

QUICKLOGIC CORPORATION
Form DEF 14A
March 12, 2009

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
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QUICKLOGIC CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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N/A

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N/A

QUICKLOGIC CORPORATION

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON WEDNESDAY, APRIL 22, 2009**

The Annual Meeting of Stockholders of QUICKLOGIC CORPORATION, a Delaware corporation, will be held at QuickLogic's offices located at 1277 Orleans Drive, Sunnyvale, California 94089, on Wednesday, April 22, 2009, at 10:00 a.m., local time, for the following purposes:

1. To elect two Class I directors to serve for a term of three years expiring on the date on which our Annual Meeting of Stockholders is held in 2012;
2. To approve the QuickLogic Corporation 2009 Stock Plan;
3. To approve the QuickLogic Corporation 2009 Employee Stock Purchase Plan;
4. To ratify the appointment of PricewaterhouseCoopers LLP as QuickLogic's independent registered public accounting firm for the fiscal year ending December 27, 2009; and
5. To transact such other business as may properly come before the Annual Meeting or at any and all adjournments or postponements thereof.

The foregoing items of business are more fully described in the Proxy Statement accompanying this Notice. Only stockholders of record at the close of business on February 23, 2009 are entitled to notice of and to vote at the Annual Meeting and any adjournments or postponements thereof.

All stockholders are cordially invited to attend the Annual Meeting in person. **However, to assure your representation at the meeting, you are urged to mark, sign, date and return the enclosed proxy card as promptly as possible in the self-addressed, postage-prepaid envelope enclosed for that purpose.** Your shares will be voted in accordance with the instructions given on the proxy. Stockholders are also able to submit their proxy over the Internet or by telephone. Stockholders attending the meeting may vote in person even if they have returned a proxy. Please note, however, that if your shares are held in a street name by a broker, bank or other nominee and you wish to attend and vote in person at the meeting, you must obtain a proxy issued in your name from that holder.

For the Board of Directors,

E. Thomas Hart
*Chairman of the Board and
Chief Executive Officer*

Sunnyvale, California
March 20, 2009

YOUR VOTE IS IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE REQUESTED TO VOTE YOUR PROXY ONLINE OR BY TELEPHONE, OR, IN THE ALTERNATIVE, COMPLETE AND PROMPTLY RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED. PLEASE REFERENCE THE "VOTING ELECTRONICALLY VIA THE INTERNET OR BY TELEPHONE" SECTION ON PAGE 2 FOR ADDITIONAL INFORMATION.

QUICKLOGIC CORPORATION
PROXY STATEMENT
FOR ANNUAL MEETING OF STOCKHOLDERS

General

The accompanying proxy is solicited by the Board of Directors of QuickLogic Corporation, a Delaware corporation, for use at the Annual Meeting of Stockholders to be held on Wednesday, April 22, 2009, at 10:00 a.m., local time, or at any and all adjournments or postponements thereof, for the purposes set forth in this Proxy Statement and in the accompanying Notice of Annual Meeting of Stockholders. The meeting will be held at QuickLogic's offices located at 1277 Orleans Drive, Sunnyvale, California 94089. QuickLogic's telephone number at that address is (408) 990-4000. At the meeting, only stockholders of record at the close of business on February 23, 2009, the record date, will be entitled to vote. On February 23, 2009, QuickLogic's outstanding capital stock consisted of 29,909,393 shares of common stock.

At the meeting, the stockholders will be asked:

1. To elect two Class I directors to serve for a term of three years expiring on the date on which our Annual Meeting of Stockholders is held in 2012;
2. To approve the QuickLogic Corporation 2009 Stock Plan;
3. To approve the QuickLogic Corporation 2009 Employee Stock Purchase Plan;
4. To ratify the appointment of PricewaterhouseCoopers LLP as QuickLogic's independent registered public accounting firm for the fiscal year ending December 27, 2009; and
5. To transact such other business as may properly come before the Annual Meeting or at any and all adjournments or postponements thereof.

This Proxy Statement and form of proxy were first sent or given to stockholders entitled to vote at the Annual Meeting on or about March 20, 2009, together with our 2008 Annual Report to Stockholders.

Voting and Discretionary Voting

Each stockholder is entitled to one vote for each share of common stock held on all matters presented at the Annual Meeting. Stockholders do not have the right to cumulate votes in the election of directors. Voting instructions are included on the proxy or voting instruction card.

Properly executed proxies received prior to the meeting, and subsequently not revoked, will be voted in accordance with the instructions on the proxy. Where no instructions are given, proxies will be voted FOR the director nominees described herein, FOR the approval of the QuickLogic Corporation 2009 Stock Plan, FOR the approval of the QuickLogic Corporation 2009 Employee Stock Purchase Plan, FOR the ratification of the independent registered public accounting firm and, with respect to any other matter that may properly be brought before the Annual Meeting, in accordance with the judgment of the proxy holders.

Election of Directors

Holders of all outstanding shares of QuickLogic's common stock have the right to elect two Class I directors for a three-year term to the Board of Directors. The directors will be elected by a plurality of the votes of the shares of our common stock present in person or represented by proxy at the Annual Meeting. Votes withheld from any director are counted for purposes of determining the presence or absence of a quorum, but have no other legal effect under Delaware law.

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Approval of the QuickLogic Corporation 2009 Stock Plan

Approval of the QuickLogic Corporation 2009 Stock Plan will require the affirmative vote of a majority of the total voting power of the shares of our common stock represented in person or by proxy at the meeting and entitled to vote on the proposal.

Approval of the QuickLogic Corporation 2009 Employee Stock Purchase Plan

Approval of the QuickLogic Corporation 2009 Employee Stock Purchase Plan will require the affirmative vote of a majority of the total voting power of the shares of our common stock represented in person or by proxy at the meeting and entitled to vote on the proposal.

Ratification of Appointment of Independent Registered Public Accounting Firm

Ratification of the appointment of PricewaterhouseCoopers LLP ("PricewaterhouseCoopers") as QuickLogic's independent registered public accounting firm for the fiscal year ended December 27, 2009 will require the affirmative vote of a majority of the total voting power of the shares of our common stock represented in person or by proxy at the meeting and entitled to vote on the proposal.

Voting Electronically via the Internet or by Telephone

Stockholders whose shares are registered in their own names may vote either via the Internet or by telephone. Specific instructions to be followed by any registered stockholder interested in voting via the Internet or by telephone are set forth on the enclosed proxy card. The Internet and telephone voting procedures are designed to authenticate the stockholder's identity and to allow stockholders to vote their shares and confirm that their voting instructions have been properly recorded.

If your shares are registered in the name of a bank or brokerage firm and you have not elected to receive your Proxy Statement over the Internet, you may be eligible to vote your shares electronically over the Internet or by telephone. A large number of banks and brokerage firms are participating in the Broadridge Financial Solutions, Inc. ("Broadridge") online program. This program provides eligible stockholders who receive a paper copy of this Proxy Statement the opportunity to vote via the Internet or by telephone. If your bank or brokerage firm is participating in Broadridge's program, your proxy card will provide instructions. If your proxy card does not reference Internet or telephone information, please complete and return the proxy card in the self-addressed, postage paid envelope provided. Stockholders who elected to receive the Proxy Statement and Annual Report over the Internet will be receiving an e-mail on or about March 20, 2009 with information on how to access stockholder information and instructions for voting.

Notice of Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on April 22, 2009

Our proxy materials including our Proxy Statement, Annual Report on Form 10-K and proxy card are available on the Internet and may be viewed and printed, free of charge, at <http://materials.proxyvote.com/74837P>.

Solicitation of Proxies

This solicitation of proxies is made by the Board of Directors of QuickLogic and all costs associated with soliciting proxies will be borne by QuickLogic. We have engaged The Proxy Advisory Group, LLC, to assist us with the solicitation of proxies and to provide related advice and informational support, for a services fee and the reimbursement of customary disbursements that are not expected to exceed \$15,000 in the aggregate. QuickLogic may also reimburse brokerage houses and other custodians, nominees and fiduciaries for their expenses incurred in forwarding solicitation

materials to the beneficial owners of shares held of record by such persons. It is contemplated that proxies will be solicited principally through the mail, but our directors, officers and regular employees may, without additional compensation, solicit proxies personally or by e-mail (if so requested by the stockholder), telephone or facsimile.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before its use by delivering to our Secretary a written notice of revocation or a duly executed proxy bearing a later date, or by attending the meeting and voting in person. Your presence at the Annual Meeting in and of itself is not sufficient to revoke your proxy.

Quorum; Abstentions; Broker Non-Votes

The presence at the Annual Meeting, in person or by proxy, of the holders of one-third of the voting power of our stock outstanding on the record date will constitute a quorum. As of the close of business on the record date, there were 29,909,393 shares of our common stock outstanding. Both abstentions and broker non-votes are counted for the purpose of determining the presence of a quorum. For the purpose of determining whether the stockholders have approved matters other than the election of directors, abstentions are treated as shares present or represented and voting, so abstaining has the same effect as a negative vote. Directors are elected based on a plurality of the votes cast. Shares held by brokers who do not have discretionary authority to vote on a particular matter and who have not received voting instructions from their customers are counted for determining the presence or absence of a quorum for conducting business but are not counted or deemed to be present or represented for the purpose of determining whether stockholders have approved that matter.

Stockholder Nominations and Proposals

The Nominating and Corporate Governance Committee of our Board of Directors has established policies and procedures, available on the investor relations portion of our website, <http://ir.quicklogic.com>, to consider recommendations for candidates to the Board of Directors from stockholders holding no less than 1,000 shares of the outstanding voting securities of the Company continuously for at least six months prior to the date of the submission of the recommendation. Recommendations received after the date that is 120 days prior to the one year anniversary of the mailing of the previous year's proxy statement will likely not be considered timely for consideration at that year's annual meeting.

A stockholder that desires to recommend a candidate for election to the Board of Directors shall direct the recommendation in writing to the Nominating and Corporate Governance Committee, care of the Chief Financial Officer, 1277 Orleans Drive, Sunnyvale, California 94089, and must include the candidate's name, home and business contact information, detailed biographical data and qualifications and an explanation of the reasons why the stockholder believes this candidate is qualified for service on the Company's Board of Directors. The stockholder must also provide such other information about the candidate that would be required by the Securities and Exchange Commission ("SEC") rules to be included in a proxy statement. In addition, the stockholder must include the consent of the candidate and describe any arrangements or undertakings between the stockholder and the candidate regarding the nomination. The stockholder must submit proof of Company stockholdings.

A stockholder that instead desires to nominate a person directly for election to the Board of Directors must meet the deadlines and other requirements set forth in Section 2.4 of the Company's Bylaws and the rules and regulations of the SEC.

Deadlines for Submission of Stockholder Proposals

Stockholders are entitled to present proposals for consideration at the next annual meeting of stockholders provided that they comply with the proxy rules promulgated by the SEC and our Bylaws.

Stockholders wishing to present a proposal for inclusion in the proxy statement relating to our 2010 Annual Meeting of Stockholders must submit such proposal to us by the date that is 120 days prior to the one year anniversary of the date on which this proxy is first mailed, in order to be considered timely for stockholder proposals or nominations to be included in such proxy statement, which date is November 20, 2009.

Householding

Householding is a cost-cutting procedure used by us and approved by the SEC. Under the householding procedure, we send only one Annual Report and Proxy Statement to stockholders of record who share the same address and last name, unless one of those stockholders notifies us that the stockholder would like a separate Annual Report and Proxy Statement. A stockholder may notify us that the stockholder would like a separate Annual Report and Proxy Statement by telephone at (408) 990-4000 or at the following mailing address: 1277 Orleans Drive, Sunnyvale, California 94089, Attention: Investor Relations. If we receive such notification that the stockholder wishes to receive a separate Annual Report and Proxy Statement, we will promptly deliver such Annual Report and Proxy Statement. A separate proxy card is included in the materials for each stockholder of record. If you wish to update your participation in householding, you may contact your broker or the mailing agent, Broadridge Financial Solutions, Inc., at (800) 542-1061.

PROPOSAL ONE

ELECTION OF DIRECTORS

QuickLogic's Board of Directors is currently comprised of seven members, divided into three classes with overlapping three-year terms. As a result, a portion of our Board of Directors will be elected each year. Michael J. Callahan and Michael R. Farese have been designated as Class I directors whose terms expire at the 2009 Annual Meeting of Stockholders. Arturo Krueger and Gary H. Tauss have been designated as Class II directors whose terms expire at the 2010 Annual Meeting of Stockholders. E. Thomas Hart, Christine Russell and Hide L. Tanigami have been designated as Class III directors whose terms expire at the 2011 Annual Meeting of Stockholders. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of an equal number of directors. There are no family relationships between any of our directors or executive officers.

Nominees for Class I Directors

Two Class I directors are to be elected at the 2009 Annual Meeting of Stockholders for a three-year term ending in 2012. Pursuant to action by the Nominating and Corporate Governance Committee, the Board of Directors has nominated Michael J. Callahan and Michael R. Farese as Class I directors. Unless otherwise instructed, the persons named in the enclosed proxy intend to vote proxies received by them for the election of Messrs. Callahan and Farese. QuickLogic expects that Messrs. Callahan and Farese will accept such nominations. In the event that any nominee is unable or declines to serve as a director at the time of the Annual Meeting, proxies will be voted for a substitute nominee or nominees designated by the Nominating and Corporate Governance Committee of the Board of Directors. The term of office of each person elected as director will continue until such director's term expires in 2012 or until such director's successor has been elected and qualified or until such director's earlier death, resignation or removal.

Required Vote

The nominees receiving a plurality, or the highest number of affirmative votes of the shares present or represented and entitled to be voted for them, shall be elected directors. Votes withheld from any director are counted for purposes of determining the presence or absence of a quorum for the transaction of business, but have no other legal effect in the election of directors under Delaware law.

Recommendation of the Board of Directors

**QUICKLOGIC'S BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A
VOTE "FOR" THE NOMINEES LISTED ABOVE.**

Directors and Nominees for Director

The following table sets forth information concerning the nominees for Class I director.

Nominees for Class I Director

Name	Age	Position
Michael J. Callahan	73	Director
Michael R. Farese	62	Director

Michael J. Callahan has served as a member of our Board of Directors since July 1997. From March 1990 through his semi-retirement in September 2000, Mr. Callahan served as Chairman of the

Board, President and Chief Executive Officer of WaferScale Integration, Inc., a producer of peripheral integrated circuits. From 1978 to March 1990, Mr. Callahan held various positions at Monolithic Memories, Inc., a semiconductor manufacturing company, most recently as its President. During his tenure as President, Monolithic Memories became a subsidiary of Advanced Micro Devices, Inc., a semiconductor manufacturing company, where Mr. Callahan was Senior Vice President of Programmable Products. Prior to joining Monolithic Memories, he worked at Motorola Semiconductor for 16 years where he was Director of Research and Development as well as Director of Linear Operations. Mr. Callahan also serves on the boards of Micrel, Inc., a provider of analog power, mixed-signal and digital semiconductor devices, and Teknovus, Inc., a privately held company specializing in communications chipsets for subscriber access networks. Mr. Callahan holds a B.S.E.E. degree from the Massachusetts Institute of Technology.

Michael R. Farese has served as a member of our Board of Directors since April 2008. Mr. Farese is currently President and Chief Executive Officer and member of the Board of Directors of BitWave Semiconductor, Inc., a fabless semiconductor company and innovator of programmable radio frequency ICs, a position he has held since September 2007. From September 2005 to September 2007, Mr. Farese was Senior Vice President, Engineering, of Palm, Inc., a leading mobile products company. He was President and Chief Executive Officer of WJ Communications, a radio frequency (RF) semiconductor company from March 2002 to July 2005 and President and CEO of Tropian Inc., a developer of high efficiency RF ASICs for 2.5 and 3G cellular phones, from October 1999 to March 2002. Prior to that time, Mr. Farese held senior management positions at Motorola Corp., Ericsson Inc., Nokia Corp. and ITT Corp. Mr. Farese has held management positions at AT&T Corp. and Bell Laboratories, Inc. and has been in the telecommunications and semiconductor industry for more than 35 years. He also serves on the boards of PMC-Sierra, Inc., an Internet infrastructure semiconductor solution provider, and Newfound Communications, Inc. a privately held provider of Voice XML and Voice over IP ("VoIP") software solutions. Mr. Farese holds a B.S. degree and a Ph.D in Electrical Engineering from Rensselaer Polytechnic Institute. He received his M.S. in Electrical Engineering from Princeton University.

Incumbent Class II Directors Whose Terms Expire in 2010

Name	Age	Position
Arturo Krueger	69	Director
Gary H. Tauss	54	Director

Arturo Krueger has served as a member of our Board of Directors since September 2004. Mr. Krueger has more than 40 years of experience in systems architecture, semiconductor design and development, operations, and marketing, as well as general management. Since February 2001, Mr. Krueger has been a consultant to automobile manufacturers and to semiconductor companies serving the automotive and telecommunication markets. Mr. Krueger was Corporate Vice President and General Manager of Motorola's Semiconductor Products Sector for Europe, Middle East and Africa from January 1998 until February 2001. Mr. Krueger was the Strategic and Technology/Systems advisor to the President of Motorola's Semiconductor Products Sector from 1996 until January 1998. In addition, Mr. Krueger was the Director of the Advanced Architectural and Design Automation Lab at Motorola. Mr. Krueger is a director of Marvell Technology Group Ltd., a semiconductor provider of high-performance analog, mixed-signal, digital signal processing and embedded microprocessor integrated circuits, and Nemerix S.A., a provider of integrated circuits specializing in ultra low power RF and baseband chipsets for GPS and wireless applications. He holds an M.S. degree in Electrical Engineering from the Institute of Technology in Switzerland, and has studied Advanced Computer Science at the University of Minnesota.

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Gary H. Tauss has served as a member of our Board of Directors since June 2002. From October 2006 until February 2008, Mr. Tauss served as President and Chief Executive Officer of Mobidia Technology, Inc., a provider of performance management software that enables wireless operators to provide users with high-quality mobile content. From May 2005 until the sale of its assets to Transaction Network Services, Inc. in March 2006, Mr. Tauss served as President, Chief Executive Officer and director of InfiniRoute Networks Inc., a provider of software peering services for wireline and wireless carriers. From October 2002 until April 2005, Mr. Tauss served as President and Chief Executive Officer of LongBoard, Inc., a company specializing in fixed-to-mobile convergence application software for leading carriers and service providers. From August 1998 until June 2002, Mr. Tauss was President, Chief Executive Officer and a director of TollBridge Technologies, Inc., a developer of voice-over-broadband products. Prior to co-founding TollBridge, Mr. Tauss was Vice President and General Manager of Ramp Networks, Inc., a provider of Internet security and broadband access products, with responsibility for engineering, customer support and marketing. Mr. Tauss earned both a B.S. and an M.B.A. degree from the University of Illinois.

Incumbent Class III Directors Whose Terms Expire in 2011

Name	Age	Position
E. Thomas Hart	67	Chairman of the Board and Chief Executive Officer
Christine Russell	59	Director
Hide L. Tanigami	58	Director

E. Thomas Hart will become our Chairman of the Board and Chief Executive Officer effective March 30, 2009. He has served as our President, Chief Executive Officer and a member of our Board of Directors since June 1994, and as our Chairman since April 2001. Prior to joining QuickLogic, Mr. Hart was Vice President and General Manager of the Advanced Networks Division at National Semiconductor Corporation, a semiconductor manufacturing company, where he worked from September 1992 to June 1994. Prior to joining National Semiconductor, Mr. Hart was a private consultant from February 1986 to September 1992 with Hart Weston International, a technology-based management consulting firm. Mr. Hart's prior experience includes senior level management responsibilities in semiconductor operations, engineering, sales and marketing with several companies including Motorola, Inc., an electronics provider, and National Semiconductor. Mr. Hart holds a B.S.E.E. degree from the University of Washington.

Christine Russell has served as a member of our Board of Directors since June 2005. Since September 2008, Ms. Russell has been Executive Vice President of Business Development of Virage Logic Corporation, a provider of advanced intellectual property for the design of integrated circuits, where she previously served as Vice President and Chief Financial Officer from June 2006 to September 2008. Ms. Russell served as Senior Vice President and Chief Financial Officer of OuterBay Technologies, Inc., a privately held software company enabling information lifecycle management for enterprise applications, from May 2005 until February 2006, when OuterBay was acquired by Hewlett-Packard Company. From October 2003 to May 2005, Ms. Russell served as the Chief Financial Officer of Ceva, Inc., a company specializing in semiconductor intellectual property offering digital signal processing cores and application software. From October 1997 to October 2003, Ms. Russell served as the Chief Financial Officer of Persistence Software, Inc., a company specializing in enterprise software providing infrastructure for distributed computing. Prior to 1997, Ms. Russell served in various senior financial management positions with a variety of technology companies for a period of more than twenty years. Ms. Russell served as a director of Peak International Limited, a supplier of precision-engineered packaging products for storage, transportation and automated handling of high technology products, until Peak was acquired by S&G Company, Ltd. in June 2008. Ms. Russell holds a B.A. degree and an M.B.A. degree from the University of Santa Clara.

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Hide L. Tanigami has served as a member of our Board of Directors since March 2007. Mr. Tanigami has served as the Chairman and Chief Executive Officer of Marubun/Arrow USA, LLC, a joint venture between Marubun Corporation, the largest semiconductor distributor in Japan, and Arrow Electronics since 1998. From 1994 through 1998, Mr. Tanigami was President and Chief Executive Officer of Marubun USA Corporation. From 1997 through 2000, Mr. Tanigami was the Chairman of Catalyst Semiconductor, Inc. and from October 1985 until March 1994, Mr. Tanigami was a co-founder and Vice President of Corporate Development at Catalyst Semiconductor, Inc. He has previously served on numerous boards in Silicon Valley, Japan and Taiwan. He currently serves on the board of directors of Marubun/Arrow, Ecrio, Inc., a developer of mobile phone communications and commerce software and Concordia University, Portland, Oregon. Mr. Tanigami holds a B.A. degree from Kansai University of Foreign Studies and a M.A. degree from San Francisco State University.

Lead Independent Director

Mr. Callahan has served as our Lead Independent Director since April 26, 2005.

Board Meetings, Committees and Corporate Governance

The Board of Directors has determined that the Company's current directors, with the exception of Mr. Hart, meet the independence requirements of the Nasdaq Global Market.

It is the policy of the Board of Directors to have a separate meeting time for independent directors. During the last fiscal year, five sessions of the independent directors were held.

The standing committees of the Board of Directors include an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

We have written charters for the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee, copies of each are available on our website, free of charge, at <http://ir.quicklogic.com>. You can also obtain copies of the charters, free of charge, by writing to us at 1277 Orleans Drive, Sunnyvale, California 94089, Attention: Legal Department.

In accordance with SEC requirements and Nasdaq Global Market listing standards, all the standing committees are comprised solely of non-employee, independent directors. The table below shows current membership for each of the standing committees.

Audit Committee	Nominating and Corporate Governance Committee	Compensation Committee
Christine Russell ⁽¹⁾⁽²⁾	Michael J. Callahan ⁽¹⁾⁽³⁾	Gary H. Tauss ⁽¹⁾
Michael J. Callahan ⁽³⁾	Michael R. Farese ⁽⁴⁾	Arturo Krueger
Gary H. Tauss	Arturo Krueger	Hide L. Tanigami
	Christine Russell	
	Hide L. Tanigami	
	Gary H. Tauss	

(1) Committee Chairman

(2) Audit Committee Financial Expert

(3) Lead Independent Director

(4) Mr. Farese joined the Nominating and Corporation Governance Committee in April 2008.

Audit Committee

The Audit Committee held six meetings in 2008. Ms. Russell has served as Chairman of the Audit Committee since April 2006. Each of the directors on the Audit Committee meets the independence requirements of the SEC and Nasdaq Global Market. The Board of Directors has determined that Ms. Russell is an Audit Committee Financial Expert as defined by Item 401(h) of Regulation S-K.

The Audit Committee has sole and direct authority to select, evaluate and compensate our independent registered public accounting firm, and it reviews and approves in advance all audit, audit related and non-audit services, and the related fees, provided by the independent registered public accounting firm (to the extent those services are permitted by the Securities Exchange Act of 1934, as amended). The Audit Committee meets with our management and appropriate financial personnel regularly to consider the adequacy of our internal controls and financial reporting process and the reliability of our financial reports to the public. The Audit Committee also meets with the independent registered public accounting firm regarding these matters. The Audit Committee has established a Financial Information Integrity Policy, pursuant to which QuickLogic can receive, retain and treat employee complaints concerning questionable accounting, internal control or auditing matters, or the reporting of fraudulent financial information. The Audit Committee examines the independence and performance of our independent registered public accounting firm. In addition, among its other responsibilities, the Audit Committee reviews our critical accounting policies, our annual and quarterly reports on Forms 10-K and 10-Q, and our earnings releases before they are published. The Audit Committee has a written charter, a copy of which is available on our website, free of charge, at <http://ir.quicklogic.com>.

Compensation Committee

The Compensation Committee held six meetings in 2008 and acted by unanimous written consent four times during the year. Each of the directors on the Compensation Committee meets the independence requirements of the SEC and the Nasdaq Global Market and is an outside director in accordance with Section 162(m) of the Internal Revenue Code. The purpose of the Compensation Committee is to: (i) discharge the responsibilities of the Board of Directors relating to compensation of the Company's directors, Chief Executive Officer and executive officers, (ii) review and recommend to the Board of Directors compensation plans, policies and benefit programs, as well as approve individual executive officer compensation packages and (iii) review and discuss the Compensation Discussion and Analysis with management and prepare the Compensation Committee Report to be included in the Company's Annual Report on Form 10-K and Proxy Statement. The Compensation Committee's duties also include administering QuickLogic's stock option plans and employee stock purchase plans. During 2008, the Committee recommended and approved changes to the Company's equity award practices.

The Compensation Committee has the authority to retain and meet privately with independent advisors and compensation and benefits specialists as needed, and may request the assistance of any director, officer or employee of the Company whose advice and counsel are sought by the Committee. The Compensation Committee or the Board of Directors, after reviewing management's recommendations, determines the equity and non-equity compensation of the Company's executive officers and directors. Management generally provides internal compensation information, compensation survey information for similarly sized high technology companies, and other information to the Committee, and the Chief Executive Officer recommends compensation amounts for the executive officers other than the Chief Executive Officer. Under the guidance of the Compensation Committee, the Chief Executive Officer or an executive officer of the Company makes recommendations to the Compensation Committee regarding the executive incentive compensation plan, including plan objectives and payments earned based on performance to those objectives. The Compensation Committee may delegate its responsibilities to subcommittees when appropriate. The

Compensation Committee has a written charter, which is available on our website, free of charge, at <http://ir.quicklogic.com>.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee held three meetings in 2008. Each of the directors on the Nominating and Corporate Governance Committee meets the independence requirements of the SEC and the Nasdaq Global Market. The purpose of the Nominating and Corporate Governance Committee is to: (i) assist the Board of Directors by identifying, evaluating and recommending to the Board of Directors, or approving as appropriate, individuals qualified to be directors of QuickLogic for either appointment to the Board of Directors or to stand for election at a meeting of the stockholders; (ii) review the composition and evaluate the performance of the Board of Directors; (iii) review the composition and evaluate the performance of committees of the Board of Directors; (iv) recommend persons to be members of the committees of the Board of Directors; (v) review conflicts of interest of members of the Board of Directors and executive officers; and (vi) review and recommend to the Board of Directors corporate governance principles. Other duties of the Nominating and Corporate Governance Committee include overseeing the evaluation of management, succession planning and reviewing and monitoring the Company's Code of Conduct and Ethics. The Nominating and Corporate Governance Committee adopted our Corporate Governance Guidelines in December 2004. A copy of the Guidelines and a copy of the written charter of the Nominating and Corporate Governance Committee are available on our website, free of charge, at <http://ir.quicklogic.com>.

The Nominating and Corporate Governance Committee regularly reviews the size and composition of the full Board of Directors and considers the recommendations properly presented by qualified stockholders as well as recommendations from management, other directors and search firms to attract top candidates to serve on the Board of Directors. Except as may be required by rules promulgated by the SEC and the Nasdaq Global Market, there are no specific, minimum qualifications that must be met by each candidate for the Board of Directors, nor are there specific qualities or skills that are necessary for one or more of the members of the Board of Directors to possess. In evaluating the qualifications of the candidates, the Committee considers many factors, including character, judgment, independence, expertise, diversity of experience, length of service and other commitments, among others. The Committee evaluates such factors and does not assign any particular weight or priority to any of these factors. While the Committee has not established specific minimum qualifications for director candidates, the Committee believes that candidates and nominees must reflect a Board of Directors that is predominantly independent and is comprised of directors who (i) are of high integrity, (ii) have qualifications that will increase the overall effectiveness of the Board of Directors and (iii) meet other requirements as may be required by applicable rules, such as financial literacy or financial expertise with respect to Audit Committee members.

It is the policy of the Nominating and Corporate Governance Committee to consider recommendations for candidates to the Board of Directors from stockholders holding no less than 1,000 shares of QuickLogic's outstanding voting securities continuously for at least six months prior to the date of the submission of the recommendation. Recommendations received after the date that is 120 days prior to the one year anniversary of the mailing of the previous year's proxy statement, will likely not be considered timely for consideration at that year's annual meeting. Stockholders may suggest qualified candidates for director by writing to the Nominating and Corporate Governance Committee, care of the Chief Financial Officer, 1277 Orleans Drive, Sunnyvale, California 94089 and must include the candidate's name, home and business contact information, detailed biographical data and qualifications and an explanation of the reasons why the stockholder believes this candidate is qualified for service on QuickLogic's Board of Directors. The stockholder must also provide such other information about the candidate that would be required by the SEC rules to be included in a proxy

statement. In addition, the stockholder must include the consent of the candidate and describe any arrangements or undertakings between the stockholder and the candidate regarding the nomination. The Nominating and Corporate Governance Committee will evaluate all director nominations that are timely and properly submitted by stockholders on the same basis as any other candidate. Our Nominating and Corporate Governance Committee Policies and Procedures for Director Candidates are posted on our website at <http://ir.quicklogic.com>.

During 2008, Committee activities included approving the appointment of Mr. Farese to our Board, reviewing and approving any actual or potential conflicts of interest, assessing the structure and performance of the Board and the committees of the Board, and reviewing our Code of Conduct and Ethics and our Policy for Stockholder Communications with Directors. In connection with Board discussions concerning potential new Board members, Mr. Farese was identified as having the experience and qualifications required to serve on our Board. Mr. Hart was asked to make inquiries concerning Mr. Farese and, based on the additional information received by Mr. Hart, Mr. Farese was interviewed by the members of the Committee and unanimously appointed to serve as a member of our Board. The Committee also assessed the independence and qualifications of our directors, reviewed the performance of the CEO and his assessment of our executive officers, and ensured our directors adhered to our Corporate Governance Guidelines, including reviewing, monitoring and, where appropriate, approving fundamental financial and business strategies and major corporate actions. A copy of the Code of Conduct and Ethics and a copy of the Policy for Stockholder Communications with Directors are posted on our website at <http://ir.quicklogic.com>.

Other Committees and Participation

The Board of Directors has delegated to the Stock Option Committee, which currently consists of Ralph S. Marimon and Catriona Meney, both of whom are executive officers of the Company, the authority to: (i) approve the grant of restricted stock units and options to purchase Company stock to employees other than executive officers and certain other individuals, up to a limit of 40,000 shares per grant; (ii) grant refresh options to employees other than executive officers and certain other individuals, subject to the approval of the total number of such refresh options by the Board of Directors or the Compensation Committee; and (iii) amend options as authorized by the Board of Directors.

The Settlement Committee, which currently consists of Gary H. Tauss and Christine Russell, was established by the Board of Directors in 2006 with the sole and full corporate power and authority to review the proposed settlement of the litigation entitled: *In re Initial Public Offering Securities Litigation* 21 MC 92 (SAS); *In re QuickLogic Corporation Initial Public Offering Sec. Litig.* (01 Civ. 9503) (collectively, the "Action"), and to decide whether the Company should enter into the proposed settlement. The proposed settlement was subsequently overturned; however, the Settlement Committee has reviewed subsequent settlement proposals and will remain in effect until the Action has been settled in its entirety.

The Board of Directors held a total of seven meetings during 2008. During 2008, no incumbent director attended fewer than 75% of the aggregate of (i) the total number of meetings of the Board of Directors held during their term as a director and (ii) the total number of meetings held by all committees of the Board of Directors on which such director served during their term on such committee.

QuickLogic expects its directors to attend its annual meetings absent a valid reason, such as a schedule conflict. The April 22, 2008 Annual Meeting of Stockholders was attended by all then-current directors.

Stockholder Communications with the Board of Directors

The Nominating and Corporate Governance Committee has established a policy for stockholder communication with our Board of Directors. This policy, which is available on the investor relations portion of our website, provides a process for stockholders to send communications to the Board of Directors. Stockholders may contact QuickLogic's Board of Directors or any individual thereof, by writing, whether by mail or express mail, to: QuickLogic Corporation Board of Directors, 1277 Orleans Drive, Sunnyvale, California 94089. Stockholders who wish to contact the Board of Directors or any member of the Audit Committee to report questionable accounting or auditing matters may do so by using this address and designating the communication as "Compliance Confidential."

Code of Conduct and Ethics

QuickLogic adopted a Code of Conduct and Ethics applicable to all directors, officers and employees on February 12, 2004. The Code covers topics including, but not limited to, financial reporting, conflicts of interest, confidentiality of information, compliance with laws and regulations and the code of ethics for our Chief Executive Officer, Chief Financial Officer and controllers. A copy of the Code of Conduct and Ethics, as amended, is posted on our website at <http://ir.quicklogic.com>. To date, there have been no waivers under our Code of Conduct and Ethics. We will post any waivers, if and when granted, on our website at <http://ir.quicklogic.com>.

Compensation Committee Interlocks and Insider Participation

During fiscal 2008, the following directors were members of QuickLogic's Compensation Committee: Gary H. Tauss (Chairman), Arturo Krueger and Hide L. Tanigami. None of the Compensation Committee's members has at any time been an officer or employee of QuickLogic.

None of QuickLogic's Named Executive Officers serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee of any entity that has one or more of its executive officers serving on QuickLogic's Board or Compensation Committee.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors, executive officers and beneficial owners of more than 10% of our common stock to file with the SEC initial reports of ownership on Form 3 and reports of changes in ownership of our common stock and other equity securities on Form 4 or 5. Based solely on our review of the copies of such reports received by us or written representations from reporting persons, we believe that during the fiscal year ended December 28, 2008, our directors, executive officers, and holders of more than 10% of our common stock complied with all Section 16(a) filing requirements.

PROPOSAL TWO

APPROVAL OF THE QUICKLOGIC CORPORATION 2009 STOCK PLAN

Our Board of Directors (the "Board") is requesting that our stockholders approve a new stock plan, the 2009 Stock Plan (the "2009 Plan"). Our Board has adopted the 2009 Plan, subject to stockholder approval at the Annual Meeting. If approved by our stockholders, the 2009 Plan will become effective as of the date our Board adopted the 2009 Plan and will expire 10 years from such date, unless terminated earlier. The 2009 Plan is intended to replace the QuickLogic Corporation 1999 Stock Plan (the "1999 Plan"), which expires in August 2009.

The 2009 Plan is structured to allow the Board to create equity incentives in order to assist the Company in attracting, retaining and motivating the best available personnel for the successful conduct of the Company's business. The Company believes that linking compensation to corporate performance motivates employees and consultants to improve stockholder value. The Company has, therefore, consistently included equity incentives as a significant component of compensation for its employees and consultants. With the high demand for highly skilled employees and consultants, especially in the technology industries, management believes it is critical to the Company's success to maintain competitive compensation programs. The Board believes that the approval of the 2009 Plan would be in the best interests of the Company and its stockholders.

Summary of Material Changes Made in the 2009 Stock Plan from the 1999 Plan

Below is a summary of some of the material differences between the 2009 Plan and the 1999 Plan. This summary is qualified in its entirety by reference to the 2009 Plan itself set forth in Appendix A.

The Company recognizes that "evergreen" provisions have the potential for built-in dilution to stockholder value. Therefore to address potential stockholder concerns, the "evergreen" provision which provided for an automatic annual increase in the number of shares available under the 1999 Plan is being eliminated under the 2009 Plan. Instead, the 2009 Plan limits the number of shares authorized for grant under the 2009 Plan to 2,500,000 shares, subject to adjustment in connection with certain equity restructuring events. Upon stockholder approval of the 2009 Plan, no additional grants will be made under the 1999 Plan.

The 2009 Plan includes limitations on the number of shares that may be granted in a given fiscal year though individual equity incentives. Additionally, specific performance criteria have been added to the 2009 Plan so that the Administrator (as defined herein) may establish performance objectives upon achievement of which certain awards will vest or be issued, which in turn will allow the Company to receive income tax deductions under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Code").

The 1999 Plan allows only for the grant of stock options, stock purchase rights (e.g., restricted stock) and restricted stock units. The 2009 Plan permits, in addition to awards of stock options, restricted stock and restricted stock units, the award of stock appreciation rights ("SARs") as determined by the 2009 Plan Administrator.

The exercise price for an option or SAR granted under the 2009 Plan may not be reduced without the prior consent of the Company's stockholders. This includes, without limitation, a repricing of the option or SAR as well as an option or SAR exchange program whereby the participant agrees to cancel an existing option in exchange for an option, SAR or other award.

The 1999 Plan will be terminated as of the date the 2009 Plan is first approved by the stockholders, meaning that while all options and awards then outstanding under the 1999 Plan will remain in effect, no additional option grants or awards may be issued under the 1999 Plan. As of December 28, 2008, 8,312,901 shares remained available for grant under the 1999 Plan.

Required Vote

The approval of the adoption of the 2009 Plan requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting.

Recommendation of the Board of Directors

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE ADOPTION OF THE QUICKLOGIC CORPORATION 2009 STOCK PLAN AND THE NUMBER OF SHARES RESERVED FOR ISSUANCE THEREUNDER.

Summary of the 2009 Stock Plan

The following is a summary of the principal features of the 2009 Plan and its operation. This summary is qualified in its entirety by reference to the 2009 Plan itself set forth in Appendix A.

General. The 2009 Plan provides for the grant of equity awards to employees, directors and consultants. Options granted under the 2009 Plan may either be "incentive stock options" as defined in Code Section 422 or nonstatutory stock options, as determined by the Board.

Purpose. The general purposes of the 2009 Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to the employees, directors and consultants of the Company and to promote the success of the Company's business.

Administration. The 2009 Plan will be administered by the Board or a committee ("Committee") designated by the Board (in either case, the "Administrator").

Eligibility. The 2009 Plan provides that nonstatutory stock options, SARs, restricted stock and restricted stock units may be granted to employees, directors and consultants of the Company and any parent or subsidiary. Incentive stock options may be granted only to employees. The Administrator will determine which eligible persons will be granted awards.

Shares Available under the 2009 Plan. The maximum aggregate number of shares that may be awarded and sold under the 2009 Plan is 2,500,000 shares plus any shares subject to any outstanding options or similar awards granted under the 1999 Plan that subsequently expire or otherwise terminate without having been exercised in full and shares issued pursuant to awards granted under the 1999 Plan that are forfeited to or repurchased by the Company, up to a maximum of an additional 7,500,000 shares. The shares may be authorized, but unissued, or reacquired common stock. No awards have been granted under the 2009 Plan.

If an award expires without being exercised in full, or, with respect to restricted stock or restricted stock units, is forfeited to or repurchased by the Company due to its failure to vest, the unpurchased or unissued shares (or forfeited or repurchased shares) which were subject to such awards will become available for future grant under the 2009 Plan (unless the 2009 Plan has terminated).

Upon exercise of a SAR settled in shares, the gross number of shares covered by the portion of the award so exercised will cease to be available under the 2009 Plan. Shares actually issued under the 2009 Plan will not be returned to the 2009 Plan, except that if unvested shares subject to restricted stock or restricted stock units are repurchased by the Company at their original price or forfeited to the Company due to their failure to vest, such shares will become available for future grant under the 2009 Plan. Shares used to pay the exercise price of an award or to satisfy the tax withholding obligations related to an award will not become available for future grant or sale under the 2009 Plan. To the extent that an award under the 2009 Plan is paid out in cash, rather than shares, such cash payment will not result in reduction of the shares available for issuance under the 2009 Plan.

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Prohibition on Repricings and Option or SAR Exchanges. The exercise price for an option or SAR granted under the 2009 Plan may not be reduced without the prior consent of the Company's stockholders. This includes, without limitation, a repricing of the option or SAR as well as an option or SAR exchange program whereby the participant agrees to cancel an existing option in exchange for an option, SAR or other award.

Option and SAR Grant Limitation. The 2009 Plan provides that no participant shall be granted options and SARs to purchase more than one million shares in any fiscal year of the Company, except that a participant may be granted options and SARs covering up to two million shares in connection with his or her initial service.

Option Exercise Price. The exercise price of options granted under the 2009 Plan is determined by the Administrator and must not be less than 100% of the fair market value of the Company's common stock ("Common Stock") at the time of grant. Options granted under the 2009 Plan expire as determined by the Administrator, but in no event later than 10 years from date of grant. No option may be exercised by any person after its expiration. Incentive stock options granted to stockholders owning more than 10% of the voting stock of the Company must have an exercise price per share no less than 110% of the fair market value at the time of grant and the term of such option may be no more than 5 years from the date of grant. The fair market value of the Common Stock is generally determined with reference to the closing sale price for the Common Stock (or the closing bid if no sales were reported) on the last market trading day on or before the date the option is granted.

Exercise of Options. Options become exercisable at such times as are determined by the Administrator and are set forth in the individual option agreements. An option is exercised by giving written notice to the Company specifying the number of full shares of Common Stock to be purchased and tendering payment of the purchase price. The method of payment of the exercise price for the shares purchased upon exercise of an option will be determined by the Administrator. The 2009 Plan permits payment to be made by cash, check, other shares of Common Stock, cashless exercise, any other form of consideration permitted by applicable law, or any combination thereof.

Exercise Price and Other Terms of Stock Appreciation Rights. The Administrator, subject to the provisions of the 2009 Plan, will have complete discretion to determine the terms and conditions of SARs granted under the 2009 Plan; provided that no SAR may have a term of more than 10 years from the date of grant and that the exercise price of a SAR may not have an exercise price below 100% of the fair market value of the Common Stock on the grant date. No SAR can be exercised by any person after its expiration.

Payment of Stock Appreciation Right Amount. Upon exercise of a SAR, the holder of the SAR will be entitled to receive payment from us in an amount determined by multiplying (i) the difference between the fair market value of a share on the date of exercise over the exercise price; times (ii) the number of shares with respect to which the SAR is exercised.

Payment upon Exercise of Stock Appreciation Right. Any SARs will typically be settled only in shares of our Common Stock. At the discretion of the Administrator, however, and as set forth in the applicable SAR agreement, payment to the holder of a SAR may be in cash, shares of our Common Stock or a combination thereof. In the event that payment to the holder of a SAR is settled in cash, the shares available for issuance under the 2009 Plan will not be diminished as a result of the settlement.

Stock Appreciation Right Agreement. Each SAR grant will be evidenced by an agreement that will specify the exercise price, the term of the SAR, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

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Termination of Employment. The 2009 Plan gives the Administrator the authority to vary the terms of the individual option and SAR agreements. However, generally, if a participant ceases to provide ongoing service as an employee, director or consultant for any reason other than death or disability, then the participant will generally have the right to exercise his or her outstanding options and SARs for 3 months after the date of termination, but only to the extent that the participant was entitled to exercise such option or SAR at the date of such termination. If such termination is due to death or disability, the participant (or the participant's legal representative) will have the right to exercise an existing unexercised option or SAR at any time within 12 months following the termination date, but only to the extent that the participant was entitled to exercise such option or SAR at the date of such termination. In no event will an option or SAR be exercisable beyond its term.

Grant of Restricted Stock. Restricted stock awards may be granted to our employees, directors or consultants, either alone, in addition to, or in tandem with other awards granted under the 2009 Plan and/or cash awards made outside of the 2009 Plan, at any time and from time to time as will be determined by the Administrator, in its sole discretion. Subject to the Plan fiscal year limits, the Administrator will have complete discretion to determine (i) the number of shares subject to a restricted stock award granted to any participant, and (ii) the conditions that must be satisfied, which typically will be based principally or solely on continued provision of services but may include a performance-based component, upon which is conditioned the grant or vesting of restricted stock.

Restricted Stock Agreement. Each restricted stock grant will be evidenced by an agreement that will specify the purchase price (if any), vesting provisions, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

Restricted Stock Share Limitations. No participant will be granted, in any fiscal year of the Company, more than five hundred thousand shares of restricted stock; provided, however, that such limit will be one million shares in connection with a participant's initial service.

Grant of Restricted Stock Units. Restricted stock units may be granted to our employees, directors or consultants at any time and from time to time as determined by the Administrator. Restricted stock units result in a payment to a participant only if the vesting criteria the Administrator establishes are satisfied. For example, the Administrator may set vesting criteria based on the achievement of Company-wide, business unit, or individual goals (including continued employment), or any other basis determined by the Administrator in its discretion. The restricted stock units will vest at a rate determined by the Administrator; provided, however, that after the grant of restricted stock units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria for such restricted stock units. Upon satisfying the applicable vesting criteria, the participant will be entitled to the payout specified in the restricted stock unit agreement. The Administrator, in its sole discretion, may pay earned restricted stock units in cash, shares, or a combination thereof. Restricted stock units that are fully paid in cash will not reduce the number of shares available for grant under the 2009 Plan. On the date set forth in the restricted stock unit agreement, all unearned restricted stock units will be forfeited to the Company.

Restricted Stock Unit Agreement. Each restricted stock unit grant will be evidenced by an agreement that will specify such terms and conditions as the Administrator, in its sole discretion, will determine.

Restricted Stock Unit Limitation. No participant shall be granted, in any fiscal year of the Company, more than five hundred thousand restricted stock units; provided, however, that such limit shall be one million restricted stock units in connection with a participant's initial service.

Code Section 162(m) Performance Restrictions. For purposes of qualifying grants of restricted stock or restricted stock units as "performance-based compensation" under Code Section 162(m), the

Administrator, in its discretion, may set restrictions based upon the achievement of performance goals. The performance goals will be set by the Administrator on or before the latest date permissible to enable the award grants to qualify as "performance-based compensation" under Code Section 162(m). In granting awards which are intended to qualify under Code Section 162(m), the Administrator will follow any procedures determined by it from time to time to be necessary or appropriate to ensure qualification of the award under Code Section 162(m) (e.g., in determining the performance goals).

Performance Goals. The granting and/or the vesting of awards may be made subject to the attainment of performance goals relating to one or more business criteria within the meaning of Code Section 162(m) and may provide for a targeted level or levels of achievement including: (i) cash flow (including operating cash flow or free cash flow), (ii) revenue (on an absolute basis or adjusted for currency effects), (iii) gross margin, (iv) operating expenses or operating expenses as a percentage of revenue, (v) earnings (which may include earnings before interest and taxes, earnings before taxes and net earnings), (vi) earnings per share, (viii) stock price, (ix) return on equity, (x) total stockholder return, (xi) growth in stockholder value relative to the moving average of the S&P 500 Index or another index, (xii) return on capital, (xiii) return on assets or net assets, (xiv) return on investment, (xv) economic value added, (xvi) operating profit or net operating profit, (xvii) operating margin, (xix) market share, (xx) contract awards or backlog, (xxi) overhead or other expense reduction, (xxii) credit rating, (xxvi) objective customer indicators, (xxvii) new product invention or innovation, (xxviii) attainment of research and development milestones, (xxix) improvements in productivity, (xxx) attainment of objective operating goals, and (xxxi) objective employee metrics. The objective performance criteria may be applied to either the Company as a whole, or except with respect to stockholder return metrics, to a region, business unit, affiliate or business segment, and measured either on an absolute basis or relative to a pre-established target, to a previous period's results or to a designated comparison group, and, with respect to financial metrics, which may be determined in accordance with United States Generally Accepted Accounting Principles ("GAAP"), in accordance with accounting principles established by the International Accounting Standards Board ("IASB Principles"), or which may be adjusted when established to exclude any items otherwise includable under GAAP or under IASB Principles.

Non-Transferability of Awards. Unless determined otherwise by the Administrator, an award granted under the 2009 Plan may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the participant, only by the participant. If the Administrator makes an award granted under the 2009 Plan transferable, such award will contain such additional terms and conditions as the Administrator deems appropriate.

Adjustments upon Change in Capitalization. The number of shares covered by each outstanding award, the shares issuable under the 2009 Plan, and price per share of Common Stock covered by each outstanding award and the Code Section 162(m) annual share limits shall be proportionately adjusted for any increase or decrease in the number of issued shares resulting from a change in the Company's capitalization, such as a stock split, reverse stock split, stock dividend, combination, reclassification or other similar change in the capital structure of the Company effected without the receipt of consideration.

Adjustments upon Liquidation or Dissolution. In the event of a liquidation or dissolution, the Administrator will notify each participant as soon as practicable prior to the effective date of such proposed transaction. The Administrator in its discretion may provide that each participant will have the right to exercise all of his or her options or SARs, including those not otherwise exercisable, until the date 10 days prior to the consummation of the liquidation or dissolution. In addition, the Administrator may provide that any Company repurchase option or forfeiture rights applicable to any award will lapse 100% and that any award vesting will accelerate 100%, provided the proposed

dissolution or liquidation takes place at the time and in the manner contemplated. To the extent that an award has not been previously exercised (with respect to options and SARs) or vested (with respect to other awards), an award will terminate immediately prior to the consummation of such proposed action.

Transfer of Control.

Options and SARs. In the event of a merger with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding option or SAR will be assumed or an equivalent option or SAR substituted by the successor corporation or any parent or subsidiary of the successor corporation. If such options or SARs are not assumed, the participant will be notified that the option or SAR will be fully exercisable for 15 days from the date of such notice, and the option or SAR will terminate upon the expiration of such period, or such earlier date as specified in the award agreement.

Restricted Stock and Restricted Stock Units. In the event of a merger with or into another corporation, or the sale of substantially all of the assets of the Company, each outstanding restricted stock and restricted stock unit award will be assumed or an equivalent restricted stock or restricted stock unit award substituted by the successor corporation or any parent or subsidiary of the successor corporation. If such restricted stock or restricted stock unit award is not assumed, the participant will fully vest in such awards including as to shares of Common Stock which would not otherwise be vested, and all restrictions will lapse immediately prior to the closing date of the transaction.

Amendment or Termination of the 2009 Plan. The Administrator may amend, alter, suspend or terminate the 2009 Plan or any part thereof from time to time, except that stockholder approval will be required for any amendment to the 2009 Plan to the extent required by any applicable laws. No amendment, alteration, suspension or termination of the 2009 Plan may impair the rights of any participant without their written consent. In any event, the 2009 Plan will terminate 10 years from its original adoption by the Board.

Number of Awards Granted to Employees, Directors and Consultants

Subject to the annual numerical limits, the number of awards that an employee, director or consultant may receive under the 2009 Plan is determined at the discretion of the Administrator and therefore cannot be determined in advance. The following table sets forth (i) the aggregate number of shares of common stock subject to options and SARs granted under the 1999 Plan during fiscal year 2008, (ii) the average per share exercise price of such options and (iii) the aggregate number of shares granted subject to restricted stock and restricted stock units.

Name of Individual or Group	Number of Options and SARs Granted	Average Per Share Exercise Price	Shares of Restricted Stock, and Restricted Stock Units Granted
E. Thomas Hart	200,000	\$ 0.90	22,957
Terry L. Barrette	65,000	\$ 0.90	10,953
Ralph S. Marimon	150,000	\$ 0.90	
Andrew J. Pease	100,000	\$ 0.90	14,556
Timothy Saxe	75,000	\$ 0.90	12,934
All executive officers, as a group	650,000	\$ 0.90	80,551
All directors who are not executive officers, as a group	79,000	\$ 2.53	
All employees who are not executive officers, as a group	673,812	\$ 1.49	269,292

Federal Income Tax Information

Nonstatutory Stock Options. No taxable income is reportable when a nonstatutory stock option with an exercise price equal to the fair market value of the underlying stock on the date of grant is granted to a participant. Upon exercise, the participant will recognize ordinary income in an amount equal to the excess of the fair market value (on the exercise date) of the shares purchased over the exercise price of the option. Any taxable income recognized in connection with an option exercise by an employee of the Company is subject to tax withholding by the Company. Any additional gain or loss recognized upon any later disposition of the shares would be capital gain or loss.

Incentive Stock Options. No taxable income is reportable when an incentive stock option is granted or exercised (except for purposes of the alternative minimum tax, in which case taxation is generally similar to nonstatutory stock options). If the participant exercises the option and then later sells or otherwise disposes of the shares more than 2 years after the grant date and more than 1 year after the exercise date, the difference between the sale price and the exercise price will be taxed as capital gain or loss. If the participant exercises the option and then later sells or otherwise disposes of the shares before the end of the 2 or 1 year holding periods described above, he or she generally will have ordinary income at the time of the sale equal to the fair market value of the shares on the exercise date (or the sale price, if less) minus the exercise price of the option.

Stock Appreciation Rights. No taxable income is reportable when a stock appreciation right with an exercise price equal to the fair market value of the underlying stock on the date of grant is granted to a participant. Upon exercise, the participant will recognize ordinary income in an amount equal to the amount of cash received and the fair market value of any shares received. Any additional gain or loss recognized upon any later disposition of the shares would be capital gain or loss.

Restricted Stock and Restricted Stock Units. A participant generally will not have taxable income at the time an award of restricted stock or restricted stock units are granted. Instead, he or she will recognize ordinary income in the first taxable year in which his or her interest in the shares underlying the Award becomes either (i) freely transferable, or (ii) no longer subject to substantial risk of forfeiture. However, the recipient of a restricted stock award may elect to recognize income at the time he or she receives the award in an amount equal to the fair market value of the shares underlying the award (less any cash paid for the shares) on the date the award is granted.

Tax Effect for the Company; Code Section 162(m). The Company generally will be entitled to a tax deduction in connection with an award under the 2009 Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income (for example, the exercise of a nonstatutory stock option). Special rules limit the deductibility of compensation paid to the Company's Chief Executive Officer (i.e., its principal executive officer) and to each of its 3 most highly compensated executive officers for the taxable year (other than the principal executive officer or principal financial officer). Under Section 162(m), the annual compensation paid to any of these specified executives will be deductible only to the extent that it does not exceed \$1,000,000. However, the Company can preserve the deductibility of certain compensation in excess of \$1,000,000 if the conditions of Section 162(m) are met. These conditions include stockholder approval of the 2009 Plan, setting limits on the number of awards that any individual may receive and for awards other than certain stock options, establishing performance criteria that must be met before the award actually will vest or be paid. The 2009 Plan has been designed to permit the Administrator to grant awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m), thereby permitting the Company to continue to receive a federal income tax deduction in connection with such awards.

Code Section 409A. Section 409A, which was added by the American Jobs Creation Act of 2004, provides certain new requirements on non-qualified deferred compensation arrangements. These

include new requirements with respect to an individual's election to defer compensation and the individual's selection of the timing and form of distribution of the deferred compensation. Section 409A also generally provides that distributions must be made on or following the occurrence of certain events (e.g., the individual's separation from service, a predetermined date, or the individual's death). Section 409A imposes restrictions on an individual's ability to change his or her distribution timing or form after the compensation has been deferred. For certain individuals who are officers, subject to certain exceptions, Section 409A requires that such individual's distribution commence no earlier than 6 months after such officer's separation from service.

Awards granted under the 2009 Plan with a deferral feature will be subject to the requirements of Section 409A. If an award is subject to and fails to satisfy the requirements of Section 409A, the recipient of that award may recognize ordinary income on the amounts deferred under the award, to the extent vested, which may be prior to when the compensation is actually or constructively received. Also, if an award that is subject to Section 409A fails to comply with the provisions of Section 409A, Section 409A imposes an additional 20% federal income tax on compensation recognized as ordinary income, as well as interest on such deferred compensation. In addition, certain states such as California have adopted similar provisions.

THE FOREGOING IS ONLY A SUMMARY OF THE EFFECT OF FEDERAL INCOME TAXATION UPON THE PARTICIPANT AND THE COMPANY WITH RESPECT TO AWARDS UNDER THE 2009 PLAN AND DOES NOT PURPORT TO BE COMPLETE, AND REFERENCE SHOULD BE MADE TO THE APPLICABLE PROVISIONS OF THE INTERNAL REVENUE CODE. IN ADDITION, THIS SUMMARY DOES NOT DISCUSS THE TAX CONSEQUENCES OF A PARTICIPANT'S DEATH OR THE PROVISIONS OF THE INCOME TAX LAWS OF ANY MUNICIPALITY, STATE OR FOREIGN COUNTRY IN WHICH THE PARTICIPANT MAY RESIDE.

PROPOSAL THREE

APPROVAL OF THE QUICKLOGIC CORPORATION 2009 EMPLOYEE STOCK PURCHASE PLAN

Our Board of Directors (the "Board") is requesting that our stockholders approve a new employee stock purchase plan, the 2009 Employee Stock Purchase Plan (the "2009 ESPP"). Our Board has adopted the 2009 ESPP, subject to stockholder approval at the Annual Meeting. If approved by our stockholders, the 2009 ESPP will become effective as of the date our Board adopted the 2009 ESPP and will expire 10 years from such date, unless terminated earlier. The 2009 ESPP is intended to replace the QuickLogic Corporation 1999 Employee Stock Purchase Plan, as amended (the "1999 ESPP"), which otherwise expires in August 2009; provided, however, if our stockholders approve this Proposal Three, the 1999 ESPP will expire after the final share purchase is made on May 14, 2009. Our Board has determined that it is still in the best interests of the Company and its stockholders to have an employee stock purchase plan and is asking the Company's stockholders to approve the 2009 ESPP.

Changes Being Made to the 2009 ESPP

The principal difference between the 2009 ESPP and the 1999 ESPP is the removal of the provision in the 1999 ESPP that allowed for an annual automatic increase in the number of shares reserved for issuance.

Required Vote

The approval of the 2009 ESPP requires the affirmative vote of a majority of the votes cast on the proposal at the Annual Meeting.

Recommendation of the Board of Directors

**THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS
VOTE "FOR" THE ADOPTION OF THE QUICKLOGIC CORPORATION 2009 EMPLOYEE
STOCK PURCHASE PLAN AND THE NUMBER OF SHARES
RESERVED FOR ISSUANCE THEREUNDER**

Summary of the 2009 Employee Stock Purchase Plan

The following is a summary of the principal features of the 2009 ESPP and its operation. The summary is qualified in its entirety by reference to the 2009 ESPP as set forth in Appendix B.

General. The 2009 ESPP was adopted by the Board in March 2009, subject to stockholder approval at the Annual Meeting. The purpose of the 2009 ESPP is to provide eligible employees with an opportunity to purchase shares of the Company's common stock ("Common Stock") through payroll deductions, to enhance the employees' sense of participation in the Company and its participating subsidiaries, and to provide an incentive for continued employment.

Shares Available for Issuance. If our stockholders approve this proposal, a total of 2,300,000 shares of Common Stock will be reserved for issuance under the 2009 ESPP.

Administration. The 2009 ESPP will be administered by the Board or a committee of members of the Board (in either case, the "Administrator"). Subject to the provisions of the 2009 ESPP, all questions of interpretation or application of the 2009 ESPP are determined by the Administrator and its decisions are final and binding upon all participants.

Eligibility. Each of the Company's (or the Company's participating subsidiaries) employees who are common law employees of the Company or a participating subsidiary on the first trading day of the applicable offering period and whose customary employment with the Company or one of the

Company's participating subsidiaries is at least 20 hours per week and more than 5 months in a calendar year is eligible to participate in the 2009 ESPP; except that no employee will be granted an option under the 2009 ESPP (i) to the extent that, immediately after the grant, such employee would own 5% or more of the total combined voting power of all classes of the Company's capital stock or the capital stock of any Company parent or subsidiary, or (ii) to the extent that his or her rights to purchase stock under all of the Company's employee stock purchase plans accrues at a rate which exceeds \$25,000 worth of stock (determined at the fair market value of the shares at the time such option is granted) for each calendar year.

Offering Period. Each offering period under the 2009 ESPP will have a duration of approximately 6 months, commencing on the first trading day on or after May 15 and November 15 of each year of the 2009 ESPP and terminating on the last trading day of the applicable period ending 6 months later. During each offering period, shares of Common Stock may be purchased on behalf of the participant in accordance with the terms of the 2009 ESPP.

Eligible employees may participate in the 2009 ESPP by (i) delivering a subscription agreement in a form determined by the Administrator, or (ii) following an electronic or other enrollment procedure prior to the beginning of an offering period authorizing payroll deductions pursuant to the 2009 ESPP. Such payroll deductions may not exceed 15% of a participant's compensation during the offering period. For purposes of the 2009 ESPP, "compensation" shall mean an employee's base straight time gross earnings, overtime and incentive/variable compensation, but exclusive of bonuses and other compensation. Once an employee becomes a participant in the 2009 ESPP, the employee automatically will participate in each successive offering period until the employee withdraws from the 2009 ESPP or the employee's employment with the Company or one of the Company's participating subsidiaries terminates. On the first trading day of each offering period (the "enrollment date"), each participant automatically is granted an option to purchase shares of the Common Stock. The option expires at the end of the offering period or upon termination of employment, whichever is earlier, but is exercised on the last trading day of an offering period to the extent of the payroll deductions accumulated during such offering period.

Purchase Price. The Administrator has the discretion to implement one of two types of offering periods to determine the purchase price: (i) an offering period with a purchase price equal to 85% of the fair market value of the Common Stock on the last day of the offering period (a "Purchase Date Offering Period") or (ii) an offering period with a purchase price equal to 85% of the fair market value of the Common Stock on (x) the enrollment date, or (y) the last day of the offering period, whichever is lower (a "Look-Back Offering Period"). The purchase price for subsequent offering periods may be determined by the Administrator, subject to compliance with the Code and the terms of the Purchase Plan.

Payment of Purchase Price. The purchase price of the shares is accumulated by payroll deductions made during each offering period. The number of whole shares that a participant may purchase in each offering period will be determined by dividing the total amount of payroll deductions withheld from the participant's compensation during that offering period by the purchase price; provided, however, that in no event will a participant be permitted to purchase during each offering period more than 20,000 shares, subject to automatic adjustment upon certain changes in capitalization. No fractional shares will be purchased under the 2009 ESPP and any payroll deductions accumulated in a participant's account which are not sufficient to purchase a full share will be retained in a participant's account for the subsequent offering period.

Payroll Deductions. All payroll deductions made for a participant are credited to the participant's account under the 2009 ESPP, are withheld in whole percentages only and are included with the Company's general funds. Funds received by the Company pursuant to exercises under the 2009 ESPP

are used for general corporate purposes. A participant may not make any additional payments into his or her account.

Withdrawal. A participant may withdraw all but not less than all of his or her payroll deductions from an offering period prior to the end of such offering period by (i) delivering a written notice to the Company on a form provided by the Company for such purpose or (ii) following an electronic or other withdrawal procedure. A participant's withdrawal from the 2009 ESPP will not affect his or her eligibility to participate in future offering periods. Once a participant withdraws from a particular offering period, however, that participant may not participate again in the same offering period. To participate in a subsequent offering period, the participant must re-enroll in the 2009 ESPP in accordance with the 2009 ESPP's enrollment procedures.

Termination of Employment. Upon termination of a participant's employment for any reason, his or her participation in the 2009 ESPP will immediately terminate and the payroll deductions credited to the participant's account will be returned to him or her and such participant's option will automatically terminate.

Changes in Capitalization. The number and class of Common Stock deliverable under the 2009 ESPP, the purchase price per share and the number of shares covered by each option under the 2009 ESPP will be proportionately and automatically adjusted for any increase or decrease in the number of issued and outstanding shares of the Company resulting from a stock split or the payment of a stock dividend on the Common Stock, or any other similar change in the corporate structure of the Company affecting the Common Stock.

Dissolution or Liquidation. In the event of the Company's proposed dissolution or liquidation, the offering period will be shortened by setting a new exercise date and the 2009 ESPP will terminate immediately prior to such proposed dissolution or liquidation, unless otherwise provided by the Administrator. The Administrator will notify each participant in writing at least 10 business days prior to the new exercise date that the purchase date for the participant's option has been changed to the new exercise date and that the participant's option will be exercised automatically on the new exercise date unless the participant withdraws from the 2009 ESPP prior to such date.

Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding option under the 2009 ESPP will be assumed or an equivalent option will be substituted by the successor corporation or a parent or subsidiary of such successor corporation. In the event the successor corporation refuses to assume or substitute for the options, any offering period then in progress will be shortened by setting a new exercise date on which such offering period will end. The new exercise date will be prior to the proposed sale or merger. The Administrator will notify each participant in writing at least 10 business days prior to the new exercise date that the purchase date for the participant's option has been changed to the new exercise date and that the participant's option will be exercised automatically on the new exercise date unless the participant withdraws from the 2009 ESPP prior to such date.

Amendment and Termination of the 2009 ESPP. The Administrator may amend, terminate or suspend the 2009 ESPP at any time and for any reason. Generally, no such termination can adversely affect options previously granted and stockholder approval will be sought for certain changes as required by applicable law.

Upon its approval by the stockholders, the 2009 ESPP will continue until the earlier to occur of (i) the termination of the 2009 ESPP by the Board, or (ii) March 6, 2019 (the date which is 10 years from the adoption of the 2009 ESPP by the Board).

Number of Shares Granted to Employees

Participation in the 2009 ESPP is voluntary and is dependent on each eligible employee's election to participate and his or her determination as to the level of payroll deductions. Accordingly, future purchases under the 2009 ESPP are not determinable. Non-employee directors are not eligible to participate in the 2009 ESPP. No purchases have been made under the 2009 ESPP since its adoption by the Board. For illustrative purposes, the following table sets forth the number of shares of our Common Stock that were purchased during fiscal year 2008 under the 1999 ESPP.

Name of Individual or Group	Number of Shares Purchased
E. Thomas Hart ⁽¹⁾	6,361
Terry L. Barrette ⁽²⁾	1,556
Ralph S. Marimon	
Andrew J. Pease	
Timothy Saxe	
All executive officers, as a group ⁽³⁾	14,279
All directors who are not executive officers, as a group	
All employees who are not executive officers as a group ⁽⁴⁾	250,922

(1) Mr. Hart purchased shares on the May 14, 2008 purchase date at the price of \$1.65 per share. The fair market value of the shares on the purchase date was \$1.94 per share.

(2) Ms. Barrette purchased shares on the November 14, 2008 purchase date at the price of \$0.62 per share. The fair market value of the shares on the purchase date was \$0.73 per share.

(3) 12,523 of these shares were purchased on the May 14, 2008 purchase date at the price of \$1.65 per share. The fair market value of these shares on the date of purchase was \$1.94 per share. 1,556 of these shares were purchased on the November 14, 2008 purchase date at the price of \$0.62 per share. The fair market value of these shares on the date of purchase was \$0.73 per share.

(4) 125,870 of these shares were purchased on the May 14, 2008 purchase date at the price of \$1.65 per share. The fair market value of these shares on the date of purchase was \$1.94 per share. 125,052 of these shares were purchased on the November 14, 2008 purchase date at the price of \$0.62 per share. The fair market value of these shares on the date of purchase was \$0.73 per share.

Certain Federal Income Tax Information

The following brief summary of the effect of federal income taxation upon the participant and the Company with respect to the shares purchased under the 2009 ESPP does not purport to be complete, and does not discuss the tax consequences of a participant's death or the income tax laws of any state or foreign country in which the participant may reside.

The 2009 ESPP, and the right of participants to make purchases thereunder, is intended to qualify under the provisions of Sections 421 and 423 of the Code. Under these provisions, no income will be taxable to a participant until the shares purchased under the 2009 ESPP are sold or otherwise disposed of. Upon sale or other disposition of the shares, the participant will generally be subject to tax in an amount that depends upon the holding period. If the shares are sold or otherwise disposed of more than 2 years from the first day of the applicable offering period and 1 year from the applicable date of purchase, the participant will recognize ordinary income measured as the lesser of (a) the excess of the fair market value of the shares at the time of such sale or disposition over the purchase price, or (b) an

amount equal to 15% of the fair market value of the shares as of the first day of the applicable offering period. Any additional gain will be treated as long-term capital gain. If the shares are sold or otherwise disposed of before the expiration of these holding periods, the participant will recognize ordinary income generally measured as the excess of the fair market value of the shares on the date the shares are purchased over the purchase price. Any additional gain or loss on such sale or disposition will be long-term or short-term capital gain or loss, depending on how long the shares have been held from the date of purchase. The Company generally is not entitled to a deduction for amounts taxed as ordinary income or capital gain to a participant except to the extent of ordinary income recognized by participants upon a sale or disposition of shares prior to the expiration of the holding periods described above.

THE FOREGOING IS ONLY A SUMMARY OF THE EFFECT OF FEDERAL INCOME TAXATION UPON THE PARTICIPANT AND THE COMPANY WITH RESPECT TO THE 2009 ESPP AND DOES NOT PURPORT TO BE COMPLETE, AND REFERENCE SHOULD BE MADE TO THE APPLICABLE PROVISIONS OF THE INTERNAL REVENUE CODE. IN ADDITION, THIS SUMMARY DOES NOT DISCUSS THE TAX CONSEQUENCES OF A PARTICIPANT'S DEATH OR THE PROVISIONS OF THE INCOME TAX LAWS OF ANY MUNICIPALITY, STATE OR FOREIGN COUNTRY IN WHICH THE PARTICIPANT MAY RESIDE.

PROPOSAL FOUR**RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has appointed PricewaterhouseCoopers LLP ("PricewaterhouseCoopers"), an independent registered public accounting firm, to audit QuickLogic's consolidated financial statements for the fiscal year ending December 27, 2009 and, as a matter of good corporate governance, seeks ratification of such appointment. In the event of a negative vote on such ratification, the Audit Committee will reconsider its appointment.

Representatives of PricewaterhouseCoopers are expected to be present at the 2009 Annual Meeting of Stockholders, will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

Fees billed to QuickLogic by PricewaterhouseCoopers during Fiscal 2008

PricewaterhouseCoopers, the Company's independent registered public accounting firm, billed QuickLogic for the following professional services:

	Fiscal Years	
	2008	2007
Audit fees	\$ 604,000	\$ 682,000
Audit-related fees	\$	\$
Tax fees	\$ 49,000	\$ 64,000
All other fees	\$ 1,700	\$ 1,700

The Audit Committee pre-approved all services and fees provided by PricewaterhouseCoopers during fiscal years 2008 and 2007.

Descriptions of fees billed are as follows:

Audit Fees

Audit fees consist of the aggregate fees for professional services rendered by PricewaterhouseCoopers for the audit of QuickLogic's consolidated financial statements and the effectiveness of the Company's internal control over financial reporting and reviews of QuickLogic's unaudited condensed consolidated interim financial statements for the fiscal years 2008 and 2007.

Tax Fees

Tax fees consist of the aggregate fees for professional services rendered by PricewaterhouseCoopers for tax compliance, tax advice and tax planning for the fiscal years 2008 and 2007.

Audit-related Fees

None.

All Other Fees

All other fees consist of the aggregate fees for professional services rendered by PricewaterhouseCoopers other than those described above. In fiscal years 2008 and 2007, these amounts include fees for accounting library software.

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Pursuant to the Audit Committee Charter, the Audit Committee must pre-approve all audit and non-audit services, and the related fees, provided to QuickLogic by our independent registered public accounting firm, or subsequently approve non-audit services in those circumstances where a subsequent approval is necessary and permissible under the Securities Exchange Act of 1934, as amended, or the rules of the SEC. The Audit Committee pre-approved these services and fees regularly throughout the year.

The Audit Committee must approve all audit-related and permitted non-audit services to be performed by the independent auditors prior to the commencement of such services. The Audit Committee approves such services by PricewaterhouseCoopers on the basis that the services are compatible with the maintenance of that firm's independence in the conduct of its auditing functions. PricewaterhouseCoopers presents a fee proposal to the Audit Committee at mid-year for review. The approved fees determine the scope of their fiscal year services. Any audit or non-audit services outside that scope (whether service or amount) must be approved by the Audit Committee.

Required Vote

The affirmative vote of the holders of a majority of the votes cast will be required to ratify the appointment of PricewaterhouseCoopers as QuickLogic's independent registered public accounting firm for the fiscal year ending December 27, 2009.

Recommendation of the Audit Committee of the Board of Directors

**THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS UNANIMOUSLY
RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF
PRICEWATERHOUSECOOPERS LLP AS QUICKLOGIC'S INDEPENDENT REGISTERED PUBLIC
ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 27, 2009.**

REPORT OF THE AUDIT COMMITTEE

This section shall not be deemed to be "soliciting material," or to be "filed" with the Securities and Exchange Commission, is not subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of QuickLogic under the Securities Act of 1933 or the Securities Exchange Act of 1934, each as amended, regardless of date or any other general incorporation language in such filing.

In accordance with the written charter adopted by the Audit Committee on December 20, 2004, the Audit Committee consists of three members and operates under such written charter.

Membership of the Audit Committee

The Audit Committee consists of Michael J. Callahan, Christine Russell and Gary H. Tauss. Ms. Russell became Chairman of the Committee in April 2006. Mr. Callahan served as Chairman of the Committee from October 2004 until April 2006. Messrs. Callahan and Tauss, as well as Ms. Russell, have been determined by our Board of Directors to be independent according to SEC rules and the Nasdaq Global Market's listing standards.

Audit Committee Financial Expert

As required by the Sarbanes-Oxley Act of 2002, our Board of Directors has determined that Ms. Russell has the qualifications to be our "Audit Committee Financial Expert", as defined in the SEC rules and regulations and also meets the standards of independence adopted by the SEC and the Nasdaq Global Market for membership on an audit committee.

Role of the Audit Committee

Management is responsible for the financial reporting process, including the system of internal controls, and for the preparation of consolidated financial statements in accordance with generally accepted accounting principles ("GAAP"). Our independent registered public accounting firm is responsible for auditing those financial statements and expressing an opinion as to their conformity with accounting principles generally accepted in the United States. Our independent registered public accounting firm is also responsible for auditing our system of internal control over financial reporting. The Committee's responsibility is: (i) to monitor and review these processes; (ii) to provide our Board of Directors with the results and recommendations derived from this monitoring; and (iii) to select, appoint for ratification by the Company's stockholders and compensate the independent registered public accounting firm. However, the members of the Committee are not professionally engaged in the practice of accounting or auditing and are not experts in the fields of accounting or auditing, including with respect to the independence of the registered public accounting firm. The Committee relies, without independent verification, on the information provided to it and on the representations made by management and the independent registered public accounting firm.

The Audit Committee held six meetings during 2008. The meetings were designed to, among other things, facilitate and encourage communication among the Audit Committee, management and QuickLogic's independent registered public accounting firm, PricewaterhouseCoopers. The Audit Committee discussed with PricewaterhouseCoopers the overall scope and plans for their audits and met with PricewaterhouseCoopers, with and without management present, to discuss the results of their examinations and their evaluation of QuickLogic's internal controls. The purpose of the Audit Committee is to fulfill the Board of Director's oversight responsibilities relating to our corporate accounting and reporting practices, the quality and integrity of our financial reports, compliance with

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laws, the maintenance of ethical standards and effective internal controls. During the meetings held in 2008 and thereafter, the Audit Committee reviewed and discussed, among other things:

results of the 2008 independent audit of the financial statements and review of the Annual Report on Form 10-K and Proxy Statement;

issues regarding accounting, administrative and operating matters noted during the 2008 audit;

requirements and responsibilities for audit committees;

QuickLogic's significant policies for accounting and financial reporting and the status and anticipated effects of changes in those policies;

the quarterly and annual procedures performed by our independent registered public accounting firm;

the adequacy of our internal controls and financial reporting process and the reliability of our financial reports to the public;

the ability and responsibility to institute special investigations, if necessary, and obtain advice and assistance from independent outside legal, accounting or other services, with funding from the Company;

the quarterly consolidated unaudited financial statements and filings with the SEC;

related party transactions; and

other matters concerning QuickLogic's accounting, financial reporting and potential conflicts of interest.

Review of QuickLogic's Audited Financial Statements for the Fiscal Year Ended December 28, 2008

The Audit Committee reviewed and discussed the 2008 audited financial statements and the Company's internal control over financial reporting with management and the independent registered public accounting firm. Specifically, the Audit Committee discussed with the independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended. In addition, the Audit Committee discussed with the independent registered public accounting firm the firm's independence from management and QuickLogic, including the matters covered by the letter received by QuickLogic from the independent registered public accounting firm as required by the applicable requirements of the Public Company Accounting Oversight Board.

In March 2009, the Audit Committee reviewed QuickLogic's audited financial statements and footnotes for inclusion in QuickLogic's Annual Report on Form 10-K for the fiscal year ended December 28, 2008 and the Company's internal control over financial reporting. Based on this review and prior discussions with management and the independent registered public accounting firm, the Audit Committee recommended to the Board of Directors that QuickLogic's audited financial statements be included in its Annual Report on Form 10-K for the fiscal year ended December 28, 2008 for filing with the SEC.

MEMBERS OF THE AUDIT COMMITTEE

Christine Russell, Chairman (member since June 2005, Chairman since April 2006)
Michael J. Callahan (member since July 1997)

Gary H. Tauss (member since October 2004)

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Overview

QuickLogic's compensation program is overseen and administered by the Compensation Committee (the "Committee"), which is comprised entirely of independent directors as determined in accordance with various SEC, Nasdaq and Internal Revenue Code rules. The Committee ensures that the total compensation paid to the Company's named executive officers ("NEOs") is fair, reasonable and competitive. The Committee operates under a written charter adopted by our Board. A copy of the charter is available free of charge at <http://ir.quicklogic.com>.

Compensation Philosophy and Objectives

The executive compensation programs and practices of the Company are designed to, among other things:

attract and retain highly qualified executive officers by offering overall compensation that is competitive with that offered for comparable positions in comparable companies in the high technology industry;

motivate executive officers to achieve the Company's business objectives through the use of an incentive compensation plan based on those objectives that ties incentive compensation to threshold performance levels and that rewards the achievement of performance exceeding objectives;

reward achievement of the Company's short-term and long-term goals;

align the interests of executive officers with the long-term interests of stockholders through executive participation in equity-based compensation plans, and by making a significant amount of cash compensation dependent upon the achievement of business objectives; and

discourage executives from exposing the Company to excessive risk.

Elements of Executive Compensation

The key elements of the compensation program for our NEOs are:

base salary;

performance-based incentive cash compensation, consisting of bonus and variable portions, which are earned based on achieving corporate objectives under our 2005 Executive Bonus Plan; and

stock-based incentive compensation programs.

The Committee sets base salary with the goal of attracting our NEOs and adequately compensating and rewarding them on a day-to-day basis for the time they spend, the services they perform and the skills and experience they bring to the Company. The Committee sets target cash incentive compensation and performance objectives to motivate our NEOs to achieve the performance objectives. The Committee grants our NEOs equity incentives to provide an incentive and reward for performance of key long-term business objectives and to help attract and retain these individuals. The Committee believes that the cash incentive performance objectives are aligned with creating stockholder value and that our equity incentives also align the interests of our NEOs and our stockholders while not encouraging our NEOs to expose the Company to excessive risk. In setting individual compensation levels for our NEOs, the Committee considers competitive market forces such as comparable compensation of similar individuals in similar companies as well as qualitative factors, such as experience, level of contribution, potential

impact on company performance and relative

internal pay, and quantitative factors relating to corporate and individual performance. The determination is not based on any single performance factor, nor does it specifically assign relative weights to factors; rather, a mix of factors is considered and individual performance is evaluated against that mix.

We have change of control arrangements with each of our NEOs, which provide for such executives to receive certain payments and benefits if their employment with the Company is terminated. These arrangements are discussed in detail under the heading "Change of Control Agreements" beginning on page 43 below. The Board has determined that such payments and benefits are necessary to attract and retain our NEOs.

The Committee believes that our key elements of compensation, when combined, are effective, and will continue to be effective, in achieving the objectives of the Company's compensation program.

Cash-Based Compensation

NEO total target cash compensation consists of base salary and performance-based incentive compensation. The performance-based compensation consists of a bonus incentive plan and a variable incentive plan. During 2008, the target incentive component under both plans, in the aggregate, reported in column (d) of the Grants of Plan Based Awards table, was 23% to 33% of the total target cash compensation for each NEO.

The Committee determines the target cash compensation of the Chief Executive Officer and reviews and approves target cash compensation for each of the Company's other NEOs. In determining target executive cash compensation, each component of a NEO's compensation is considered relative to a competitive market position based on executive compensation survey information for high technology public companies with less than \$50 million of revenue and other relevant information. The Committee reviews survey information for public companies since the companies in these surveys compete for executives with the skill sets, experience and other qualifications that are closely aligned with the executive qualifications sought by the Company. The surveys used in 2008 were provided by Radford Surveys + Consulting ("Radford"), a business unit of Aon Consulting that provides compensation surveys and consulting to the technology and life sciences industries. At the Committee's direction, the Company continues to work with Radford to identify and create a specific peer group for executive compensation purposes. Radford is not otherwise engaged by the Company.

The Committee sets base salaries and target incentive cash compensation for our NEOs within the range of total target cash compensation reported in the survey, based on individual performance and contribution as well as numerous other factors, consistent with the Committee's objective of attracting and retaining talented executive officers. In January 2008, the Committee discussed the potential objectives tied to incentive compensation and in April 2008, the Committee adopted the objectives. Following the end of each quarter in 2008, the Committee reviewed performance against incentive plan objectives and approved payouts under the incentive compensation plan.

Under our 2005 Executive Bonus Plan (the "Bonus Plan"), our NEOs participate in a performance-based cash incentive compensation plan, consisting of bonus incentive compensation and variable incentive compensation. Bonus incentive compensation is paid based upon achieving high percentage performance of a key operating goal. Less than 70% performance of any goal results in no payment associated with that goal. This is intended to encourage NEOs to rise to a high level of performance. Variable incentive compensation is based on a straight percentage performance of key goals in relation to the Company's operating plan. This is intended to motivate performance in line with the Company's approved operating plan. Further, our Bonus Plan is intended to increase stockholder value and the success of the Company by motivating key employees to perform to the best of their abilities and achieve or exceed the Company's objectives, and to reward achievement of the

Company's short-term and long-term business goals. In 2008, the total target cash compensation of our NEOs was:

Name	Base Salary	Bonus	Target Incentive Compensation		Variable as		Total
			Bonus as a Percentage of Base	Variable	a Percentage of Base		
E. Thomas Hart	\$ 350,000	\$ 75,000	21%	\$ 75,000	21%	\$ 150,000	
Terry L. Barrette	\$ 174,000	\$ 35,000	20%	\$ 35,000	20%	\$ 70,000	
Ralph S. Marimon	\$ 200,000	\$ 30,000	15%	\$ 30,000	15%	\$ 60,000	
Carl M. Mills	\$ 200,000	\$ 40,000	20%	\$ 40,000	20%	\$ 80,000	
Andrew J. Pease	\$ 200,000	\$ 50,000	25%	\$ 50,000	25%	\$ 100,000	
Timothy Saxe	\$ 195,000	\$ 42,500	22%	\$ 42,500	22%	\$ 85,000	

Our Bonus Plan is a pay for performance plan that places a portion of incentive compensation at risk, since certain performance thresholds must be achieved in order to earn bonus incentive compensation under the Bonus Plan payouts. In addition, the Bonus Plan increases bonus incentive awards when performance exceeds Bonus Plan objectives. Under the Bonus Plan, our NEOs are eligible to earn cash bonus incentive compensation based upon achieving certain quarterly performance goals and objectives relating to the Company. The Committee establishes quarterly and annual performance goals and objectives for the Bonus Plan. For 2007 and 2008, the NEOs have the same performance objectives, consisting of revenue goals and other financial goals included in our annual operating plan. These goals can only be achieved with a high level of effort and performance by our NEOs.

In April 2008, the Committee reviewed and approved the 2008 business objectives and target cash compensation for our NEOs. The Committee determined that the primary business objective for 2008 was to achieve the new product revenue targeted in the Company's annual operating plan. Growth in this portion of the business was an important objective due to the strategic importance of these products and the markets they serve. Additionally, the Committee determined that achieving the quarterly debt-free cash position included in our annual operating plan was a key objective for 2008, since total Company revenue was below the level required to generate positive cash flow. NEO bonus incentive compensation was tied to these two objectives in 2008. The Committee also decided that achieving the total Company revenue and non-GAAP operating income in our annual operating plan were key business objectives for 2008, in order to maximize Company revenue during the transition from our pASIC® 1 and pASIC 2 business, and in order to affirm the importance of margin and spending goals for 2008. NEO variable incentive compensation was tied to these two goals in 2008.

Bonus Incentive Compensation

During 2008, 50% of each NEO's target bonus incentive compensation for 2008 was based upon the Company achieving the new product revenue included in the annual operating plan (the "Plan Revenue Objective"), and 50% of each participant's target bonus incentive compensation was dependent upon the Company achieving the quarter ending debt-free cash position (the "Plan Financial Objective"). The Company had to achieve a certain threshold for participants to earn bonus payouts against the Plan Revenue Objective and the Company had to achieve a certain threshold for participants to earn bonus payouts against the Plan Financial Objective. Quarterly bonus payouts were dependent on the level of the Company's performance during the quarter in question, and could, so long as the threshold level of performance was achieved, range from 70% to 100% of the quarterly targeted amounts. If the Bonus Plan threshold level of performance was not achieved, payments were not made for that objective. Bonus payouts are adjusted for annual performance to the objective, and can range from 70% to 220% or more of the target bonus incentive compensation.

Variable Incentive Compensation

During 2008, 50% of the Bonus Plan's variable incentive compensation was based on the Company achieving new product revenue targets and 50% on achieving non-GAAP operating income targets. Under the program, participants receive 100% of target variable incentive compensation if the Company achieves 100% of both targets. Quarterly variable incentive compensation payouts are dependent on the level of the Company's performance during the quarter in question, and can range from 0% to 100% of the quarterly target. Annual variable incentive compensation is adjusted for the level of the Company's annual achievement, and can range from 0% to 220% or more of the target annual variable incentive compensation.

The Committee selected the Bonus Plan bonus and variable incentive compensation objectives for 2008 because they are important indicators of stockholder value. The Company does not publicly disclose specific internal objectives for revenue or other financial measures, because disclosure of our business plans could result in competitive harm. Our business has been undergoing significant transition. During 2008, we continued our transition from being a niche supplier of field programmable gate arrays to a supplier of Customer Specific Standard Products, which are custom solutions based on our new products, to manufacturers of handheld mobile devices. We have a new business model, and we are targeting new markets and customers. Since we do not have significant sales experience or a significant customer base in these markets, our ability to judge the volume and timing of our revenue with these customers is developing. During this transition our business plan entails considerable risk and we set incentive objectives that are difficult to achieve.

2008 Bonus and Variable Incentive Compensation Results

Achieving the new product revenue goal in our annual operating plan was our most important strategic objective for the year. New product revenue was below the threshold level required to earn bonus incentive compensation for this objective. While our cash position was well managed during 2008, our total revenue was below our annual operating plan objective. Lower than expected revenue and non-cash impairment charges caused our non-GAAP operating income to be lower than our annual operating plan. As indicated on the Summary Compensation Table, cash incentive compensation, or non-equity incentive compensation, was 54% of target compensation for each of our NEOs in 2008, with one exception. Mr. Marimon joined the Company as Vice President of Finance and Chief Financial Officer in November 2008 and, as part of his employment offer, was guaranteed at least 100% of his target incentive compensation through the end of 2008, pro-rated to his date of hire, and during the first and second quarters of 2009. As a result, Mr. Marimon earned 100% of target incentive compensation in 2008.

2009 Bonus Incentive Compensation

On December 24, 2008, the Committee established the 2009 target bonuses and performance objectives under the Bonus Plan. Unlike 2008, during which a portion of each NEO's total incentive compensation consisted of variable incentive compensation and bonus incentive compensation, during 2009, 100% of each NEO's incentive compensation will consist solely of bonus incentive compensation. Incentive compensation is dependent upon the Company's achievement of a new product revenue objective and the Company must achieve a certain threshold against an operating profit objective for participants to earn any bonus. Quarterly bonuses for the first, second, and third quarters will be paid depending on the actual level of the Company's performance against the objectives during the quarter in question, and may range from 0% to 80% of the quarterly target bonus amounts. The fourth quarter bonus payment will depend on the overall annual performance of the Company with respect to the annual objectives and may range from 0% to 200% of the target bonus amounts. The Chief Executive Officer's target bonus for 2009 is currently 43% of his annual base salary and each of the other NEOs has a target bonus for 2009 currently equal to 25% to 55% of his or her annual base salary.

Stock-Based Compensation

The Committee believes that equity awards are an essential component of executive compensation. Equity awards are subject to vesting provisions to encourage our NEOs to remain employed with the Company and to align their interests with the long-term interests of our stockholders. The Committee may, however, grant immediately vested equity awards to our NEOs in lieu of cash compensation or for other reasons.

Our NEOs generally receive a stock option, approved by the Committee or the Board of Directors, when they join the Company. During each fiscal year, the Committee may grant our NEOs additional stock options or other equity awards. The Committee determines the equity awards made to the Chief Executive Officer in light of executive compensation survey information for similarly sized high technology companies, publicly available information on other high technology companies, and the relative size of our other NEO grants, taking into consideration relative responsibility, performance and anticipated future contribution to Company performance. The Committee receives recommendations from the Chief Executive Officer on the amount and terms of equity compensation to be awarded to the other NEOs, based on individual position, responsibilities, performance, compensation surveys and other publicly available information, and the NEO's anticipated future performance, responsibilities and potential impact on Company results. The Committee takes these factors into account when approving such awards.

The Committee also reviews prior equity awards to each NEO, including the number of shares that continue to be subject to vesting under prior option grants, in determining the size of option grants to each of our NEOs. Stock options are granted with an exercise price per share equal to the closing market price of the Company's common stock on the date of grant. In 2008, the Committee, following the above procedures, granted 10-year stock options to our NEOs that vest over a four year period. Each officer must remain employed on the vesting date to vest in the option. Equity incentive grants to our NEOs in 2008 are reflected in the Summary Compensation Table on page 37 and the Grants of Plan-Based Awards table on page 39.

In May 2008, in connection with a Company-wide cash conservation measure, the majority of our employees, including each of our NEOs, experienced a 10% cash reduction in base salary for the June through August 2008 pay period. In lieu of receipt of such cash payment, each participating employee, including each of our NEOs, received a grant of fully vested RSUs equal in value to 15% of his or her base salary for the June through August 2009 pay period, net of applicable payroll tax withholding and deductions. In April 2008, our Board amended the Bonus Plan to allow incentive payments to be made with equity as well as cash and as part of our cash conservation measure, all NEOs received a May 2008 grant of fully vested RSUs equal in value to the amount of incentive earned during the first quarter of 2008, net of applicable payroll tax withholding and deductions. The aggregate amount of RSUs granted to each NEO in May 2008 as part of the Company's cash conservation measure is reflected in the Grants of Plan-Based Awards table under column (i).

We do not currently have any equity or other security ownership policy that mandates ownership of certain amounts of our common stock by our NEOs. Under our insider trading policy, directors, officers or employees are not allowed to margin the Company's securities, use the Company's securities as collateral to purchase the Company's securities or the securities of any other issuer, short sell Company securities, either directly or indirectly, or trade in derivative securities related to the Company's securities.

CEO Compensation

In 2008, the Compensation Committee determined the Chief Executive Officer's total compensation based on similar competitive compensation data as that used for other executive officers at comparable companies, the Committee's assessment of his past performance and the Committee's

expectations as to his future contributions to QuickLogic. Mr. Hart's base salary decreased to \$341,250 in 2008 due to a 10% reduction in base salary imposed during the Company's June through July 2008 pay period. Mr. Hart received aggregate cash bonus and variable incentive compensation of \$39,542 for 2008 on the same basis as other executives. Also during 2008, the Committee granted Mr. Hart an option to purchase 200,000 shares of common stock exercisable at \$0.90 per share, which vests over four years, and 22,957 RSUs in connection with the Company's cash conservation measure described above of which 5,104 RSUs were received as equity incentive compensation.

Executive Perquisites

The Company's NEOs are eligible to participate in the Company's 401(k) Plan, the Company's stockholder approved equity incentive plans and other benefits available generally to other employees of the Company. The maximum amount of disability benefits per month is higher for our NEOs than it is for our other employees, which incremental amounts are included in column (i) of the Summary Compensation Table on page 37. With the exception of Ms. Barrette and Mr. Marimon, each of our NEOs receives a car allowance. Our NEOs do not receive club memberships, personal use of corporate aircraft, or any other perquisites or personal benefits other than nominal gifts.

Tax Considerations

Our Board has reviewed the impact of tax and accounting treatment on the various components of our executive compensation program and has determined that limitations on deductibility of compensation may occur under Section 162(m) of the Internal Revenue Code, which generally limits the tax deductibility of compensation paid by a public company to its chief executive officer and other highly compensated executive officers to one million dollars per year. There is an exception to the limit on deductibility for performance-based compensation that meets certain requirements.

Although deductibility of compensation is preferred, tax deductibility is not a primary objective of our compensation programs, due in part to the large net operating loss carryforward available to the Company for tax reporting purposes. We believe that achieving the compensation objectives discussed earlier is more important than the benefit of tax deductibility and our executive compensation programs may, from time to time, limit the tax deductibility of compensation.

Equity Incentive Grant Policies

Either the Board of Directors or the Compensation Committee of the Board of Directors may grant stock options or other equity awards to our NEOs. All of the grants made to date are in the form of fully vested RSUs granted in connection with the Company's cash conservation measure or stock options. Our NEOs are generally granted equity awards when they join the Company and they may receive additional equity grants as part of a refresh grant, upon promotion or for individual performance. Our Chief Executive Officer recommends the timing, size and terms of equity awards for NEOs other than himself. Individual grants are based on position, individual performance, expected contribution and market data for similar positions, if available. Except for Mr. Marimon who received a stock option grant when he joined the Company in October 2008, each of our NEOs received a stock option refresh grant in October 2008 in addition to the May 2008 grant of fully vested RSUs in lieu of cash compensation described above.

The Compensation Committee has implemented certain general policies relating to grants of stock options, RSUs and other awards, which policies apply to our NEOs. Specifically, the Committee has determined that stock options shall be granted on: (i) the second and fourth Thursdays of the Company's fiscal month (each a "Regular Grant Date"), or on the date the last director or Committee member approves such grants if not approved prior to the Regular Grant Date; (ii) on the date of a pre-scheduled Board of Directors or Committee meeting; or (iii) on such other date established by the

Board of Directors or Committee. The Company intends that future equity awards be made on a similar schedule. Option grants or other equity awards to NEOs may be approved at a properly constituted meeting of the Board of Directors or Committee or by the unanimous written consent of the directors or Committee members. Generally, our unanimous consents are executed electronically, to ensure the date of approval is certain. All required documentation, including the list of recommended equity awards by recipient and the terms of the award, are sent to the Board of Directors or Committee prior to the meeting. The Committee believes that this practice will ensure that the exercise price of the options or other awards are based on the fair market value of our common stock on the date of grant and that the approval process results in grants made on a planned grant date. We have not and do not plan in the future to coordinate the timing of the release of material non-public information for the purpose of affecting the value of executive compensation (including equity award grants).

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with our management.

Based on the Compensation Committee's review and discussion noted above, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement on Schedule 14A.

MEMBERS OF THE COMPENSATION COMMITTEE

Gary H. Tauss (Chairman since September 2004)
Arturo Krueger (member since November 2004)
Hide L. Tanigami (member since December 2007)

SUMMARY COMPENSATION TABLE

For Fiscal Years Ended December 28, 2008, December 30, 2007 and December 31, 2006

The following table sets forth 2008, 2007 and 2006 compensation information for: (i) the Chief Executive Officer; (ii) the Chief Financial Officer; and (iii) three other executive officers of QuickLogic, who, based on their total compensation, were the most highly compensated in 2008 (collectively, the "Named Executive Officers" or "NEOs").

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Name and Principal Position	Year	Base Salary (\$)	Bonus (\$)	Stock Awards (\$) ⁽¹⁾	Option Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$) ⁽³⁾	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) ⁽⁴⁾	All Other Compensation (\$) ⁽⁵⁾	Total (\$)
Current Officers:									
E. Thomas Hart	2008	\$ 341,250		\$ 41,323	\$ 241,938	\$ 39,542		\$ 13,360	\$ 677,412
Chairman of the Board,	2007	\$ 350,000			\$ 118,764	\$ 71,649		\$ 13,360	\$ 553,773
President & Chief Executive Officer	2006	\$ 350,000			\$ 262,124	\$ 37,144		\$ 13,360	\$ 662,628
Terry L. Barrette ⁽⁶⁾	2008	\$ 169,650		\$ 19,715	\$ 109,674	\$ 18,453		\$ 100	\$ 317,593
Vice President, Operations	2007	\$ 167,077			\$ 112,310	\$ 24,372		\$ 7,025	