. <u>Other Termination</u>. Your employment may be terminated under the circumstances set forth below.
- (a) <u>Termination by Disability</u>: 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, the Company will provide you with the severance payments and benefits described in Paragraph 5(c). Nothing in this paragraph shall affect your rights under any applicable Company disability plan; provided, however, that your severance payments will be offset by any disability income payments received by you so that the total monthly severance and disability income payments during your severance period shall not exceed your then-current base salary.
- (b) 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 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; or (vi) 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.
- (c) <u>Termination Without Cause</u>: 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 six (6) 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;

- (ii) payment of the premiums necessary to continue your group health insurance under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") provided you have timely elected COBRA coverage until the earlier of (x) six (6) 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;
- (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 Company's Stock Equity Plan (as amended from time to time, the "Plan") and the applicable agreements between you and the Company; and
- (v) reasonable outplacement assistance selected and paid for by the Company for a period of up to six months.
- (d) 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(c). 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 Chief Executive Officer of said condition(s):
- (i) a reduction in your base salary of 20% or more, other than a reduction that is similarly applicable to all members of the Company's executive staff; or
- (ii) a material reduction in your employee benefits, other than a reduction that is similarly applicable to all of the members of the Company's executive staff; or
  - (iii) a material breach by the Company of any material provision of this Agreement; or
- (iv) the relocation of the Company's workplace to a location that is more than 75 miles from your current Company workplace in Santa Clara, California.

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

- (e) Termination or Resignation For Good Reason Following a Change of Control: If, within 18 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(c), except that you will be entitled to (1) continued payments of your base salary described in subparagraph 5(c)(i) for a period of twelve (12) months following your termination rather than six (6) months; (2) payment of COBRA premiums as described in subparagraph 5(c)(ii) for a period of up to twelve (12) months following your termination rather than up to six (6) months, subject to earlier termination as described therein; and (3) reasonable outplacement assistance as described in subparagraph 5(c)(v) for a period of up to twelve (12) months following your termination rather than up to six (6) months.
- (f) In addition, you shall receive a payment (in lieu of any payment under subparagraph 5(c)(iii)) equal to the greater of (i) the average of the annual incentive bonus payments received by you, if any, for the previous three years, or (ii) 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).

#### 6. <u>Change of Control/Good Reason.</u>

- (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 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
- (iii) over a period of 36 consecutive months or less, there is a change in the composition of the Board such that a majority of the Board members (rounded up to the next whole number, if a fraction) ceases, by reason of one or more proxy contests for the election of Board members, to be composed of individuals each of whom meet one of the following criteria: (A) has been a Board member continuously since the date of this Agreement or the beginning of such 36 month period or (B) has been elected or nominated during such 36 month period by at least a majority of the Board members that satisfied the criteria of this subparagraph (iii) when they were elected or nominated; or
  - (iv) a majority of the Board determines that a Change of Control has occurred; or
  - (v) 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 Chief Executive Officer 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 by more than 75 miles of your Company workplace of Santa Clara, California.

7. <u>Confidential and Proprietary Information</u>: 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. <u>Termination Obligations</u>.

- (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.
- (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. <u>Limitation of Payments and Benefits</u>.

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. In order to protect the Company's valuable proprietary information, you agree that during your employment 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 for a period of twelve (12) months after your employment terminates, 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. 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.

- 11. <u>Dispute Resolution</u>. 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 Santa Clara, California, 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. <u>Compliance with Section 409A of the Internal Revenue Code</u>. 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.

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. <u>Severability</u>. 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. <u>Confirmation of Rights which Are not Dependent Upon Signing a Release</u>. Whether or not you sign a release as provided in certain provisions of this Agreement, (a) you will be paid all wages due, including any unused accrued vacation, 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 will be eligible for continuation of health insurance at your own expense if you timely elect coverage under COBRA, and (d) you will receive information regarding your right to continue health insurance under COBRA.
- 15. <u>Applicable Withholding.</u> All salary, bonus, severance and other payments identified in this Agreement are subject to applicable withholding by the Company.
- 16. <u>Assignment</u>. 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.
- 18. <u>Governing Law.</u> This Agreement shall be governed by and construed in accordance with the law of the State of California.
- 19. <u>Modification</u>. This Agreement may only be modified or amended by a supplemental written agreement signed by you and an authorized representative of the Board.

Eric, we look forward to having you join us at Aviat Networks, Inc. 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/ Ralph Marimon

Name: Ralph Marimon

Title: CFO

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

Date: January 20, 2016 /s/ Eric Chang

Eric Chang