

**SYMMETRICOM, INC.**  
**CORPORATE GOVERNANCE GUIDELINES**

**ADOPTED NOVEMBER 6, 2009**

**SYMMETRICOM, INC.**  
**Corporate Governance Guidelines**

The Board of Directors (the “**Board**”) of Symmetricom, Inc. (the “**Company**”) has adopted the following Corporate Governance Guidelines (the “**Guidelines**”), effective November 6, 2009, to assist the Board in the exercise of its responsibilities and to serve best the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company’s Certificate of Incorporation, By-Laws and other corporate governance documents. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company and its stockholders or as required by applicable laws and regulations. These Guidelines shall be made available on the Company’s website at “www.symmetricom.com” and to any stockholder who otherwise requests a copy. The Company’s proxy statement or annual report to stockholders shall state the foregoing.

**The Board**

*Size of the Board*

The Company’s Certificate of Incorporation provides that the number of directors will be designated in the By-Laws of the Company. The current By-Laws of the Company provide that the Board may set the number of directors from time to time. Currently the Board has nine members. The Board will periodically review the size of the Board, and determine the size that is most effective in relation to future operations.

*Independence of the Board*

The Board will be comprised of a majority of directors who qualify as independent directors (the “**Independent Directors**”) under the listing standards of The Nasdaq Stock Market (“Nasdaq”) as then in effect. No more than two management executives who are employed by the Company or who were employed by the Company in the previous five years may serve on the Board at the same time.

The Nominating and Governance Committee will review annually the relationships that each director has with the Company (either directly or indirectly as a partner, stockholder or officer of an organization that has a relationship with the Company). Following such annual review, only those directors who the Board affirmatively determines have no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company) will be considered Independent Directors, subject to additional qualifications prescribed under the Nasdaq listing standards. The basis for any determination that a relationship is not material will be published in the Company’s annual proxy statement.

### *Separation of the positions of Chairman and CEO*

The Board's general policy is that the positions of Chairman of the Board and Chief Executive Officer should be held by separate persons as an aid in the Board's oversight of management. The Chairman of the Board is appointed annually by the Board and may be either an Independent Director or a member of management.

### *Lead Independent Director if an Executive is serving as Chairman of the Board*

If the Company has a member of management serving as Chairman of the Board, it will appoint a lead Independent Director (the "**Lead Independent Director**") to serve an annual term. The Lead Independent Director will be selected by the majority vote of the Board on an annual basis at the first regularly scheduled board meeting of the year.

The Lead Independent Director's duties will include: serving as a member of the Nominating and Governance Committee, coordinating the agenda of regularly scheduled Board meetings with the Chairman of the Board and Chief Executive Officer, meeting with the Chair of the Compensation Committee, the Chairman of the Board and the Chief Executive Officer to convey the results of the Chief Executive Officer's annual performance evaluations, coordinating the activities of the Independent Directors, coordinating the agenda for and chairing sessions of the Board's Independent Directors and facilitating communications between the Independent Directors and the other members of the Board and the management of the Company. In performing the duties described above, the Lead Independent Director is expected to consult with the chairs of the appropriate Board committees and solicit their participation in order to avoid diluting the authority or responsibility of such committee chairs. The name of the Lead Independent Director/chair of such meetings will be disclosed along with a means for stockholders to communicate with the Independent Directors.

The Chairman of the Board's duties shall in all instances, whether or not there is a Lead Independent Director, be the duties set forth in the Company's By-Laws.

### *Separate Sessions of Independent Directors*

The Independent Directors will meet in executive session without management directors or management present at least three times per year on a regularly scheduled basis, generally as part of every regularly scheduled meeting of the Board. The Lead Independent Director, if there is one, will chair such meetings; otherwise the Chairman of the Board will chair such meetings. The Independent Directors will review the Company's implementation of and compliance with its Guidelines and consider such matters as they may deem appropriate at such meetings.

### *Director Qualification Standards*

The Nominating and Governance Committee is responsible for reviewing with the Board, on an annual basis, the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current Board members), the Nominating and Governance Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, take into account many factors, including ability to make

independent analytical inquiries, general understanding of marketing, finance and other elements relevant to the success of a publicly traded company in today's business environment, understanding of the Company's business on a technical level, other board service and educational and professional background. Each candidate nominee must also possess fundamental qualities of intelligence, honesty, good judgment, high ethics and standards of integrity, fairness and responsibility. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas. In determining whether to recommend a director for re-election, the Nominating and Governance Committee also considers the director's past attendance at meetings and participation in and contributions to the activities of the Board.

#### *Selection of New Directors*

Each year, at the annual meeting, the Board will recommend a slate of directors for election by the stockholders. In accordance with the By-Laws of the Company, the Board will also be responsible for filling vacancies or newly created directorships on the Board that may occur between annual meetings of stockholders. The Nominating and Governance Committee is responsible for identifying, screening and recommending candidates to the entire Board for Board membership.

#### *Selection of Chairman of the Board*

The Chairman of the Board is selected by the majority vote of the Board on an annual basis.

#### *Limitations on Other Board Service*

The Board does not believe that its members should be prohibited from serving on boards of other organizations and, except as set forth below, has not adopted any guidelines limiting such activities. However, the Nominating and Governance Committee and the Board will take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors and making its recommendations to the Company's stockholders.

Owing to the positions' substantial responsibilities, the Lead Independent Director, Chairman of the Board and members of the Company's Audit Committee may not serve in the same positions on the boards of directors of more than two other publicly traded companies. Directors who are concurrently serving as CEOs of public companies may not serve on more than a total of three public company boards.

Service on other boards and/or committees should be consistent with the Company's conflict of interest policies set forth below.

#### *Directors Who Resign their Current Positions with their Organization*

When a director, including any director who is currently an officer or employee of the Company, resigns or materially changes his or her position with his or her employer, such director should

offer to submit his or her resignation from the Board, which the Board may accept or reject based on the recommendation of the Nominating and Governance Committee.

### *Term Limits*

The Board does not believe it is in the best interests of the Company to establish term limits at this time. Such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.

### *Retirement*

It is the general policy of the Company that no director may stand for election to the Board after his or her 75th birthday. The Board may, however, make exceptions to this standard, based on the recommendation of the Nominating and Governance Committee, as it deems appropriate in the interests of the Company's stockholders.

### *Director Responsibilities*

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees as set forth in the By-Laws and committee charters. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include:

- (1) overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- (2) reviewing and, where appropriate, approving the Company's strategic direction, major financial objectives, plans and actions;
- (3) reviewing and, where appropriate, approving major changes in, accounting principles and practices to be used in the preparation of the Company's financial statements;
- (4) reviewing and, where appropriate, approving major changes in, and determinations under the Company's Code of Business Conduct and Ethics and other similar Company policies;
- (5) reviewing and, where appropriate, approving actions to be undertaken by the Company that would result in a material change in the financial structure or control of the Company, the acquisition or disposition of any businesses or asset(s) material to the Company or the entry of the Company into any major new line of business;
- (6) regularly evaluating the performance and approving the compensation of the Chief Executive Officer;
- (7) reviewing the Chief Executive Officer's evaluation of the performance of officers;

- (8) planning for succession with respect to the position of Chief Executive Officer and monitoring management's succession planning for other key executives;
- (9) identifying and evaluating major strategic, operational, regulatory, informational and external risks inherent in the business of the Company and the control processes established with respect to such risks; and
- (10) ensuring that the Company's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

### *Compensation*

The Company's executive officers shall not receive additional compensation for their service as directors. Senior management of the Company will report once a year to the Compensation Committee regarding the status of the Company's non-employee director compensation in relation to other U.S. companies of comparable size and the Company's competitors. Such report will include consideration of both direct and indirect forms of compensation to the Company's directors, including any charitable contributions by the Company to organizations in which a director is involved. Following a review of the report, the Compensation Committee will recommend any changes in director compensation to the Chairman of the Board, which changes will be approved or disapproved by the Board after a full discussion. Any director equity plans will be approved by stockholders prior to adoption. Director fees are the sole form of compensation that non-management members of the Board may receive from the Company.

### *Conflicts of Interest*

Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report the matter to the Chairman of the Board and the Lead Independent Director, if any. Any significant conflict must be resolved within thirty days or the director should resign. If a director has a personal interest in a matter before the Board, the director will disclose the interest to the Board, excuse himself or herself from discussion on the matter and not vote on the matter.

### *Board Orientation and Continuing Education of Board Members*

The Company provides new directors with a director orientation program to familiarize them with, among other things, the Company's business, strategic plans, significant financial, accounting and management issues, compliance programs, conflicts policies, code of business conduct and ethics, Guidelines, principal officers, internal auditors and independent auditors. The Company may make available to directors continuing education programs from time to time, including reading material related to public company governance, and each director is expected to participate in such programs, as management or the Board determines desirable.

### *Interaction with Institutional Investors, the Press and Customers*

The Board has authorized management to speak for the Company. Each director should refer all inquiries from institutional investors, the press or customers to management. Individual Board

members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman of the Board or the Lead Independent Director, if any.

#### *Board Access to Senior Management*

The Board will have complete access to Company management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. Such contact, if in writing, should be copied to the Chief Executive Officer of the Company, and, if oral, should be communicated to the Chief Executive Officer.

#### *Board Access to Independent Advisors*

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to such advisors and such other independent advisors that the Company retains or that the Board considers necessary to discharge its responsibilities.

#### *Annual Self-Evaluation*

Following the end of each fiscal year, the Nominating and Governance Committee will coordinate and administer an assessment by the Board of the Board's performance.

The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Company, a review of the committee structure, an assessment of the Board's compliance with the principles set forth in these Guidelines, and with those of appropriate regulatory agencies. The purpose of the review will be to improve the performance of the Board as a unit, and not to target the performance of any individual Board member. The Nominating and Governance Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board.

### **Board Meetings**

#### *Frequency of Meetings*

The Board will meet at least four times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

#### *Director Attendance*

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of Independent Directors), with the understanding that, on occasion, a director may be unable to

attend a meeting. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference.

#### *Attendance of Non-Directors*

The Board encourages the Chairman of the Board or of any committee to bring Company management and outside advisors or consultants from time to time into Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the manager, advisor or consultant, (ii) make presentations to the Board on matters which involve the manager, advisor or consultant, and (iii) bring managers with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

#### *Agendas*

The Chairman establishes the agenda for each Board meeting with input from management and, if applicable, the Lead Independent Director.

#### *Advance Receipt of Meeting Materials*

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

### **Committee Matters**

#### *Number, Name, Responsibilities and Independence of Committees*

The Board currently has three committees, each composed entirely of Independent Directors. From time to time, the Board may form a new committee or disband a current committee, depending upon the circumstances. Each committee will perform its duties as assigned by the Board in compliance with the Company's By-Laws and the committee's charter.

The current committees are:

- (1) Audit Committee. The Audit Committee consists of at least three Independent Director members and reviews the work of the Company's internal accounting and control, audit processes and independent auditors. The committee has sole authority to appoint and fire the Company's independent auditors and to approve any significant non-audit relationship with the independent auditors. The committee will review and approve all related party transactions of the Company.
- (2) Compensation Committee. The Compensation Committee consists of at least two Independent Director members and reviews and approves the Company's goals and objectives relevant to compensation, stays informed as to market levels of compensation

and, based on evaluations submitted by management, recommends to the Board compensation levels and systems for the Board and the Company's officers that correspond to the Company's goals and objectives. The committee also reviews and approves an annual compensation committee report on executive compensation and the Compensation Discussion and Analysis for inclusion in the Company's annual report and proxy statement, in accordance with applicable rules and regulations.

- (3) Nominating and Governance Committee. The Nominating and Governance Committee consists of at least three Independent Director members and is responsible for recommending to the Board individuals to be nominated as directors and committee members. This includes evaluation of new candidates as well as evaluation of current directors. The committee coordinates and administers the Board self-evaluation and peer evaluations. This committee is also responsible for developing and recommending to the Board these Guidelines, as well as reviewing and recommending revisions to such Guidelines on a regular basis. This committee also performs other duties as are described in these Guidelines.

#### *Assignment and Rotation of Committee Members*

Based on the recommendations of the Nominating and Governance Committee, the Board appoints committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Company.

The Board affirmatively states that each member of the Audit Committee must be financially literate, as determined by the Board in its business judgment, and that at least one member of the Audit Committee must have accounting or related financial management expertise as determined by the Board in its business judgment.

#### *Frequency of Committee Meetings*

Each committee will meet at least two times annually or, in the case of the Audit Committee, at least four times annually. In addition, special meetings may be called by the Chairman of the committee from time to time as determined by the needs of the business. It is the responsibility of the directors to attend the meetings of the committees on which they serve.

#### *Committee Agendas*

The Chairman of each committee, in consultation with the appropriate members of the Committee, will develop his or her committee's agenda.

#### *Committee Self-Evaluations*

Following the end of each fiscal year, each committee will review its performance and charter and recommend to the Board any changes it deems necessary.

## **Leadership Development**

### *Annual Review of Chief Executive Officer*

The Compensation Committee shall annually establish the performance criteria (including both long-term and short-term goals) to be considered in connection with the Chief Executive Officer's next annual performance evaluation. At the end of each year, the Chief Executive Officer shall make a presentation or furnish a written report to the Board indicating his or her progress against such established performance criteria. Thereafter, with the Chief Executive Officer absent, the Compensation Committee shall meet to review the Chief Executive Officer's performance. The results of the review and evaluation shall be communicated to the Chief Executive Officer by the Lead Independent Director, if any, the Chairman of the Board and the Chairman of the Compensation Committee.

### *Succession Planning*

The Board will work on a periodic basis with the Chief Executive Officer to review, maintain and revise, if necessary, the Company's succession plan upon the Chief Executive Officer's retirement and in the event of an unexpected occurrence. The Chief Executive Officer shall report annually to the Board on succession planning for the Chief Executive Officer and senior management positions, including a discussion of assessments, leadership development plans and other relevant factors.

### *Management Development*

The Board will determine that a satisfactory system is in effect for the education, development and orderly succession of senior and mid-level managers throughout the Company.