Ameris Bancorp
Form 424B4
April 16, 2010
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As Filed Pursuant to Rule 424(b)(4)

under the Securities Act of 1933

Registration Nos. 333-163271 and 333-166071

PROSPECTUS

8,237,500 Shares

Common Stock

We are offering 8,237,500 shares of our common stock. Our common stock is listed on the NASDAQ Global Select Market (NASDAQ) under the symbol ABCB. On April 14, 2010, the last reported sales price of our common stock on NASDAQ was $10.11 per share.

These shares of common stock are not savings accounts, deposits, or other obligations of any of our bank or non-bank subsidiaries and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Investing in our common stock involves risks. See RISK FACTORS beginning on page 12 to read about factors you should consider before buying our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Total
Public offering price	$ 9.50000	$ 78,256,250
Underwriting discounts and commissions	$ 0.49875	$ 4,108,453
Proceeds to us (before expenses)	$ 9.00125	$ 74,147,797

The underwriters also may purchase up to an additional 1,235,625 shares of our common stock within 30 days of the date of this prospectus to cover over-allotments, if any.

The underwriters expect to deliver the common stock in book-entry form only, through the facilities of The Depository Trust Company, against payment on or about April 20, 2010.

Keefe, Bruyette & Woods

Sterne Agee

The date of this prospectus is April 14, 2010.

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ABOUT THIS PROSPECTUS

Unless the context indicates otherwise, all references in this prospectus to Ameris Bancorp, the Company, we, us, our or similar references r Ameris Bancorp and its wholly-owned subsidiary, Ameris Bank, as a combined entity, except that in the discussion of our capital stock and related matters, these terms refer solely to Ameris Bancorp and not to its subsidiary. All references to the Bank refer to Ameris Bank only.

You should rely only on the information contained or incorporated by reference in this prospectus. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where such offer or sale is not permitted. You should not assume that the information appearing in this prospectus or any document incorporated by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since that date. This prospectus does not constitute an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe for and purchase, any of our common stock or other securities and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

You should not consider any information in or incorporated by reference into this prospectus to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in our securities.

You should base your decision to invest in our securities after considering all of the information contained in this prospectus and any information incorporated by reference herein.

No representation or warranty, express or implied, is made as to the accuracy or completeness of the information obtained from third party sources set forth herein or incorporated by reference into this prospectus, and nothing contained in this prospectus or incorporated by reference herein, or shall be relied upon as, a promise or representation, whether as to past or future performance.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission (the Commission). Our filings with the Commission are available to the public from the Commission s web site at *www.sec.gov*. You can also obtain copies of the documents at prescribed rates by writing to the Public Reference Section of the Commission at 100 F Street, N.E., Washington, D.C. 20549. Please call the Commission at 1-800-SEC-0330 for further information on the public reference room. Our Commission filings are also available on our web site at *www.amerisbank.com*, and at the office of The Nasdaq Stock Market. For further information on obtaining copies of our public filings at The Nasdaq Stock Market, you should call 212-656-5060.

This prospectus, which is a part of a registration statement on Form S-1 that we have filed with the Commission under the Securities Act of 1933, as amended (the Securities Act), omits certain information set forth in the registration statement. Accordingly, for further information, you should refer to the registration statement and its exhibits on file with the Commission. Furthermore, statements contained in this prospectus concerning any document filed as an exhibit are not necessarily complete and, in each instance, we refer you to the copy of such document filed as an exhibit to the registration statement.

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INCORPORATION BY REFERENCE

The Commission allows us to incorporate by reference information we file with it, which means that we can disclose important information to you by referring you to other documents. The information incorporated by reference is considered to be part of this prospectus. We incorporate by reference the documents listed below, except to the extent that any information contained in such filings is deemed furnished in accordance with Commission rules:

- our Annual Report on Form 10-K for the year ended December 31, 2009, filed with the Commission on March 16, 2010 (File No. 001-13901), as amended by Amendment No. 1 on Form 10-K/A, filed with the Commission on April 13, 2010 (File No. 001-13901);

- our Definitive Proxy Statement on Schedule 14A filed with the Commission on March 22, 2010 (File No. 001-13901);

- our Current Reports on Form 8-K filed with the Commission on March 15, 2010 and April 13, 2010 (File No. 001-13901); and

- the description of our securities contained under the caption Description of Capital Stock found in our preliminary prospectus filed as part of our registration statement on Form SB-2 (Registration No. 33-77930) with the Commission on April 21, 1994, and our registration statement on Form 8-A12B (File No. 001-13901), filed with the Commission on February 25, 1998, and any amendments or reports filed for the purpose of updating such descriptions.

Upon written or oral request, we will provide to each person, including any beneficial owner to whom a prospectus is delivered, a copy of any or all of the reports or documents that have been incorporated by reference in the prospectus contained in the registration statement, but not delivered with the prospectus. You may request a copy of these filings (other than an exhibit to a filing unless that exhibit is specifically incorporated by reference into that filing) at no cost, by writing to or telephoning us at the following address and telephone number:

Ameris Bancorp

310 First St., S.E.

Moultrie, Georgia 31768

Attention: Dennis J. Zember Jr., Chief Financial Officer

(229) 890-1111

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SUMMARY

The following summary contains material information about us and this offering. Because it is a summary, it may not contain all of the information that is important to you. Before making a decision to invest in our common stock, you should read this prospectus carefully, including the section entitled RISK FACTORS, and the information incorporated by reference in this prospectus, including our audited consolidated financial statements and the accompanying notes in our Annual Report on Form 10-K for the year ended December 31, 2009.

Ameris Bancorp

We are a bank holding company, headquartered in Moultrie, Georgia, whose business is conducted primarily through our wholly-owned banking subsidiary, Ameris Bank. We provide a full range of banking services to our retail and commercial customers located primarily in select markets in Georgia, Alabama, Florida and South Carolina. We operate 53 domestic banking offices with no foreign activities. At December 31, 2009, we had approximately $2.42 billion in total assets, $1.58 billion in total loans, $2.12 billion in total deposits and $195.0 million of stockholders equity.

The predecessor to Ameris Bank was organized in 1971 as American Banking Company. In 1979, our holding company began acquiring banks in communities throughout southern Georgia. These acquisitions continued in subsequent decades, extending into Alabama in 1994, Florida in 2001, and South Carolina in 2006. In December 2005, we began consolidating the individual community banks under one name Ameris Bank.

Market Areas

We have banking operations in 33 counties in Georgia, Alabama, Florida and South Carolina. We have top five deposit market shares in 17 of those counties, primarily in our core markets of southern Georgia and southeastern Alabama. Our core, legacy markets are largely rural communities that provide consistently strong earnings and superior credit quality as compared to our metro markets. Our core footprint includes 26 branches that make up 53% of our total deposits and provide a stable source of low cost funds. We rank number two with a combined deposit market share of 9% across all MSAs in our core markets. According to the FDIC, total deposits in these markets were $12.2 billion as of June 30, 2009, an increase of $1.2 billion from 2008. The weighted average population growth for these markets is projected to be 3% from 2009 to 2014, according to SNL Financial LC, or SNL, an independent business data firm. In the Moultrie, Georgia MSA, home of our corporate headquarters, we hold a 54% deposit market share, with 17% of our total deposits across four branches, as of June 30, 2009.

Over the last ten years, we have expanded into higher growth markets, primarily in northern Florida and South Carolina, through a combination of acquisitions and de novo branching. Our recent expansion markets include 27 branches that make up 47% of our total deposits. According to the Federal Deposit Insurance Corporation, or the FDIC, total deposits in these markets were $203.7 billion as of June 30, 2009. In South Carolina, we have a presence in the Hilton Head, Columbia, Charleston and Greenville MSAs. Combined, these areas are projected to experience a weighted average population growth of 9% from 2009 to 2014, according to SNL. In Florida, we have a presence in the Jacksonville, Gainesville and Tallahassee MSAs, which are projected to experience a combined weighted average population growth of 12% from 2009 to 2014, according to SNL. In the last 24 months, we have opened nine branches in South Carolina and two branches in northern Florida. Management believes our expansion markets offer some of the highest percentage growth rates and most attractive demographics in our region. We intend to focus on expanding our deposit market share in these key growth markets.

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Business Strategy

We seek to increase our presence and grow the *Ameris* brand in the markets that we currently serve and in neighboring communities that present attractive opportunities for expansion. We intend to grow our business and build shareholder value primarily by focusing on the following objectives:

Pursue Select Acquisitions. We have maintained our focus on a long-term strategy of expanding and diversifying our franchise in terms of revenues, profitability and asset size. We expect to continue to take advantage of the consolidation in the financial services industry and enhance our franchise through future acquisitions, including acquisitions of failed or problem financial institutions in FDIC-assisted transactions. We intend to grow within our existing markets, to branch into or acquire financial institutions in existing markets and to branch into or acquire financial institutions in other markets consistent with our capital availability and management abilities. We are one of the few banks in the Southeast with a proven track record of participation in FDIC-assisted transactions, and we intend to aggressively pursue strategic transactions in our footprint. In the past 18 months, over 50 financial institutions in Georgia and Florida have been placed into FDIC receivership, and we expect that there will continue to be opportunities to acquire other failed or problem financial institutions through assisted transactions in the future. We believe these transactions will allow us to generate meaningful market share in our four states of operation.

Continued Focus on Credit and a Conservative Lending Philosophy. Our focus is on relationship banking, meaning that we bank loan relationships, not loan transactions. We lend almost exclusively in our local markets. Loan participations are less than 1.00% of total loans. We emphasize smaller loans and a diversified portfolio. Our current average loan size is $91,000, and loans to our largest customer represent only 2.8% of our regulatory capital. Moreover, our internal lending limit is $5 million, well below the regulatory limit of over $54 million. Our credit administration is robust, with 60% of new and renewed loans approved by regional credit officers and a post-review process that subjects loans with balances as low as $100,000 to review by the banking group president, chief credit officer and a regional credit officer. Our external loan review function has been in place for over four years.

Capitalize on Organic Growth Opportunities. While we maintain leading market share in our core, legacy markets in southern Georgia and southeastern Alabama, we believe we have considerable opportunities to continue to increase market share in our more growth-oriented markets in northern Florida and South Carolina. We believe these markets, as well as additional markets we may enter, provide opportunities for significant organic growth over time.

Emphasize personal service and strong customer relationships. Our community banking philosophy emphasizes personalized service and building broad and deep customer relationships, with a focus on building a substantial base of low cost core deposits. Each of our markets is managed by senior level, experienced decision makers in a decentralized structure that differentiates us from our larger competitors.

FDIC-Assisted Acquisitions

We recently completed two FDIC-assisted transactions. In October 2009, Ameris Bank purchased substantially all of the assets and assumed substantially all the liabilities of American United Bank, or American United, from the FDIC. American United operated only one branch in Lawrenceville, Georgia, a northeast suburb of Atlanta, Georgia, with $85.7 million in loans and $100.3 million in deposits. Ameris Bank s agreements with the FDIC included a loss-sharing agreement, which affords the bank significant protection from losses associated with loans and other real estate owned. Ameris Bank s bid to acquire American United included a discount on the

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book value of the assets totaling $19.6 million. Also included in the bid was a premium of approximately $262,000 on American United s deposits. The transaction resulted in a cash payment from the FDIC to Ameris Bank in the amount of $17.1 million.

In November 2009, Ameris Bank purchased substantially all of the assets and assumed substantially all the liabilities of United Security Bank, or United Security, from the FDIC. United Security operated one branch in Woodstock, Georgia and one branch in Sparta, Georgia, with $108.4 million in loans and $140.0 million in deposits. Ameris Bank s agreements with the FDIC also included a loss-sharing agreement similar to that associated with the American United transaction. Ameris Bank s bid to acquire United Security included a discount on the book value of the assets totaling $32.6 million. Also included in the bid was a premium of approximately $228,000 on United Security s deposits. The transaction resulted in a cash payment from the FDIC to Ameris Bank in the amount of $24.2 million.

Recent Developments

On April 13, 2010, we announced our first quarter operating results. We recorded a net loss available to common shareholders of $2.3 million, or $0.17 per share, for the quarter ended March 31, 2010, compared to a net loss of $1.3 million, or $0.10 per share, for the first quarter of 2009. During the quarter ended March 31, 2010, we continued to improve our core earnings while proactively addressing credit quality. Pre-tax pre-credit earnings during the quarter were approximately $10.5 million, an increase of 41.5% as compared to the first quarter of 2009 and 9.6% as compared to the fourth quarter of 2009. Part of this increase was driven by an expanded net interest margin of 3.92% as compared to 3.21% in the year ago period and 3.59% in the fourth quarter of 2009. We have also begun to experience benefits from our profitability initiative called Project 2010, which we announced earlier this year. We have implemented 85% of the anticipated expense savings and revenue enhancements from this program. At the same time, we continued to aggressively charge down problem loans, with net charge-offs of $13.0 million during the quarter.

Loan Portfolio.

Outstanding loans decreased during the three months ended March 31, 2010 by $47.8 million to $1.54 billion, caused primarily by continued declines in real estate loans. The table set forth below provides detail on our loan portfolio as of March 31, 2010.

Category	Percentage of Total Loans	Average Loan Size	Average Rate
Commercial real estate	40.8%	$ 355,565	6.12%
Construction and development	14.2	155,475	7.06
Residential real estate	24.3	70,546	6.56
Commercial and industrial	8.4	59,469	5.97
Consumer	2.5	7,466	7.64
Agricultural	9.8	107,679	6.31
Total	100.0%	$ 89,235	6.40%

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As of March 31, 2010, construction and development loans were 14.2% of total loans. We expect to continue our efforts to reduce our exposure to acquisition and development loans within our current portfolio for the remainder of 2010. However, we may increase the amounts of such loans in our aggregate portfolio through acquisitions, particularly FDIC-assisted transactions. The table set forth below provides detail regarding the geographic distribution of and underlying collateral for our construction and development loans as of March 31, 2010.

(in thousands)	Alabama	Florida	Georgia	South Carolina	Collateral Type Total	Average Size
Buildable lots	$ 4,628	$ 10,463	$ 31,680	$ 18,706	$ 65,477	$ 132
Subdivisions	2,367	12,343	11,412	7,168	33,290	890
Land - commercial	926	12,232	14,941	4,194	32,293	336
Land - residential	3,925	4,285	16,997	6,550	31,757	213
Pre-sold Homes	1,551	1,292	6,484	1,090	10,417	163
Spec / Model Homes	1,503	1,925	6,470	353	10,251	244
Commercial construction	-	1,091	1,636	6,417	9,144	703
Raw - agriculture	1,112	1,941	4,938	536	8,527	111
Miscellaneous	591	734	5,725	333	7,383	19
Owner occupied	68	595	2,598	1,999	5,260	250
Apartments	-	1,185	-	-	1,185	593
Total	$ 16,671	$ 48,086	$ 102,881	$ 47,346	$ 214,984	155

As of March 31, 2010, commercial real estate loans were 40.8% of total loans. Of our commercial real estate loan portfolio, approximately 45% was owner-occupied. The table set forth below provides detail regarding the geographic distribution of and underlying collateral for our non-owner occupied commercial real estate loans as of March 31, 2010.

(in thousands)	Alabama	Florida	Georgia	South Carolina	Collateral Type Total	Average Size
Offices	$ 8,784	$ 9,254	$ 15,653	$ 21,243	$ 54,934	$ 687
Apartments	3,407	16,178	20,457	14,616	54,658	959
Hotels and motels	9,312	2,629	33,144	-	45,085	1,326
Retail properties	4,748	6,193	14,277	15,403	40,621	564
Miscellaneous	9,329	6,534	17,711	4,186	37,760	78
Strip centers	705	10,459	17,314	8,085	36,563	1,143
Warehouses	1,826	11,172	8,463	10,479	31,940	694
Commercial and residential rental	1,915	2,318	4,685	6,577	15,495	534
Restaurants and convenience stores	2,965	900	4,341	1,864	10,070	246
Land, golf courses	1,530	890	5,929	1,227	9,576	737
Auto dealerships	5,067	662	3,356	-	9,085	826
Total	$ 49,588	$ 67,189	$ 145,330	$ 83,680	$ 345,787	386

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Credit Quality.

The continued softening in the southeastern regional economic environment has resulted in increased levels of delinquent loans resulting in credit quality ratios that remain above our historical averages. However, the level of delinquent loans decreased to $89.6 million at the end of the first quarter of 2010 compared to $96.1 million at December 31, 2009. The ratio of non-performing assets to loans and other real estate increased slightly to 7.15% at March 31, 2010 compared to 6.71% at the end of 2009. Increases in other real estate from $21.6 million at December 31, 2009 to $32.8 million at March 31, 2010 as well as a decrease in loans outstanding of 3% were the primary cause for increases in the non-performing asset ratio.

The table below sets forth our nonperforming loans by type:

Nonperforming Loans	As of March 31, 2010 (in thousands)	Percentage of Total Nonperforming Loans
One- to four- family residential permanent	$ 19,705	22%
Construction and development	38,225	43
Commercial real estate	23,095	26
Commercial and industrial	5,302	6
Consumer	720	1
Agricultural	2,602	3
Total	$ 89,649	100%

In addition, our other real estate owned by type of loan for which the real estate served as collateral is set forth below.

Other Real Estate Owned	As of March 31, 2010 (in thousands)	Percentage of Total Other Real Estate Owned
One- to four- family residential permanent	$ 8,635	26%
Construction and development	16,763	51
Commercial and industrial	6,690	21
Agricultural	712	2
Total	$ 32,800	100%

Our provision for loan losses during the first quarter of 2010 was approximately $10.8 million, which was a decrease of $5.7 million when compared to the fourth quarter of 2009. At March 31, 2010, our allowance for loan losses amounted to $33.6 million, or 2.18% of total loans, excluding covered assets, as compared to $35.8 million, or 2.26% of total loans at December 31, 2009. Net charge-offs on loans during the first quarter of 2010 decreased to $13.0 million, or 3.42% of total loans (annualized), when compared to $22.6 million, or 5.67% of total loans (annualized), during the fourth quarter of 2009.

Deposits.

Total deposits were essentially flat during the first quarter of 2010 as compared to the previous quarter. As of March 31, 2010, core deposits comprised 78.9% of total deposits, with brokered deposits represented 6.7% of total deposits. Non-time deposits increased to 59% of total deposits as of March 31, 2010, as compared to 47% at the same time in 2009. Retail time deposits represented 34% of total deposits during the first quarter of 2010. Our goal in 2010 is to achieve 65% of our total funding through savings and demand deposits. In addition, our overall cost of deposits was 1.41% for the first quarter of 2010, a decrease from 1.48% for the fourth quarter of 2009 and from 2.46% for the first quarter of 2009.

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Capital.

Despite the weak economic conditions that our industry is facing, our capital position continues to improve. Ameris Bank s capital ratios continue to exceed all regulatory measures, and Ameris Bank is considered well-capitalized for regulatory purposes. Tangible common equity to tangible assets improved during the first quarter of 2010 to 5.97%, compared to 5.86% at the end of 2009. Ameris Bank s Tier 1 capital ratio was approximately 9.29% at March 31, 2010, compared to 9.62% at the end of 2009.

Corporate Information

Our principal executive office is located at 310 First St., SE, Moultrie, Georgia 31768, our telephone number is (229) 890-1111 and our website address is *www.amerisbank.com*. Our common stock trades on NASDAQ under the ticker symbol ABCB. Neither the website nor the information on our website is included or incorporated in, or is a part of, this prospectus.

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THE OFFERING

Common stock we are offering	8,237,500 shares(1)
Common stock outstanding prior to this offering	14,041,806 shares(2)
Common stock outstanding after this offering	22,279,306 shares(1)(2)
Use of proceeds	The net proceeds to us from the sale of the common stock offered hereby will be approximately $73,897,797 million (or approximately $85,019,966 million if the underwriters exercise their over-allotment in full), after deduction of underwriting discounts and commissions and expenses paid by us. We intend to use the net proceeds of this offering for general corporate purposes, including to fund possible future acquisitions of other financial services businesses (which may include FDIC-assisted transactions), certain costs associated with administering our completed FDIC-assisted transactions, our working capital needs and additional contributions to the capital of our Bank to support our continued growth.
Listing	NASDAQ Global Select Market, Symbol: ABCB
Risk factors	See RISK FACTORS below and other information incorporated by reference in this prospectus for a discussion of risks involved in an investment in shares of our common stock.

(1) Unless otherwise indicated, all information in this prospectus assumes no exercise of the underwriters option to purchase up to 1,235,625 additional shares of common stock to cover over-allotments, if any.

(2) The above information regarding shares outstanding after the offering is based on the number of shares of common stock outstanding as of March 31, 2010. In addition, the number of shares outstanding excludes shares of common stock available or reserved for issuance pursuant to the exercise or settlement of equity-based awards under our incentive plans and shares reserved for issuance upon exercise of a warrant issued to the U.S. Treasury under the Capital Purchase Program. As of March 31, 2010, there were (i) 824,977 shares of our common stock reserved for issuance upon the exercise of currently outstanding options with a weighted average price of $14.69; (ii) 437,814 shares of our common stock reserved for issuance in connection with awards that may be granted in the future under our existing equity compensation plans; and (iii) 695,243.37 shares of our common stock reserved for issuance upon exercise of the warrant issued to the U.S. Treasury with an exercise price of $11.219 per share.

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SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

Our selected historical consolidated financial data presented below as of and for the years ended December 31, 2009, 2008, 2007, 2006 and 2005 is derived from the audited consolidated financial statements of the Company. The Company has been an active acquirer of financial institutions over recent years and, as a result, the comparability of the selected financial data has been affected. The Company s acquisitions affecting financial data include First National Banc, Inc. on December 16, 2005, Islands Bancorp on December 31, 2006, American United Bank on October 23, 2009 and United Security Bank on November 6, 2009. Specifically, since these acquisitions were accounted for using the purchase method, the assets of the acquired institutions were recorded at their fair values, the excess purchase price over the net fair value of the assets was recorded as goodwill and the results of operations for these businesses have been included in the Company s results since the date these acquisitions were completed. Accordingly, the level of our assets and liabilities and our results of operations for these acquisitions have significantly affected the Company s financial position and results of operations. Discussion of these acquisitions can be found in the Corporate Restructuring and Business Combinations section of Part 1, Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2009, filed with the Commission. The following selected historical consolidated financial data should be read in conjunction with, and is qualified in its entirety by, our consolidated financial statements and related notes and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2009 filed with the Commission and the other information included or incorporated by reference in this prospectus.

	Year Ended December 31,				
	2009	**2008**	**2007**	**2006**	**2005**
	(Dollars in Thousands, Except Per Share Data)				
Selected Balance Sheet Data:					
Total assets	**$ 2,423,970**	$ 2,407,090	$ 2,112,063	$ 2,047,542	$ 1,697,209
Total loans, excluding covered assets	**1,584,359**	1,695,777	1,614,048	1,442,951	1,186,601
Total deposits	**2,123,116**	2,013,525	1,757,265	1,710,163	1,375,232
Investment securities available for sale	**245,556**	367,894	289,382	283,192	235,145
Goodwill and intangible assets	**3,586**	58,444	59,615	60,464	49,716
Common stockholders equity	**145,412**	190,331	191,249	178,732	148,703
Total stockholders equity	**194,964**	239,359	191,249	178,732	148,703
Selected Income Statement Data:					
Interest income	**$ 114,573**	$ 129,008	$ 146,077	$ 124,111	$ 79,539
Interest expense	**40,550**	56,343	70,999	54,150	26,934
Net interest income	**74,023**	72,665	75,078	69,961	52,605
Provision for loan losses	**42,068**	35,030	11,321	2,837	1,651
Non-interest income	**58,353**	19,149	17,592	19,262	13,530
Non-interest expenses	**69,987**	62,753	58,896	53,129	43,607
Goodwill impairment	**54,813**	-	-	-	-
Income/(loss) before income taxes	**(34,492)**	(5,969)	22,453	33,257	20,877
Income tax expense/(benefit)	**7,297**	(2,053)	7,300	11,129	7,149
Net income/(loss) available to common stockholders	**$ (41,789)**	$ (3,916)	$ 15,153	$ 22,128	$ 13,728
Preferred stock dividends	**3,161**	328	-	-	-
Net income/(loss) available to common stockholders	**$ (44,950)**	$ (4,244)	$ 15,153	$ 22,128	$ 13,728
Per Share Data:					
Net income/(loss) available to common stockholders basic	**$ (3.27)**	$ (0.31)	$ 1.12	$ 1.71	$ 1.15
Net income/(loss) available to common stockholders diluted	**(3.27)**	(0.31)	1.11	1.68	1.14

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	Year Ended December 31,				
	2009	**2008**	**2007**	**2006**	**2005**
		(Dollars in Thousands, Except Per Share Data)			
Common book value	**10.43**	13.73	13.77	12.88	11.19
Tangible common book value	**10.17**	9.52	9.48	8.53	7.45
Common dividends cash	**0.10**	0.38	0.56	0.56	0.56
Common dividends stock	**2 for 130**				
Profitability Ratios:					
Return on average total assets	**(1.87)%**	(0.19)%	0.74%	1.22%	1.04%
Return on average common equity	**(21.59)**	(2.22)	8.13	13.90	10.87
Net interest margin	**3.52**	3.65	4.02	4.25	4.31
Efficiency ratio	**94.28**	68.35	63.55	59.55	65.94
Asset Quality Ratios*:					
Net charge-offs to average loans	**2.77%**	1.36%	0.53%	0.09%	0.03%
Reserve for loan losses to total loans	**2.26**	2.33	1.71	1.72	1.88
Nonperforming assets to total loans and OREO	**6.71**	4.13	1.60	0.61	0.90
Nonperforming assets to total assets	**4.93**	2.99	1.23	0.43	0.63
Liquidity Ratios:					
Loans to total deposits	**74.62%**	84.22%	91.85%	84.38%	86.28%
Average loans (TE) to average earnings assets (TE)	**79.26**	82.32	81.72	79.39	77.32
Noninterest-bearing deposits to total deposits	**11.16**	10.36	9.36	12.96	14.60
Capital Adequacy Ratios:					
Stockholders equity to total assets	**8.04%**	7.91%	9.06%	8.73%	8.76%
Common stock dividend payout ratio	**NM**	NM	50.00	32.94	48.70
Tangible common equity to tangible assets	**5.86**	5.62	6.41	5.95	6.01
Leverage ratio	**9.35**	9.42	8.39	8.58	9.71
Tier 1 risk-based capital ratio	**13.53**	11.99	10.34	10.67	10.89
Total risk-based capital ratio	**14.79**	13.25	11.59	11.92	12.66

* Excludes covered assets, where applicable.

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RISK FACTORS

Our business, financial condition and results of operations are subject to various risks, including those discussed below, and those set forth in Item 1A, Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2009, which are incorporated herein by reference and may affect the value of our securities. The risks discussed in this prospectus and incorporated herein by reference are those that we believe are the most significant risks, although additional risks not presently known to us or that we currently deem less significant may also adversely affect our business, financial condition and results of operations, perhaps materially. Before making a decision to invest in our common stock, you should carefully consider the risks and uncertainties described below and the risks incorporated by reference in this prospectus, together with all of the other information included or incorporated by reference in this prospectus.

This offering will substantially dilute the ownership percentage of our existing shareholders, and the ownership of our common stock may change significantly.

We intend to raise significant capital through this offering. Our directors and executive officers and individuals who reside in our markets currently hold a significant percentage of our common stock. Upon the successful completion of this offering, the ownership percentage of existing shareholders will be substantially diluted unless they purchase shares in this offering in an amount proportional to their existing ownership. As a result, following this offering a significant portion of our common stock may be held by individuals and institutions outside of our market area whose interests may differ from our current shareholders. In addition, one or more individuals or institutions may seek to acquire a significant percentage of ownership in our common stock in this offering, subject to any applicable regulatory approvals. Those shareholders may have interests that differ from those of our current shareholder base, and they may vote in a way with which our current shareholders disagree.

Our management has broad discretion over the use of proceeds from this offering.

Our management has significant flexibility in applying the proceeds that we receive from this offering. Although we have indicated our intent to use the proceeds from this offering for general corporate purposes, including funding future acquisitions, our working capital needs and additional contributions to the capital of our Bank. Our management retains significant discretion with respect to the use of such proceeds. The proceeds of this offering may be used in a manner which does not generate a favorable return for us. We may use the proceeds to fund future acquisitions of other businesses, and there is no assurance that any business we acquire would be successfully integrated into our operations or otherwise perform as expected.

If, as a result of this offering or otherwise, an entity holds as little as a 5% interest in our outstanding securities, that entity could, under certain circumstances, be subject to regulation as a bank holding company.

Any entity, including a group composed of natural persons, owning or controlling with the power to vote 25% or more of our outstanding securities, or 5% or more if the holder otherwise exercises a controlling influence over us, may be subject to regulation as a bank holding company in accordance with the Bank Holding Company Act of 1956, as amended (the BHC Act). In addition, (i) any bank holding company or foreign bank with a U.S. presence may be required to obtain the approval of the Board of Governors of the Federal Reserve System (the Federal Reserve) under the BHC Act to acquire or retain 5% or more of our outstanding securities and (ii) any person not otherwise defined as a company by the BHC Act and its implementing regulations may be required to obtain the approval of the Federal Reserve under the Change in Bank Control Act of 1978, as amended, to acquire or retain 10% or more of our outstanding securities. Becoming a bank holding company imposes statutory and regulatory restrictions and obligations, such as providing managerial and financial strength for its bank subsidiaries. Regulation as a bank holding company could require the holder to divest all or a portion of the holder s investment in our securities or those nonbanking investments that may be deemed impermissible or incompatible with bank holding company status, such as a material investment in a company unrelated to banking.

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We may issue additional securities in the future, which would dilute your ownership if you did not, or were not permitted to, invest in the additional issuances.

In the future, we may seek to raise capital through offerings of our common stock, preferred stock, securities convertible into common stock, or rights to acquire such securities or our common stock. Under our amended and restated articles of incorporation, we have additional authorized shares of common stock and preferred stock that we can issue from time to time at the discretion of our board of directors, without further action by the shareholders, except where shareholder approval is required by law or NASDAQ. The issuance of any additional shares of common stock, preferred stock or convertible securities could be substantially dilutive to the ownership percentage of our existing shareholders. Holders of our shares of common stock have no preemptive rights that entitle them to purchase their pro rata shares of any offering of shares of any class or series and, therefore, our shareholders may not be permitted to invest in future issuances of our common stock and as a result will be diluted.

Our inability to use a short form registration statement on Form S-3 may affect our short-term ability to access the capital markets.

The ability to conduct primary offerings under a registration statement on Form S-3 has benefits to issuers that are eligible to use this short form registration statement. Form S-3 permits an eligible issuer to incorporate by reference its past and future filings and reports made under the Securities Exchange Act of 1934, as amended (the Exchange Act). In addition, Form S-3 enables eligible issuers to conduct primary offerings off the shelf under Rule 415 of the Securities Act. The shelf registration process under Form S-3, combined with the ability to incorporate information on a forward basis, allows issuers to avoid additional delays and interruptions in the offering process and to access the capital markets in a more expeditious and efficient manner than raising capital in a standard registered offering on Form S- 1. One of the requirements for Form S-3 eligibility is for an issuer to have timely filed its Exchange Act reports (including Form 10-Ks, Form 10-Qs and certain Form 8-Ks) for the 12-month period immediately preceding either the filing of the Form S-3 or a subsequent determination date. During 2009, we did not timely file on Form 8-K certain required financial statement information with respect to the American United transaction (although such information was filed on March 15, 2010). Therefore, we will not able to use Form S-3 before January 9, 2011. We may experience delays in our ability to raise capital in the capital markets during the period that we are unable to use Form S-3. Any such delay may result in offering terms that may not be advantageous to us or may cause us not to obtain capital in a timely fashion to execute our business strategies.

The FDIC could condition our ability to acquire a failed depository institution on compliance by us and certain of our investors with additional requirements.

We may seek to acquire one or more failed depository institutions from the FDIC. As the agency responsible for resolving failed depository institutions, the FDIC has the discretion to determine whether a party is qualified to bid on a failed institution. On August 26, 2009, the FDIC adopted a Statement of Policy on Qualifications for Failed Bank Acquisitions (the Statement of Policy). The Statement of Policy sets forth a number of significant restrictions and requirements as a condition to the participation by certain private investors and institutions in the acquisition of failed depository institutions from the FDIC. Among the requirements would be that the Bank maintain higher capital ratios for a three-year period of time following the acquisition of a failed depository institution from the FDIC, which would impair our ability to grow in the future without obtaining additional capital. Based on our understanding of current interpretations of the Statement of Policy, we do not believe the provisions of the Statement of Policy would apply to us. However, if the Statement of Policy were deemed to apply to us, and we or our investors were unwilling to comply with conditions imposed by the FDIC, then we may not be permitted to acquire failed institutions from the FDIC.

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We are subject to certain risks related to FDIC-assisted transactions.

The success of past FDIC-assisted transactions, and any FDIC-assisted transactions in which we may participate in the future, will depend on a number of factors, including the following:

- our ability to fully integrate, and to integrate successfully, the branches acquired into the Bank s operations;
- our ability to limit the outflow of deposits held by our new customers in the acquired branches and to successfully retain and manage interest-earning assets (loans) acquired in FDIC-assisted transactions;
- our ability to retain existing deposits and to generate new interest-earning assets in the geographic areas previously served by the acquired banks;
- our ability to effectively compete in new markets in which we did not previously have a presence;
- our success in deploying the cash received in the FDIC-assisted transactions into assets bearing sufficiently high yields without incurring unacceptable credit or interest rate risk;
- our ability to control the incremental non-interest expense from the acquired branches in a manner that enables us to maintain a favorable overall efficiency ratio;
- our ability to retain and attract the appropriate personnel to staff the acquired branches; and
- our ability to earn acceptable levels of interest and non-interest income, including fee income, from the acquired branches.

As with any acquisition involving a financial institution, particularly one involving the transfer of a large number of bank branches as is often the case with FDIC-assisted transactions, there may be higher than average levels of service disruptions that would cause inconveniences or potentially increase the effectiveness of competing financial institutions in attracting our customers. Integrating the acquired branches would not be an operation of substantial size and expense that we are not familiar with, but we anticipate unique challenges and opportunities because of the nature of the transaction. Integration efforts will also likely divert our management s attention and resources. It is not known whether we will be able to integrate acquired branches successfully, and the integration process could result in the loss of key employees, the disruption of ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with clients, customers, depositors and employees or to achieve the anticipated benefits of the FDIC-assisted transactions. We may also encounter unexpected difficulties or costs during the integration that could materially adversely affect our earnings and financial condition, perhaps materially. Additionally, we may be unable to achieve results in the future similar to those achieved by our existing banking business, to compete effectively in the market areas previously served by the acquired branches or to mange any growth resulting from FDIC-assisted transactions effectively.

Our willingness and ability to grow acquired branches following FDIC-assisted transactions depend on several factors, most importantly the ability to retain certain key personnel that we hire or transfer in connection with FDIC-assisted transactions. Our failure to retain these employees could adversely affect the success of FDIC-assisted transactions and our future growth.

Our ability to continue to receive benefits of our loss share arrangements with the FDIC is conditioned upon our compliance with certain requirements under the agreements.

We are the beneficiary of loss share agreements with the FDIC that call for the FDIC to fund a portion of our losses on a majority of the assets we acquired in connection with our recent FDIC-assisted transactions. Our ability to recover a portion of our losses and retain the loss share protection is subject to our compliance with certain requirements imposed on us in the agreements. The requirements of the agreements relate primarily to our administration of the assets covered by the agreements, as well as our obtaining the consent of the FDIC to

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engage in certain corporate transactions that may be deemed under the agreements to constitute a transfer of the loss share benefits. For example, any merger or consolidation of the Bank or any public or private offering of common stock by us that would increase our outstanding shares by more than 9%, including this offering, requires the consent of the FDIC.

In such instances in which the consent of the FDIC is required under the loss share agreements, the FDIC may withhold its consent to such transactions or may condition its consent on terms that we do not find acceptable. While we obtained the FDIC s consent in connection with this offering through the payment of a consent fee to the FDIC, there can be no assurance that, in the future, the FDIC will grant its consent or condition its consent on terms that we find acceptable. If the FDIC does not grant its consent to a transaction we would like to pursue, or conditions its consent on terms that we do not find acceptable, this may cause us not to engage in a corporate transaction that might otherwise benefit our shareholders or we may elect to pursue such a transaction without obtaining the FDIC s consent, which could result in termination of our loss share agreements with the FDIC.

We engage in acquisitions of other businesses from time to time, including FDIC-assisted acquisitions. These acquisitions may not produce revenue or earnings enhancements or cost savings at levels or within timeframes originally anticipated and may result in unforeseen integration difficulties.

When appropriate opportunities arise, we will engage in acquisitions of other businesses. Difficulty in integrating an acquired business or company may cause us not to realize expected revenue increases, cost savings, increases in geographic or product presence or other anticipated benefits from any acquisition. The integration could result in higher than expected deposit attrition (run-off), loss of key employees, disruption of our business or the business of the acquired company, or otherwise adversely affect our ability to maintain relationships with customers and employees or achieve the anticipated benefits of the acquisition. We are likely to need to make additional investment in equipment and personnel to manage higher asset levels and loan balances as a result of any significant acquisition, which may materially adversely impact our earnings. Also, the negative effect of any divestitures required by regulatory authorities in acquisitions or business combinations may be greater than expected.

In evaluating potential acquisition opportunities, we may seek to acquire failed banks through FDIC-assisted transactions. While the FDIC may, in such transactions, provide assistance to mitigate certain risks, such as sharing in exposure to loan losses, and providing indemnification against certain liabilities, of the failed institution, we may not be able to accurately estimate our potential exposure to loan losses and other potential liabilities, or the difficulty of integration, in acquiring such institutions.

Depending on the condition of any institution that we may acquire, any acquisition may, at least in the near term, materially adversely affect our capital and earnings and, if not successfully integrated following the acquisition, may continue to have such effects.

FDIC-assisted acquisition opportunities may not become available and increased competition may make it more difficult for us to bid on failed bank transactions on terms we consider to be acceptable.

Our near-term business strategy includes consideration of potential acquisitions of failing banks that the FDIC plans to place in receivership. The FDIC may not place banks that meet our strategic objectives into receivership. Failed bank transactions are attractive opportunities in part because of loss-sharing arrangements with the FDIC that limit the acquirer s downside risk on the purchased loan portfolio and, apart from our assumption of deposit liabilities, we have significant discretion as to the nondeposit liabilities that we assume. In addition, assets purchased from the FDIC are marked to their fair value and in many cases there is little or no addition to goodwill arising from an FDIC-assisted transaction. The bidding process for failing banks could become very competitive, and the increased competition may make it more difficult for us to bid on terms we consider to be acceptable.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained in this prospectus and in information incorporated by reference into this prospectus, as well as certain statements in periodic press releases and public statements made by our directors, officers and other employees, that are not historical facts may constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act and are intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of the words may, will, should, could, would, plan, potential, estimate, predict, goal, assume, project, believe, intend, anticipate, expect, target an forward-looking statements include statements relating to our projected growth, anticipated future financial performance, and management s long-term performance goals, as well as statements relating to the anticipated effects on results of operations and financial condition from expected developments or events, our business and growth strategies, including anticipated internal growth, plans to open new offices, and to pursue additional potential development or acquisition of banks, wealth management entities, or fee-related businesses.

These forward-looking statements are subject to significant risks, assumptions and uncertainties, and could be affected by many factors. The following list, which is not intended to be an all-encompassing list of risks and uncertainties affecting us, summarizes several factors that could cause our actual results to differ materially from those anticipated or expected in these forward-looking statements:

- general economic conditions (both generally and in our markets) may be less favorable than expected, resulting in, among other things, a continued deterioration in credit quality, a further reduction in demand for credit and/or a further decline in real estate values;
- the general decline in the real estate and lending market may continue to negatively affect our financial results;
- inaccuracies in our assumptions used in calculating the appropriate amount to be placed into our allowance for loan and lease losses;
- our ability to collect reimbursements from the FDIC on losses that we incur on our covered assets;
- restrictions or conditions imposed by our regulators on our operations may make it more difficult for us to achieve our goals;
- legislative or regulatory changes, including changes in accounting standards and compliance requirements, may adversely affect the businesses in which we are engaged;
- competitive pressures among depository and other financial institutions may increase significantly;
- changes in the interest rate environment may reduce margins or the volumes or values of the loans we make;
- competitors may have greater financial resources and develop products that enable those competitors to compete more successfully than we can;
- our ability to attract and retain key personnel can be affected by the increased competition for experienced employees in the banking industry;

adverse changes may occur in the bond and equity markets;

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war or terrorist activities may cause further deterioration in the economy or cause instability in credit markets;

economic, governmental or other factors may prevent the projected population, residential and commercial growth in the markets in which we operate; and

we will or may continue to face the risk factors discussed from time to time in the periodic reports we file with the Commission.

Because of these and other uncertainties, our actual future results, performance or achievements, or industry results, may be materially different from the results indicated by these forward-looking statements. In addition, our past results of operations do not necessarily indicate our future results.

You should not place undue reliance on any forward-looking statements, which speak only as of the dates on which they were made. We are not undertaking an obligation to update these forward-looking statements, even though our situation may change in the future, except as required under federal securities law. We qualify all of our forward-looking statements by these cautionary statements. Forward-looking statements should not be viewed as predictions, and should not be the primary basis upon which investors evaluate us. Any investor in our common stock should consider all risks and uncertainties set forth in this prospectus under the heading RISK FACTORS and disclosed in our periodic and current reports filed with the Commission, including our 2009 Annual Report on Form 10-K.

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USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of our common stock in this offering, at a public offering price of $9.50 per share, after deducting the underwriting discounts and commissions and our estimated offering expenses, will be approximately $73,897,797. If the underwriters exercise their over-allotment option in full, we estimate that our net proceeds will be approximately $85,019,966. We intend to use the net proceeds of this offering of common stock for general corporate purposes, including to fund possible future acquisitions of other financial services businesses (which may include FDIC-assisted transactions), certain costs associated with administering our completed FDIC-assisted transactions, our working capital needs and additional contributions to the capital of our Bank to support our continued growth. We currently have no arrangements or understanding regarding any specific future acquisitions. The net proceeds may be invested temporarily in short-term marketable securities or applied to repay short-term debt until they are used for their stated purpose.

Our management will retain broad discretion in deciding how to allocate the net proceeds of this offering. Until we designate the use of the net proceeds, we will invest them temporarily in liquid short-term securities. The precise amounts and timing of our use of the net proceeds will depend upon market conditions and the availability of other funds, among other factors.

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CAPITALIZATION

The following table sets forth our consolidated capitalization and regulatory capital ratios as of December 31, 2009 on an actual basis and on an as-adjusted to give effect to the receipt of the net proceeds from this offering. The adjusted capitalization assumes (i) no exercise of the underwriters over-allotment option, (ii) that 8,237,500 shares of our common stock are sold by us at an offering price of $9.50 per share, and (iii) that the net proceeds from the offering, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us, are approximately $73,897,797.

The following data should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and the notes thereto incorporated by reference into this prospectus from our Annual Report on Form 10-K for the fiscal year ended December 31, 2009, as well as financial information in the other documents incorporated by reference into this prospectus.

	December 31, 2009 Actual

Possible Disruption of Business. The Company Board considered the possible disruption to the Company s business that may result from the announcement of the transaction and the resulting distraction of the attention of the Company s management and employees, including possible effects on the Company s ability to attract and retain key personnel while the transaction is pending. The Company Board also considered the fact that the Merger Agreement contains limitations regarding the operation of the Company during the period between the signing of the Merger Agreement and the consummation of the proposed Merger.

Litigation Risk. The Company Board considered the risk of litigation in connection with the execution of the Merger Agreement, the completion of the Offer and the consummation of the Merger.

Termination Fee. The Company Board considered the termination fee of approximately $18.4 million, which HGGC had agreed to in negotiations with the Company and which may become payable pursuant to the Merger Agreement under certain circumstances, including if the Company terminates the Merger Agreement to accept a Superior Company Proposal, and the risk that the amount of the termination fee could deter potential alternative acquisition proposals.

Financing Failure. The Company Board considered the risk that the proposed Offer and Merger might not be completed due to failure of Parent and Purchaser to obtain the required debt financing for the transaction.

Risk that the Minimum Tender Condition Might Not Be Satisfied. The Company Board considered the possibility that the Company s stockholders will tender an insufficient number of Company Shares to meet the Minimum Tender Condition, and the fact that Purchaser s obligation to extend the Offer if the Minimum Tender Condition is not satisfied as of the expiration date of the Offer (and all other conditions to the Offer are satisfied or waived) is limited to an aggregate extension of 20 business days.

Potential Conflicts of Interest. The Company Board considered the potential conflict of interest created by the fact that the Company s executive officers and directors have financial or other interests in the Offer and the Merger that may be different from or in addition to those of other stockholders, as more fully described in Item 3 under the heading *Interests of Certain Persons; Agreements and Arrangements with Current Executive Officers and Directors of the Company*.

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Regulatory Approval and Risk of Pending Actions. The Company Board considered the risks associated with the need to make antitrust filings and to obtain antitrust consents and approvals in the United States and Germany, and the fact that the obligation of Purchaser to accept for payment and to pay for Company Shares tendered pursuant to the Offer is subject to a condition that there be no order by any governmental entity or other legal or regulatory restraint or prohibition preventing the consummation of the Offer or the Merger or providing for a material antitrust restraint, and that there be no pending litigation by any governmental entity seeking the foregoing.

Offer and Merger Consideration Taxable. The Company Board considered the fact that the gains realized by the Company s stockholders as a result of the Offer and the Merger generally will be taxable to the stockholders for U.S. federal income tax purposes.

Parent and Purchaser. The Company Board considered the fact that Parent and Purchaser are newly formed corporations with no assets other than the Merger Agreement, the equity commitment letter, the limited guarantee and the debt commitment letter, and that under certain circumstances the Company s monetary remedy in the event of breach of the Merger Agreement by Parent or Purchaser may be limited to receipt of the termination fee from Parent in an amount of approximately $31.5 million or the Company may not be entitled to a termination fee at all.

Suspension of Dividend. The fact that the Company was restricted from paying its $0.05 per share quarterly cash dividend following the dividend paid on March 28, 2018, until the closing of the Merger.

The foregoing discussion of the information and factors considered by the Company Board is not intended to be exhaustive, but includes the material factors considered by the Company Board. In view of the variety of factors considered in connection with its evaluation of the Offer and the Merger, the Company Board did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual directors may have given different weights to different factors. The Company Board did not undertake to make any specific determination as to whether any factor, or any particular aspect of any factor, supported or did not support its ultimate determination. The Company Board based its recommendation on the totality of the information presented.

In considering the recommendation of the Company Board that the holders of Company Shares accept the Offer and tender their Company Shares in response to the Offer, you should be aware that the Company s directors and executive officers may have interests in the Offer and the Merger that are different from, or in addition to, yours. The Company Board was aware of and considered these interests, among other matters, in evaluating and negotiating the Merger Agreement, the Offer and the Merger, and in recommending that the holders of Company Shares accept the Offer and tender their Company Shares in response to the Offer. For more information, see Item 3 under the heading *Interests of Certain Persons; Agreements and Arrangements with Current Executive Officers and Directors of the Company.*

Intent to Tender.

To the Company s knowledge, after making reasonable inquiry, all of the Company s executive officers and directors currently intend to tender or cause to be tendered pursuant to the Offer all Company Shares held of record or beneficially owned by such persons immediately prior to the expiration of the Offer, as it may be extended (other than Company Shares for which such holder does not have discretionary authority). The foregoing does not include any Company Shares over which, or with respect to which, any such executive officer or director acts in a fiduciary or

representative capacity or is subject to the instructions of a third party with respect to such tender.

Certain Financial Projections.

The Company does not, as a matter of course, publicly disclose forecasts or projections as to future performance, earnings or other results due to the inherent unpredictability of the underlying assumptions, estimates and projections, though the Company has in the past provided investors with quarterly and full-year

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financial guidance that may cover areas such as revenue and earnings per share, among other items (although due to the announcement of the Offer and Merger, the Company will not be updating previously disclosed guidance). However, the Company is including certain unaudited prospective financial information prepared by the Company s management to provide the Company s stockholders access to a summary of certain previously nonpublic unaudited prospective financial information that was made available to the Company Board and Special Committee in connection with consideration of the Offer and Merger. The Management Projections were also provided to GCA Advisors in connection with the rendering of its opinion to the Company Board and performance of its related financial analyses.

The Management Projections were not prepared with a view toward public disclosure, nor were they prepared with a view toward compliance with published guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of financial forecasts, or U.S. generally accepted accounting principles (**GAAP**). In addition, neither the Company s independent auditors, nor any other independent public accounting firm has compiled, examined or performed any procedures with respect to the prospective financial information contained in the Management Projections nor has any such person expressed any opinion or given any form of assurance with respect to such information or the reasonableness, achievability or accuracy of the Management Projections. The summary of the Management Projections is not being included in this Schedule 14D-9 to influence any stockholder s decision whether to tender his, her or its Company Shares in the Offer, but instead because the Management Projections were provided to the Company Board in connection with its evaluation of the transactions contemplated by the Merger Agreement, including the Offer and the Merger, and to GCA Advisors in connection with its evaluation of the fairness, from a financial point of view, of the consideration to be received by the holders of Company Common Stock in the Offer or the Merger pursuant to the Merger Agreement. The Management Projections may differ from publicly available analyst estimates and forecasts and do not take into account any events or circumstances after the date they were prepared, including the announcement of the Offer and the Merger.

The Management Projections were prepared in April 2018, and while presented with numerical specificity, necessarily were based on numerous variables and assumptions that are inherently uncertain and many of which are beyond the control of the Company s management. Given that the Management Projections cover multiple years, by their nature, they become subject to greater uncertainty with each successive year beyond their preparation. The assumptions upon which the Management Projections were based necessarily involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions, all of which are difficult or impossible to predict and many of which are beyond the Company s control. The Management Projections also reflect assumptions as to certain business decisions that are subject to change. Important factors that may affect actual results and the achievability of the Management Projections include, but are not limited to, general economic conditions and disruptions in the financial, debt, capital, credit or securities markets, changes in the patent risk mitigation market and other industries in which the Company operates, the Company s ability to obtain financing, acceptance of the Company s products and services, competition and other risk factors described in the Company s annual report on Form 10-K for the fiscal year ended December 31, 2017, as amended, and its subsequent quarterly report on Form 10-Q and current reports on Form 8-K. In addition, the Management Projections may be affected by the Company s ability to achieve strategic goals, objectives and targets over the applicable period.

The Management Projections also reflect assumptions that are subject to change and are susceptible to multiple interpretations and periodic revisions based on actual results, revised prospects for the Company s business, changes in general business or economic conditions, or any other transaction or event that has occurred or that may occur and that was not anticipated when the Management Projections were prepared. In addition, the Management Projections do not take into account any circumstances, transactions or events occurring after the dates on which the Management Projections were prepared. Accordingly, actual results will differ, and may differ materially, from those contained in the Management Projections. There can be no assurance that the financial results in the Management Projections will

be realized, or that future actual financial results will not materially vary from those in the Management Projections.

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The inclusion of the Management Projections in this Schedule 14D-9 should not be regarded as an indication that any of the Company, HGGC, Parent or Purchaser or their respective affiliates, officers, directors, advisors or other representatives considered or consider the Management Projections necessarily predictive of actual future events, and they should not be relied upon as such. The inclusion of the Management Projections herein should not be deemed an admission that the forecasts therein are viewed as material information of the Company, and in fact the Company views the Management Projections as non-material because of the inherent risks and uncertainties associated with such long range forecasts. None of the Company, HGGC, Parent or Purchaser or their respective affiliates, officers, directors, advisors or other representatives can give any assurance that actual results will not differ materially from the Management Projections, and the Company undertakes no obligation to update or otherwise revise or reconcile the Management Projections to reflect circumstances existing after the date they were generated or to reflect the occurrence of future events even if any or all of the assumptions underlying the Management Projections are thereafter shown to have been made in error. None of the Company, or, to the knowledge of the Company, HGGC, Parent or Purchaser, intends to make publicly available any update or other revisions to the Management Projections. Additionally, none of the Company or its affiliates, officers, directors, advisors or other representatives has made or makes any representation to any stockholder or other person regarding the ultimate performance of the Company compared to the information contained in any of the Management Projections or that projected results will be achieved. The Company has made no representation to HGGC, Parent or Purchaser, in the Merger Agreement or otherwise, concerning the Management Projections.

The following is a summary of the Management Projections (in millions):

	2018E	2019E	2020E	2021E	2022E
Net Revenue (1)	$ 280	$ 266	$ 261	$ 254	$ 250
Operating Income	18	16	41	43	45
EBITDA (2)	177	164	159	152	148
Adjusted EBITDA (3)	87	75	74	72	73
Stock-based Compensation	15	14	13	13	13
Increase (Decrease) in Net Working Capital	(2)	2	4	3	(0)
Capital Expenditures (4)	3	3	3	3	3
Cash Taxes	7	6	15	16	16
Free Cash Flow (5)	79	64	52	51	54

(1) Calculated in accordance with ASC Topic 605, Revenue Recognition.
(2) EBITDA means net income plus interest expense, stock-based compensation, taxes, depreciation and amortization.
(3) Adjusted EBITDA means EBITDA less net patent spend.
(4) Capital Expenditures exclude net patent spend.
(5) Free Cash Flow means Adjusted EBITDA, less increases in net working capital, less capital expenditures, less cash taxes.

All financial projections are forward-looking statements. These and other forward-looking statements are expressly qualified in their entirety by the risks and uncertainties identified above and the cautionary statements contained in the Company s Annual Report on Form 10-K for the year ended December 31, 2017, as amended, and Quarterly Report on Form 10-Q for the quarter ended March 31, 2018. Any provisions of the Private Securities Litigation Reform Act of 1995 that may be referenced in this Schedule 14D-9, or the Company s other, periodic reports are not applicable to any forward-looking statements made in connection with the Offer. Please refer to the discussion in Item 8 under the

heading *Forward-Looking Statements*.

In light of the foregoing factors and the uncertainties inherent in the Management Projections, the Company s stockholders are cautioned not to place undue, if any, reliance on such Management Projections.

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Opinion of GCA Advisors, LLC.

The Company retained GCA Advisors to act as its financial advisor in connection with the Offer and the Merger based on GCA Advisors qualifications, expertise, reputation and knowledge of our business and affairs and the industry in which the Company operates. GCA Advisors is a global investment bank serving a broad client base through a range of advisory services, including mergers and acquisitions, debt and equity capital markets, private funds, restructuring, and asset management. GCA Advisors is continuously involved with providing advisory services that include the valuation of businesses and securities in connection with mergers and acquisitions. At a meeting of the Company Board on April 30, 2018, GCA Advisors rendered its oral opinion to the Company Board to the effect that, as of that date, and based on and subject to the considerations, limitations and other matters set forth therein, the $10.50 per Company Share consideration to be received by the holders of Company Common Stock in the Offer or the Merger pursuant to the Merger Agreement (as the case may be, the **Consideration**), was fair, from a financial point of view, to such holders. Following the meeting, GCA Advisors delivered its written opinion, dated April 30, 2018, to the Company Board.

The full text of GCA Advisors written opinion, dated April 30, 2018, to the Company Board is attached as Annex A to this Schedule 14D-9 and is incorporated by reference herein. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by GCA Advisors in rendering its opinion. You should read the opinion carefully in its entirety. GCA Advisors opinion does not constitute a recommendation to the Company Board or any committee thereof, to the Company s stockholders, or to any other person as to any specific action that should be taken in connection with the Merger, including whether any of the Company s stockholders should tender their Company Shares into the Offer or how any holder of Company Shares should otherwise act in respect of the Merger. The summary of GCA Advisors opinion set forth herein is qualified in its entirety by reference to the full text of the opinion.

GCA Advisors delivered its opinion to the Company Board for the benefit and use of the Company Board in connection with and for purposes of its evaluation of the Consideration from a financial point of view. The Consideration that the Company s stockholders would receive in the Offer and the Merger, respectively, was determined through arm s-length negotiations between the Company, on the one hand, and HGGC, Parent and Purchaser, on the other hand, and was approved by the Company Board.

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The opinion addresses only whether the Consideration to be received by the holders of Company Common Stock pursuant to the Merger Agreement is fair, from a financial point of view, to such holders. The opinion does not address the Company s underlying business decision to enter into the Merger Agreement, or the relative merits of the Offer and the Merger as compared to any alternatives that may be available to the Company. GCA Advisors was not asked to offer, nor has it offered, any opinion as to the material terms of the Merger Agreement (other than as expressly set forth in the last paragraph of the opinion with respect to the fairness of the Consideration) or the structure of the transactions contemplated by the Merger Agreement. Further, the opinion does not address the fairness of the amount or nature of, or any other aspect relating to, any compensation to any of the Company s officers, directors or employees, or class of such persons, including, without limitation, in relation to the Consideration.

For purposes of its opinion, GCA Advisors:

- reviewed a draft, dated April 29, 2018, of the Merger Agreement and certain related documents;
- reviewed certain publicly available financial statements, financial projections and other business and financial information of the Company;
- reviewed certain non-public financial statements and other financial and operating data concerning the Company prepared by Company management;
- reviewed certain non-public financial projections relating to the Company prepared by Company management as well as the Management Projections described in further detail in Item 4 under the heading *Certain Financial Projections*;
- discussed with Company management and the Company Board the past and current operations and financial condition and prospects of the Company;
- reviewed and discussed with Company management and the Company Board certain alternatives to the transactions contemplated by the Merger Agreement;
- reviewed and discussed with Company management and the Company Board their views of the strategic rationale for the transactions contemplated by the Merger Agreement;
- reviewed the recent reported closing prices and trading activity for the shares of Company Common Stock;
- prepared and evaluated a discounted cash flow analysis based on projected future cash flows of the Company provided by Company management;

compared the financial performance of the Company, and the prices and trading activity of the shares of Company Common Stock, with those of certain other publicly-traded companies that GCA Advisors believed to be generally relevant in evaluating the business of the Company;

reviewed the financial terms, to the extent publicly available, of certain precedent transactions that GCA Advisors believed to be generally relevant in evaluating the business of the Company;

reviewed publicly available information concerning certain precedent transactions having financial characteristics that GCA Advisors believed to be generally relevant in evaluating the transactions contemplated by the Merger Agreement;

participated in discussions and negotiations among representatives of the Company and HGGC, Parent and Purchaser; and

performed such other analyses and considered such other factors as GCA Advisors deemed appropriate.

In preparing its opinion, GCA Advisors assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made

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available to, or discussed with, GCA Advisors by the Company. With respect to the Management Projections, GCA Advisors was advised by Company management, and GCA Advisors assumed, that such projections had been reasonably prepared on bases reflecting the best currently available estimates and judgments of Company management of the future financial performance of the Company. GCA Advisors did not undertake any responsibility for the accuracy, completeness or independent verification of such information and assumes no responsibility for, and expressed no view as to, such projections or the assumptions on which they were based.

In addition, GCA Advisors assumed that the Offer and the Merger would be consummated in accordance with the terms set forth in the April 29, 2018 draft Merger Agreement furnished to GCA Advisors and that the final executed Merger Agreement would not differ in any material respect from the draft Merger Agreement reviewed by GCA Advisors. GCA Advisors also assumed that the representations and warranties contained in the Merger Agreement made by the parties thereto were true and correct in all respects material to GCA Advisors analysis. GCA Advisors also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Offer and the Merger would be timely obtained without any material restriction. The opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to GCA Advisors as of, April 30, 2018. GCA Advisors assumes no responsibility to update or revise its opinion based upon events or circumstances occurring or becoming known to it after April 30, 2018.

GCA Advisors did not make any independent investigation of any legal, accounting or tax matters affecting the Company, the Offer or the Merger, and it assumed the correctness of all legal, accounting and tax advice given to the Company and the Company Board. GCA Advisors was not asked to prepare, nor has it prepared, an appraisal of any of the assets or liabilities of the Company or concerning the solvency or fair value of the Company, nor has GCA Advisors been furnished with any such appraisals, and its opinion should not be construed as such. GCA Advisors was requested to and did initiate discussions with and solicit indications of interest from certain third parties with respect to a possible transaction with the Company. GCA Advisors also took into account its experience in transactions that it believes to be generally comparable or relevant, as well as its experience in securities valuation in general.

The following represents a summary of the material financial analyses performed by GCA Advisors in connection with delivering its opinion to the Company Board. Some of the summaries of financial analyses performed by GCA Advisors include information presented in tabular format. In order to fully understand the financial analyses performed by GCA Advisors, the Company s stockholders should read the tables together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data set forth in the tables without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by GCA Advisors.

Discounted Cash Flow Analysis.

Using the Management Projections, GCA Advisors performed an illustrative discounted cash flow analysis for the Company. Using discount rates ranging from 13% to 15%, reflecting GCA Advisors estimates of the Company s weighted average cost of capital, GCA Advisors discounted to present value as of March 31, 2018 (i) the estimated unlevered free cash flow for the Company for the last three quarters of calendar year 2018 of $55 million (based on the Management Projections, including stock-based compensation expense), (ii) the estimated unlevered free cash flow for the Company for calendar year 2019 through calendar year 2022 (based on the Management Projections, including stock-based compensation expense), and (iii) a range of illustrative terminal values for the Company, which were calculated by applying perpetuity growth rates ranging from negative 3.0% to positive 1.0%, to a terminal year estimate of the free cash flow to be generated by the Company, in each case, as reflected in the Management Projections. The range of discount rates and perpetuity growth rates were estimated by GCA Advisors utilizing its

professional judgment and experience, taking into account publicly available data,

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comparative analysis and the Company s current cost of capital (which, in GCA Advisors judgment, was equal to its current cost of equity capital given that the Company had no debt and its projected financial performance would make it very challenging for it to raise debt financing on attractive terms). GCA Advisors derived ranges of illustrative enterprise values for the Company by adding the ranges of present values it derived above. GCA Advisors then added the net cash of the Company, including short-term investments, of approximately $168 million as of March 31, 2018, as provided by Company management, to the range of illustrative enterprise values it derived for the Company to derive a range of illustrative equity values for the Company. GCA Advisors then divided the range of illustrative equity values it derived by the number of fully diluted outstanding shares of Company Common Stock as of April 30, 2018 using the treasury stock method, or 52.8 million total shares, to derive a range of illustrative present values per share ranging from $8.58 to $10.20. GCA Advisors noted that the per share value implied by the Consideration was above the range of per share values for the Company Common Stock implied by the discounted cash flow analysis.

Selected Public Companies Analysis.

Based on public and other available information, GCA Advisors calculated, among other things, the multiples of enterprise value to (i) Adjusted EBITDA, which is calculated as GAAP operating income, less net patent spend, plus stock based compensation, severance and restructuring, patent amortization and other depreciation and amortization, as described in the Item 4 under the heading *Certain Financial Projections* (such multiples, the **EV/Adjusted EBITDA Multiples**), and (ii) Modified Adjusted EBITDA, which is calculated as Adjusted EBITDA minus stock-based compensation (such multiples, **EV/Modified Adjusted EBITDA Multiples**), in each case, for the calendar year 2017 and the estimated calendar years 2018 and 2019 (**CY2017A** , **CY2018E** and **CY2019E** , respectively), for selected public companies having intellectual property licensing as a core business model element, as shown in the table below (the **Selected Public Companies**), based on the closing prices of shares of common stock for such Selected Public Companies as of April 27, 2018. GCA Advisors utilized Wall Street analyst research, CapitalIQ and certain publicly available financial statements and press releases to analyze the relevant metrics. GCA Advisors then compared such multiples of the Selected Public Companies against the Company s EV/Adjusted EBITDA Multiples and EV/Modified Adjusted EBITDA Multiples for CY2017A, CY2018E and CY2019E that were calculated in accordance with each of ASC Topic 605, Revenue Recognition (**ASC 605**), and ASC 606, as shown in the summary table below.

Company	EV/Adjusted EBITDA Multiples			EV/Modified Adjusted EBITDA Multiples		
	CY2017A	CY2018E	CY2019E	CY2017A	CY2018E	CY2019E
ASC 605	3.4x	4.4x	5.2x	3.9x	5.3x	6.4x
ASC 606	4.5x	5.9x		5.4x	7.6x	

Selected Public Company	EV/Adjusted EBITDA Multiples (1)			EV/Modified Adjusted EBITDA Multiples (1)		
	CY2017A	CY2018E	CY2019E	CY2017A	CY2018E	CY2019E
CEVA, Inc. (ASC 605)	NM	NM	16.8x	NM	NM	NM
Technicolor SA (IFRS 15) (2)	5.5x	6.5x	5.7x	5.7x	6.8x	5.9x
Acacia Research Corporation (3)	9.0x	NM	NM	NM	NM	NM
Quarterhill, Inc. (ASC 605) (4)	1.8x	6.5x	5.0x	1.8x	6.7x	5.1x

(1)

Multiples lower than zero or higher than 20 are considered not meaningful and noted NM. Information not available is noted in dashes. Enterprise value accounts for the impact of non-controlling interest, unfunded pension obligations, other debt-like items and short-term investments. Equity value is based on fully diluted shares outstanding using the treasury stock method. Valuation with respect to the Company is based on the Consideration of $10.50 per Company Share and assumes approximately $168 million of cash and short-term investments as of March 31, 2018, and approximately 52.8 million fully diluted shares outstanding, using the treasury stock method.

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(2) Excludes impact from discontinued operations and equity value is based on share price converted at the EUR/USD spot rate as of April 27, 2018.
(3) Acacia Research Corporation does not disclose any accounting impact related to ASC 606.
(4) Equity value is based on share price converted at the CAD/USD spot rate as of April 27, 2018.

GCA Advisors believes, based on its judgment, that the Selected Public Companies have similar operating or financial performance characteristics to those of the Company, but noted that none of these companies have the same business model, management, composition, industry, size or operations as the Company, and no company used in the selected public companies analyses is identical to the Company. In addition, in conducting such analysis, GCA Advisors did not include every company that could be deemed to be a participant in this same industry or in the same specific sectors of this industry. Accordingly, an analysis of the results of the foregoing is not purely mathematical; rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the values of the companies to which the Company is being compared.

Selected Precedent Transactions Analysis.

Based on public and other available information, GCA Advisors calculated (to the extent relevant financial data was available or meaningful), among other things, the EV/Adjusted EBITDA Multiples and EV/Modified Adjusted EBITDA Multiples for the applicable last-12-months period (**LTM**) and next-12-months period (**NTM**) for the following selected transactions involving the acquisition of companies or businesses having intellectual property licensing as a core business model element. GCA Advisors utilized Wall Street analyst research, CapitalIQ and certain publicly available financial statements and press releases to analyze the relevant LTM and NTM metrics. GCA Advisors then compared such multiples of selected transactions against the LTM and NTM EV/Adjusted EBITDA Multiples and EV/Modified Adjusted EBITDA Multiples that were calculated based on the Consideration and the Management Projections, as shown in the summary table below.

Proposed Merger	EV/Adjusted EBITDA Multiples (1)		EV/Modified Adjusted EBITDA Multiples (1)	
	LTM	NTM	LTM	NTM
ASC 605	3.4x	4.7x	3.9x	5.7x

Selected Precedent Transactions Date Announced	Target	Acquiror	EV/Adjusted EBITDA Multiples (1)		EV/Modified Adjusted EBITDA Multiples (1)	
			LTM	NTM	LTM	NTM
12/18/2017	Technicolor IP Licensing Business (2)	InterDigital, Inc.	4.8x	5.5x		
1/25/2016	Smart Card Software Ltd. (3)	Rambus, Inc.	6.1x			
11/9/2015	RealD, Inc. (4)	RizviTraverse	6.7x	5.9x	8.3x	7.1x
9/2/2015	iBiquity Digital Corporation	DTS, Inc.	11.5x (5)			

(1) Information not available is noted in dashes. LTM and NTM data as of the latest available information at the announcement date for each transaction.

(2) Figures reflect financial performance of Technicolor s discontinued Technology segment. Enterprise value consists of a $150 million upfront cash payment and 42.5% of all future cash receipts associated with licensing (net of estimated operating expenses); multiples based on Wall Street research estimates for total consideration of EUR385 million.
(3) Based on LTM UK GAAP.
(4) LTM and NTM measured as of March 31, 2016.
(5) Based on mid-point of 2015 EBIT per management guidance.

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The transactions used in this comparison were selected because the respective target company possessed, in GCA Advisors judgment, similar operating or financial performance characteristics to those of the Company. GCA Advisors noted that none of these companies have the same business model, management, composition, industry, size or operations as the Company, and no company or transaction used in the selected transactions analyses is identical to the Company, the Offer or the Merger. In addition, in conducting such analysis, GCA Advisors did not include every transaction that involved a company that could be deemed to be a participant in this same industry or in the same specific sectors of this industry. Accordingly, an analysis of the results of the foregoing is not purely mathematical; rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies and other factors that could affect the values of the companies and transactions to which the Company, the Offer and the Merger, respectively, is being compared.

Other Information.

GCA Advisors observed certain additional factors that were presented to the Company Board for reference purposes, and were not relied upon for valuation purposes, including, among other things, the following:

Negative Spot Premium Comparison.

GCA Advisors also reviewed the consideration paid in completed or announced acquisitions since April 1, 2010 that had a negative spot premium as compared against the closing prices of the target company as of the last trading day immediately prior to the announcement of such acquisitions, involving 27 publicly traded companies in North America with implied transaction values in excess of $50 million, which acquisitions were paid for with consideration consisting of cash only for all of the target company s capital stock. GCA Advisors calculated the negative spot premiums paid in these transactions over the closing prices of the target companies as of the last trading day immediately prior to the announcement of such acquisitions. Of the 27 transactions analyzed, 13 included a discount of 4% or more and a plurality of the transactions analyzed were in the technology sector.

Revenue Growth Rates.

For each of the Company and the Selected Public Companies referenced above in the Selected Public Companies Analysis, GCA Advisors identified:

(a) the estimated revenue growth rate for calendar year 2018 (calculated as the percentage increase, or decrease, as applicable, of the estimated revenue for calendar year 2018 over the actual revenue for calendar year 2017, the **2018 Estimated Revenue Growth Rate**) of the Company under ASC 605, based on the Management Projections, of negative 15.3%, and compared that result to the 2018 Estimated Revenue Growth Rates for (i) CEVA, Inc. of positive 5.2%, (ii) Technicolor SA of negative 5.2%, (iii) Quarterhill, Inc. of negative 15.7% and (iv) Acacia Research Corporation of negative 37.7%, in each case, based on company filings and Wall Street research; and

(b) the estimated revenue growth rate for calendar year 2019 (calculated as the percentage increase, or decrease, as applicable, of the estimated revenue for calendar year 2019 over the estimated revenue for calendar year 2018, the **2019 Estimated Revenue Growth Rate**) of the Company under ASC 605, based on the Management Projections, of negative 5.0%, and compared that result to the 2019 Estimated Revenue Growth Rates of (i) CEVA, Inc. of positive 12.6%, (ii) Quarterhill, Inc. of positive 9.8%, (iii) Acacia Research Corporation of positive 4.2% and (iv) Technicolor SA of positive 1.2%, in each case based on company filings and Wall Street research.

Miscellaneous.

The foregoing description is only a summary of the analyses and examinations that GCA Advisors deems material to its opinion. It is not a comprehensive description of all analyses and examinations actually conducted

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by GCA Advisors. The preparation of a fairness opinion necessarily is a complex process involving subjective judgment and is not necessarily susceptible to partial analysis or summary description. GCA Advisors believes that its analyses and the summary set forth above must be considered as a whole and that selecting portions of its analyses and of the factors considered, without considering all analyses and factors, would create an incomplete view of the process underlying the analyses set forth in its presentation to the Company Board. In addition, GCA Advisors may have given various analyses more or less weight than other analyses, and may have deemed various assumptions more or less probable than other assumptions. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that this analysis was given weight equal to or greater than any other analysis. Accordingly, the range of valuations resulting from certain analyses described above should not be taken to be the view of GCA Advisors with respect to the actual value of the Company.

In performing its analyses, GCA Advisors made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of the Company. The analyses performed by GCA Advisors are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those suggested by these analyses. These analyses were prepared solely as part of the analysis performed by GCA Advisors with respect to its opinion and were provided to the Company Board in connection with the delivery of the GCA Advisors opinion that, as of April 30, 2018, the Consideration to be received by the holders of Company Common Stock pursuant to the Merger Agreement was fair, from a financial point of view, to such holders. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities may trade at any time in the future.

As described above, GCA Advisors opinion and presentation were among the many factors the Company Board took into consideration in making its determination to approve the Merger Agreement and should not be viewed as determinative of the views of the Company Board or management with respect to the Offer, the Merger or the Consideration. GCA Advisors did not recommend any specific consideration to the Company Board or state that any specific consideration constituted the only appropriate consideration.

Under the terms of its engagement letter, GCA Advisors provided financial advisory services to the Company Board in connection with the Offer and the Merger for which it will be paid approximately $7.8 million, $1 million of which became payable upon delivery of its opinion, and the remaining portion of which will be paid upon, and subject to, the completion of the Merger. In addition, the Company has agreed to reimburse GCA Advisors for certain expenses related to its engagement and to indemnify GCA Advisors and its affiliates, and each of their respective directors, shareholders, members, partners, agents, employees, representatives, and controlling persons, against certain liabilities arising out of its engagement.

In the two years prior to April 30, 2018, GCA Advisors provided strategic advisory services to the Company and received $100,000 in aggregate fees for such services (including the reimbursement of expenses). GCA Advisors has not, in the two years prior to April 30, 2018, at any time provided financial advisory services for Parent, Purchaser or their affiliates. However, GCA Advisors may seek to provide such services to Parent or its affiliates in the future and receive fees for such services.

ITEM 5. PERSON/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED

The Company retained GCA Advisors to act as its financial advisor in connection with the Offer and the Merger. The Company agreed to pay GCA Advisors a transaction fee, currently estimated to be approximately $7.8 million, for its services as a financial advisor to the Company in connection with certain sale transactions involving the Company (including the Offer and the Merger), payable upon the closing of any such transaction, and including a fee of

$1.0 million, which was payable upon delivery of GCA Advisors s opinion, to be credited against such transaction fee. Subject to certain limitations, GCA Advisors will be reimbursed for reasonable expenses, including fees of outside legal counsel, incurred in connection with their engagement. In addition, the Company has agreed to indemnify GCA Advisors, its affiliates and each of their respective affiliates, directors,

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shareholders, members, partners, interest holders, agents, representatives, advisers, consultants, employees and controlling persons from specified liabilities.

Additional information pertaining to the retention of GCA Advisors by the Company is set forth in Item 4 under the heading *Opinion of GCA Advisors, LLC* and is hereby incorporated by reference in this Item 5.

Neither the Company nor any person acting on its behalf has otherwise employed, retained or compensated any person to make solicitations or recommendations to the Company s stockholders on its behalf concerning the Offer or the Merger, except that such solicitations or recommendations may be made by directors, officers or employees of the Company, for which services no additional compensation will be paid.

ITEM 6. INTEREST IN SECURITIES OF THE SUBJECT COMPANY

To the Company s knowledge after reasonable inquiry, no transactions in Company Common Stock have been effected during the sixty (60) days prior to the date of this Schedule 14D-9 by the Company or by any executive officer, director, affiliate or subsidiary of the Company, except as set forth below.

Name	Date of Transaction	Number of Company Shares	Price per Share ($)	Nature of Transaction
David J. Anderson	5/20/2018	8,282 (1)	N/A	Vesting of Company RSUs
Paul A. S. Mankoo	5/20/2018	6,339 (2)	N/A	Vesting of Company RSUs
Martin E. Roberts	5/20/2018	3,730 (3)	N/A	Vesting of Company RSUs
Edward F. Straube	5/20/2018	2,242 (4)	N/A	Vesting of Company RSUs
Andrew D. Africk	5/20/2018	4,406	N/A	Vesting of Company RSUs
Shelby Bonnie	5/20/2018	5,364	N/A	Vesting of Company RSUs
Frank E. Dangeard	5/20/2018	3,392 (5)	N/A	Vesting of Company RSUs
Steven L. Fingerhood	5/20/2018	5,011	N/A	Vesting of Company RSUs
Gilbert S. Palter	5/20/2018	3,315 (6)	N/A	Vesting of Company RSUs
Sanford R. Robertson	5/20/2018	4,538	N/A	Vesting of Company RSUs
Mallun Yen	5/20/2018	9,961	N/A	Vesting of Company RSUs
Magdalena Yesil	5/20/2018	10,203	N/A	Vesting of Company RSUs

(1) Net Company Shares after withholding 4,381 Company Shares for payment of taxes.
(2) Net Company Shares after withholding 7,622 Company Shares for payment of taxes.
(3) Net Company Shares after withholding 2,222 Company Shares for payment of taxes.
(4) Net Company Shares after withholding 1,189 Company Shares for payment of taxes.
(5) Net Company Shares after withholding 1,454 Company Shares for payment of taxes.
(6) Net Company Shares after withholding 1,421 Company Shares for payment of taxes.

ITEM 7. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS

Except as set forth in this Schedule 14D-9 or as incorporated in this Schedule 14D-9 by reference, the Company is not undertaking or engaged in any negotiations in response to the Offer that relate to:

a tender offer or other acquisition of the Company s securities by the Company, any subsidiary of the Company or any other person;

any extraordinary transaction, such as a merger, reorganization or liquidation, involving the Company or any subsidiary of the Company;

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any purchase, sale or transfer of a material amount of assets of the Company or any subsidiary of the Company; or

any material change in the present dividend rate or policy (as described in Item 4 under the heading *Reasons for the Recommendation*, the Company has suspended the paying of dividends) or indebtedness or capitalization of the Company.

Except as set forth in this Schedule 14D-9 or as incorporated in this Schedule 14D-9 by reference, there are no transactions, resolutions of the Company Board, agreements in principle or signed contracts entered into in response to the Offer that relate to one or more of the events referred to in the preceding paragraph.

ITEM 8. ADDITIONAL INFORMATION

The information set forth in Item 3 under the heading *Interests of Certain Persons; Agreements and Arrangements with Current Executive Officers and Directors of the Company* is incorporated herein by reference.

Golden Parachute Compensation

The following table sets forth the information required by Item 402(t) of Regulation S-K regarding certain compensation that will or may be paid or become payable to each of the Company s named executive officers (as identified in accordance with SEC regulations) and that is based on or otherwise relates to the Merger. Each of Messrs. Amster, Campion and Heath, although named executive officers for the Company s prior fiscal year, are no longer employed by the Company. For additional details regarding the terms of the payments described below for each of Messrs. Anderson, Mankoo, Roberts and Straube, see Item 3.

The amounts listed below are estimates based on multiple assumptions that may or may not actually occur, including the assumptions that the closing date of the Merger is June 19, 2018 and that each named executive officer experiences a qualifying termination of employment (as provided in each applicable plan, program or agreement) on the same day immediately following the Merger. The actual amounts, if any, to be received by a named executive officer may differ from the amounts set forth below.

	Golden Parachute Compensation					
Name	Cash ($)(1)	Equity ($) (2)	Pension NQDC($) (3)	Perquisites/ Benefits ($) (4)	Tax Reimbursements ($) (5)	Total($)
Martin E. Roberts	1,250,000	2,523,568	N/A	24,236	N/A	3,797,804
David J. Anderson	552,000	1,494,727	N/A	31,339	N/A	2,078,066
Paul A. S. Mankoo (6)	190,967		1,909	3,840	N/A	196,716
Edward F. Straube	344,500	558,631	N/A	23,670	N/A	926,801
John A. Amster (7)			N/A	N/A	N/A	
Trevor Campion (7)			N/A	N/A	N/A	
Robert H. Heath (7)			N/A	N/A	N/A	

(1)

For Mr. Roberts, represents severance pay equal to the sum of 1.5 times his annual base salary ($500,000) and 100% of his target bonus ($500,000), payable in equal installments over the twelve (12) month period following the date of termination of employment, pursuant to his severance and change in control agreement with the Company. For Mr. Anderson, represents severance pay equal to the sum of 1.25 times his annual base salary ($325,000) and 75% of his target bonus ($195,000), payable in equal installments over the twelve (12) month period following the date of termination of employment, pursuant to his severance and change in control agreement with the Company. For Mr. Mankoo, represents severance pay equal to the sum of (i) severance pay equal to six (6) months of his annual base salary ($381,933) and (ii) a prorated annual bonus for the year of termination as determined by Inventus in its discretion (which is assumed to be zero as

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an estimate of such amount is not determinable by the Company at this time), pursuant to his service agreement with Inventus. If Mr. Mankoo s severance arrangement as approved by the Compensation Committee under the Severance Guidelines were in effect, Mr. Mankoo may be entitled to cash severance equal to twelve (12) months of his annual base salary (totaling $381,933) upon a qualifying termination. The Company intends to enter into an agreement with Mr. Mankoo in order to more fully set forth the rights and obligations with respect to this severance arrangement, including the impact that this severance arrangement will have on his entitlement to severance under the terms of his existing service agreement with Inventus. For Mr. Straube, represents severance pay equal to the sum of 1.0 times his annual base salary ($265,000) and 50% of his target bonus ($159,000), payable in equal installments over the twelve (12) month period following the date of termination of employment, pursuant to his severance and change in control agreement with the Company.

(2) For a description of the treatment and detailed breakdown of each named executive officer s equity award-based payments, see Item 3 under the heading *Effect of the Merger Agreement on Equity Awards*.

For each of Messrs. Roberts, Anderson and Straube, represents the value of the accelerated vesting of Substitute RSUs and Substitute PSUs pursuant to the respective executive s severance and change in control agreement with the Company, which accelerated vesting is a double-trigger (that is, they are payable upon a qualifying termination that occurs within nine (9) months following a change in control), based on the assumptions described above. Mr. Mankoo is not entitled to such acceleration benefit pursuant to the terms of his existing service agreement with Inventus. If Mr. Mankoo s severance arrangement as approved by the Compensation Committee under the Severance Guidelines were in effect, Mr. Mankoo may be entitled to accelerated vesting of Substitute RSUs having a value equal to $491,515. The Company intends to enter into an agreement with Mr. Mankoo in order to more fully set forth the rights and obligations with respect to this severance arrangement, including the impact that this severance arrangement will have on his entitlement to severance under the terms of his existing service agreement with Inventus. The value of each accelerated Substitute RSU and Substitute PSU referenced herein is calculated at a per share value of $10.416, which was the Company s average closing market price over the first five (5) business days following the first public announcement of the Merger, as required by Item 402(t) of Regulation S-K.

(3) For Mr. Mankoo, the amount shown represents the value of a pension contribution that he would have earned and received for six (6) months following the date of termination, pursuant to his service agreement with Inventus. None of the other named executive officers will be entitled to additional pension or non-qualified deferred compensation benefits in connection with the Merger.

(4) For each of Messrs. Roberts, Anderson and Straube, the amount shown represents a lump-sum payment equal to the amount required to maintain the executive s current or equivalent health benefits under COBRA for twelve (12) months following the date of termination ($24,236 for Mr. Roberts, $31,339 for Mr. Anderson and $23,670 for Mr. Straube), pursuant to the executive s respective severance and change in control agreement with the Company. Mr. Anderson would not be entitled to this benefit because he does not currently participate in the Company s health plan. For Mr. Mankoo, the amount shown represents the value of the contractual benefits that he would have earned and received for six (6) months following the date of termination (consisting of payments of $3,009, $363, and $468 to cover six (6) months of health insurance, short-term disability and life insurance, and long-term disability insurance premiums, respectively, in addition to the pension contribution noted above), pursuant to his service agreement with Inventus.

(5) None of the named executive officers is entitled to a tax reimbursement or gross-up in respect of the payments described in the table.

(6) Mr. Mankoo s compensation and benefits are paid in GBP as Mr. Mankoo resides in the UK. The average foreign exchange in effect for April 2018 (1.406596) was used to convert all amounts shown into USD.

(7) Each of Messrs. Amster, Campion and Heath terminated employment with the Company on February 2, 2017, August 1, 2017, and December 15, 2017, respectively.

Vote Required to Approve the Merger.

The Company Board has approved the Offer, the Merger, the Merger Agreement and the transactions contemplated in or by the Merger Agreement in accordance with the DGCL. If the Offer is consummated, the

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Company does not anticipate seeking the approval of the Company s remaining public stockholders before the Merger is effected. Section 251(h) of the DGCL provides that following consummation of a successful tender offer for a public corporation, and subject to certain statutory provisions, if the acquiror holds at least the amount of shares of each class of stock of the target corporation that would otherwise be required to approve a merger for the target corporation, and the other stockholders receive the same consideration for their stock in the merger as was payable in the tender offer, the acquiror can effect a merger without the action of the other stockholders of the target corporation. Accordingly, if the Offer is consummated, the Company, Parent and Purchaser intend to effect the closing of the Merger without a vote of the stockholders of the Company in accordance with Section 251(h) of the DGCL.

Anti-Takeover Statute.

The Company is incorporated under the laws of the State of Delaware. In general, Section 203 of the DGCL prevents an interested stockholder (defined generally to include a person who, together with such person s affiliates and associates, owns or has the right to acquire 15% or more of a corporation s outstanding voting stock) from engaging in a business combination (defined to include mergers and certain other actions and transactions) with a Delaware corporation whose stock is publicly traded or held of record by more than 2,000 stockholders for a period of three (3) years following the date such person became an interested stockholder unless:

- the transaction in which the stockholder became an interested stockholder or the business combination was approved by board of directors of the corporation before the time of the business combination;

- upon completion of the transaction that made it an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the commencement of the transaction (excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) the voting stock owned by directors who are also officers or held in employee benefit plans in which the employees do not have a confidential right to tender or vote stock held by the plan); or

- the business combination was approved by the board of directors of the corporation and ratified by 66 2/3% of the outstanding voting stock which the interested stockholder did not own. Each of Parent and Purchaser is not, nor at any time for the past three (3) years has been, an interested stockholder of the Company as defined in Section 203 of the DGCL. In accordance with the provisions of Section 203, the Company Board has approved the Merger Agreement and the transactions contemplated thereby, including the Offer and the Merger, as described in Item 4 under the heading *Reasons for the Recommendation* and, therefore, the restrictions of Section 203 are inapplicable to the Offer, the Merger and the associated transactions.

Appraisal Rights

No appraisal rights are available in connection with the Offer. However, if Purchaser purchases Company Shares in the Offer and the Merger is consummated, stockholders who do not validly tender into the Offer and who otherwise comply with the applicable requirements and procedures of Section 262 of the DGCL will be entitled to demand appraisal of their Company Shares and receive in lieu of the consideration payable in the Merger a cash payment equal to the fair value of their Company Shares, as determined by the Delaware Court of Chancery, in accordance with Section 262 of the DGCL, plus interest, if any, on the amount determined to be the fair value, subject to the provisions of Section 262 of the DGCL. Such appraised value may be greater than, the same as or less than the Per Share Merger

Consideration. Any Company stockholder contemplating the exercise of its appraisal rights should review carefully the provisions of Section 262 of the DGCL, particularly the procedural steps required to properly demand and perfect such rights. Company stockholders should note that the opinions of the investment banking firm as to the fairness, from a financial point of view, of the consideration payable in a sale transaction, such as the Offer and the Merger, are not opinions as to, and do not otherwise address, fair value under Section 262 of the DGCL.

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THE FOLLOWING BRIEF SUMMARY IS QUALIFIED IN ITS ENTIRETY BY THE FULL TEXT OF SECTION 262 OF THE DGCL, WHICH IS ATTACHED TO THIS SCHEDULE 14D-9 AS ANNEX B. THE FOLLOWING SUMMARY DOES NOT CONSTITUTE ANY LEGAL OR OTHER ADVICE NOR DOES IT CONSTITUTE A RECOMMENDATION THAT COMPANY STOCKHOLDERS EXERCISE APPRAISAL RIGHTS UNDER SECTION 262 OF THE DGCL. ALL REFERENCES IN SECTION 262 OF THE DGCL AND IN THIS SUMMARY TO A COMPANY STOCKHOLDER ARE TO THE RECORD HOLDER OF COMPANY SHARES IMMEDIATELY PRIOR TO THE EFFECTIVE TIME AS TO WHICH APPRAISAL RIGHTS ARE ASSERTED.

Under the DGCL, if the Merger is completed, holders of Company Shares immediately prior to the Effective Time who (i) did not tender their Company Shares in the Offer, (ii) follow the procedures set forth in Section 262 of the DGCL and (iii) do not thereafter withdraw their demand for appraisal of such Company Shares or otherwise lose their appraisal rights, in each case in accordance with the DGCL, will be entitled to have their Company Shares appraised by the Delaware Court of Chancery and to receive payment of the fair value of such Company Shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with a fair rate of interest, as determined by such court.

Under Section 262 of the DGCL, where a merger is approved under Section 251(h) of the DGCL, either a constituent corporation before the Effective Time, or the surviving corporation within ten (10) days thereafter, shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of Section 262 of the DGCL. THIS SCHEDULE 14D-9 CONSTITUTES THE FORMAL NOTICE OF APPRAISAL RIGHTS UNDER SECTION 262 OF THE DGCL.

Under Delaware law, the procedures to properly demand and perfect appraisal rights must be carried out by and in the name of those registered as the holders of record of Company Shares. Stockholders who are the beneficial owners but not the holders of record of Company Shares, and who wish to demand such appraisal rights, are advised to consult promptly with the holders of record as to the timely exercise of such rights and to cause such holders of record to make the appropriate demand and to otherwise comply with the requirements of Section 262 of the DGCL.

FAILURE TO FOLLOW THE PROCEDURES SET FORTH IN SECTION 262 OF THE DGCL MAY RESULT IN A TERMINATION OR LOSS OF APPRAISAL RIGHTS.

Any Company stockholder wishing to exercise appraisal rights is urged to consult legal counsel before attempting to exercise such rights.

If a Company stockholder elects to exercise appraisal rights under Section 262 of the DGCL, such stockholder must do all of the following:

(i) prior to the later of the consummation of the Offer (which will occur at the date and time of the acceptance and payment for Company Shares pursuant to and subject to the conditions of the Offer) and twenty (20) days after the date of this Schedule 14D-9, deliver to the Company at One Market Plaza, Suite 1100, San Francisco, California 94105, Attention: General Counsel, a written demand for appraisal of the Company Shares, which demand must reasonably inform the Company of the identity of the stockholder and that the stockholder is demanding appraisal;

(ii) not tender his, her or its Company Shares in the Offer; and

(iii) continuously hold of record the Company Shares from the date on which the written demand for appraisal is made through the Effective Time.

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Any stockholder who sells Company Shares in the Offer will not be entitled to exercise appraisal rights with respect thereto but rather, receive the Offer Price, subject to the terms and conditions of the Merger Agreement, as well as the Offer to Purchase and related Letter of Transmittal, as applicable.

Appraisal Procedures.

The right to appraisal will be lost unless it is perfected by full and precise satisfaction of the requirements of Section 262 of the DGCL, the text of which is set forth in full in Annex B hereto. Mere failure to execute and return a Letter of Transmittal to the paying agent, or failure to deliver Company Share certificates to the paying agent, as the case may be, does NOT satisfy the requirements of Section 262 of the DGCL. Rather, a separate written demand for appraisal must be properly executed and delivered to the Company as described herein and in accordance with Section 262 of the DGCL.

As provided under Section 262 of the DGCL, failure of a stockholder to make a written demand for appraisal (or failure of a beneficial owner of Company Shares to cause the record holder of such Company Shares to demand an appraisal of such Company Shares) within the time limits provided in Section 262 of the DGCL will result in the loss of such stockholder s appraisal rights. The written demand for appraisal must be executed by or for the stockholder of record. The demand should set forth, fully and correctly, the stockholder s name as it appears on the Company Share certificate or certificates that represent such stockholder s Company Shares or in the book entry that represents such stockholder s Company Shares, as the case may be. If the relevant Company Shares are owned of record in a fiduciary or representative capacity, such as by a trustee, executor, administrator, guardian or attorney-in-fact, execution of the demand must be made in such capacity, and if the Company Shares are owned of record by more than one person, such as in a joint tenancy or tenancy in common, the demand must be executed by or for all joint owners. An authorized agent, including one of two or more joint owners, may execute the demand for appraisal for a stockholder of record; provided, however, that the agent must identify the record owner(s) and expressly disclose the fact that, in executing the demand, the agent is acting as agent for the record owner(s).

A record holder, such as a broker, fiduciary, depositary or other nominee, who holds Company Shares as a nominee for others, may exercise appraisal rights with respect to the Company Shares held for all or less than all beneficial owners of Company Shares as to which such person is the record owner. In such case, the written demand must set forth the number of Company Shares covered by such demand. Where the number of Company Shares is not expressly stated, the demand will be presumed to cover all Company Shares held in the name of such record owner.

A beneficial owner of Company Shares held in street name who desires appraisal should take such actions as may be necessary to ensure that a timely and proper demand for appraisal is made by the record holder of such Company Shares. Securities held through brokerage firms, banks and other financial institutions are frequently deposited with and held of record in the name of a nominee of a central security deposit, such as The Depository Trust Company. In the case of Company Shares held through such a central securities depository nominee, a demand for appraisal of such Company Shares must be made by or on behalf of the depository nominee and must identify the depository nominee as record owner. Any beneficial holder desiring appraisal who holds Company Shares through a brokerage firm, bank or other financial institution is responsible for ensuring that the demand for appraisal is made by the record holder of such Company Shares. The beneficial holder of such Company Shares who desires appraisal should instruct such firm, bank or institution that the demand for appraisal must be made by the record holder of such Company Shares, which may be the nominee of a central security depository if the Company Shares have been so deposited. As required by Section 262 of the DGCL, a demand for appraisal must reasonably inform the Company of the identity of the holder(s) of record (which may be a nominee as described above) and that such stockholder intends thereby to demand appraisal of such Company Shares.

Within one hundred and twenty (120) days after the Effective Time, but not thereafter, the Surviving Corporation or any holder of Company Shares who has complied with the provisions of Section 262 of the

DGCL and is entitled to appraisal rights thereunder may commence an appraisal proceeding by filing a petition in the Delaware Court of Chancery demanding a determination of the fair value of the Company Shares held by all such holders. If no such petition is filed within the one hundred and twenty (120) day period, appraisal rights will be lost for all holders of Company Shares who had previously demanded appraisal of their Company Shares. The Company is under no obligation, and has no present intention, to file such a petition. Accordingly, any Company stockholder who wishes to perfect such stockholder s appraisal rights will be required to initiate all necessary action within the time prescribed in Section 262 of the DGCL. Notwithstanding the foregoing, at any time within sixty (60) days after the Effective Time, any stockholder who has not commenced an appraisal proceeding or joined a proceeding as a named party shall have the right to withdraw such stockholder s demand for appraisal and to accept the terms offered pursuant to the Merger. Notwithstanding that a demand for appraisal must be executed by or for a stockholder of record, a beneficial owner of Company Shares held either in a voting trust or by a nominee on behalf of such beneficial owner may, in such beneficial owner s own name, file a petition for appraisal with respect to Company Shares beneficially owned by such person and as to which appraisal rights have properly been perfected.

Within one hundred and twenty (120) days after the Effective Time, any holder of Company Shares who has complied with the requirements for exercise of appraisal rights will be entitled, upon written request, to receive from the Surviving Corporation a statement setting forth the aggregate number of Company Shares with respect to which demands for appraisal have been received and the aggregate number of holders of such Company Shares. Such statement must be mailed (a) within ten (10) days after a written request therefor has been received by the Surviving Corporation or (b) within ten (10) days after the expiration of the period for delivery of demands for appraisal, whichever is later. A beneficial owner of Company Shares held either in a voting trust or by a nominee on behalf of such beneficial owner may, in such beneficial owner s own name, make such a request.

If a petition for an appraisal is timely filed with the Delaware Court of Chancery by a stockholder, service of a copy thereof must be made upon the Surviving Corporation, which will then be obligated within twenty (20) days to provide the Delaware Register in Chancery with a duly verified list containing the names and addresses of all stockholders who have demanded payment for their Company Shares and with whom agreements as to the value of their Company Shares have not been reached by the Company. The Delaware Register in Chancery, if so ordered by the Court of Chancery, shall give notice of the time and place fixed for the hearing of such petition to the Surviving Corporation and the petitioning stockholders in accordance with Section 262 of the DGCL. As required by Section 262 of the DGCL, the Court of Chancery is empowered to conduct a hearing on such petition to determine those stockholders who have complied with Section 262 of the DGCL and who have become entitled to appraisal rights. The Court of Chancery may require the stockholders who have demanded an appraisal for their Company Shares to submit their Company Share certificates to the Delaware Register in Chancery for notation thereon of the pendency of the appraisal proceeding and, if any such stockholder fails to comply with such direction, the Court of Chancery may dismiss the proceedings as to such stockholder. Pursuant to Section 262 of the DGCL, the Court of Chancery shall dismiss the proceedings as to all holders of such Company Shares who are otherwise entitled to appraisal rights unless (1) the total number of Company Shares entitled to appraisal exceeds 1% of the outstanding Company Shares of the class or series eligible for appraisal or (2) the value of the consideration provided in the Merger or consolidation for such total number of Company Shares exceeds $1 million.

After determining the stockholders entitled to an appraisal, the Court of Chancery will appraise the fair value of their Company Shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, if any, to be paid upon the amount determined to be the fair value. Unless the Court of Chancery in its discretion determines otherwise for good cause shown, interest on the amount determined to be the fair value shall accrue from the Effective Time through the date of the payment of the judgment, shall be compounded quarterly, and shall accrue at 5% over the Federal Reserve discount rate (including any surcharges) as established from time to time during the period between the Effective Time and the date of payment of the judgment. At any time

before the entry of judgment in the proceedings, the Surviving

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Corporation may pay to each stockholder entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the Company Shares as determined by the Court of Chancery, and (2) interest theretofore accrued, unless paid at that time. The Surviving Corporation is under no obligation to make such voluntary cash payment prior to such entry of judgment.

Stockholders considering the exercise of appraisal rights should be aware that the fair value of their Company Shares as determined under Section 262 of the DGCL could be greater than, the same as or less than the value of the Per Share Merger Consideration. In determining fair value, the Delaware Court of Chancery shall take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court should be considered and that [f]air price obviously requires consideration of all relevant factors involving the value of a company. The Delaware Supreme Court has stated that in making this determination of fair value the court must consider market value, asset value, dividends, earnings prospects, the nature of the enterprise and any other facts which could be ascertained as of the date of the merger which throw any light on future prospects of the merged corporation. Section 262 of the DGCL provides that fair value is to be exclusive of any element of value arising from the accomplishment or expectation of the merger. In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that such exclusion is a narrow exclusion [that] does not encompass known elements of value, but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court construed Section 262 of the DGCL to mean that elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered.

The costs of the appraisal proceeding (which do not include attorneys fees or the fees and expenses of expert witnesses) may be determined by the Court of Chancery and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a stockholder, the Court may also order that all or a portion of the expenses incurred by any stockholder in connection with an appraisal, including, without limitation, reasonable attorneys fees and the fees and expenses of experts utilized in the appraisal proceeding, be charged pro rata against the value of all the Company Shares entitled to be appraised. Absent such an order, each party is responsible for his, her or its own expenses.

From and after the Effective Time, no stockholder, whether or not such stockholder has duly demanded an appraisal in compliance with Section 262 of the DGCL, shall be entitled to vote any Company Shares for any purpose or entitled to the payment of dividends or other distributions on any Company Shares (except dividends or other distributions, if any, payable to stockholders of record as of a record date prior to the Effective Time).

If any stockholder who demands appraisal of such stockholder s Company Shares under Section 262 of the DGCL fails to perfect, or effectively withdraws or loses, such stockholder s right to appraisal, as provided in the DGCL, the Company Shares of such stockholder will be converted into the right to receive the Per Share Merger Consideration, without interest and subject to any taxes required to be withheld under applicable law, and then such stockholders must follow the procedures set forth in the Letter of Transmittal and accompanying instructions in order to receive payment of the Per Share Merger Consideration.

At any time within sixty (60) calendar days after the Effective Time, any stockholder who has demanded appraisal and who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw the demand and accept the consideration offered in the Merger. After that period, a stockholder may withdraw a demand for appraisal only with the written consent of the Surviving Corporation. No appraisal proceeding

in the Court of Chancery will be dismissed as to any stockholder, however, without the approval of the Court of Chancery, which may be conditioned on such terms as the Court deems just; provided, however, that this provision shall not affect the right of any stockholder who has not commenced an appraisal

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proceeding or joined that proceeding as a named party to withdraw such stockholder s demand for appraisal and to accept the terms offered pursuant to the Merger within sixty (60) calendar days of the Effective Time.

FAILURE TO STRICTLY FOLLOW THE PROCEDURES SET FORTH IN SECTION 262 OF THE DGCL MAY RESULT IN A TERMINATION OR LOSS OF APPRAISAL RIGHTS UNDER SECTION 262 OF THE DGCL.

Legal Proceedings.

Lawsuits arising out of or relating to the Offer, the Merger or the other associated transactions may be filed in the future.

Regulatory Approvals.

United States Antitrust Compliance

Under the HSR Act and the rules that have been promulgated thereunder by the FTC, certain acquisition transactions may not be consummated unless certain information has been furnished to the Federal Trade Commission (the **FTC**) and the Antitrust Division of the Department of Justice (the **Antitrust Division**) and certain waiting period requirements have been satisfied. The purchase of Company Shares pursuant to the Offer is subject to such requirements. See Section 16 *Certain Legal Matters; Regulatory Approvals* in the Offer to Purchase.

The HSR Act provides for an initial fifteen (15) calendar-day waiting period for cash tender offers following the FTC s and the Antitrust Division s receipt of Parent s Premerger Notification and Report Form under the HSR Act before Parent and Purchaser may purchase Company Shares in the Offer. If the fifteenth (15th) calendar day of the initial waiting period is not a business day, the initial waiting period is extended until 11:59 PM of the next business day. Parent and the Company each filed a Premerger Notification and Report Form with the FTC and the Antitrust Division for review in connection with the Offer on May 14, 2018. Accordingly, the initial waiting period applicable to the purchase of Company Shares will expire at 11:59 p.m. (New York City time) on May 29, 2018 unless the waiting period is earlier terminated by the FTC and the Antitrust Division or extended by a formal request from the FTC or the Antitrust Division for additional information or documentary material from Parent prior to that time, or if Parent withdraws its HSR filing under pursuant to the HSR Act. If, before expiration or early termination of the initial fifteen (15) calendar-day waiting period, either the FTC or the Antitrust Division issues a request for additional information or documentary material from to the Parent and the Company, the waiting period with respect to the Offer and the Merger will be extended for an additional period of ten (10) calendar days following the date of Parent s substantial compliance with that request. Complying with a request for additional information or documentary material may take a significant amount of time.

At any time before or after the consummation of any such transactions, the FTC or the Antitrust Division could take such action under the antitrust laws of the United States as it deems necessary or desirable in the public interest, including seeking to enjoin the purchase of Company Shares pursuant to the Offer or seeking divestiture of the Company Shares so acquired or divestiture of substantial assets of the Company. Private parties (including individual States) may also bring legal actions under the antitrust laws of the United States. The Company does not believe that the consummation of the Offer will result in a violation of any applicable antitrust laws. However, there can be no assurance that a challenge to the Offer on antitrust grounds will not be made, or if such a challenge is made, what the result will be.

German Antitrust Compliance

A merger notification was submitted to the German Bundeskartellamt (the **Federal Cartel Office**) on May 8, 2018 triggering a one (1) month Phase 1 review period which expires on June 8, 2018. If the Federal

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Cartel Office informs the parties within the one (1) month period that it does not object to the closing of the Offer and Merger, the closing of the Offer and the Merger are approved. The closing of the Offer and the Merger are deemed approved if no decision is issued within the review period. There is a worldwide bar on closing until the Federal Cartel Office has approved the transaction or the transaction is deemed to be approved and absent an investigation by the Federal Cartel Office. The commencement of such formal investigation would extend the waiting period up to four (4) months (five (5) months if conditions or remedies are proposed by the parties) from the date of receipt by the Federal Cartel Office of the complete notification; further extensions of the waiting period would only be possible with the consent of the parties or in the event that the parties do not properly comply with their duty to provide information upon request from the Federal Cartel Office. The completion of the Offer and Merger without German merger control clearance could result in administrative penalties and the Offer and Merger being deemed invalid under German law. If the Federal Cartel Office determines that the acquisition of Shares in the Offer or the Merger would significantly impede effective competition, and particularly if it determines that such acquisition would lead to the creation or strengthening of a dominant market position, it may prohibit the acquisition of the Company Shares in the Offer or the Merger or impose other conditions or remedies, including divestitures.

Annual and Quarterly Reports.

For additional information regarding the business and the financial results of the Company, please see the Company s Annual Report on Form 10-K for the year ended December 31, 2017 and the amendment thereto, as filed with the SEC on March 5, 2018 and April 30, 2018, respectively, and the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 as filed with the SEC on May 8, 2018.

Forward-Looking Statements.

All of the statements in this document (including those incorporated by reference), other than historical facts, are forward-looking statements, including, without limitation, the statements made concerning the pending acquisition of the Company by Parent and Purchaser, and are based on a number of assumptions that could ultimately prove inaccurate. Forward-looking statements made herein with respect to the Offer, the Merger and related transactions, including, for example, the timing of the completion of the Merger and the potential benefits of the Merger, reflect the current analysis of existing information and are subject to various risks and uncertainties. As a result, caution must be exercised in relying on forward-looking statements. Due to known and unknown risks, the Company s actual results may differ materially from its expectations or projections. The following factors, among others, could cause actual plans and results to differ materially from those described in forward-looking statements: (i) uncertainties as to the timing of the Offer and the Merger; (ii) uncertainties as to how many Company stockholders will tender their Company Shares in the Offer; (iii) the possibility that competing offers will be made; (iv) the possibility that various closing conditions for the transactions contemplated by the Merger Agreement may not be satisfied or waived; (v) the risk that the Merger Agreement may be terminated in circumstances requiring the Company to pay a termination fee; (vi) risks related to obtaining the requisite consents to the Offer and the Merger, including, without limitation, the risk that a regulatory approval that may be required for the proposed transactions contemplated by the Merger Agreement, including under the HSR Act and the GWB is delayed, is not obtained, or is obtained subject to conditions that are not anticipated; (vii) the possibility that the transactions contemplated by the Merger Agreement may not be timely completed, if at all; (viii) the risk that, prior to the completion of the transactions contemplated by the Merger Agreement, if at all, the Company s business and its relationships with employees, collaborators, vendors and other business partners could experience significant disruption due to transaction-related uncertainty; (ix) the risk that stockholder litigation in connection with the Offer or the Merger may result in significant costs of defense, indemnification and liability; and (x) the risks and uncertainties pertaining to the Company s business, and elsewhere in the Company s public periodic filings with the SEC, as well as the tender offer materials filed and to be filed by Purchaser in connection with the Offer. Other factors that could cause actual results to differ materially include those

set forth in the Company s SEC reports, including, without limitation, the risks described in the Company s Annual Report on Form 10-K for its fiscal year ended December 31, 2017, and the

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amendment thereto, and the Company s Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, which are both on file with the SEC. The Company s SEC filings are available publicly on the SEC s website at www.sec.gov, on the Company s website at https://www.rpxcorp.com/ under the Investor Relations section or upon request via email to ir@rpxcorp.com. The Company disclaims any obligation or undertaking to update or revise the forward-looking statements contained herein, whether as a result of new information, future events or otherwise, except as required by law.

ITEM 9. EXHIBITS

The following exhibits are filed with this Schedule 14D-9:

Exhibit No.	Description
(a)(1)(A)	Offer to Purchase, dated May 21, 2018 (incorporated by reference to Exhibit (a)(1)(A) to the Schedule TO).
(a)(1)(B)	Form of Letter of Transmittal (incorporated by reference to Exhibit (a)(1)(B) to the Schedule TO).
(a)(1)(C)	Form of Notice of Guaranteed Delivery (incorporated by reference to Exhibit (a)(1)(C) to the Schedule TO).
(a)(1)(D)	Form of Letter from the Information Agent to Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (incorporated by reference to Exhibit (a)(1)(D) to the Schedule TO).
(a)(1)(E)	Form of Letter to Clients for Use by Brokers, Dealers, Commercial Banks, Trust Companies and Other Nominees (incorporated by reference to Exhibit (a)(1)(E) to the Schedule TO).
(a)(1)(F)	Summary Advertisement as published in the Wall Street Journal on May 21, 2018 (incorporated by reference to Exhibit (a)(1)(F) to the Schedule TO).
(a)(5)(A)	Opinion of GCA Advisors, LLC, dated April 30, 2018 (included as Annex A to this Schedule 14D-9).
(a)(5)(B)	Joint Press Release issued by HGGC, LLC and RPX Corporation on May 1, 2018 (incorporated by reference to Exhibit 99.1 to RPX Corporation s Current Report on Form 8-K filed with the SEC on May 1, 2018).
(a)(5)(C)	Press Release issued by RPX Corporation on May 1, 2018 (incorporated by reference to Exhibit 99.1 to RPX Corporation s Current Report on Form 8-K filed with the SEC on May 1, 2018).
(a)(5)(D)	Joint Press Release issued by the Company and Parent on May 21, 2018 (incorporated by reference to Exhibit (a)(5)(B) to the Schedule TO).
(e)(1)	Agreement and Plan of Merger, dated April 30, 2018, among Riptide Parent, LLC, Riptide Purchaser, Inc. and RPX Corporation (incorporated by reference to Exhibit 2.1 to RPX Corporation s Current Report on Form 8-K filed with the SEC on April 30, 2018).
(e)(2)	Confidentiality Agreement, dated January 9, 2018, between RPX Corporation and HGGC, LLC (incorporated by reference to Exhibit (d)(2) to the Schedule TO).
(e)(3)	Exclusivity Agreement Letter, dated April 26, 2018, from HGGC, LLC to RPX Corporation (incorporated by reference to Exhibit (d)(3) to the Schedule TO).

(e)(4)	Limited Guarantee, dated as of April 30, 2018, by each of the Fund II Investors in favor of RPX Corporation (incorporated by reference to Exhibit (d)(4) to the Schedule TO).
(e)(5)	Form of Indemnification Agreement between RPX Corporation and each officer and director (incorporated by reference to Exhibit 10.1 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).

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Exhibit No.	Description
(e)(6)	2008 Stock Plan, as amended (incorporated by reference to Exhibit 10.8 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).
(e)(7)	Form of Notice of Stock Option Grant (Early Exercise) and Stock Option Agreement under 2008 Stock Plan (incorporated by reference to Exhibit 10.9 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).
(e)(8)	Form of Notice of Stock Option Grant and Stock Option Agreement under 2008 Stock Plan (incorporated by reference to Exhibit 10.10 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).
(e)(9)	Form of Notice of Stock Exercise (Early Exercise) under 2008 Stock Plan (incorporated by reference to Exhibit 10.11 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).
(e)(10)	Form of Notice of Stock Exercise under 2008 Stock Plan (incorporated by reference to Exhibit 10.12 to RPX Corporation s Registration Statement on Form S-1, filed with the SEC on January 21, 2011).
(e)(11)	2011 Equity Plan (incorporated by reference to Exhibit 10.25 to RPX Corporation s Registration Statement on Form S-1, as amended, filed with the SEC on March 7, 2011).
(e)(12)	Form of Notice of Stock Option Grant and Stock Option Agreement under 2011 Equity Incentive Plan (incorporated by reference to Exhibit 10.32 to RPX Corporation s Registration Statement on Form S-1, as amended, filed with the SEC on April 29, 2011).
(e)(13)	Form of Notice of Stock Option Grant (Non-Employee Directors) and Stock Option Agreement (Non-Employee Directors) under 2011 Equity Incentive Plan (incorporated by reference to Exhibit 10.33 to RPX Corporation s Registration Statement on Form S-1, as amended, filed with the SEC on April 29, 2011).
(e)(14)	Form of Notice of Stock Unit Award and Stock Unit Agreement under 2011 Equity Incentive Plan (incorporated by reference to Exhibit 10.34 to RPX Corporation s Registration Statement on Form S-1, as amended, filed with the SEC on April 29, 2011).
(e)(15)	Agreement and Plan of Merger, by and among RPX Corporation, National Acquisition Corp., Inventus Solutions, Inc. and Inventus Intermediaries, LLC entered into on December 13, 2015 (incorporated by reference to Exhibit 2.1 to RPX Corporation s Current Report on Form 8-K, filed January 28, 2016).
(e)(16)	Agreement, dated May 25, 2016, by and among RPX Corporation, the Mangrove Partners Master Fund, Ltd. and Mangrove Partners (incorporated by reference to Exhibit 10.1 to RPX Corporation s Current Report on Form 8-K, filed May 26, 2016).
(e)(17)	RPX Corporation Compensation Program for Non-Employee Directors, as Amended May 23, 2017 (incorporated by reference to Exhibit 10.1 to RPX Corporation s Current Report on Form 10-Q, filed August 3, 2017).
(e)(18)	Employment Offer Letter by and between RPX Corporation and David Anderson, dated as of October 12, 2010 (incorporated by reference to Exhibit 10.2 to RPX Corporation s Current Report on Form 10-Q, filed August 3, 2017).
(e)(19)	Employment Offer Letter by and between RPX Corporation and Martin Roberts, dated as of September 17, 2010 (incorporated by reference to Exhibit 10.28 to RPX Corporation s Current Report

on Form 10-K, as amended, filed March 5, 2018).

(e)(20) Employment Offer Letter by and between RPX Corporation and Edward Straube, dated as of February 15, 2013.

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Exhibit No.	Description
(e)(21)	Service Agreement, by and between Unified OS Limited and Paul Mankoo, dated as of March 11, 2015.
(e)(22)	Amendment No. 1 to RPX Corporation s Annual Report on Form 10-K/A, filed with the SEC on April 30, 2018 (incorporated by reference to RPX Corporation s Annual Report on Form 10-K/A, filed with the SEC on April 30, 2018).
(e)(23)	Severance and Change of Control Agreement by and between RPX Corporation and David Anderson, dated as of March 21, 2018 (incorporated by reference to RPX Corporation s Current Report on Form 10-Q filed with the SEC on May 8, 2018).
(e)(24)	Severance and Change of Control Agreement by and between RPX Corporation and Martin Roberts, dated as of March 21, 2018 (incorporated by reference to RPX Corporation s Current Report on Form 10-Q filed with the SEC on May 8, 2018).
(e)(25)	Severance and Change of Control Agreement by and between RPX Corporation and Edward Straube, dated as of March 21, 2018.
(e)(26)	E-mail from Martin Roberts, Chief Executive Officer of RPX Corporation, sent to RPX Corporation s Employees, dated May 21, 2018.
(e)(27)	Amended and Restated Certificate of Incorporation of RPX Corporation (incorporated by reference to Exhibit 3.2 to RPX Corporation s Registration Statement on Form S-1 filed with the SEC on January 21, 2011).
(e)(28)	Amended and Restated By-Laws of RPX Corporation (incorporated by reference to Exhibit 3.1 to RPX Corporation s Current Report on Form 8-K filed with the SEC on December 11, 2015).

Annex A: Opinion of GCA Advisors, LLC.

Annex B: Section 262 of the Delaware General Corporation Law.

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SIGNATURE

After due inquiry and to the best of its knowledge and belief, the undersigned certifies that the information set forth in this Schedule 14D-9 is true, complete and correct.

RPX CORPORATION

By: /s/ Martin Roberts
Martin Roberts
CEO and President

Dated: May 21, 2018

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ANNEX A

GCA ADVISORS, LLC

One Maritime Plaza | 25th Floor

San Francisco, CA 94111 | United States

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CONFIDENTIAL

April 30, 2018

Board of Directors

RPX Corporation

Steuart Tower, One Market Plaza

1 Market Street, #1100

San Francisco, CA 94105

Members of the Board:

We understand that RPX Corporation, a Delaware corporation (RPX), Riptide Parent, LLC, a Delaware limited liability company (Parent), and Riptide Purchaser, Inc., a Delaware corporation and a wholly owned subsidiary of Parent (Purchaser), plan to enter into an Agreement and Plan of Merger dated April 30, 2018 (the Merger Agreement) that provides for, among other things, Parent to cause Purchaser to commence a tender offer (the Tender Offer) for all the shares of common stock, par value $0.0001 per share, of RPX (the RPX Common Stock) at a price for each share equal to $10.50, payable in cash (the Consideration). The Agreement further provides that, following completion of the Tender Offer, Purchaser will be merged with and into RPX (the Merger). In the Merger, upon the terms and subject to the conditions set forth in the Merger Agreement, each outstanding share of RPX Common Stock, other than shares of RPX Common Stock held by holders who are entitled to demand and who properly exercise appraisal rights with respect thereto in accordance with Section 262 of the General Corporation Law of the State of Delaware) (the DGCL) (unless such holders fail to perfect or effectively withdraw or lose their rights to appraisal and payment under the DGCL) and shares that are held by RPX as treasury stock, or owned by Parent, Purchaser or any other wholly owned subsidiary of Parent or RPX, will be converted into the right to receive the Consideration, without any interest thereon. As a result of the Tender Offer and the Merger (together, the Transaction), RPX would become a wholly owned subsidiary of Parent. The terms and conditions of the Transaction are more fully set forth in the Merger Agreement.

You have asked for our opinion as to whether, as of the date hereof, the Consideration is fair, from a financial point of view, to the holders of RPX Common Stock. For purposes of the opinion set forth herein, we have:

(i) reviewed a draft, dated April 29, 2018, of the Merger Agreement and certain related documents;

(ii) reviewed certain publicly available financial statements, financial projections and other business and financial information of RPX;

(iii) reviewed certain non-public financial statements and other financial and operating data concerning RPX prepared by the management of RPX;

(iv) reviewed certain non-public financial projections relating to RPX prepared by the management of RPX;

(v) discussed the past and current operations and financial condition and the prospects of RPX with the management of RPX and the Board of Directors of RPX (the Board);

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(vi) reviewed and discussed with the management of RPX and the Board certain alternatives to the Transaction;

(vii) reviewed and discussed with the management of RPX and the Board their views of the strategic rationale for the Transaction;

(viii) reviewed the recent reported closing prices and trading activity for RPX Common Stock;

(ix) prepared and evaluated a discounted cash flow analysis based on projected future cash flows of RPX provided by management of RPX;

(x) compared the financial performance of RPX, and the prices and trading activity of the RPX Common Stock, with those of certain other publicly-traded companies that we believe to be generally relevant in evaluating the business of RPX;

(xi) reviewed the financial terms, to the extent publicly available, of certain precedent transactions that we believe to be generally relevant in evaluating the business of RPX;

(xii) reviewed publicly available information concerning certain precedent transactions having financial characteristics that we believe make them generally relevant in evaluating the Transaction;

(xiii) participated in discussions and negotiations among representatives of RPX and Parent; and

(xiv) performed such other analyses and considered such other factors as we deemed appropriate.

We have assumed and relied upon, without independent verification, the accuracy and completeness of the information reviewed by us for the purposes of this opinion. We have not undertaken any responsibility for the accuracy, completeness or reasonableness of, or independent verification of, such information. In addition, we have not conducted or assumed any obligation to conduct any physical inspection of the properties or facilities of RPX.

With respect to the financial and cash flow projections relating to RPX and prepared by the management of RPX, we have assumed that they were reasonably prepared on bases reflecting the best currently available estimates and judgments of RPX s management as to the future financial performance of RPX and that such projections provide a reasonable basis for our opinion. We assume no responsibility for and express no view as to such projections or the assumptions on which they are based. We have not made any independent valuation or appraisal of the assets or liabilities of RPX or concerning the solvency or fair value of RPX, nor have we been furnished with any such valuations or appraisals. In addition, we have assumed that the Transaction will be consummated in accordance with the terms of the Merger Agreement without waiver by any party of any material rights thereunder or any amendment or modification thereto, that the representations and warranties made by the parties thereto are true and correct in all respects material to our analysis, that all governmental, regulatory and other consents and approvals necessary for the consummation of the Transaction will be timely obtained without any restriction, and that the Merger Agreement executed by the parties thereto does not differ in any material respect from the draft of the Merger Agreement we have reviewed. We have not made any independent investigation of any legal, accounting or tax matters affecting the Transaction, and we have assumed the correctness of all legal, accounting and tax advice given to RPX and the Board. Our opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to us as of, and can be evaluated only as of, the date hereof. We assume no responsibility for updating or revising our opinion based on events or circumstances that may occur after the date of this letter.

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We have acted as financial advisor to RPX in connection with the Transaction and will receive a fee for our services, a portion of which will be payable upon delivery of this opinion and a significant portion of which is contingent upon the consummation of the Transaction, and RPX has agreed to reimburse our expenses and indemnify us against certain liabilities arising out of our engagement. In the future, GCA Advisors, LLC may provide financial advisory services for Parent or its affiliates.

It is understood that this letter is for the information of the Board and may not be used or summarized for any other purpose, or relied upon by any other party, without our prior written consent, except that this opinion may be included in its entirety, if required, in the Schedule 14D-9 (as defined in the Merger Agreement) or any proxy or information statement mailed to the holders of RPX Common Stock in respect of the Transaction.

This opinion does not address RPX s underlying business decision to enter into the Merger Agreement or the relative merits of the Transaction as compared to any alternatives that may be available to RPX, and it does not constitute a recommendation to RPX, the Board or any committee thereof, RPX s stockholders or any other person as to any specific action that should be taken in connection with the Transaction. We have not been asked to express, nor do we offer, any opinion as to the material terms of the Merger Agreement or the structure of the Transaction, and we are not expressing any opinion as to the prices at which RPX Common Stock will trade at any time, including following announcement of the Transaction.

We do not express any view on, and our opinion does not address, any other term or aspect of the Merger Agreement or the Transaction, nor the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of RPX, or class of such persons, in connection with the Transaction, whether relative to the Consideration or otherwise. This opinion has been approved by a fairness committee of GCA Advisors, LLC.

Based upon and subject to the foregoing, we are of the opinion on the date hereof that the Consideration to be received by the holders of RPX Common Stock pursuant to the Merger Agreement is fair, from a financial point of view, to such holders.

Very truly yours,

GCA ADVISORS, LLC

/s/

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ANNEX B

SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

§ 262 Appraisal rights.

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger or consolidation, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger or consolidation nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder s shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word stockholder means a holder of record of stock in a corporation; the words stock and share mean and include what is ordinarily meant by those words; and the words depository receipt mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation in a merger or consolidation to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g) of this title and, subject to paragraph (b) (3) of this section, § 251(h) of this title), § 252, § 254, § 255, § 256, §257, § 258, § 263 or § 264 of this title:

(1) Provided, however, that, except as expressly provided in § 363(b) of this title, no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders to act upon the agreement of merger or consolidation, were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent corporation if the holders thereof are required by the terms of an agreement of merger or consolidation pursuant to §§ 251, 252, 254, 255, 256, 257, 258, 263 and 264 of this title to accept for such stock anything except:

(A) Shares of stock of the corporation surviving or resulting from such merger or consolidation, or depository receipts in respect thereof;

(B) Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the

merger or consolidation will be either listed on a national securities exchange or held of record by more than 2,000 holders;

(C) Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or

(D) Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 251(h), § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) In the event of an amendment to a corporation s certificate of incorporation contemplated by § 363(a) of this title, appraisal rights shall be available as contemplated by § 363(b) of this title, and the

procedures of this section, including those set forth in subsections (d) and (e) of this section, shall apply as nearly as practicable, with the word amendment substituted for the words merger or consolidation, and the word corporation substituted for the words constituent corporation and/or surviving or resulting corporation.

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation or the sale of all or substantially all of the assets of the corporation. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d), (e) and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger or consolidation for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Each stockholder electing to demand the appraisal of such stockholder s shares shall deliver to the corporation, before the taking of the vote on the merger or consolidation, a written demand for appraisal of such stockholder s shares. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder s shares. A proxy or vote against the merger or consolidation shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger or consolidation, the surviving or resulting corporation shall notify each stockholder of each constituent corporation who has complied with this subsection and has not voted in favor of or consented to the merger or consolidation of the date that the merger or consolidation has become effective; or

(2) If the merger or consolidation was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent corporation before the effective date of the merger or consolidation or the surviving or resulting corporation within 10 days thereafter shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Such notice may, and, if given on or after the effective date of the merger or consolidation, shall, also notify such stockholders of the effective date of the merger or consolidation. Any stockholder entitled to appraisal rights may, within 20 days after the date of mailing of such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of mailing of such notice, demand in writing from the surviving or resulting corporation the appraisal of such holder s shares. Such demand will be sufficient if it reasonably informs the corporation of

the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder s shares. If such notice did not notify stockholders of the effective date of the merger or consolidation, either (i) each such constituent corporation shall send a second notice before the effective date of the merger or consolidation notifying each of the holders of any class or series of stock of such constituent corporation that are entitled to appraisal rights of the effective date of the merger or consolidation or (ii) the surviving or resulting corporation shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of

the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder s shares in accordance with this subsection. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger or consolidation, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(e) Within 120 days after the effective date of the merger or consolidation, the surviving or resulting corporation or any stockholder who has complied with subsections (a) and (d) of this section hereof and who is otherwise entitled to appraisal rights, may commence an appraisal proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger or consolidation, any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such stockholder s demand for appraisal and to accept the terms offered upon the merger or consolidation. Within 120 days after the effective date of the merger or consolidation, any stockholder who has complied with the requirements of subsections (a) and (d) of this section hereof, upon written request, shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation a statement setting forth the aggregate number of shares not voted in favor of the merger or consolidation and with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. Such written statement shall be mailed to the stockholder within 10 days after such stockholder s written request for such a statement is received by the surviving or resulting corporation or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section hereof, whichever is later. Notwithstanding subsection (a) of this section, a person who is the beneficial owner of shares of such stock held either in a voting trust or by a nominee on behalf of such person may, in such person s own name, file a petition or request from the corporation the statement described in this subsection.

(f) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the surviving or resulting corporation, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the surviving or resulting corporation. If the petition shall be filed by the surviving or resulting corporation, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving or resulting corporation and to the stockholders shown on the list at the addresses therein stated. Such notice shall also be given by 1 or more publications at least 1 week before the day of the hearing, in a newspaper of general circulation published in the City of Wilmington, Delaware or such publication as the Court deems advisable. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving or resulting corporation.

(g) At the hearing on such petition, the Court shall determine the stockholders who have complied with this section and who have become entitled to appraisal rights. The Court may require the stockholders who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such direction, the Court may dismiss the proceedings as to such stockholder. If immediately before the merger or consolidation the shares of the class

or series of stock of the constituent corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger or consolidation for such total number of shares exceeds $1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

(h) After the Court determines the stockholders entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger or consolidation, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. Unless the Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each stockholder entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving or resulting corporation or by any stockholder entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the stockholders entitled to an appraisal. Any stockholder whose name appears on the list filed by the surviving or resulting corporation pursuant to subsection (f) of this section and who has submitted such stockholder s certificates of stock to the Register in Chancery, if such is required, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving or resulting corporation to the stockholders entitled thereto. Payment shall be so made to each such stockholder, in the case of holders of uncertificated stock forthwith, and the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing such stock. The Court s decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving or resulting corporation be a corporation of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a stockholder, the Court may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney s fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal.

(k) From and after the effective date of the merger or consolidation, no stockholder who has demanded appraisal rights as provided in subsection (d) of this section shall be entitled to vote such stock for any purpose or to receive payment of dividends or other distributions on the stock (except dividends or other distributions payable

to stockholders of record at a date which is prior to the effective date of the merger or consolidation); provided, however, that if no petition for an appraisal shall be filed within the time provided in subsection (e) of this section, or if such stockholder shall deliver to the surviving or resulting corporation a written withdrawal of such stockholder s demand for an appraisal and an acceptance of the merger or consolidation, either within 60 days after the effective date of the merger or consolidation as provided in subsection (e) of this section or thereafter with the written approval of the corporation, then the right of such stockholder to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any stockholder without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just; provided, however that this provision shall not

affect the right of any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such stockholder s demand for appraisal and to accept the terms offered upon the merger or consolidation within 60 days after the effective date of the merger or consolidation, as set forth in subsection (e) of this section.

(l) The shares of the surviving or resulting corporation to which the shares of such objecting stockholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.