

SCHEDULE 14A
(Rule 14a-101)
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

**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:

- | | |
|---|---|
| <p><input type="checkbox"/> Preliminary proxy statement</p> <p><input checked="" type="checkbox"/> Definitive proxy statement</p> <p><input type="checkbox"/> Definitive additional materials</p> <p><input type="checkbox"/> Soliciting material under Rule 14a-12</p> | <p><input type="checkbox"/> Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))</p> |
|---|---|

PLX Technology, Inc.
(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant) Payment of Filing Fee (Check the appropriate box):

- ☒ No fee required.
- ☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transactions applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction.

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PLX TECHNOLOGY, INC.

**Notice of Annual Meeting of Stockholders
To Be Held May 27, 2008**

To the Stockholders of PLX Technology, Inc.:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of PLX Technology, Inc., a Delaware corporation (the "Company" or "PLX"), will be held at the Company's headquarters, 870 W. Maude Avenue, Sunnyvale, California, at 9:00 a.m., Pacific Daylight Time, on Tuesday, May 27, 2008, for the following purposes:

1. ELECTION OF DIRECTORS. To elect six directors of the Company to serve until the 2009 annual meeting of stockholders or until their successors are elected and qualified.

2. APPROVAL OF THE 2008 EQUITY INCENTIVE PLAN. To approve the 2008 Equity Incentive Plan.

3. RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM. To ratify the appointment of BDO Seidman, LLP as the Company's independent registered public accounting firm for the year ending December 31, 2008.

4. OTHER BUSINESS. To transact such other business as may properly come before the annual meeting of stockholders and any adjournment or postponement thereof.

The foregoing items of business are more fully described in the Proxy Statement which is attached hereto and made a part hereof.

The Board of Directors has fixed the close of business on April 4, 2008 as the record date for determining the stockholders entitled to notice of and to vote at the 2008 Annual Meeting of Stockholders and any adjournment or postponement thereof.

By Order of the Board of Directors,



Michael J. Salameh
Chief Executive Officer and Director

Sunnyvale, California
April 21, 2008

WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING OF STOCKHOLDERS IN PERSON, YOU ARE URGED TO VOTE AS PROMPTLY AS POSSIBLE TO ENSURE YOUR REPRESENTATION AND THE PRESENCE OF A QUORUM AT THE ANNUAL MEETING. STOCKHOLDERS OF RECORD CAN VOTE THEIR SHARES BY USING THE INTERNET OR THE TELEPHONE. INSTRUCTIONS FOR USING THESE CONVENIENT SERVICES ARE SET FORTH ON THE ENCLOSED PROXY CARD. STOCKHOLDERS MAY ALSO VOTE THEIR SHARES BY MARKING, SIGNING, DATING AND RETURNING THE PROXY CARD IN THE ENCLOSED POSTAGE-PREPAID ENVELOPE. IF YOU SEND IN YOUR PROXY CARD AND THEN DECIDE TO ATTEND THE ANNUAL MEETING TO VOTE YOUR SHARES IN PERSON, YOU MAY STILL DO SO. YOUR PROXY IS REVOCABLE IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THE PROXY STATEMENT.

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PLX TECHNOLOGY, INC.
870 W. Maude Avenue
Sunnyvale, California 94085

PROXY STATEMENT

INFORMATION CONCERNING SOLICITATION AND VOTING

General Information

This Proxy Statement is furnished to the stockholders of PLX Technology, Inc., a Delaware corporation (the “Company” or “PLX”), in connection with the solicitation by the Board of Directors of the Company (the “Board” or “Board of Directors”) of proxies in the accompanying form for use in voting at the 2008 annual meeting of stockholders of the Company (the “Annual Meeting”) to be held on May 27, 2008 at the Company’s headquarters, 870 W. Maude Avenue, Sunnyvale, California, at 9:00 a.m., Pacific Daylight Time, and any adjournment or postponement thereof. The shares represented by proxies received, properly marked, dated, executed and not revoked will be voted at the Annual Meeting.

Revocability of Proxies

Any proxy given pursuant to this solicitation may be revoked by the person giving it at any time before it is exercised by (i) delivering to the Company (to the attention of Arthur O. Whipple, the Company’s Secretary) a written notice of revocation or a duly executed proxy bearing a later date, (ii) submitting new voting instructions via the Internet, (iii) calling the specifically designated telephone number and changing the vote, or (iv) attending the Annual Meeting and voting in person. Attendance at the Annual Meeting in and of itself does not revoke a prior proxy.

Solicitation of Proxies

This Proxy Statement and the accompanying proxy were first sent by mail to stockholders on or about April 21, 2008. The Company will bear the cost of soliciting proxies, including preparation, assembly, printing and mailing of the Proxy Statement. In addition, the Company will reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. Proxies may be solicited by certain of the Company's directors, officers and regular employees, without additional compensation, either personally, by telephone, facsimile, or telegram.

The close of business on April 4, 2008 has been fixed as the record date (the "Record Date") for determining the holders of shares of common stock ("Common Stock") of the Company entitled to notice of and to vote at the Annual Meeting. As of the close of business on the Record Date, the Company had approximately 28,209,384 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. Each outstanding share of Common Stock on the Record Date is entitled to one vote on all matters.

Vote Required

A majority of the outstanding shares of Common Stock entitled to vote, present in person or represented by proxy, shall constitute a quorum at the Annual Meeting. For the election of directors in Proposal No. 1, the candidates who receive the greatest number of votes cast at the Annual Meeting are elected, provided a quorum is present. The affirmative vote of a majority of the shares of the Company's Common Stock present in person or represented by proxy at the Annual Meeting, and entitled to vote, shall be required to approve Proposal No. 2 and 3, provided a quorum is present.

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Under the General Corporation Law of the State of Delaware, an abstaining vote and a broker "non-vote" are counted as present and are, therefore, included for purposes of determining whether a quorum of shares is present at a meeting. Broker "non-votes" are not counted in the tabulation of the voting results on the election of directors or for purposes of determining the number of votes cast with respect to a particular proposal and, therefore, do not have an effect on the vote. A broker "non-vote" occurs when a broker submits a proxy card with respect to shares of common stock held in a fiduciary capacity (typically referred to as being held in "street name"), but declines to vote on a particular matter because the broker has not received voting instructions from the beneficial owner. Under the rules that govern brokers who are voting with respect to shares held in street name, brokers have the discretion to vote such shares on routine matters, but not on non-routine matters. Routine matters include, among others, the election of directors and ratification of auditors (Proposal Nos. 1 and 3). A broker is prohibited from voting on Proposal 2 unless the broker receives specific voting instructions from the beneficial owner of the shares. 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 abstentions have the same effect as negative votes.

All shares of Common Stock represented by valid proxies will be voted in accordance with the instructions contained therein. In the absence of instructions, proxies from holders of Common Stock will be voted FOR Proposals 1, 2 and 3.

Voting Procedures

Shares of Common Stock cannot be voted until either a signed proxy card is returned, voting instructions are submitted by using the Internet or by calling a specifically designated telephone number. Any stockholder may change a vote prior to the Annual Meeting by revoking a previously returned proxy or by (i) submitting a proxy bearing a later date, (ii) submitting new voting instructions via the Internet or (iii) calling the specifically designated telephone number and changing the vote.

The Internet and telephone voting procedures are designed to authenticate stockholders' identities, to allow stockholders to provide their voting instructions and to confirm that their instructions have been recorded properly. The Company believes the procedures which have been put in place are consistent with the requirements of applicable law. Specific instructions for stockholders of record who wish to use the Internet or telephone voting procedures are set forth on the enclosed proxy card.

An automated system administered by Broadridge Financial Solutions, Inc. ("Broadridge"), formerly ADP Investor Communication Services, will tabulate votes cast by proxy at the Annual Meeting, and a representative of the Company will tabulate votes cast in person at the Annual Meeting.

Electronic Access to Proxy Materials, Annual Report and Voting Electronically Via the Internet

Stockholders who elected to receive the Proxy Statement and the annual report on Form 10-K (the "Annual Report") over the Internet will be receiving an e-mail on or about April 22, 2008 with information on how to access stockholder information and instructions for voting over the Internet. Stockholders of record may vote via the Internet until 11:59 p.m. Eastern Daylight Time, May 26, 2008.

If a stockholder's shares are registered in the name of a brokerage firm and the stockholder has not elected to receive the Proxy Statement and Annual Report over the Internet, the stockholder may still be eligible to vote shares electronically over the Internet. Many brokerage firms participate in the Broadridge online program, which provides eligible stockholders who receive a paper copy of the Proxy Statement and Annual Report the opportunity to vote via the Internet. If a stockholder's brokerage firm is participating in Broadridge's program, a form from the broker will provide voting instructions.

Stockholders can elect to view future proxy statements and annual reports over the Internet instead of receiving paper copies. Stockholders of record wishing to receive future stockholder materials electronically, can elect this option by following the instructions provided when voting over the Internet at www.ProxyVote.com.

Upon electing to view future proxy statements and annual reports over the Internet, stockholders will receive an e-mail notification next year with instructions containing the Internet address of those materials. The choice to view future proxy statements and annual reports over the Internet will remain in effect until the stockholder contacts their broker or the Company to rescind the instructions. Internet access does not have to be elected each year.

Stockholders who elected to receive this Proxy Statement electronically over the Internet and who would now like to receive a paper copy of this Proxy Statement so that they may submit a paper proxy in lieu of an electronic proxy, should contact either their broker or the Company.

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Householding of Annual Meeting Materials

Some brokers and other nominee record holders may be participating in the practice of "householding" proxy statements and annual reports. This means that only one copy of the proxy statement and annual report may have been sent to multiple stockholders in a stockholder's household. The Company will promptly deliver a separate copy of either document to any stockholder who contacts the Company's investor relations department at (408) 774-9060 or at 870 W. Maude Avenue, Sunnyvale, California 94085 requesting such copies. If a stockholder is receiving multiple copies of the proxy statement and annual report at the stockholder's household and would like to receive a single copy of each of these documents for a stockholder's household in the future, stockholders should contact their broker, other nominee record holder, or the Company's investor relations department to request mailing of a single copy of the proxy statement and annual report.

PROPOSAL NO. 1

ELECTION OF DIRECTORS

As set by the Board of Directors pursuant to the Bylaws of the Company, the authorized number of directors of the Company is currently set at six.

The Nominating Committee of the Board of Directors has recommended, and the Board of Directors has nominated, the six nominees listed below for election as directors at the Annual Meeting, each to serve until the 2009 annual meeting of stockholders, until each director's successor is elected or appointed and qualified, or until the earlier resignation or removal of the director. All of the nominees are currently directors of the Company, and each of the nominees named below has consented, if elected as a director of the Company, to serve until his term expires. In the event that any nominee of the Company is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who shall be designated by the present Board of Directors to fill the vacancy. In the event that additional persons are nominated for election as directors, the proxy holders intend to vote all proxies received by them in such a manner as will assure the election of as many of the nominees listed below as possible, and, in such event, the specific nominees to be voted for will be determined by the proxy holders. The Board has no reason to believe that any of the persons named below will be unable or unwilling to serve as a director, if elected. Each of the six nominees for director who receives the greatest number of votes will be elected.

Set forth below are the names, ages and certain biographical information relating to the director nominees as of April 4, 2008.

Name of Nominee	Age	Position with Company	Director Since
Michael J. Salameh	53	Chief Executive Officer and Director	1986
D. James Guzy ⁽¹⁾⁽²⁾	72	Chairman of the Board	1986
John H. Hart ⁽²⁾⁽³⁾	62	Director	1999
Robert H. Smith ⁽¹⁾⁽³⁾	71	Director	2002
Thomas Riordan	51	Director	2004
Patrick Verderico ⁽¹⁾	64	Director	2004

⁽¹⁾ Member of Audit Committee

⁽²⁾ Member of Compensation Committee

⁽³⁾ Member of Nominating Committee

Michael J. Salameh co-founded PLX and has served as our Chief Executive Officer and as a member of the Board of Directors since PLX's inception in May 1986. From 1980 through 1986, Mr. Salameh was employed in various marketing management positions with Hewlett-Packard Company. Mr. Salameh received a B.S. in Engineering and Applied Science from Yale University and an M.B.A. from Harvard Business School.

D. James Guzy has served as our Chairman of the Board since 1986. Mr. Guzy is also a director of Cirrus Logic, Inc., Intel Corporation and AllianceBernstein LLP Core Mutual Funds. Mr. Guzy received a B.S. from the University of Minnesota and an M.S. from Stanford University.

John H. Hart has been a director of PLX since April 1999. Mr. Hart is currently a 3Com fellow and serves on the Board of Directors of Coherent Inc. and several private companies. In September 2000, he retired as Senior Vice President and Chief Technical Officer of 3Com Corporation, a position he held since August 1996. From the time Mr. Hart joined 3Com in September 1990 until July 1996, he was Vice President and Chief Technical Officer. Prior to joining 3Com, Mr. Hart worked for Vitalink Communications Corporation for seven years, where his most recent position was Vice President of Network Products. Mr. Hart received a B.S. in Mathematics from the University of Georgia.

Thomas J. Riordan has been a director of PLX since November 2004. Mr. Riordan is Chief Executive Officer at Exclara Inc., a start-up supplying IC's for solid state lighting, which he joined in August 2006. From January 2005 to August 2006 Mr. Riordan was an Entrepreneur-In-Residence at Bessemer Venture Partners, one of the nation's original venture capital firms. From August 2000 to January 2005, Mr. Riordan served as vice president and general manager of the microprocessor products group at PMC-Sierra, a provider of communications and storage semiconductors and MIPS based processors. Mr. Riordan co-founded Quantum Effect Devices, a supplier of MIPS-architecture microprocessors, and was chief executive officer and president from August 1991 until its acquisition by PMC-Sierra in August 2000. Mr. Riordan holds B.S. and M.S. degrees in Electrical Engineering as well as a B.A. degree in Government from the University of Central Florida.

Robert H. Smith has been a director of PLX since November 2002. From May 1995 to August 2002, Mr. Smith worked at Novellus Systems Inc., a semiconductor equipment manufacturer, where his last position was Executive Vice President of Administration in the Office of the CEO and board member. From June 1994 to September 1994, Mr. Smith held the position of chairman of the board of directors for Micro Component Technology, Inc., a semiconductor test-equipment manufacturer. From 1986 through 1990, Mr. Smith served as the president of Maxwell Graphics, Inc., a printing company. From 1982 through 1986, Mr. Smith held chief financial officer positions with Maxwell Communications of North America Corp. and R. R. Donnelley and Sons, printing companies. He previously also held executive positions with Honeywell, Inc., Memorex Corp. and Control Data Corp. Mr. Smith is currently a member of the board of directors for ON Semiconductor Corporation, Cirrus Logic, Inc and Virage Logic Corporation, semiconductor companies, and Epilog Software Corporation, a software company

Patrick Verderico has been a director of PLX since November 2004. Mr. Verderico is also a director of Micro Component Technology, Inc., a semiconductor test equipment manufacturer. From January 2001 to January 2003, he was Chief Financial Officer of Ubicom, an Internet processor and software company. From April 1997 to November 2000, he worked at OSE USA, Inc. where his last position was President and Chief Executive Officer. Prior to 1997, Mr. Verderico held executive positions with Maxtor as Chief Operating Officer, Creative Technology as Chief Financial Officer, Cypress Semiconductor as Chief Financial Officer, Philips Semiconductors as Vice President of Assembly Operations, and National Semiconductor as Corporate Controller. Mr. Verderico is a Certified Public Accountant and a former partner of Coopers & Lybrand. Mr. Verderico received a B.A. from the University of Akron and a Masters of Public Administration (M.P.A.) from Pennsylvania State University.

**THE BOARD RECOMMENDS A VOTE FOR
THE ELECTION OF THE NOMINEES NAMED ABOVE**

PROPOSAL NO. 2

APPROVAL OF THE 2008 EQUITY INCENTIVE PLAN

Our stockholders are being asked to approve our 2008 Equity Incentive Plan, which, in this Proxy Statement, we refer to as the "2008 Plan." Our Board adopted the 2008 Plan on April 4, 2008, subject to stockholder approval. The 2008 Plan is intended to serve as our successor equity incentive program to our 1999 Stock Incentive Plan, which we will refer to in this Proxy Statement as our "Prior Plan." If approved by our stockholders at the Annual Meeting, the 2008 Plan will become effective immediately upon approval, at which time awards will cease to be granted under our Prior Plan.

The principal features of the 2008 Plan are summarized below, but the summary is qualified in its entirety by reference to the 2008 Plan itself which is attached to this Proxy Statement as Appendix A.

We believe that an employee equity compensation program is a necessary incentive and retention tool. We have established the 2008 Plan to help us in our goal of recruiting and retaining the best available personnel. Since equity awards are an important part of compensation in the technology industry generally and among our competitors, we would be at a competitive disadvantage if we were not able to offer the range of awards described in this Proposal No. 2. Use of equity awards as part of our compensation program also helps us provide incentives for strong performance and conserve cash.

Approval of this Proposal No. 2 is intended to enable us to achieve the following objectives:

- Continuing to have an equity incentive program and an adequate number of shares available for future stock awards.
- Being able to attract, hire, retain and motivate the highest caliber of high skilled employees and directors.
- Maintaining a competitive stock-based incentive program with flexibility regarding types of equity awards, encouraging share ownership, linking equity awards to our performance and aligning the interests of employees, directors and stockholders.
- Furthering of equity compensation best practices. The 2008 Plan includes several provisions intended to protect stockholders and reflect best practices for equity compensation, including the following:
 - The 2008 Plan does not permit its administrator, without stockholder approval, to amend the terms of any outstanding stock option or stock appreciation right under the 2008 Plan to reduce its exercise price or cancel and replace any outstanding stock options or stock appreciation right with grants having a lower exercise price.
 - The 2008 Plan does not have an evergreen feature to provide for annual automatic replenishment of available shares without stockholder approval.
 - The aggregate share limit under the 2008 Plan is reduced by that number of shares of our common stock tendered or withheld to pay the grant or exercise price or tax withholding obligation of awards granted under the plan.
 - The 2008 Plan limits the aggregate number of shares that may be issued pursuant to full value awards granted during the term of the plan to 300,000 shares. Full value awards are awards for which a participant pays no exercise or purchase price (or an exercise or purchase price equal to less than the fair market value of the underlying shares on the date of grant), such as restricted stock awards or restricted stock units.
 - The 2008 Plan imposes a minimum three-year vesting period over which full value awards must vest, unless they vest based on achievement of performance objectives, in which case they must vest over a minimum one-year period.

Shares Subject to the 2008 Plan

We have authorized for issuance under our 2008 Plan an aggregate of 1,200,000 shares of our common stock, plus the number of shares of our common stock available for issuance under our Prior Plan that are not subject to outstanding awards as of the effective date of the 2008 Plan. As of March 31, 2008, there were 405,755 shares of common stock available for issuance under our Prior Plan that were not subject to outstanding awards. In addition, the share reserve under the 2008 Plan will be increased by the number of shares issuable pursuant to awards outstanding under the Prior Plan that would have otherwise reverted to the Prior Plan because they expire, are canceled or are otherwise terminated without being exercised, following the date that our 2008 Plan becomes effective. As of March 31, 2008, there were outstanding options under our Prior Plan with respect to 3,975,010 shares of common stock. In any event, assuming approval of this Proposal No. 2, the maximum aggregate number of shares that may be issued or transferred under the 2008 Plan during the term of the 2008 Plan, including incentive stock options, may in no event exceed 5,580,765 shares, which number assumes that all the outstanding options under the Prior Plan are canceled or otherwise terminated without being exercised and that the share reserve under the 2008 Plan is therefore increased by a number of shares equal to the shares issuable pursuant to such outstanding options.

Any shares subject to an award that terminates, expires or is settled in cash will be available again for grant under the 2008 Plan. Shares tendered or withheld as payment of the exercise price under an award, or a tax withholding for a payment of an award, will be treated as issued and will be deducted from the aggregate share limit. Shares that we issue in order to assume or substitute for outstanding awards of an entity acquired by us, or by a parent or subsidiary or other entity related to us, are not counted against the shares available under the 2008 Plan. The shares that we distribute under an award may consist of authorized and unissued shares, treasury shares or shares purchased on the open market.

Administration.

The 2008 Plan will be administered by our Board of Directors unless the Board chooses to delegate administration responsibilities to a committee composed of non-employee Board members. (In this Proxy Statement we will refer to the Board or the committee to which administration of the Plan has been delegated as the “Committee”). The Committee will determine which eligible individuals are to receive awards under the 2008 Plan, the type or types of award granted, the time or times when such awards are made, exercise price, grant price, purchase price, award restrictions, and vesting schedules. The Committee will also determine whether the exercise price of an award will be paid in cash, shares, other awards, or other property, and whether an award may be canceled, forfeited, or surrendered. The Committee may also amend the terms of the 2008 Plan and outstanding awards, except that no amendment will be effective without stockholder approval if stockholder approval is required by applicable laws or by the listing standards of the principal exchange on which our common stock is traded, and amendments to outstanding awards may not materially and adversely impact the rights of a participant without the participant’s prior written consent. The Committee does not have the authority to accelerate or delay issuance of shares under an award if the acceleration or delay would be considered a deferral of compensation under Section 409A of the Internal Revenue Code. Amendments to the 2008 Plan are subject to stockholder approval to the extent required by law, rule or regulation.

Equity Awards

Our 2008 Plan provides for the following types of awards:

Stock Options. The 2008 Plan provides for the grant of incentive stock options, or ISOs, and non-qualified stock options, or NSOs, to employees, directors and consultants. ISOs may only be granted to employees. Options are granted with terms determined by the Committee, provided that ISOs are subject to statutory ISO limitations. Thus, the Committee determines the exercise price for a stock option, within the terms and conditions of the 2008 Plan and applicable law, provided that the exercise price may not be less than 100% (or higher in the case of certain ISOs) of the fair market value of our common stock on the date of grant. As of April 4, 2008, the fair market value of a share of our common stock was \$7.02.

Options granted under the 2008 Plan will vest at the rate specified by the Committee. The Committee may also substitute a stock appreciation right for a stock option any time before the option is exercised.

The term of any stock option granted under the 2008 Plan may not exceed ten years. However, if a participant's employment with us ends within ten years from the date an ISO is granted to him or her, the ISO will expire three months after the participant ceases working for us, unless the participant terminates employment on account of disability or death, in which case the ISO will expire one year after the date employment terminates.

Participants in the 2008 Plan may pay the exercise price for the shares of stock underlying the granted options in cash, in shares of our common stock held by the participant, or in other property of the participant that is acceptable to the Committee. The option may also be exercised through a broker-dealer sale and remittance procedure pursuant to which the participant effects a same-day exercise of the option and sale of the purchased shares in order to cover the exercise price for the purchased shares and the applicable withholding taxes. In addition, the Committee may provide financial assistance to a participant who wishes to exercise his or her outstanding options, provided that the participant is not an executive officer or Board member, by allowing the participant to deliver an interest-bearing promissory note in the amount of the exercise price and any associated withholding taxes.

Restricted Stock. Participants who are granted restricted stock awards under the 2008 Plan may have restrictions on transferability, voting rights and the right to receive dividends on restricted stock awarded under the 2008 Plan. The price that participants will pay for each share of restricted stock will be set by the Committee and will be paid in a form approved by the Committee, which may be cash, services rendered or to be rendered to the Company or a related entity, or in another form of payment.

Stock Appreciation Rights. Stock appreciation rights, or SARs, typically provide for payments to the holder based upon increases in the price of our common stock from the date the SAR was granted to the date that the right is exercised. The Committee may elect to pay SARs in cash, in common stock, or in a combination of cash and common stock.

Performance Share Awards. Performance share awards are awards of shares of our common stock that are made due to satisfaction of performance criteria and assessment of the contributions, responsibilities and other compensation as determined by the Committee, as of a specified date or dates or over a period or periods determined by the Committee.

Performance Stock Units. Performance stock units are denominated in unit equivalent of shares of our common stock and/or units of value including dollar value of shares of our common stock. They may provide for payment based on specific performance criteria and assessment of the contributions, responsibilities and other compensation determined by the Committee, as of a specified date or dates or over a period or periods determined by the Committee.

Dividend Equivalent Rights. Dividend equivalent rights are rights to receive the equivalent value, in cash or common stock, of dividends paid on shares that are subject to any award under the 2008 Plan. If dividend equivalent rights are granted, they would be credited as of the dividend payment dates, if any, that occur between an award's date of grant and date of exercise, vesting, or expiration, as determined by the Committee. Dividend equivalents are converted to cash or shares by a formula, at a time and within the limitations that are set by the Committee. PLX has not paid dividends to date.

Share Payments. Share payments include payments in the form of common stock or an option or other right to buy shares. The share payment is made instead of some other form of compensation pursuant to a bonus, deferred compensation or other compensation arrangement, in the number and manner determined by the Committee. Share payments may also be based upon specific performance criteria that are set by the Committee.

Deferred Stock. Deferred stock is a right to receive a specified number of shares during time periods determined by the Committee. Awards of deferred stock may provide for payment based on specified performance criteria determined by the Committee. Shares subject to deferred stock awards will not be issued until the awards have vested. Recipients of deferred stock awards generally have no voting or dividend rights on the deferred stock until the vesting conditions are satisfied.

Restricted Stock Units. Restricted stock units are denominated in unit equivalent of shares of our common stock and are typically awarded to participants without payment of consideration. They are subject to vesting conditions based upon a schedule or performance criteria established by the Committee. Unlike restricted stock, the stock underlying restricted stock units will not be issued until the restricted stock units have vested. In addition, recipients of restricted stock units generally have no voting or dividend rights until the vesting conditions are satisfied. Restricted stock units may be settled in shares or our common stock, cash or a combination of both.

Performance Bonus Awards. Performance bonus awards are cash bonuses that are paid upon achievement of performance goals that are established by the Committee as of a specified date or dates or over a period or periods determined by the Committee. These awards are intended to comply with IRS requirements under Section 162(m) of the Internal Revenue Code for performance-based compensation.

Other Awards. The Committee may make other types of awards under the 2008 Plan as long as the awards are consistent with the terms of the 2008 Plan and they involve either issuance of shares, vesting based on the passing of time, occurrence of one or more events, satisfaction of performance criteria, or issuance of another security which derives its value from the value of our common stock.

Full value awards may be issued for no cash consideration by the participant other than the par value of the underlying shares as required under Delaware law.

Performance-Based Awards. Performance-based awards include awards other than options or SARs which comply with IRS requirements under Section 162(m) of the Internal Revenue Code for performance-based compensation. The Committee may designate employees as "covered employees" whose compensation for a given fiscal year may be subject to the limit on deductible compensation imposed by Section 162(m) of the Code. The Committee may grant to such covered employees awards that are paid, vest or become exercisable upon the attainment of company performance criteria which are related to one or more of the following performance goals as applicable to us or any of our subsidiaries, divisions or operating units, or the performance of an individual:

- earnings or net earnings (either before or after interest, taxes, depreciation and amortization);
- economic value-added;
- sales or revenue;
- income;
- net income (either before or after taxes);
- operating earnings;
- cash flow (including, but not limited to, operating cash flow and free cash flow);
- cash flow return on capital;

- return on assets or net assets;
- return on stockholders' equity;
- return on capital;
- stockholder returns;
- return on sales;
- gross or net profit margin;
- productivity;
- expense;
- margins;
- operating efficiency;
- customer satisfaction;
- working capital;
- earnings per share;
- price per share; and
- market share.

At the time of grant, the Committee may specify one or more objectively determinable adjustments set forth in the 2008 Plan that may be made to one or more of the performance goals.

No participant in our 2008 Plan may be issued or transferred more than 300,000 shares of common stock per calendar year pursuant to performance-based awards under the 2008 Plan, and the maximum cash amount paid during any calendar year for performance-based awards (including performance bonus awards) to a single participant is \$500,000.

Full Value Award Limitations

No more than 300,000 shares in the aggregate may be issued during the term of the 2008 Plan under full value awards. Full value awards must vest over a period of no less than three years following the date of grant, unless they are performance-based full value awards, in which case they must vest over a period of no less than one year from the date of grant.

Transferability of Awards

Generally, a participant may not transfer an award other than by will or the laws of descent and distribution unless, in the case of awards other than ISOs, the award agreement provides otherwise. If permitted under the award agreement, a participant may designate a beneficiary such as the participant's family, charitable institutions or trusts, or other persons and entities approved by the Committee. These beneficiaries may exercise an award and receive any distribution under an award after the participant's death, if the participant provides evidence that the transfer of the award is being made for estate and/or tax planning purposes and is consistent with our lawful issue of securities.

Eligibility.

The individuals eligible to participate in our 2008 Plan include our officers and other employees, our board members and any consultants we hire. Employees, consultants or members of the boards of any of our subsidiaries are also eligible to participate. As of April 4, 2008, there were approximately 158 employees and 5 non-employee board members who met the eligibility requirements to participate under the terms of the 2008 Plan.

Change in Control

The 2008 Plan contains a change in control provision, which may result in the accelerated vesting of outstanding awards. In the event of a change in control of our company (for example, if we are acquired by merger or asset sale), each award outstanding under the 2008 Plan will immediately vest, unless the award is converted, assumed or replaced by the successor corporation. In connection with a change in control, the Committee may permit a participant to exercise his or her awards during a period of time determined by the Committee. A change in control is generally defined as:

- the direct or indirect acquisition of more than 50% of the voting stock of the Company;
- if, during any period of two consecutive years, individuals who, at the beginning of such period, constitute our Board of Directors together with any new directors whose election was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority of such body;
- the consummation of (i) a merger, consolidation, reorganization or business combination in which the Company is a party, (ii) a sale or other disposition of all or substantially all of our assets, or (iii) the acquisition of assets or stock of another entity (other than a transaction which results in our outstanding voting securities immediately before the transaction continuing to represent a majority of the voting power of the acquiring company's outstanding voting securities and after which no person owns 50% or more of the voting stock of the successor entity); or
- a liquidation or dissolution of the Company.

Adjustment Upon Changes in Capitalization

In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, or other distribution (other than normal cash dividends) of assets to our stockholders or any other change affecting our common stock other than certain equity restructurings enumerated in the 2008 Plan, the Committee will make appropriate adjustments in the number and type of shares subject to the 2008 Plan, the terms and conditions of any award outstanding under the 2008 Plan, and the grant or exercise price of any such award. In the case of certain equity restructurings specified in the 2008 Plan, the number and types of securities subject to each outstanding award and the grant or exercise price will be adjusted without any discretion on the part of the Committee.

Amendment and Termination of the 2008 Plan

With the approval of our Board of Directors, the Committee may suspend or terminate the 2008 Plan, or any part thereof, at any time and for any reason. With the approval of our Board of Directors, the Committee may also amend the 2008 Plan from time to time, except that the Committee may not, without prior stockholder approval, amend the 2008 Plan in any manner which would require stockholder approval to comply with any applicable laws, regulations or rules. No action by our Board of Directors, the Committee or our stockholders may alter or impair any award previously granted under the 2008 Plan without the consent of the participant. Unless terminated earlier, the 2008 Plan shall terminate ten years from the date of its approval by our Board of Directors.

No Repricing of Awards

The 2008 Plan does not permit our Board of Directors or the Committee, without stockholder approval, to amend the terms of any outstanding option or SAR under the 2008 Plan to reduce its exercise price or to cancel and replace any outstanding options or SARs with options or SARs having a lower exercise price.

Federal Income Tax Consequences Associated with the 2008 Plan

The following is a general summary under current law of the material U.S. federal income tax consequences to participants in the 2008 Plan. This summary deals with the general tax principles that apply and is provided only for general information. Some kinds of taxes, such as state and local income taxes, are not discussed. Tax laws are complex and subject to change and may vary depending on individual circumstances and from locality to locality. The summary does not discuss all aspects of income taxation that may be relevant in light of a participant's personal investment circumstances. This summarized tax information is not tax advice.

Non-Qualified Stock Options. For U.S. federal income tax purposes, if a participant is granted NSOs under the 2008 Plan, the participant will not have taxable income on the grant of the option, nor will we be entitled to any deduction at such time. Generally, on exercise of NSOs the participant will recognize ordinary income, and we will be entitled to a deduction, in an amount equal to the difference between the option exercise price and the fair market value of our common stock on the date each such option is exercised. The participant's basis for the shares for purposes of determining gain or loss on subsequent disposition of such shares generally will be the fair market value of the common stock on the date the participant exercises such option. Any subsequent gain or loss will be generally taxable as capital gains or losses.

Incentive Stock Options. There is no taxable income to a participant when he or she is granted an ISO or when that option is exercised. However, the amount by which the fair market value of the shares at the time of exercise exceeds the option price will be an "item of adjustment" for the participant for purposes of the alternative minimum tax. Gain realized by the participant on the sale of an ISO is taxable at capital gains rates, and no tax deduction is available to us, unless the participant disposes of the shares within (1) two years after the date of grant of the option or (2) within one year of the date the shares were transferred to the participant. If the shares are sold or otherwise disposed of before the end of the two-year and one-year periods specified above, the difference between the option exercise price and the fair market value of the shares on the date of the option's exercise will be taxed at ordinary income rates, and we will be entitled to a deduction to the extent the participant must recognize ordinary income. If such a sale or disposition takes place in the year in which the participant exercises the option, the income the participant recognizes upon sale or disposition of the shares will not be considered income for alternative minimum tax purposes. Otherwise, if the participant sells or otherwise disposes of the shares before the end of the two-year and one-year periods specified above, the maximum amount that will be included as alternative minimum tax income is the gain, if any, the participant recognizes on the disposition of the shares.

An ISO exercised more than three months after a participant terminates employment, other than by reason of death or disability, will be taxed as an NSO, and the participant will have been deemed to have received income on the exercise taxable at ordinary income rates. We will be entitled to a tax deduction equal to the ordinary income, if any, realized by the participant.

Stock Appreciation Rights. In the case of SARs granted with an exercise price equal to the fair market value of our common stock on the date of grant, no taxable income is realized upon the receipt of the SAR, but upon exercise of the SAR, the fair market value of the shares received, determined on the date of exercise of the SAR, or the amount of cash received in lieu of shares, must be treated as compensation taxable as ordinary income to the recipient in the year of such exercise. We will be entitled to a deduction for compensation paid in the same amount which the participant realized as ordinary income.

Restricted Stock and Deferred Stock. A participant to whom restricted or deferred stock is issued generally will not recognize taxable income upon such issuance, and we generally will not then be entitled to a deduction unless, with respect to restricted stock, an election is made by the participant under Section 83(b) of the Internal Revenue Code. However, when restrictions on shares of restricted stock lapse such that the shares are no longer subject to a substantial risk of forfeiture, the employee generally will recognize ordinary income, and we generally will be entitled to a deduction for an amount equal to the excess of the fair market value of the shares at the date such restrictions lapse over the purchase price. If a timely election is made under Section 83(b) with respect to restricted stock, the participant generally will recognize ordinary income on the date of the issuance equal to the excess, if any, of the fair market value of the shares at that date over the purchase price of the shares, and we will be entitled to a deduction for the same amount. Similarly, when deferred stock vests and is issued to the participant, the participant generally will recognize ordinary income and we generally will be entitled to a deduction for the amount equal to the fair market value of the shares at the date of issuance. A Section 83(b) election is not permitted with regard to the grant of deferred stock.

Dividend Equivalents. A recipient of a dividend equivalent award generally will not recognize taxable income at the time of grant, and we will not be entitled to a deduction at that time. When a dividend equivalent is paid, the participant generally will recognize ordinary income, and we will be entitled to a corresponding deduction.

Performance Awards. A participant who has been granted a performance award generally will not recognize taxable income at the time of grant, and we will not be entitled to a deduction at that time. When an award is paid, whether in cash or common shares, the participant generally will recognize ordinary income, and we will be entitled to a corresponding deduction.

Stock Payments. A participant who receives a stock payment in lieu of a cash payment that would otherwise have been made will generally be taxed as if the cash payment has been received, and we generally will be entitled to a deduction for the same amount.

Section 162(m) of the Code. In general, under Section 162(m) of the Internal Revenue Code, income tax deductions of publicly-held corporations may be limited to the extent total compensation (including base salary, annual bonus, stock option exercises and non-qualified benefits paid) for specified executive officers exceeds \$1 million (less the amount of any "excess parachute payments" as defined in Section 280G of the Code) in any one year. However, under Section 162(m), the deduction limit does not apply to certain "performance-based compensation" as provided for by the Internal Revenue Code and established by an independent compensation committee which is adequately

disclosed to, and approved by, stockholders. In particular, stock options and SARs will satisfy the “performance-based compensation” exception if the awards are made by a qualifying compensation committee, the underlying plan sets the maximum number of shares that can be granted to any person within a specified period and the compensation is based solely on an increase in the stock price after the grant date (*i.e.*, the option exercise price is equal to or greater than the fair market value of the stock subject to the award on the grant date). Performance or incentive awards granted under the 2008 Plan may qualify as “qualified performance-based compensation” for purposes of Section 162(m) if such awards are granted or vest upon the pre-established objective performance goals described above.

We have attempted to structure the 2008 Plan in such a manner that the Committee can determine the terms and conditions of stock options, SARs and performance and incentive awards granted under the 2008 Plan such that remuneration attributable to such awards will not be subject to the \$1,000,000 limitation. We have not, however, requested a ruling from the Internal Revenue Service or an opinion of counsel regarding this issue. This discussion will neither bind the Internal Revenue Service nor preclude the Internal Revenue Service from adopting a contrary position.

Section 409A. Section 409A of the Code, 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 on 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 (*i.e.*, 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, Section 409A requires that such individual’s distribution commence no earlier than six months after such officer’s separation from service.

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Certain awards under the 2008 Plan may be subject to the requirements of Section 409A in form and in operation. For example, deferred stock awards and other awards that provide for deferred compensation will be subject to Section 409A. If an award under the 2008 Plan 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, Section 409A imposes an additional 20% federal income tax on compensation recognized as ordinary income, as well as interest on such deferred compensation.

New Plan Benefits

No awards have been granted under the 2008 Equity Incentive Plan. All future grants under the 2008 Equity Incentive Award Plan are within the discretion of our Board of Directors or the Committee, and the benefits of such grants are, therefore, not determinable.

Required Vote

The affirmative vote of the holders of a majority of the shares of our common stock present in person or represented by proxy and entitled to vote at the Annual Meeting shall be required to approve the proposed 2008 Equity Incentive Plan, provided a quorum is present.

THE BOARD RECOMMENDS A VOTE FOR THE APPROVAL OF THE 2008 EQUITY INCENTIVE PLAN

PROPOSAL NO. 3

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

BDO Seidman, LLP has been appointed by the Audit Committee to continue as the Company’s independent registered public accounting firm for the year ending December 31, 2008. Although the Company is not required to seek stockholder approval of its selection of independent registered public accounting firm, the Board believes it to be sound corporate governance to do so. If the appointment is not ratified, the Audit Committee will investigate the reasons for stockholder rejection and will reconsider its selection of its independent registered public accounting firm.

A representative of BDO Seidman, LLP is expected to be present at the Annual Meeting. The representative will have an opportunity to make a statement and to respond to appropriate questions.

PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table presents fees for professional audit services rendered by BDO Seidman, LLP for the integrated audits of the Company’s annual financial statements for the years ended December 31, 2006 and 2007, and fees billed for other services rendered by BDO Seidman, LLP for the years ended December 31, 2006 and 2007.

	2006	2007
Audit Fees(1)	\$ 513,596	\$ 554,000
Audit-Related Fees(2)	14,400	--
Tax Fees(3)	--	--
All Other Fees(4)	--	--
Total	<u>\$ 527,996</u>	<u>\$ 554,000</u>

- (1) Audit Fees consist of fees billed for professional services rendered for the audit of the Company’s consolidated annual financial statements, internal control over financial reporting, and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by BDO Seidman, LLP in connection with statutory and regulatory filings or engagements for the years ended December 31, 2006 and 2007. Additional fees may be billed for 2007 services.
- (2) Audit-Related Fees consist of fees billed for services that are reasonably related to the performance of the audit or review of the Company’s consolidated financial statements and internal controls and are not reported under “Audit Fees”.
- (3) There were no Tax Fees incurred in the periods reported.
- (4) There were no All Other Fees incurred in the periods reported.

The Audit Committee pre-approves all audit services provided by the independent registered public accounting firm. In March 2004, the Audit Committee adopted a policy for the pre-approval of audit services provided by the independent registered public accounting firm. Under the policy, the independent registered public accounting firm cannot be retained for non-audit services and pre-approval is generally detailed as to the particular service or category of services to be provided. In addition, the Audit Committee may also pre-approve particular services on a case-by-case basis.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF
THE APPOINTMENT OF BDO SEIDMAN, LLP AS THE COMPANY'S
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE YEAR
ENDING DECEMBER 31, 2008**

BOARD AND CORPORATE GOVERNANCE MATTERS

Relationships Among Directors or Executive Officers

There are no family relationships among any of the directors or executive officers of the Company.

Committees and Meetings of the Board of Directors

During the year ended December 31, 2007, the Board of Directors met six times. The Board has three committees: the Audit Committee, the Compensation Committee and the Nominating Committee. During the year ended December 31, 2007, no director attended fewer than 75% of all the meetings of the Board and its committees on which he served after becoming a member of the Board. The Company encourages, but does not require, its Board members to attend the annual meeting of stockholders. One of the current members of the Board attended the 2007 annual meeting of stockholders. The Board has determined that a majority of the Board members, D. James Guzy, Thomas Riordan, Patrick Verderico, John H. Hart and Robert H. Smith, are independent directors as defined in the listing standards of The NASDAQ Global Market LLC. Consistent with the principles of the NASDAQ listing standards, the Board also determined that ownership of the Company's stock by a director is not inconsistent with a determination of independence.

The Audit Committee, which held fourteen meetings in the year ended December 31, 2007, consists of Mr. Smith, Mr. Guzy and Mr. Verderico, with Mr. Smith serving as its chairman. The Audit Committee is responsible for assisting the full Board of Directors in fulfilling its oversight responsibilities relative to the Company's financial statements, financial reporting practices, systems of internal accounting and financial controls, annual independent audits of the Company's financial statements, and such legal and ethics programs as may be established from time to time by the Board. The Audit Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and may retain external consultants at its sole discretion. In addition, the Audit Committee reviews and pre-approves the engagement of the Company's independent registered public accounting firm to perform audit and non-audit services and the related fees. The Board has determined that all members of the Audit Committee are independent directors as defined in the listing standards of NASDAQ. The Board has further determined that Robert H. Smith is an "audit committee financial expert" as defined by SEC rules.

The Board of Directors has adopted and approved a charter for the Audit Committee, a copy of which can be viewed at the Company's website at www.plxtech.com.

The Compensation Committee, which held one meeting in the year ended December 31, 2007, consists of Mr. Guzy and Mr. Hart, with Mr. Hart serving as its chairman. The Compensation Committee reviews and approves the compensation and benefits for the Company's executive officers, administers the Company's equity compensation plans and performs such other duties as may from time to time be determined by the Board. The Board has determined that all members of the Compensation Committee are independent directors as defined in the listing standards of NASDAQ. The Board of Directors has adopted and approved a charter for the Compensation Committee, a copy of which can be viewed at the Company's website at www.plxtech.com.

The Nominating Committee consists of Mr. Hart, who serves as chairman, and Mr. Smith. The Nominating Committee assists the Board of Directors in selecting nominees for election to the Board of Directors and monitors the composition of the Board. There were no proposed changes in the composition of the Board of Directors so the Nominating Committee did not have a formal meeting during 2007. The Nominating Committee will consider and make recommendations to the Board of Directors regarding any stockholder recommendations for candidates to serve on the Board of Directors. However, it has not adopted a formal process for that consideration because it believes that the informal consideration process has been adequate given the historical absence of stockholder proposals. The Nominating Committee will review periodically whether a more formal policy should be adopted. Stockholders wishing to recommend candidates for consideration by the Nominating Committee may do so by writing to the Secretary of the Company at 870 W. Maude Avenue, Sunnyvale, California 94085 providing the candidate's name, biographical data and qualifications, a document indicating the candidate's willingness to act if elected, and evidence of the nominating stockholder's ownership of the Company's Common Stock at least 120 days prior to the next annual meeting to assure time for meaningful consideration by the Nominating Committee. There are no differences in the manner in which the Nominating Committee evaluates nominees for director based on whether the nominee is recommended by a stockholder or the Nominating Committee. The Company does not pay any third party to identify or assist in identifying or evaluating potential nominees.

The Nominating Committee operated under a written charter setting forth the functions and responsibilities of the committee. A copy of the charter can be viewed at the Company's website on www.plxtech.com.

In reviewing potential candidates for the Board, the Nominating Committee considers the individual's experience in the semiconductor industry, the general business or other experience of the candidate, the needs of the Company for an additional or replacement director, the personality of the candidate, the candidate's interest in the business of the Company, as well as numerous other subjective criteria. Of greatest importance is the individual's integrity, willingness to get involved and ability to bring to the Company experience and knowledge in areas that are most beneficial to the Company. The Board intends to continue to evaluate candidates for election to the Board on the basis of the foregoing criteria.

The Board has determined that all members of the Nominating Committee are independent directors as defined in the listing standards of NASDAQ.

Compensation Committee Interlocks and Insider Participation

During the year ended December 31, 2007, no executive officer of the Company served on the Compensation Committee (or equivalent), or the board of directors of another entity whose executive officer(s) served on the Company's Compensation Committee or Board.

Communication between Stockholders and Directors

The Company's Board of Directors currently does not have a formal process for stockholders to send communications to the Board of Directors. Nevertheless, every effort has been made to ensure that the views of stockholders are heard by the Board or individual directors, as applicable, and that appropriate responses are provided to stockholders on a

timely basis. The Board of Directors does not recommend that formal communication procedures be adopted at this time because it believes that informal communications are sufficient to communicate questions, comments and observations that could be useful to the Board. However, stockholders wishing to formally communicate with the Board of Directors may send communications directly to D. James Guzy, Chairman of the Board, c/o PLX Technology, Inc., 870 W. Maude Avenue, Sunnyvale, California 94085.

Compensation of Directors

The Company currently provides cash compensation for its non-employee directors as follows: (i) each non-employee director not serving on the Audit Committee or as a committee chair shall receive a quarterly cash retainer of \$2,500, (ii) each non-employee director serving on the Audit Committee, but not serving as a committee chair, shall receive a quarterly cash retainer of \$3,500, (iii) the non-employee director serving as Audit Committee chair shall receive a quarterly cash retainer of \$5,000, and \$4,000 for each quarterly earnings audit meeting attended in person or telephonically, (iv) the non-employee directors serving as the chairs of the Nominating Committee or Compensation Committee shall each receive a quarterly cash retainer of \$4,500, (v) the non-employee director serving as chairman of the Board shall receive a quarterly cash retainer of \$6,000 and \$4,000 for each scheduled Board meeting attended in person, or \$2,000 for each scheduled Board meeting attended telephonically, and (vi) each non-employee director shall receive \$2,000 for each scheduled Board meeting attended in person or \$1,000 for each scheduled Board meeting attended telephonically.

The Company's 1999 Non-Employee Director Plan (the "1999 Director Plan") provides for annual automatic grants of nonqualified stock options to continuing non-employee directors. Under the 1999 Director Plan, each non-employee director will receive a nonqualified stock option grant of 15,000 shares of the Company's Common Stock upon his or her initial election to the Board of Directors. On the date of each annual stockholders' meeting, each incumbent non-employee director who has served on the Board for at least eleven months will automatically be granted a nonqualified stock option to purchase 5,000 shares of the Company's Common Stock. All options automatically granted to non-employee directors have an exercise price equal to 100% of the fair market value on the date of grant, are fully vested and immediately exercisable.

The table below summarizes the compensation our company paid to non-employee directors for the year ended December 31, 2007. Mr. Salameh, our chief executive officer, is a director, but he is not included in the table below because he does not receive any additional compensation for services provided as a director.

Director Compensation for Year Ended December 31, 2007

Name	Fees Earned or Paid in Cash (\$)	Option Awards \$(1)(2)	Total (\$)
D. James Guzy	50,000	25,128	75,128
John H. Hart	30,000	25,128	55,128
Thomas Riordan	22,000	25,128	47,128
Robert H. Smith	48,000	25,128	73,128
Patrick Verderico	30,000	25,128	55,128

(1) These dollar amounts reflect the compensation expenses recognized by our company in 2007 for financial statement reporting purposes in accordance with FAS 123R (disregarding any estimate for forfeitures). Therefore, these amounts do not represent payments actually received by the directors.

- The assumptions used to calculate the value of the awards are set forth in Note 2 of the Notes to Consolidated Financial Statements in our Form 10-K for the year ended December 31, 2007.

- On May 24, 2007, the date of our last annual meeting, PLX granted each director a fully vested option to purchase 5,000 shares of our common stock with an exercise price of \$9.77 per share. The full grant date fair value under FAS 123R of each of these 5,000 share grants was \$25,128.

(2) As of December 31, 2007, each director had the following numbers of shares underlying vested stock options then outstanding: Mr. Guzy: 40,000; Mr. Hart: 55,000; Mr. Riordan: 25,000; Mr. Smith: 35,000; and Mr. Verderico: 25,000.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information with respect to the beneficial ownership of the Company's Common Stock as of April 4, 2008 for (i) each person who is known by the Company to beneficially own more than 5% of the Company's Common Stock, (ii) each of the Company's directors, (iii) each of the officers appearing in the Summary Compensation Table below and (iv) all directors and executive officers as a group.

Directors, Executive Officers and 5% Stockholders	Shares Beneficially Owned(1)	
	Number	Percent(2)
D. James Guzy(3)	2,237,196	7.8%
Wasatch Advisors, Inc.(4) 150 Social Hall Avenue Salt Lake City, Utah 84111	1,862,777	6.6%
Kopp Investment Advisors, LLC(5) 7701 France Avenue South, Suite 500 Edina, Minnesota 55435	1,759,270	6.2%
Scott Bedford(6) c/o Peninsula Capital Management, LP 235 Pine Street, Suite 1600 San Francisco, CA 94104	1,705,175	6.0%
Neil Gagnon(7) 1370 Avenue of the Americas, Suite 2002 New York, New York 10019	1,651,315	5.9%
Simon J. Michael(8)		

2778 Green Street San Francisco, CA 94123	1,572,746	5.6%
Michael J. Salameh(9)	874,497	1.6%
Lawrence Chisvin(10)	354,075	*
David Raun(11)	109,790	*
Matthew Ready(12)	89,478	*
John H. Hart(13)	55,000	*
Robert H. Smith(14)	55,000	*
Arthur O. Whipple(15)	29,166	*
Thomas Riordan(16)	25,000	*
Patrick Verderico(17)	25,000	*
Stephen Loh(18)	-	*
All executive officers and directors as a group (15 persons)(19)	4,195,615	9.5%

* Less than 1% of the outstanding common stock

- (1) Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of Common Stock subject to options held by that person that are currently exercisable or exercisable within 60 days after April 4, 2008 are deemed outstanding. Such shares, however, are not deemed outstanding for the purpose of computing the percentage ownership of each other person. To the Company's knowledge, except as set forth in the footnotes to this table and subject to applicable community property laws, each person named in the table has sole voting and investment power with respect to the shares set forth opposite such person's name.
- (2) Percentage beneficially owned is based on 28,209,384 shares of Common Stock outstanding as of April 4, 2008.
- (3) Includes 2,197,196 shares held by Arbor Company of which Mr. Guzy is President. Also includes 40,000 shares subject to options exercisable within 60 days of April 4, 2008.

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- (4) Based on an amended Schedule 13G filed with the Securities Exchange Commission on February 11, 2008.
- (5) Based upon a Schedule 13G filed with the Securities Exchange Commission on January 4, 2008, in which Kopp Investment Advisors, LLC reports sole voting power over 1,616,995 shares and shared dispositive power over 1,298,270 shares; Kopp Holding Company, LLC reports beneficial ownership of 1,616,995 shares; LeRoy C. Kopp reports sole dispositive power over 461,000 shares with an aggregate 1,759,270 shares beneficially owned.
- (6) Based on a Schedule 13G filed with the Securities Exchange Commission on February 5, 2008, which reports shared voting power and shared dispositive power over 1,705,175 shares.
- (7) Based upon a Schedule 13G filed February 6, 2008 which reports sole voting power over 743,502 shares, shared voting power over 285,455shares, sole dispositive power over 699,042shares, and shared dispositive power over 951,595 shares.
- (8) Based upon a Schedule 13G filed with the Securities Exchange Commission on February 11, 2008, in which Simon J. Michael reports shared voting power and shared dispositive power over 1,572,746 shares; Balch Hill Capital, LLC reports shared voting power and shared dispositive power over 1,572,746 shares; Balch Hill Partners, L.P. reports shared voting power and shared dispositive power over 1,522,746 shares with an aggregate 1,572,746 shares beneficially owned.
- (9) Includes 411,364 shares subject to options exercisable within 60 days of April 4, 2008 and 8,400 shares held by Mr. Salameh's minor children
- (10) Includes 354,075 shares subject to options exercisable within 60 days of April 4, 2008.
- (11) Includes 109,290 shares subject to options exercisable within 60 days of April 4, 2008.
- (12) Includes 89,478 shares subject to options exercisable within 60 days of April 4, 2008.
- (13) Includes 55,000 shares subject to options exercisable within 60 days of April 4, 2008.
- (14) Includes 35,000 shares subject to options exercisable within 60 days of April 4, 2008.
- (15) Includes 29,166 shares subject to options exercisable within 60 days of April 4, 2008.
- (16) Includes 25,000 shares subject to options exercisable within 60 days of April 4, 2008.
- (17) Includes 25,000 shares subject to options exercisable within 60 days of April 4, 2008
- (18) Mr. Loh, former Interim Chief Financial Officer, voluntarily terminated his employment with PLX in August 2007.
- (19) Includes 1,502,586 shares subject to options exercisable within 60 days of April 4, 2008.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

The compensation program for our named executive officers has two principal objectives:

- attract, reward, motivate and retain individuals who have the leadership and management skills we need in our business,
- align overall compensation with the achievements of key business objectives, and increase in stockholder value.

Compensation decisions for the named executive officers are made by our Compensation Committee (“Committee”) described above under “Board and Corporate Governance Matters.” During the first quarter of each year, the Committee typically establishes the following core elements of compensation for the named executive officers:

- target salary, which consists of,
 - base salary and
 - non-equity variable compensation (“variable compensation”)
- stock option grants.

The Chief Executive Officer makes recommendations to the Committee for the levels of compensation of all of the executive officers except the Chief Executive Officer’s compensation. Executive officers are not present for the Committee discussions or determinations of their individual compensation elements.

The Committee did not in 2007, and does not currently engage the specific services of a compensation consultant in determining executive officer compensation. However, the Committee and the Chief Executive Officer reviewed compensation levels for our named executive officers against technology compensation surveys independently prepared by Radford Surveys, a consulting unit of Aon Corporation. Compensation surveys utilized were for high-tech and semiconductor public companies with revenues between \$50 million and \$200 million. Factors considered when adjustments are made to executive target salaries include the executive’s attainment of internal goals, the executive’s operating performance, the competitive environment for the executive’s skill and expectations for the specific position of the individual.

Target Salary

The target salary includes two components, a base salary and a variable compensation target. The base salary is predetermined, fixed amount and is paid to the executives during the year of service. The variable compensation is dependent on company financial performance metrics and is deferred until subsequent years.

Base Salary

Base salary is a customary element of executive compensation that we endeavor to set at an amount that reflects the leadership, management and other skills and performance of the individual officer, and the market value of the officer’s services in light of total compensation opportunity. Base salary is intended primarily as short term cash compensation that fosters the objectives of executive retention and motivation for individual performance.

For 2007, based on the review described above, the Committee increased the base salaries relative to 2006 salaries for each of the named executive officers by 5% to 14% depending on the individual (excluding Rafael Torres who voluntarily terminated his employment with PLX in July 2006). For 2008, based on the review described above, the Committee increased the base salaries relative to 2007 salaries for each of the named executive officers by 5% to 10% depending on the individual (excluding Stephen Loh who voluntarily terminated his employment with PLX in August 2007).

Variable Compensation

Purpose of Variable compensation Plans

Our Executive Variable Compensation plans are intended to motivate and reward long term individual performance by our named executive officers. The plans are based on corporate performance as reflected in the operating income and revenue measures established in the variable compensation plans. The payment schedule described below for any variable compensation earned is also intended to add a significant retention element to this otherwise annual compensation program.

Because variable compensation is earned primarily by actual financial performance, we report variable compensation, if any, earned for a given year in full under the column for “Non-Equity Incentive Plan” in the Summary Compensation Table, with a footnote indicating that 40% of the earned variable compensation is subject to mandatory deferred payout.

Plan Summary

Our Board of Directors approved our 2007 Variable Compensation Plan on February 26, 2007, to be effective for 2007. Under this plan, each participant was eligible to receive variable compensation which is composed of:

- an amount that is determined by a formula based on operating income before share-based compensation and acquisition related expense, and
- an amount that is determined by a formula based on revenues.

Based on the Company’s financial performance during the year compared to projections made near the beginning of the year, the variable compensation was added to or subtracted from target salary for the executive officers.

The variable compensation amount based on operating income and/or sales revenue would not exceed 100% of the participant’s base pay for 2007, unless the Committee, in its sole discretion, decided to permit a higher variable compensation amount based on the performance and condition of our business. Also, at any time prior to January 1, 2008, the Committee or the Chief Executive Officer had the discretion to reduce any participant’s variable compensation.

How the 2007 variable Compensation Was Determined

The variable compensation for 2007 was earned based on financial performance, and a related formula, that the Committee set at the beginning of 2007. In January 2007 the Company provided a plan which included 2007 corporate financial goals. The goals included a target of \$100 million in total revenues and operating income of \$15.1 million excluding the effect of share based compensation and acquisition related costs. A formula was created to determine the variable compensation based on actual 2007 performance. The formula was different for each officer and was intended to reflect the officer’s total target compensation, individual ability to influence the stated financial performance goals and the anticipated difficulty and relative importance of achieving the financial performance goals.

Following the end of 2007, the Committee compared our actual 2007 financial results to the targeted performance for the year and related formula specified by the Committee in January 2007. PLX did not meet either the minimum revenue or the minimum operating income targets for 2007, therefore, no variable compensation was earned for 2007.

2008 Variable Compensation Plan

On March 5, 2008, our Compensation Committee adopted the 2008 Variable Compensation Plan effective for 2008, which is a cash plan similar to the 2007 plan that includes financial performance goals based on an annual revenue target and annual operating income target excluding the effect of share based compensation and acquisition related costs. For each of the named executive officers, a variable compensation target is established. At 100% of the target, the variable award ranges from 50% to 100% of an executive's base salary and the maximum variable award that can be earned is two times the variable compensation target unless the Committee, in its sole discretion, decides to permit a higher variable compensation amount based on the performance and condition of our business. Also, at any time prior to January 1, 2009, the Committee or the Chief Executive Officer has the discretion to reduce any participant's variable compensation or base salary. The target metrics for 2008 variable compensation calculations are a subset of 2008 net revenues and 2008 adjusted operating income excluding the effect of share based compensation and acquisition related costs. At this time, we believe disclosure of these non-public future financial performance targets would cause competitive harm to our company. We believe that the 2008 variable compensation targets are attainable but challenging to achieve due to the 2008 targets being in excess of 2007 actual results and because the revenue-related targets depend on purchases of our semiconductor devices by our high technology customers. Such purchases, in turn, are driven by the sales of the customers' products that incorporate our devices, a factor that is outside our control. The use of financial performance measures in the recent past resulted in variable compensation earned for 2006, with no variable compensation earned for 2007.

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Stock Options

We make annual stock option grants to our named executive officers that are intended as a long-term incentive component to the compensation program that achieves potential value only to the extent the officer meets the vesting requirements based on continued service to PLX and to the extent that our stock price following exercise and upon ultimate sale of option shares exceeds the applicable exercise price. We also believe that granting stock options helps align the interests of our named executive officers with the interests of our stockholders because the value of the options is tied to the increase in market price of our stock above the applicable exercise prices.

We make most equity grants on an annual basis in connection with the annual performance review and compensation adjustment cycle. In general, 1/4 of the option shares vest 12 months from the date of grant, and 1/48 of the remaining shares vest monthly thereafter, based on continued service. For all employees including executive officers, PLX uses the first business day of the month for the formal granting of equity awards during the year. The exercise price of all stock options is set at the closing price of our common stock on NASDAQ on the grant date.

The Committee determines the number of shares underlying stock option grants to our named executive officers based upon prior performance of the officer, the importance of retaining the officer's services and the potential for the officer's performance to help PLX achieve long term corporate performance goals. The Committee also considers each officer's PLX stock ownership. However, there is no set formula that determines the number of option shares for any given officer. Factors considered when options are granted include the executive's attainment of internal goals, the executive's operating performance, the competitive environment for the executive's skills and other factors specific to a particular individual.

During 2007, PLX employees and 5 non-employee directors received stock options to purchase an aggregate of 790,650 shares of our common stock. The six individuals serving as named executive officers during 2007 received stock options to acquire an aggregate of 234,000 shares or 30% of the total options granted in 2007.

Generally Available Benefit Programs

In 2007, the named executive officers were eligible to receive health care coverage that is generally available to other regular full-time PLX employees. We maintain a tax-qualified 401(k) plan, which provides for broad-based employee participation. Under the 401(k) plan, all PLX employees are eligible to receive matching contributions from PLX. The matching contribution in 2007 was (1) \$0.50 per dollar contributed by the employee, (2) limited to the first 6% of each participant's pretax base compensation and (3) calculated and paid on a pay period basis subject to applicable federal limits. We do not provide defined benefit pension plans or defined contribution retirement plans to our named executive officers other than the 401(k) plan.

We also offer other benefits to the named executive officers under our standard benefit programs that provide for broad-based employee participation, including medical, dental and vision insurance, short and long-term disability insurance, life and accidental death and dismemberment insurance, health and dependent care flexible spending accounts, and educational expense reimbursement of up to \$5,000 per year.

Except as summarized above, we do not offer other perquisites or personal benefits to our named executive officers.

No Employment and Severance Agreements

Our named executive officers do not have employment, severance or change-of-control agreements. Our named executive officers serve at the will of the Board.

Tax and Accounting Considerations

Accounting for Variable Compensation Plans - We accrue for our variable compensation plans on a straight-line basis in accordance to the payment time-table. For example, under the 2006 Plan, we began accruing for the variable compensation in January 2006. The first 60% of the variable compensation was fully accrued by January 2007 as it was paid to the executive officers. The next 20% of the variable compensation will be fully accrued in January 2008 while the final 20% will be fully accrued in January 2009. Nothing was accrued for the 2007 variable compensation as the 2007 targets were not met.

Accounting for Stock Options - Beginning on January 1, 2006, we began accounting for share-based payments from our Stock Option Plans in accordance with the requirements of FASB Statement 123(R).

Deductibility of Executive Compensation - Section 162(m) of the Internal Revenue Code of 1986, as amended, or the code, generally disallows a tax deduction to public companies for compensation in excess of \$1 million paid to certain of our executive officers. Qualifying performance-based compensation will not be subject to the deduction limitation if certain requirements are met. We periodically review the potential consequences of Section 162(m) and may structure the performance-based portion of our executive compensation to comply with certain exemptions in Section 162(m). However, in our judgment, we may authorize compensation payments that do not comply with the exemptions in Section 162(m).

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Compensation Committee Report

This report is not deemed to be soliciting material, filed with the SEC, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, except to the extent that PLX specifically incorporates it by reference into a document filed with the SEC.

The Compensation Committee reviewed and discussed the above Compensation Discussion and Analysis (CD&A) with the Company's management. Based on the review and discussions, the Compensation Committee recommended to the Company's Board of Directors that the CD&A be included in this proxy statement.

MEMBERS OF THE COMPENSATION COMMITTEE

John H. Hart, Chairman
D. James Guzy

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Summary Compensation Table

The following table summarizes compensation information for our named executive officers for the years ended December 31, 2007 and 2006.

Name and Principal Position	Year	Salary (\$)	Bonus \$(1)	Option Awards \$(2)	Non-Equity Incentive Plan Compensation \$(3)	All Other Compensation \$(4)	Total (\$)
Michael J. Salameh, Chief Executive Officer and Director	2007	250,000	-	188,597	-	8,325	446,922
	2006	220,000	-	335,935	220,000	7,229	783,164
Arthur O. Whipple, Chief Financial Officer	2007	186,981	40,000	242,783	-	4,575	474,339
Lawrence Chisvin, Chief Operating Officer	2007	240,000	-	343,221	-	7,580	590,801
	2006	225,000	-	362,208	189,034	7,187	783,7429
Matthew Ready, VP of Worldwide Sales	2007	210,000	-	298,802	-	6,653	515,455
	2006	190,000	-	355,929	137,567	5,714	689,210
David Raun, VP of Marketing	2007	218,333	-	273,323	-	6,707	498,363
	2006	190,000	-	284,429	121,103	5,880	601,412
Former Officers:							
Stephen Loh, Former Interim Chief Financial Officer (5)	2007	107,355	7,500	76,471	-	3,802	195,128
	2006	158,500	1,000	66,403	-	4,785	230,688

- (1) Mr. Whipple received a guaranteed minimum award under the 2007 Variable Compensation Plan as a part of his offer letter.
- (2) These dollar amounts reflect the compensation expenses recognized by our company in 2007 for financial statement reporting purposes in accordance with FAS 123R (disregarding any estimate for forfeitures) for option awards made to the named executive officers in or before 2007. Therefore, these amounts do not represent payments actually received by the officers.
- The assumptions used to calculate the value of the awards are set forth in Note 2 of the Notes to Consolidated Financial Statements in our Form 10-K for the year ended December 31, 2007.
- (3) Represents amounts earned under the 2006 Bonus and Deferred Compensation Plan. No amounts were earned under the 2007 Variable Compensation Plan. For the 2006 awards earned, 60% of each earned variable compensation was paid on January 31, 2007, 20% was paid on January 31, 2008, and the final 20% is to be paid on January 31, 2009. If the officer's employment is terminated due to defined retirement, disability or termination by PLX without cause, the officer remains entitled to payment on the original payment schedule. However, if the officer terminates his or her employment on any other basis or is terminated by PLX for cause, the officer is not entitled to receive any remaining unpaid bonus otherwise payable after that termination. The plan also provided that if an officer's employment had ended during 2006 due to retirement, disability or termination by PLX without cause, the bonus amount payable would have been limited to an amount pro rated based on the days of service during 2006.
- (4) Represents matching contributions under the Company 401(k) plan.
- (5) Mr. Loh, former Interim Chief Financial Officer, voluntarily terminated his employment with PLX in August 2007, and therefore, forfeited 26,563 unvested stock options.

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Grants of Plan-Based Awards During 2007

The following table shows all plan-based awards that PLX granted to the named executive officers during 2007. These awards are also reported in the Outstanding Equity Awards table.

Name	Grant Date	Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			All Other Option Awards: Number of Securities Under-lying Options (#) (2)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Options Awards (\$)
			Threshold (\$)	Target (\$)	Maximum (\$)			
Michael J. Salameh	- n/a		- 56,250	- 225,000	- 250,000	-	-	

Arthur O. Whipple	3/1/2007 n/a	3/1/2007	- 40,000	- 151,200	- 210,000	100,000	9.87	519,595
Lawrence Chisvin	2/1/2007 n/a	2/1/2007	- 44,640	- 178,560	- 240,000	54,000 -	10.21 -	290,153 -
Matthew Ready	2/1/2007 n/a	2/1/2007	- 50,000	- 200,000	- 210,000	35,000 -	10.21 -	188,063 -
David Raun	2/1/2007 6/1/2007 n/a	2/1/2007 5/18/2007	- - 39,950	- - 159,800	- - 220,000	35,000 10,000 -	10.21 11.08 -	188,063 56,479 -
Former Officers:								
Stephen Loh	2/1/2007	2/1/2007	-	-	-	10,000	10.21	53,733

- (1) The amounts shown represented potential cash payouts under the 2007 Variable Compensation Plan adopted on February 26, 2007, effective for 2007. Under this plan, each participant was eligible to receive a cash award which is composed of an amount that is based on a percentage of operating income before share-based compensation and acquisition related expense and an amount that is based on a percentage of sales revenues. The minimum thresholds were not met for 2007 and no variable compensation awards were earned. Additional information concerning the Non-Equity Incentive Plan is provided under “Compensation Discussion and Analysis.”
- (2) These are nonqualified stock options granted under our 1998 Stock Incentive Plan and 1999 Stock Incentive Plan that vest over four years, to the extent of 1/4th of the underlying shares vesting on the first anniversary of the grant date, with 1/48th of the underlying shares vesting monthly thereafter, assuming continued service through the respective vesting dates. The exercise price of each option set forth above was the closing price of our stock on NASDAQ on the grant date.

Outstanding Equity Awards at December 31, 2007

The following table shows all outstanding equity awards held by the named executive officers at December 31, 2007:

Name	Option Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date
Michael J. Salameh	163,000 76,364 70,000 31,166 18,333 38,541	- - - 12,834 21,667 11,459	9 21.06 7.95 8.9 13 9.55	4/5/2009 2/1/2010 7/2/2011 2/1/2012(1) 2/1/2013(1) 11/1/2014(1)
Arthur O. Whipple	0	100,000	9.87	3/1/2014(1)
Lawrence Chisvin	135,000 1,253 22,000 55,000 39,583 20,187 22,000 0 27,791	- - - - 10,417 8,313 26,000 54,000 1,209	25.94 7.75 7.95 16.65 7.98 8.9 13 10.21 9.12	6/1/2010 2/1/2011 7/2/2011 2/1/2012 10/1/2014(1) 2/1/2012(1) 2/1/2013(1) 2/1/2014(1) 2/2/2014(1)
Matthew Ready	0 65,000	35,000 65,000	10.21 10	2/1/2014(1) 12/1/2012(1)
David Raun	0 0 10,541 75,000	10,000 35,000 12,459 25,000	11.08 10.21 13 9.43	6/1/2014(1) 2/1/2014(1) 02/1/2013(1) 12/1/2014(1)
Former Officers:				
Stephen Loh	-	-	-	-

- (1) These options vest over 4 years following the grant date if the individual continues to be employed at the vesting dates, to the extent of 1/4th of the option shares at the end of 12 months after the grant date and thereafter at the rate of 1/48th of the option shares per month, assuming continued service through applicable vesting dates. The expiration term for options granted subsequent to 2004 was reduced from 10 years to 7 years.

Option Exercises During 2007

The following table shows all stock options exercised and value realized upon exercise for each named executive officer in 2007.

	Option Awards	
	Number of Shares Acquired	

Name	on Exercise (#)	Value Realized on Exercise \$(1)
Michael J. Salameh	45,000	254,520
Arthur O. Whipple	-	-
Lawrence Chisvin	5,212	38,249
Matthew Ready	-	-
David Raun	-	-
Former Officers:		
Stephen Loh	11,500	42,079

- (1) Value realized on exercise is the difference between the market price of PLX common stock at the date of exercise less the exercise price per share exercised, multiplied by the number of shares exercised (whether or not any securities were sold).

Potential Payments Upon Termination or Change in Control

Our named executive officers do not have employment, severance or change-of-control agreements. Furthermore, the 1998 and 1999 Equity Incentive Plans do not provide by their terms that vesting accelerates upon a change of control. In the event of a change in control under the proposed 2008 Equity Incentive Plan submitted for stockholder approval in this proxy statement, each unvested award outstanding will accelerate automatically and immediately vest, unless the award is converted, assumed or replaced by the successor corporation.

As noted above under “Compensation Discussion and Analysis”, PLX has historically paid out only a portion of a variable compensation award shortly after the year in which it is earned, with payment of a significant percentage of the bonus deferred to subsequent years. For the 2006 awards earned, 60% of each earned variable compensation was paid on January 2007, 20% was paid on January 31, 2008, and the final 20% is to be paid on January 31, 2009. No variable compensation awards were earned for 2007. The variable compensation plan adopted for 2008 provides a similar rate of payment over the 2009 to 2011 years to the extent variable compensation may be earned for 2008. With regard to the cash bonus plans adopted in 2006 that have remaining earned cash bonuses not yet paid out, if the executive officer’s employment is terminated due to defined retirement, disability or termination by PLX without cause, the officer remains entitled to payment on the original payment schedule. If an officer dies before receiving a distribution of all of his or her bonus, one-hundred percent of the bonus will be distributed to his or her beneficiary as a lump sum distribution on the January 31 following the date of death, provided that this accelerated distribution applies only if the individual dies while still employed by PLX or after termination due to defined retirement, disability, or termination by PLX without cause. However, if the officer terminates his or her employment on any other basis or is terminated by PLX for cause, the officer is not entitled to receive any remaining unpaid bonus otherwise payable after that termination. The plan also provided that if an officer’s employment had ended during the applicable plan year due to retirement, disability or termination by PLX without cause, the bonus amount payable would have been limited to an amount pro rated based on the days of service during the applicable plan year.

The following table sets forth the aggregate cash bonuses previously earned by the named executive officers for 2006 that remain unpaid as of April 4, 2008, and that are subject to the payment terms summarized above:

Name	Aggregate Earned But Unpaid Cash Bonuses (\$)
Michael J. Salameh	44,000
Arthur O. Whipple	-
Lawrence Chisvin	37,807
Matthew Ready	27,513
David Raun	24,221
Former Officers:	
Stephen Loh	-

Equity Compensation Plans

The following table sets forth information about shares of the Company’s Common Stock that may be issued under the Company’s equity compensation plans, all of which have been approved by the Company’s stockholders, except for the Sebring Systems, Inc. 1997 Stock Option/Stock Issuance Plan, the HiNT Corporation 2000 Stock Plan and the NetChip Technology, Inc. 1996 Flexible Stock Incentive Plan, assumed upon the Company’s acquisition of Sebring Systems, Inc., HiNT Corporation and NetChip Technology, Inc. Information in the table is as of December 31, 2007.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders(1)	3,942,207	\$11.50	1,142,547
Equity compensation plans not approved by security holders(2)	57,266	\$2.53	—
Total / Weighted Ave./ Total	3,999,473	\$11.38	1,142,547

- (1) Represents shares of the Company’s Common Stock issuable upon exercise of options outstanding under the following equity compensation plans: 1998 Stock Incentive Plan, 1999 Stock Incentive Plan and 1999 Non-Employee Director Option Program, which shares to be issued under the 1999 Non-Employee Director Option Program will come from shares of the Company’s Common Stock reserved for issuance under the 1999 Stock Incentive Plan.

- (2) As of December 31, 2007, options and rights to purchase an aggregate of 57,266 shares of the Company's Common Stock at a weighted average exercise price of \$2.53 were outstanding under the Sebring Systems, Inc. 1997 Stock Option/Stock Issuance Plan, the HiNT Corporation 2000 Stock Plan and the NetChip Technology, Inc. 1996 Flexible Stock Incentive Plan, which options and rights were assumed in connection with the acquisition of Sebring Systems, Inc., HiNT Corporation and NetChip Technology, Inc. by the Company. No further option grants will be made under the assumed equity compensation plans.

REPORT OF THE AUDIT COMMITTEE

This report is not deemed to be soliciting material, filed with the SEC, or subject to the liabilities of Section 18 of the Securities Exchange Act of 1934, except to the extent that PLX specifically incorporates it by reference into a document filed with the SEC.

The Audit Committee has reviewed and discussed with management the financial statements for year ended December 31, 2007 audited by BDO Seidman, LLP, the Company's independent registered public accounting firm. The Audit Committee has discussed with BDO Seidman, LLP matters required to be discussed by SAS 114. The Audit Committee has also received the written disclosures and the letter from BDO Seidman, LLP required by Independence Standards Board Standard No. 1 (Independence Standards Board Standard No. 1, Independence Discussions with Audit Committee), and has discussed with BDO Seidman, LLP its independence. Based upon such review and discussions, the Audit Committee recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the year ended December 31, 2007 for filing with the Securities and Exchange Commission.

The Audit Committee and the Board of Directors also have appointed BDO Seidman, LLP as its independent registered public accounting firm for the year ending December 31, 2008.

MEMBERS OF THE AUDIT COMMITTEE

Robert H. Smith, Chairman
D. James Guzy
Patrick Verderico

MANAGEMENT

Executive Officers

The executive officers, their ages and their positions with the Company as of April 4, 2008 are as follows:

Name	Age	Position
Michael J. Salameh	53	Chief Executive Officer and Director
Arthur O. Whipple	60	Chief Financial Officer, Vice President, Finance and Secretary
Lawrence Chisvin	53	Chief Operating Officer
Matthew Ready	49	Vice President, Worldwide Sales
Hector A. Berardi	43	Vice President, Operations
Jack Regula(1)	60	Vice President, Chief Scientist
George Apostol(2)	43	Vice President, Chief Technology Officer
Badar Baqai(3)	59	Vice President, Engineering
David K. Raun	46	Vice President, Marketing
Kenneth A. Murray	57	Vice President, Human Resources

- (1) Jack Regula served as the Chief Technology Officer during 2007. As of January 14, 2008, he assumed the role of Chief Scientist.
- (2) George Apostol served as the Vice President, Engineering during 2007. As of January 14, 2008, he assumed the role of Chief Technology Officer.
- (3) Badar Baqai joined PLX on January 14, 2008 and assumed the role of Vice President, Engineering.

Michael J. Salameh co-founded PLX and has served as our Chief Executive Officer and as a member of the Board of Directors since PLX's inception in May 1986. From 1980 through 1986, Mr. Salameh was employed in various marketing management positions with Hewlett-Packard Company. Mr. Salameh received a B.S. in Engineering and Applied Science from Yale University and an M.B.A. from Harvard Business School.

Arthur O. Whipple joined PLX Technology as Chief Financial Officer in January of 2007. Prior to PLX, he was VP of finance, CFO and secretary at Silicon Storage Technology, Inc. He was previously with QuickLogic Corp., where he served initially as its VP of finance, CFO and secretary, then as VP and GM of its logic products business unit. Prior to QuickLogic, he was VP of engineering for ILC Technology, and also earlier as VP of finance and operations of its subsidiary, Precision Lamp. Earlier in his career, Mr. Whipple served in financial and engineering roles at other semiconductor manufacturing companies, including Westinghouse Electric, Fairchild Semiconductor, and Monolithic Memories. Mr. Whipple also serves on the board of directors of GSI Technology, Inc., a fabless manufacturer of high-speed SRAM memory integrated circuits. He received a B.S. in electrical engineering from the University of Washington and an MBA from Santa Clara University.

Lawrence Chisvin has served as our Chief Operating Officer since August 2004. From May 2000 to August 2004, Mr. Chisvin served as our Vice President, Marketing. From September 1998 through May 2000, Mr. Chisvin was employed by Neomagic, a semiconductor company, as Director of Marketing. From May 1996 through September 1998, Mr. Chisvin was employed by LSI Logic, a semiconductor company, as Director of Marketing. Prior to LSI Logic, Mr. Chisvin was employed in a variety of marketing and engineering positions at S3, Philips, Western Digital, and Digital Equipment Corporation. Mr. Chisvin received a B.S. in Electrical Engineering from Northeastern University and an M.S. in Electrical Engineering from Worcester Polytechnic Institute.

Matthew Ready has served as our Vice President, Worldwide Sales since November 2005. From June 2005 to July 2005, Mr. Ready was Vice President of Brand Sales at Sigmatal, a consumer electronics company. From April 2004 to May 2005, Mr. Ready was Vice President of Worldwide Sales at Zeevo, a Bluetooth chip company, which was acquired by Broadcom in March 2005. From April 2000 to March 2004 Mr. Ready was Vice President of Sales at Genesis Microchip, an integrated circuit semiconductor

company. From March 1996 to March 2000, Mr. Ready was General Manager at Brooks Technical Group, a global manufacturing representative company. From February 1991 to February 1996, Mr. Ready worked at OPTi, a PC-AT and audio IC chip company, where his last position was Vice President of Sales. From 1989 to 1991, Mr. Ready co-founded and was General Manager of Infinity Sales, a Hi-Tech rep company. From 1984 to 1989, Mr. Ready held various sales and sales management positions at VLSI Technology. Mr. Ready received a B.S. in Business Administration from San Jose State University.

Hector A. Berardi has served as our Vice President, Operations since August 2002. From April 1999 to July 2002, Mr. Berardi served as the Vice President of Operations at Ubicom Inc., a developer of wireless network processors and software platforms. From June 1998 to April 1999, Mr. Berardi was a design and program manager for the advanced RISC core development group at ST Microelectronics, a semiconductor company. From July 1987 to May 1998, Mr. Berardi worked at National Semiconductor Corporation, a semiconductor company, where his last position was senior product engineering manager for microcontroller technologies. Mr. Berardi received an M.B.A. and a B.S. in Electrical Engineering from Santa Clara University.

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Jack Regula has served as our Vice President, Chief Technology Officer since October 2001 before moving to our Chief Scientist role in January 2008. From May 2000 to October 2001, Mr. Regula served as our Chief Scientist. Mr. Regula founded Sebring Systems, a semiconductor company, in 1996 and was Sebring's Chairman and Chief Technology Officer from 1996 until its acquisition by PLX in May 2000. Prior to Sebring Systems, Mr. Regula was employed in a variety of engineering management positions at SunScoop Corporation, Force Computers, and Ironics, Inc. Mr. Regula received a B.S. in Electrical Engineering and an M.S. in Electrical Engineering, both from Rensselaer Polytechnic Institute.

George Apostol served as our Vice President, Engineering since May 2005 before moving to the Chief Technology Officer role in January 2008. From April 2004 to April 2005, Mr. Apostol was Vice President of Engineering at Audience, Inc., a fabless semiconductor company. From February 2000 to March 2004, Mr. Apostol was Vice President of Engineering at BRECIS Communications, a multi-service processor developer company. From 1996 to 2000, Mr. Apostol held various senior engineering and management positions at TiVo, RedCreek Communications, and Cabletron. Prior to that, Mr. Apostol was employed in a variety of engineering and management positions at Xerox, Sun Microsystems, Silicon Graphics, and LSI Logic. Mr. Apostol received a B.S. in Electrical Engineering from the Massachusetts Institute of Technology.

Badar Baqai started as PLX's new Vice President of Engineering in January 2008. From February 2006 to January 2008, Mr. Baqai was Vice President of Engineering IP Products and Solutions at LSI Logic, a provider of innovative silicon, systems and software technologies. From August 2003 to January 2006, Mr. Baqai served as founding Chief Executive Officer of Cautella Inc., a wireless connectivity company. Prior to that, Mr. Baqai has also held executive positions at Silicon Image and Fujitsu Microelectronics. Mr. Baqai holds an M.S. in Electrical Engineering Technology from the University of California Los Angeles.

David K. Raun has served as our Vice President, Marketing and Business Development since May 2007. Prior to this Mr. Raun was Vice President, Marketing since Nov 2004. From January 2002 to November 2004, Mr. Raun was Vice President of Marketing at Pericom Semiconductor. From April 2001 to September 2001, Mr. Raun was Executive Vice President & General Manager at Actovate, a technology-based marketing company. From September 1989 to November 2000, Mr. Raun worked at Waferscale Integration, Inc., where his last position was Vice President of PSD & Memory Products. From 1985 to 1989, Mr. Raun held various sales, sales management, and marketing positions at AMD. Mr. Raun received a B.S. in Electrical and Computer Engineering from the University of California, Santa Barbara.

Kenneth A. Murray has served as our Vice President of Human Resources since September 2006. From August 2000 to May 2006, Mr. Murray was Vice President of Human Resources for Genesis Microchip, an integrated circuit semiconductor company. From November 1999 to August 2000 Mr. Murray was Vice President of Human Resources at Chordiant Software, an enterprise software company. From July 1997 to November 1999 Mr. Murray was Vice President of Human Resources at NeoMagic Corporation, a semiconductor company. From 1984 to July 1997, Mr. Murray served as Vice President, Human Resources at Akashic Memories Corporation (formerly Domain Technology), a magnetic media company. Mr. Murray holds a B.S. in Business Administration from San Jose State University.

RELATED PERSON POLICIES AND TRANSACTIONS

Our Board's Audit Committee charter provides that the Committee's responsibilities include the review of all related party transactions for potential conflict of interest situations on an ongoing basis and approval of all such transactions (if such transactions are not approved by another independent body of the Board). The NASDAQ listing standards require that the Company conduct an appropriate review of all related person transactions (as defined in SEC rules) for potential conflict of interest situations on an ongoing basis and that all such transactions must be approved by the Audit Committee or another independent body of the board of directors.

The Board's Nominating Committee charter also provides that the Committee will review potential conflicts of interest in considering candidates for director nominees. The Company's Code of Business Conduct and Ethics also states a policy to the effect that each employee and non-employee director is expected to disclose potential conflicts of interest involving that individual or the individual's family members to the Company's chief compliance officer or independent director Robert H. Smith, respectively.

The Company has entered into indemnification agreements with its directors and certain of its executive officers. The indemnity agreements provide, among other things, that the Company will indemnify its directors and executive officers, under the circumstances and to the extent provided therein, for expenses, damages, judgments, fines and settlements each may be required to pay in actions or proceedings which any of them may be made a party by reason of their positions as a director, executive officer or other agent of the Company, and otherwise to the fullest extent permitted under Delaware law and the Company's bylaws.

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CODE OF BUSINESS CONDUCT AND ETHICS

The Board of Directors has adopted a Code of Business Conduct and Ethics applicable to all directors, officers, and employees of the Company as required by applicable securities laws, rules of the Securities and Exchange Commission, and the listing standards of The NASDAQ Global Market LLC. Any amendments to, or waivers from, any provision of the Company's Code of Business Conduct and Ethics will be posted on the Company's website. A copy of the Code of Business Conduct and Ethics is posted on the Company's website at www.plxtech.com.

STOCKHOLDER PROPOSALS

Requirements for Stockholder Proposals to be Brought Before an Annual Meeting. For stockholder proposals to be considered properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice in writing to the Secretary of the Company. To be timely for the 2009 annual meeting of stockholders, a stockholder's notice must be delivered to or mailed and received by the Secretary of the Company at the principal executive offices of the Company between February 5, 2009 and March 7, 2009. A stockholder's notice to the Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) the name and record address of the stockholder proposing such business, (iii) the class and number of shares of the Company which are beneficially owned by the stockholder and (iv) any material interest of the stockholder in such business.

Requirements for Stockholder Proposals to be Considered for Inclusion in the Company's Proxy Materials. Stockholder proposals submitted pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 and intended to be presented at the Company's 2009 annual meeting of stockholders must be received by the Company not later than December 22, 2008 in order to be considered for inclusion in the Company's proxy materials for that meeting.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's directors, executive officers and persons who own more than 10% of the Company's Common Stock (collectively, "Reporting Persons") to file reports of ownership and changes in ownership of the Company's Common Stock. Reporting Persons are required by Securities and Exchange Commission regulations to furnish the Company with copies of all Section 16(a) reports they file. Based solely on its review of the copies of such reports received or written representations from certain Reporting Persons, the Company believes that during the year ended December 31, 2007, all Reporting Persons complied with all Section 16(a) filing requirements applicable to them, except that late Forms 4 were filed on behalf of Matthew Ready, George Apostol, Hector A. Berardi, and David K. Raun reporting stock option grants made on February 1, 2007.

Other Matters

The Board of Directors knows of no other business which will be presented at the Annual Meeting. If any other business is properly brought before the Annual Meeting, it is intended that proxies in the enclosed form will be voted in respect thereof in accordance with the judgments of the persons voting the proxies.

It is important that the proxies be returned promptly and that your shares be represented. Stockholders are urged to mark, date, execute and promptly return the accompanying proxy card in the enclosed envelope.

FORM 10-K ANNUAL REPORT

UPON WRITTEN REQUEST TO THE CORPORATE SECRETARY, PLX TECHNOLOGY, INC., 870 W. MAUDE AVENUE, SUNNYVALE, CALIFORNIA 94085, THE COMPANY WILL PROVIDE WITHOUT CHARGE TO EACH PERSON SOLICITED A COPY OF THE ANNUAL REPORT ON FORM 10-K, INCLUDING FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES FILED THEREWITH.

By Order of the Board of Directors,



Michael J. Salameh
Chief Executive Officer and Director

April 21, 2008
Sunnyvale, California

APPENDIX A**PLX TECHNOLOGY, INC.****2008 EQUITY INCENTIVE PLAN****ARTICLE 1. PURPOSES OF THE PLAN**

The purposes of the PLX Technology, Inc. 2008 Equity Incentive Plan (the "Plan") are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business by linking the personal interests of the Directors, Employees, and Consultants to those of Company stockholders and by providing such individuals with an incentive for outstanding performance to generate superior returns to Company stockholders.

ARTICLE 2. DEFINITIONS

Wherever the following terms are used in the Plan they shall have the meanings specified below, unless the context clearly indicates otherwise. The singular pronoun shall include the plural where the context so indicates.

2.1 "Award" means an Option, an award of Restricted Stock, a Stock Appreciation Right, an award of Performance Shares, an award of Performance Stock Units, a Dividend Equivalent Right, a Share Payment, an award of Deferred Stock, an award of Restricted Stock Units, a Performance Bonus Award, a Performance-Based Award or any other right or benefit, including any other Award under Article 8, granted to a Participant pursuant to the Plan.

2.2 "Award Agreement" means any written agreement, contract, or other instrument or document evidencing the terms and conditions of an Award, including through electronic medium.

2.3 "Board" means the Board of Directors of the Company.

2.4 "Change in Control" means and includes each of the following:

(a) A transaction or series of transactions (other than an offering of the Shares to the general public through a registration statement filed with the Securities and Exchange Commission) whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its subsidiaries, an employee benefit plan maintained by the Company or any of its subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company's securities outstanding immediately after such acquisition; or

(b) During any period of two consecutive years, individuals who, at the beginning of such period, constitute the Board together with any new director(s) (other than a director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in Section 2.4(a) or Section 2.4(c) hereof) whose

election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company's assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) Which results in the Company's voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company's assets or otherwise succeeds to the business of the Company (the Company or such person, the "Successor Entity")) directly or indirectly, at least a majority of the combined voting power of the Successor Entity's outstanding voting securities immediately after the transaction, and

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(ii) After which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this Section 2.4(c)(ii) as beneficially owning 50% or more of combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction; or

(d) The Company's stockholders approve a liquidation or dissolution of the Company.

The Committee shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control of the Company has occurred pursuant to the above definition, and the date of the occurrence of such Change in Control and any incidental matters relating thereto.

2.5 "Code" means the U.S. Internal Revenue Code of 1986, as amended.

2.6 "Committee" means the committee of the Board appointed or described in Article 12 to administer the Plan.

2.7 "Common Stock" means the common stock of the Company, par value \$0.001 per share, and such other securities of the Company that may be substituted for the Common Stock pursuant to Article 11.

2.8 "Company" means PLX Technology, Inc., a Delaware corporation.

2.9 "Consultant" means any consultant or adviser if: (a) the consultant or adviser renders bona fide services to the Company or any Subsidiary; (b) the services rendered by the consultant or adviser are not in connection with the offer or sale of securities in a capital-raising transaction and do not directly or indirectly promote or maintain a market for the Company's securities; and (c) the consultant or adviser is a natural person.

2.10 "Covered Employee" means an Employee who is, or could be, a "covered employee" within the meaning of Section 162(m) of the Code.

2.11 "Deferred Stock" means a right to receive a specified number of Shares during specified time periods pursuant to Section 8.5 hereof.

2.12 "Director" means a member of the Board, or as applicable, a member of the board of directors of a Subsidiary.

2.13 "Disability" means that the Participant would qualify to receive benefit payments under the long-term disability policy, as it may be amended from time to time, of the Company or the Subsidiary to which the Participant provides services regardless of whether the Participant is covered by such policy. If the Company or the Subsidiary to which the Participant provides service does not have a long-term disability plan in place, "Disability" means that a Participant is unable to carry out the responsibilities and functions of the position held by the Participant by reason of any medically determined physical or mental impairment for a period of not less than ninety (90) consecutive days. A Participant shall not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Board in its discretion.

2.14 "Dividend Equivalent Right" means a right granted to a Participant pursuant to Section 8.3 hereof to receive the equivalent value (in cash or Shares) of dividends paid on the Shares.

2.15 "Effective Date" shall have the meaning set forth in Section 13.1 hereof.

2.16 "Eligible Individual" means any person who is an Employee, a Consultant or a Director, as determined by the Committee.

2.17 "Employee" means a full time or part time employee of the Company or any Subsidiary, including an officer or Director, who is treated as an employee in the personnel records of the Company or Subsidiary for the relevant period, but shall exclude individuals who are classified by the Company or Subsidiary as (a) leased from or otherwise employed by a third party, (b) independent contractors or (c) intermittent or temporary, even if any such classification is changed retroactively as a result of an audit, litigation or otherwise. A Participant shall not cease to be an Employee in the case of (i) any vacation or sick time or otherwise approved paid time off in accordance with the Company or Subsidiary's policy or (ii) transfers between locations of the Company or between the Company and/or any Subsidiary. Neither services as a Director nor payment of a director's fee by the Company or a Subsidiary shall be sufficient to constitute "employment" by the Company or any Subsidiary.

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2.18 "Equity Restructuring" shall mean a nonreciprocal transaction between the company and its stockholders, such as a stock dividend, stock split, spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the Shares (or other securities of the Company) or the price of Shares (or other securities) and causes a change in the per share value of the Shares underlying outstanding Awards.

2.19 "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

2.20 "Fair Market Value" means, as of any given date, (a) if Shares are traded on any established stock exchange, the closing price of a Share as quoted on the principal exchange on which the Shares are listed, as reported in the Wall Street Journal (or such other source as the Company may deem reliable for such purposes) for such date, or if no sale occurred on such date, the first trading date immediately prior to such date during which a sale occurred; or (b) if Shares are not traded on an exchange but are regularly quoted on a national market or other quotation system, the closing sales price on such date as quoted on such market or system, or if no sales occurred on such date, then on the date immediately prior to such date on which sales prices are reported; or (c) in the absence of an established market for the Shares of the type described in (a) or (b) of this Section 2.20, the fair market value established by the Committee acting in good faith.

2.21 "Full Value Award" means any Award other than an Option, SAR or other Award for which the Participant pays the intrinsic value (whether directly or by forgoing a right to receive a payment from the Company or the Subsidiary that employs the Participant).

2.22 “Incentive Stock Option” means an Option that is intended to meet the requirements of Section 422 of the Code or any successor provision thereto.

2.23 “Independent Director” means a Director of the Company who is not an Employee.

2.24 “Non-Employee Director” means a Director of the Company who qualifies as a “Non-Employee Director” as defined in Rule 16b-3(b)(3) under the Exchange Act, or any successor rule.

2.25 “Non-Qualified Stock Option” means an Option that is not intended to be an Incentive Stock Option.

2.26 “Option” means a right granted to a Participant pursuant to Article 5 to purchase a specified number of Shares at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Non-Qualified Stock Option.

2.27 “Participant” means any Eligible Individual who, as an Independent Director, Consultant or Employee, has been granted an Award pursuant to the Plan.

2.28 “Performance-Based Award” means an Award granted pursuant to Article 9.

2.29 “Performance Bonus Award” has the meaning set forth in Section 8.7 hereof.

2.30 “Performance Criteria” means the criteria that the Committee selects for purposes of establishing the Performance Goal or Performance Goals for a Participant for a Performance Period. The Performance Criteria that will be used to establish Performance Goals are limited to the following: earnings or net earnings (either before or after interest, taxes, depreciation and amortization), economic value-added, sales or revenue, income, net income (either before or after taxes), operating earnings, cash flow (including, but not limited to, operating cash flow and free cash flow), cash flow return on capital, return on assets or net assets, return on stockholders’ equity, return on capital, stockholder returns, return on sales, gross or net profit margin, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings per share, price per Share, and market share, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group. The Committee shall define in an objective fashion the manner of calculating the Performance Criteria it selects to use for such Performance Period for such Participant.

2.31 “Performance Goals” means, for a Performance Period, the goals established in writing by the Committee for the Performance Period based upon the Performance Criteria. Depending on the Performance Criteria used to establish such Performance Goals, the Performance Goals may be expressed in terms of overall Company performance, the performance of a Subsidiary, the performance of a division or a business unit of the Company or a Subsidiary, or the performance of an individual. The Committee, in its discretion, may, to the extent consistent with, and within the time prescribed by, Section 162(m) of the Code, appropriately adjust or modify the calculation of Performance Goals for such Performance Period in order to prevent the dilution or enlargement of the rights of Participants (a) in the event of, or in anticipation of, any unusual or extraordinary corporate item, transaction, event, or development, or (b) in recognition of, or in anticipation of, any other unusual or nonrecurring events affecting the Company, or the financial statements of the Company, or in response to, or in anticipation of, changes in applicable laws, regulations, accounting principles, or business conditions.

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2.32 “Performance Period” means the one or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant’s right to, and the payment of, a Performance-Based Award.

2.33 “Performance Share” means a right granted to a Participant pursuant to Section 8.1 hereof, to receive Shares, the payment of which is contingent upon achieving certain Performance Goals or other performance-based targets established by the Committee.

2.34 “Performance Stock Unit” means a right granted to a Participant pursuant to Section 8.2 hereof, to receive Shares, the payment of which is contingent upon achieving certain Performance Goals or other performance-based targets established by the Committee.

2.35 “Plan” means this PLX Technology, Inc. 2008 Equity Incentive Plan, as it may be amended from time to time.

2.36 “Prior Plan” means the PLX Technology, Inc. 1999 Stock Incentive Plan, as may be amended from time to time.

2.37 “Qualified Performance-Based Compensation” means any compensation that is intended to qualify as “qualified performance-based compensation” as described in Section 162(m)(4)(C) of the Code.

2.38 “Restricted Stock” means Shares awarded to a Participant pursuant to Article 6 that are subject to certain restrictions and may be subject to risk of forfeiture.

2.39 “Restricted Stock Unit” means an Award granted pursuant to Section 8.6 hereof and shall be evidenced by a bookkeeping entry representing the equivalent of one Share.

2.40 “Section 409A Compliance” shall have the meaning assigned to it in Section 10.7 hereof.

2.41 “Securities Act” shall mean the U.S. Securities Act of 1933, as amended.

2.42 “Share” means a share of Common Stock.

2.43 “Share Payment” means (a) a payment in the form of Shares, or (b) an option or other right to purchase Shares, as part of any bonus, deferred compensation or other arrangement, made in lieu of all or any portion of the compensation, granted pursuant to Section 8.4 hereof.

2.44 “Stock Appreciation Right” or “SAR” means a right granted pursuant to Article 7 to receive a payment equal to the excess of the Fair Market Value of a specified number of Shares on the date the SAR is exercised over the Fair Market Value on the date the SAR was granted as set forth in the applicable Award Agreement.

2.45 “Subsidiary” means any “subsidiary corporation” as defined in Section 424(f) of the Code and any applicable regulations promulgated thereunder or any other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company.

ARTICLE 3. SHARES SUBJECT TO THE PLAN

3.1 Number of Shares.

(a) Subject to Article 11 and Section 3.1(b) hereof, the aggregate number of Shares which may be issued or transferred pursuant to Awards under the Plan shall be the sum of: (i) 1,200,000 Shares and (ii) any Shares which as of the Effective Date are available for issuance under any of the Prior Plan and which following the Effective Date are not issued under the Prior Plan (including Shares that are subject to awards outstanding under the Prior Plan that expire, are cancelled or otherwise terminate unexercised, or Shares that otherwise would have reverted to the share reserve of the Prior Plan following the Effective Date); *provided, however*, that no more than 5,580,765 Shares may be issued or

transferred pursuant to Awards granted under the Plan, including upon the exercise of Incentive Stock Options; *provided further, however*, that no more than 300,000 Shares may be issued in the form of Full Value Awards.

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(b) To the extent that an Award terminates, expires, lapses for any reason, or is settled in cash, any Shares subject to the Award shall again be available for the grant of an Award pursuant to the Plan. Any Shares tendered or withheld to satisfy the grant or exercise price or tax withholding obligation pursuant to any Award shall be treated as issued under this Plan and shall be deducted from the aggregate number of shares which may be issued under Section 3.1(a). To the extent permitted by applicable law or any exchange rule, Shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by the Company or any Subsidiary shall not be counted against Shares available for grant pursuant to this Plan. The payment of Dividend Equivalent Rights in cash in conjunction with any outstanding Awards shall not be counted against the Shares available for issuance under the Plan. Notwithstanding the provisions of this Section 3.1(b), no Shares may again be optioned, granted or awarded if such action would cause an Incentive Stock Option to fail to qualify as an incentive stock option under Section 422 of the Code.

3.2 Shares Distributed. Any Shares distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares, treasury Shares or Shares purchased on the open market.

3.3 Limitation on Number of Shares Subject to Awards. Notwithstanding any provision in the Plan to the contrary, and subject to Article 11, the maximum number of Shares with respect to one or more Performance-Based Awards that may be granted to any one Participant during any calendar year shall be 300,000 Shares and the maximum amount that may be paid in cash during any calendar year with respect to any Performance-Based Award (including, without limitation, any Performance Bonus Award) shall be \$500,000.

ARTICLE 4. ELIGIBILITY AND PARTICIPATION

4.1 Eligibility. Each Eligible Individual shall be eligible to be granted one or more Awards pursuant to the Plan.

4.2 Participation. Subject to the provisions of the Plan, the Committee may, from time to time, select from among all Eligible Individuals, those to whom Awards shall be granted and shall determine the nature and amount of each Award. No Eligible Individual shall have any right to be granted an Award pursuant to this Plan.

4.3 Non-U.S. Participants. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws in countries outside the United States in which the Company and its Related Entities operate or have Eligible Individuals, the Committee, in its sole discretion, shall have the power and authority to: (i) determine which Related Entities shall be covered by the Plan; (ii) determine which Eligible Individuals outside the United States are eligible to participate in the Plan; (iii) modify the terms and conditions of any Award granted to Eligible Individuals outside the United States to comply with applicable laws of jurisdictions outside of the United States; (iv) establish subplans and modify exercise procedures and other terms and procedures and rules, to the extent such actions may be necessary or advisable (any such subplans and/or modifications shall be attached to this Plan as appendices), including adoption of rules, procedures or subplans applicable to particular Related Entities or Participants residing in particular locations; *provided, however*, that no such subplans and/or modifications shall increase the share limitations contained in Sections 3.1 and 3.3 hereof; and (v) take any action, before or after an Award is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals. Without limiting the generality of the foregoing, the Committee is specifically authorized to adopt rules, procedures and subplans with provisions that limit or modify rights on death, disability or retirement or on termination of employment, available methods of exercise or settlement of an Award, payment of income, social insurance contributions and payroll taxes, the shifting of employer tax liability to the Participant, the withholding procedures and handling of any Share certificates or other indicia of ownership which may vary with local requirements. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate the Exchange Act, the Code, any securities law or governing statute or any other applicable law.

ARTICLE 5. STOCK OPTIONS

5.1 General. The Committee is authorized to grant Options to Eligible Individuals on the following terms and conditions:

(a) Exercise Price. The exercise price per Share subject to an Option shall be determined by the Committee and set forth in the Award Agreement; provided that, subject to Section 5.2(d) hereof, the per Share exercise price for any Option shall not be less than 100% of the Fair Market Value of a Share on the date of grant.

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(b) Time and Conditions of Exercise. The Committee shall determine the time or times at which an Option may be exercised in whole or in part; *provided* that the term of any Option granted under the Plan shall not exceed ten years. The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised.

(c) Payment. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, including, without limitation: (i) cash or check, (ii) surrender of Shares or delivery of a properly executed form of attestation of ownership of Shares as the Committee may require (including withholding of Shares otherwise deliverable upon exercise of the Award) which have a Fair Market Value on the date of surrender of attestation equal to the aggregate exercise price of the Shares as to which the Award shall be exercised, (iii) promissory note bearing interest at no less than such rate as shall then preclude the imputation of interest under the Code), (iv) other property acceptable to the Committee (including through the delivery of a notice that the Participant has placed a market sell order with a broker with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Option exercise price; *provided* that payment of such proceeds is then made to the Company upon settlement of such sale, or (v) any combination of the foregoing methods of payment. The Committee shall also determine the methods by which Shares shall be delivered or deemed to be delivered to Participants. Notwithstanding any other provision of the Plan to the contrary, no Participant who is a Director or an “executive officer” of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to pay the exercise price of an Option, or continue any extension of credit with respect to the exercise price of an Option with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

(d) Evidence of Grant. All Options shall be evidenced by an Award Agreement between the Company and the Participant. The Award Agreement shall include such additional provisions as may be specified by the Committee.

5.2 Incentive Stock Options. Incentive Stock Options shall be granted only to Employees of the Company or any Subsidiary, and the terms of any Incentive Stock Options granted pursuant to the Plan, in addition to the requirements of Section 5.1 hereof, must comply with the provisions of this Section 5.2.

(a) Expiration. Subject to Section 5.2(c) hereof, an Incentive Stock Option shall expire and may not be exercised to any extent by anyone after the first to occur of the following events:

- (i) Ten years from the date it is granted, unless an earlier time is set in the Award Agreement;
- (ii) Three months after the Participant’s termination of employment as an Employee; and

(iii) One year after the date of the Participant's termination of employment or service on account of Disability or death. Upon the Participant's Disability or death, any Incentive Stock Options exercisable at the Participant's Disability or death may be exercised by the Participant's legal representative or representatives, by the person or persons entitled to do so pursuant to the Participant's last will and testament, or, if the Participant fails to make testamentary disposition of such Incentive Stock Option or dies intestate, by the person or persons entitled to receive the Incentive Stock Option pursuant to the applicable laws of descent and distribution.

(b) Dollar Limitation. The aggregate Fair Market Value (determined as of the time the Option is granted) of all Shares with respect to which Incentive Stock Options are first exercisable by a Participant in any calendar year may not exceed \$100,000 or such other limitation as imposed by Section 422(d) of the Code, or any successor provision. To the extent that Incentive Stock Options are first exercisable by a Participant in excess of such limitation, the excess shall be considered Non-Qualified Stock Options.

(c) Ten Percent Owners. An Incentive Stock Option shall be granted to any individual who, at the date of grant, owns stock possessing more than ten percent of the total combined voting power of all classes of Shares of the Company only if such Option is granted at a price that is not less than 110% of Fair Market Value on the date of grant and the Option is exercisable for no more than five years from the date of grant.

(d) Notice of Disposition. The Participant shall give the Company prompt notice of any disposition of Shares acquired by exercise of an Incentive Stock Option within (i) two years from the date of grant of such Incentive Stock Option or (ii) one year after the transfer of such Shares to the Participant.

(e) Right to Exercise. During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant.

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(f) Failure to Meet Requirements. Any Option (or portion thereof) purported to be an Incentive Stock Option, which, for any reason, fails to meet the requirements of Section 422 of the Code shall be considered a Non-Qualified Stock Option.

5.3 Substitution of Stock Appreciation Rights. The Committee may provide in the Award Agreement evidencing the grant of an Option that the Committee, in its sole discretion, shall have to right to substitute a Stock Appreciation Right for such Option at any time prior to or upon exercise of such Option; *provided*, that such Stock Appreciation Right shall be exercisable with respect to the same number of Shares for which such substituted Option would have been exercisable.

ARTICLE 6. RESTRICTED STOCK AWARDS

6.1 Grant of Restricted Stock. The Committee is authorized to make Awards of Restricted Stock to any Eligible Individual selected by the Committee in such amounts and subject to such terms and conditions as determined by the Committee. All Awards of Restricted Stock shall be evidenced by an Award Agreement.

6.2 Purchase Price. At the time of the grant of an Award of Restricted Stock, the Committee shall determine the price, if any, to be paid by the Participant for each Share subject to the Award of Restricted Stock. To the extent required by applicable law, the price to be paid by the Participant for each Share subject to the Award of Restricted Stock shall not be less than the par value of a Share (or such higher amount required by applicable law). The purchase price of Shares acquired pursuant to the Award of Restricted Stock shall be paid either: (i) in cash at the time of purchase; (ii) at the sole discretion of the Committee, by services rendered or to be rendered to the Company or a Subsidiary; or (iii) in any other form of legal consideration that may be acceptable to the Committee in its sole discretion and in compliance with applicable law.

6.3 Issuance and Restrictions. Subject to Section 10.6 hereof, Restricted Stock shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock). These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter.

6.4 Forfeiture. Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, upon termination of employment or service during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be forfeited; *provided, however*, that, except as otherwise provided by Section 10.6 hereof, the Committee may (a) provide in any Restricted Stock Award Agreement that restrictions or forfeiture conditions relating to Restricted Stock will be waived in whole or in part in the event of terminations resulting from specified causes, and (b) in other cases waive in whole or in part restrictions or forfeiture conditions relating to Restricted Stock.

6.5 Certificates for Restricted Stock. Restricted Stock granted pursuant to the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing shares of Restricted Stock are registered in the name of the Participant, certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock, and the Company may, at its discretion, retain physical possession of the certificate until such time as all applicable restrictions lapse.

ARTICLE 7. STOCK APPRECIATION RIGHTS

7.1 Grant of Stock Appreciation Rights

(a) A Stock Appreciation Right may be granted to any Eligible Individual selected by the Committee. A Stock Appreciation Right shall be subject to such terms and conditions not inconsistent with the Plan as the Committee shall impose and shall be evidenced by an Award Agreement, provided that the term of any Stock Appreciation Right shall not exceed ten years.

(b) A Stock Appreciation Right shall entitle the Participant (or other person entitled to exercise the Stock Appreciation Right pursuant to the Plan) to exercise all or a specified portion of the Stock Appreciation Right (to the extent then exercisable pursuant to its terms) and to receive from the Company an amount equal to the product of (i) the excess of (A) the Fair Market Value of the Shares on the date the Stock Appreciation Right is exercised over (B) the Fair Market Value of the Shares on the date the Stock Appreciation Right was granted and (ii) the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations the Committee may impose.

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7.2 Payment and Limitations on Exercise

(a) Subject to Sections 7.2(b) hereof, payment of the amounts determined under Sections 7.1(b) hereof shall be in cash, in Shares (based on its Fair Market Value as of the date the Stock Appreciation Right is exercised) or a combination of both, as determined by the Committee in the Award Agreement.

(b) To the extent any payment under Section 7.1(b) hereof is effected in Shares, it shall be made subject to satisfaction of all provisions of Article 5 pertaining to Options.

ARTICLE 8. OTHER TYPES OF AWARDS

8.1 Performance Share Awards. Any Eligible Individual selected by the Committee may be granted one or more Awards of Performance Shares which shall be denominated in a number of Shares and which may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Participant.

8.2 Performance Stock Units. Any Eligible Individual selected by the Committee may be granted one or more Performance Stock Unit awards which shall be denominated in unit equivalent of Shares and/or units of value including dollar value of Shares and which may be linked to any one or more of the Performance Criteria or other specific performance criteria determined appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee. In making such determinations, the Committee shall consider (among such other factors as it deems relevant in light of the specific type of award) the contributions, responsibilities and other compensation of the particular Participant.

8.3 Dividend Equivalent Rights.

(a) Any Eligible Individual selected by the Committee may be granted Dividend Equivalent Rights based on the dividends declared on the Shares that are subject to any Award, to be credited as of dividend payment dates, during the period between the date the Award is granted and the date the Award is exercised, vests or expires, as determined by the Committee. Such Dividend Equivalent Rights shall be converted to cash or additional Shares by such formula and at such time and subject to such limitations as may be determined by the Committee.

(b) Dividend Equivalent Rights granted with respect to Options or SARs that are intended to be Qualified Performance-Based Compensation shall be payable, with respect to pre-exercise periods, regardless of whether such Option or SAR is subsequently exercised.

8.4 Share Payments. Any Eligible Individual selected by the Committee may receive Share Payments in the manner determined from time to time by the Committee. The number of Shares shall be determined by the Committee and may be based upon the Performance Criteria or other specific performance criteria determined appropriate by the Committee, determined on the date such Share Payment is made or on any date thereafter.

8.5 Deferred Stock. Any Eligible Individual selected by the Committee may be granted an Award of Deferred Stock in the manner determined from time to time by the Committee. The number of Shares subject to the Award of Deferred Stock shall be determined by the Committee and may be linked to the Performance Criteria or other specific performance criteria determined to be appropriate by the Committee, in each case on a specified date or dates or over any period or periods determined by the Committee subject to Section 10.6. Shares underlying a Deferred Stock Award shall not be issued until the Deferred Stock Award has vested, pursuant to a vesting schedule or performance criteria set by the Committee. Unless otherwise provided by the Committee, a Participant awarded Deferred Stock shall have no rights as a Company stockholder with respect to such Deferred Stock until such time as the Deferred Stock Award has vested and the Shares underlying the Deferred Stock Award have been issued.

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8.6 Restricted Stock Units. The Committee is authorized to make Awards of Restricted Stock Units to any Eligible Individual selected by the Committee in such amounts and subject to such terms and conditions as determined by the Committee. At the time of grant, the Committee shall specify the date or dates on which the Restricted Stock Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate subject to Section 10.6 hereof. At the time of grant, the Committee shall specify the maturity date applicable to each grant of Restricted Stock Units which shall be no earlier than the vesting date or dates of the Award and may be determined at the election of the grantee. On the maturity date, the Company shall, subject to Section 10.5(b), transfer to the Participant one unrestricted, fully transferable Share for each Restricted Stock Unit scheduled to be paid out on such date and not previously forfeited. Alternatively, settlement of a Restricted Stock Unit may be made in cash or any combination of cash and Shares, as determined by the Committee, in its sole discretion, at the time of grant of the Restricted Stock Units. Methods of converting Restricted Stock Units into cash may include, without limitation, a method based on the average Fair Market Value of Shares over a series of trading days. A holder of Restricted Stock Units shall have no rights other than those of a general creditor of the Company. Restricted Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement evidencing the grant of the Restricted Stock Unit.

8.7 Performance Bonus Awards. Any Eligible Individual selected by the Committee may be granted one or more Performance-Based Awards in the form of a cash bonus (a “Performance Bonus Award”) payable upon the attainment of Performance Goals that are established by the Committee and relate to one or more of the Performance Criteria, in each case on a specified date or dates or over any period or periods determined by the Committee subject to Section 10.6 hereof.

8.8 Other Awards. The Committee is authorized under the Plan to make any other Award to an Eligible Individual that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) a right with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions, or (iii) any other security with the value derived from the value of the Shares. The Committee may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Participants on such terms and conditions as determined by the Committee from time to time.

8.9 Term. Except as otherwise provided herein, the term of any Award of Performance Shares, Performance Stock Units, Dividend Equivalent Rights, Share Payments, Deferred Stock, Restricted Stock Units and any other Award granted pursuant to this Article 8 shall be set by the Committee in its discretion.

8.10 Exercise or Purchase Price. The Committee may establish the exercise or purchase price, if any, of any Award of Performance Shares, Performance Stock Units, Deferred Stock, Share Payments, Restricted Stock Units and any other Award granted pursuant to this Article 8; *provided, however*, that such price shall not be less than the par value of a Share on the date of grant, unless otherwise permitted by applicable state law.

8.11 Exercise upon Termination of Employment or Service. An Award of Performance Shares, Performance Stock Units, Dividend Equivalent Rights, Deferred Stock, Share Payments, Restricted Stock Units and any other Award granted pursuant to this Article 8 shall only be exercisable or payable while the Participant is an Employee, Consultant or Director, as applicable; *provided, however*, that the Committee in its sole and absolute discretion may provide that an Award of Performance Shares, Performance Stock Units, Dividend Equivalent Rights, Share Payments, Deferred Stock, Restricted Stock Units or any other Award granted pursuant to this Article 8 may be exercised or paid subsequent to a termination of employment or service, as applicable, or following a Change in Control of the Company, or because of the Participant’s retirement, death or disability, or otherwise; *provided, however*, that any such provision with respect to Performance Shares or Performance Stock Units shall be subject to the requirements of Section 162(m) of the Code that apply to Qualified Performance-Based Compensation.

8.12 Form of Payment. Payments with respect to any Awards granted under this Article 8 shall be made in cash, in Shares or a combination of both, as determined by the Committee.

8.13 Award Agreement. All Awards under this Article 8 shall be subject to such additional terms and conditions as determined by the Committee and shall be evidenced by an Award Agreement.

ARTICLE 9. PERFORMANCE-BASED AWARDS

9.1 Purpose. The purpose of this Article 9 is to provide the Committee the ability to qualify Awards other than Options and SARs and that are granted pursuant to Articles 6 and 8 as Qualified Performance-Based Compensation. If the Committee, in its discretion, decides to grant a Performance-Based Award to a Covered Employee, the provisions of

this Article 9 shall control over any contrary provision contained in Articles 6 or 8; *provided, however*, that the Committee may in its discretion grant Awards to Covered Employees that are based on Performance Criteria or Performance Goals but that do not satisfy the requirements of this Article 9.

9.2 Applicability. This Article 9 shall apply only to those Covered Employees selected by the Committee to receive Performance-Based Awards that are intended to qualify as Qualified Performance-Based Compensation. The designation of a Covered Employee as a Participant for a Performance Period shall not in any manner entitle the Participant to receive an Award for the period. Moreover, designation of a Covered Employee as a Participant for a particular Performance Period shall not require designation of such Covered Employee as a Participant in any subsequent Performance Period and designation of one Covered Employee as a Participant shall not require designation of any other Covered Employees as a Participant in such period or in any other period.

9.3 Procedures with Respect to Performance-Based Awards. To the extent necessary to comply with the Qualified Performance-Based Compensation requirements of Section 162(m)(4)(C) of the Code, with respect to any Award granted under Articles 6 or 8 which may be granted to one or more Covered Employees, no later than ninety (90) days following the commencement of any fiscal year in question or any other designated fiscal period or period of service (or such other time as may be required or permitted by Section 162(m) of the Code), the Committee shall, in writing, (a) designate one or more Covered Employees, (b) select the Performance Criteria applicable to the Performance Period, (c) establish the Performance Goals, and amounts of such Awards, as applicable, which may be earned for such Performance Period, and (d) specify the relationship between Performance Criteria and the Performance Goals and the amounts of such Awards, as applicable, to be earned by each Covered Employee for such Performance Period. Following the completion of each Performance Period, the Committee shall certify in writing whether the applicable Performance Goals have been achieved for such Performance Period. In determining the amount earned by a Covered Employee, the Committee shall have the right to reduce or eliminate (but not to increase) the amount payable at a given level of performance to take into account additional factors that the Committee may deem relevant to the assessment of individual or corporate performance for the Performance Period.

9.4 Payment of Performance-Based Awards. Unless otherwise provided in the applicable Award Agreement, a Participant must be employed by the Company or a Subsidiary on the day a Performance-Based Award for the appropriate Performance Period is paid to the Participant. Furthermore, a Participant shall be eligible to receive payment pursuant to a Performance-Based Award for a Performance Period only if the Performance Goals for such period are achieved. In determining the amount earned under a Performance-Based Award, the Committee may reduce or eliminate the amount of the Performance-Based Award earned for the Performance Period, if in its sole and absolute discretion, such reduction or elimination is appropriate.

9.5 Additional Limitations. Notwithstanding any other provision of the Plan, any Award which is granted to a Covered Employee shall be subject to any additional limitations set forth in Section 162(m) of the Code (including any amendment to Section 162(m) of the Code) or any regulations or rulings issued thereunder that are requirements for qualification as qualified performance-based compensation as described in Section 162(m)(4)(C) of the Code, and the Plan shall be deemed amended to the extent necessary to conform to such requirements.

ARTICLE 10. PROVISIONS APPLICABLE TO AWARDS

10.1 Stand-Alone and Tandem Awards. Awards granted pursuant to the Plan may, in the discretion of the Committee, be granted either alone, in addition to, or in tandem with, any other Award granted pursuant to the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

10.2 Award Agreement. Awards under the Plan shall be evidenced by Award Agreements that set forth the terms, conditions and limitations for each Award which may include the term of an Award, the provisions applicable in the event the Participant's employment or service terminates, and the Company's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an Award.

10.3 Limits on Transfer. No right or interest of a Participant in any Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or a Subsidiary, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or a Subsidiary. Except as otherwise provided by the Committee, no Award shall be assigned, transferred, or otherwise disposed of by a Participant other than by will or the laws of descent and distribution or pursuant to beneficiary designation procedures approved from time to time by the Committee (or the Board in the case of Awards granted to Independent Directors). The Committee by express provision in the Award or an amendment thereto may permit an Award (other than an Incentive Stock Option) to be transferred to, exercised by and paid to certain persons or entities related to the Participant, including, but not limited to, members of the Participant's family, charitable institutions, or trusts or other entities whose beneficiaries or beneficial owners are members of the Participant's family and/or charitable institutions, or to such other persons or entities as may be expressly approved by the Committee, pursuant to such conditions and procedures as the Committee may establish. Any permitted transfer shall be subject to the condition that the Committee receive evidence satisfactory to it that the transfer is being made for estate and/or tax planning purposes (or to a "blind trust" in connection with the Participant's termination of employment or service with the Company or a Subsidiary to assume a position with a governmental, charitable, educational or similar non-profit institution) and on a basis consistent with the Company's lawful issue of securities.

10.4 Beneficiaries. Notwithstanding Section 10.3 hereof, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights pursuant to the Plan is subject to all terms and conditions of the Plan and any Award Agreement applicable to the Participant, except to the extent the Plan and Award Agreement otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If the Participant is married and resides in a community property state, a designation of a person other than the Participant's spouse as his or her beneficiary with respect to more than 50% of the Participant's interest in the Award shall not be effective without the prior written consent of the Participant's spouse. If no beneficiary has been designated or survives the Participant, payment shall be made to the person entitled thereto pursuant to the Participant's will or the laws of descent and distribution. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time provided the change or revocation is filed with the Committee.

10.5 Stock Certificates; Book Entry Procedures.

(a) Notwithstanding anything herein to the contrary, the Company shall not be required to issue or deliver any certificates evidencing Shares pursuant to the exercise of any Award, unless and until the Board has determined, with advice of counsel, that the issuance and delivery of such certificates is in compliance with all applicable laws, regulations of governmental authorities and, if applicable, the requirements of any exchange on which the Shares are listed or traded. All certificates evidencing Shares delivered pursuant to the Plan are subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal, state local, securities or other laws, including laws of jurisdictions outside of the United States, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Shares are listed, quoted, or traded. The Committee may place legends on any certificate evidencing Shares to reference restrictions applicable to the Shares. In addition to the terms and conditions provided herein, the Board may require that a Participant make such reasonable covenants, agreements, and representations as the Board, in its discretion, deems advisable in order to comply with any such laws, regulations, or requirements. The Committee shall have the right to require any Participant to comply with any timing or other restrictions with respect to the settlement or exercise of any Award, including a window-period limitation, as may be imposed in the discretion of the Committee.

(b) Notwithstanding any other provision of the Plan, unless otherwise determined by the Committee or required by any applicable law, rule or regulation, the Company shall not deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares shall be recorded in the books of the Company (or,

as applicable, its transfer agent or stock plan administrator).

10.6 Full Value Award Vesting Limitations. Notwithstanding any other provision of this Plan to the contrary, Full Value Awards made to Employees or Consultants shall become vested over a period of not less than three years (or, in the case of vesting based upon the attainment of Performance Goals or other performance-based objectives, over a period of not less than one year) following the date the Award is made; *provided, however*, that, notwithstanding the foregoing, Full Value Awards that result in the issuance of an aggregate of up to 5% of the Shares available pursuant to Section 3.1(a) hereof may be granted to any one or more Participants without respect to such minimum vesting provisions.

10.7 Accelerated Vesting and Deferral Limitations. The Committee shall not have the discretionary authority to accelerate or delay issuance of Shares under an Award that constitutes a deferral of compensation within the meaning of Section 409A of the Code, except to the extent that such acceleration or delay may, in the discretion of the Committee, be effected in a manner that will not cause any person to incur taxes, interest or penalties under Section 409A of the Code ("Section 409A Compliance").

10.8 Paperless Administration. In the event that the Company establishes, for itself or using the services of a third party, an automated system for the documentation, granting or exercise of Awards, such as a system using an internet website or interactive voice response, then the paperless documentation, granting or exercise of Awards by a Participant may be permitted through the use of such an automated system.

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ARTICLE 11. changes in capital structure

11.1 Adjustments.

(a) In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the Shares or the price of the Shares other than an Equity Restructuring, the Committee shall make such adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such change with respect to (a) the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 hereof); (b) the terms and conditions of any outstanding Awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (c) the grant or exercise price per Share for any outstanding Awards under the Plan. Any adjustment affecting an Award intended as Qualified Performance-Based Compensation shall be made consistent with the requirements of Section 162(m) of the Code.

(b) In the event of any transaction or event described in Section 11.1(a) hereof or any unusual or nonrecurring transactions or events affecting the Company, any affiliate of the Company, or the financial statements of the Company or any affiliate, or of changes in applicable laws, regulations or accounting principles, the Committee, in its sole and absolute discretion, and on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Committee determines that such action is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan or with respect to any Award under the Plan, to facilitate such transactions or events or to give effect to such changes in laws, regulations or principles:

(i) To provide for either (A) termination of any such Award in exchange for an amount of cash, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights (and, for the avoidance of doubt, if as of the date of the occurrence of the transaction or event described in this Section 11.1 the Committee determines in good faith that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment) or (B) the replacement of such Award with other rights or property selected by the Committee in its sole discretion;

(ii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and prices;

(iii) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards, and in the number and kind of outstanding Restricted Stock or Deferred Stock and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding options, rights and awards and options, rights and awards which may be granted in the future;

(iv) To provide that such Award shall be exercisable or payable or fully vested with respect to all Shares covered thereby, notwithstanding anything to the contrary in the Plan or the applicable Award Agreement; and

(v) To provide that the Award cannot vest, be exercised or become payable after such event.

(c) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in Sections 11.1(a) and 11.1(b) hereof:

(i) The number and type of securities subject to each outstanding Award and the exercise price or grant price thereof, if applicable, shall be equitably adjusted. The adjustments provided under this Section 11.1(c)(i) shall be nondiscretionary and shall be final and binding on the affected Participant and the Company.

(ii) The Committee shall make such equitable adjustments, if any, as the Committee in its discretion may deem appropriate to reflect such Equity Restructuring with respect to the aggregate number and kind of shares that may be issued under the Plan (including, but not limited to, adjustments of the limitations in Sections 3.1 and 3.3 hereof).

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11.2 Acceleration Upon a Change in Control. Notwithstanding Section 11.1 hereof, and except as may otherwise be provided in any applicable Award Agreement or other written agreement entered into between the Company and a Participant, if a Change in Control occurs and a Participant's Awards are not converted, assumed, or replaced by a successor entity, then immediately prior to the Change in Control such Awards shall become fully exercisable and all forfeiture restrictions on such Awards shall lapse. Upon, or in anticipation of, a Change in Control, the Committee may cause any and all Awards outstanding hereunder to terminate at a specific time in the future, including, but not limited to, the date of such Change in Control, and shall give each Participant the right to exercise such Awards during a period of time as the Committee, in its sole and absolute discretion, shall determine. In the event that the terms of any agreement between the Company or any Subsidiary and a Participant contains provisions that conflict with and are more restrictive than the provisions of this Section 11.2, this Section 11.2 shall prevail and control and the more restrictive terms of such agreement (and only such terms) shall be of no force or effect.

11.3 No Other Rights. Except as expressly provided in the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of Shares of any class, the payment of any dividend, any increase or decrease in the number of Shares of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Committee under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares subject to an Award or the grant or exercise price of any Award.

ARTICLE 12. ADMINISTRATION

12.1 Committee. Unless and until the Board delegates administration of the Plan to a Committee as set forth below, the Plan shall be administered by the full Board, and for such purposes the term “Committee” as used in this Plan shall be deemed to refer to the Board. The Board, at its discretion or as otherwise necessary to comply with the requirements of Section 162(m) of the Code, Rule 16b-3 promulgated under the Exchange Act or to the extent required by any other applicable rule or regulation, may delegate administration of the Plan to a Committee consisting of two or more members of the Board. Unless otherwise determined by the Board, the Committee shall consist solely of two or more members of the Board each of whom is an “outside director,” within the meaning of Section 162(m) of the Code, a Non-Employee Director and an “independent director” under the NASDAQ rules (or other principal securities market on which Shares are traded); provided that any action taken by the Committee shall be valid and effective, whether or not members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership set forth in this Section 12.1 or otherwise provided in any charter of the Committee. Notwithstanding the foregoing: (a) the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to all Awards granted to Independent Directors and for purposes of such Awards the term “Committee” as used in this Plan shall be deemed to refer to the Board and (b) the Committee may delegate its authority hereunder to the extent permitted by Section 12.5 hereof. In its sole discretion, the Board may at any time and from time to time exercise any and all rights and duties of the Committee under the Plan except with respect to matters which under Rule 16b-3 under the Exchange Act or Section 162(m) of the Code, or any regulations or rules issued thereunder, are required to be determined in the sole discretion of the Committee. Except as may otherwise be provided in any charter of the Committee, appointment of Committee members shall be effective upon acceptance of appointment; Committee members may resign at any time by delivering written notice to the Board; and vacancies in the Committee may only be filled by the Board.

12.2 Action by the Committee. Unless otherwise established by the Board or in any charter of the Committee, a majority of the Committee shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by a majority of the Committee in lieu of a meeting, shall be deemed the acts of the Committee. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Subsidiary, the Company’s independent certified public accountants, or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

12.3 Authority of Committee. Subject to any specific designation in the Plan, the Committee has the exclusive power, authority and discretion to:

- (a) Designate Participants to receive Awards;
- (b) Determine the type or types of Awards to be granted to each Participant;
- (c) Determine the number of Awards to be granted and the number of Shares to which an Award will relate;

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(d) Determine the terms and conditions of any Award granted pursuant to the Plan, including, but not limited to, the exercise price, grant price, or purchase price, any reload provision, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, any provisions related to non-competition and recapture of gain on an Award, based in each case on such considerations as the Committee in its sole discretion determines; *provided, however*, that the Committee shall not have the authority to accelerate the vesting or waive the forfeiture of any Performance-Based Awards intended to qualify as Qualified Performance Based-Compensation;

(e) Determine whether, to what extent, and pursuant to what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Shares, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(f) Prescribe the form of each Award Agreement, which need not be identical for each Participant;

(g) Decide all other matters that must be determined in connection with an Award;

(h) Establish, adopt, or revise any rules and regulations as it may deem necessary or advisable to administer the Plan;

(i) Interpret the terms of, and any matter arising pursuant to, the Plan or any Award Agreement; and

(j) Make all other decisions and determinations that may be required pursuant to the Plan or as the Committee deems necessary or advisable to administer the Plan.

12.4 Decisions Binding. The Committee’s interpretation of the Plan, any Awards granted pursuant to the Plan, any Award Agreement and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties.

12.5 Delegation of Authority. To the extent permitted by applicable law, the Board may from time to time delegate to a committee of one or more members of the Board or one or more officers of the Company the authority to grant or amend Awards to Participants other than (a) Employees who are subject to Section 16 of the Exchange Act, (b) Covered Employees, or (c) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder. For the avoidance of doubt, provided it meets the limitation in the preceding sentence, this delegation shall include the right to modify Awards as necessary to accommodate changes in the laws or regulations, including in jurisdictions outside the United States. Any delegation hereunder shall be subject to the restrictions and limits that the Board specifies at the time of such delegation, and the Board may at any time rescind the authority so delegated or appoint a new delegatee. At all times, the delegatee appointed under this Section 12.5 shall serve in such capacity at the pleasure of the Board.

ARTICLE 13. EFFECTIVE AND EXPIRATION DATE

13.1 Effective Date. The Plan is effective as of the date the Plan is approved by the Company’s stockholders (the “Effective Date”). The Plan will be deemed to be approved by the stockholders if it is approved either:

(a) By a majority of the votes cast at a duly held stockholder’s meeting at which a quorum representing a representing a majority of outstanding voting stock is, either in person or by proxy, present and voting on the plan; or

(b) By a method and in a degree that would be treated as adequate under Delaware law in the case of an action requiring stockholder approval.

13.2 Expiration Date. The Plan will expire on, and no Award may be granted pursuant to the Plan after the tenth anniversary of the Effective Date, except that no Incentive Stock Options may be granted under the Plan after the earlier of the tenth anniversary of (a) the date the Plan is approved by the Board or (b) the Effective Date. Any Awards that are outstanding on the tenth anniversary of the Effective Date shall remain in force according to the terms of the Plan and the applicable Award Agreement.

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ARTICLE 14. AMENDMENT, MODIFICATION, AND TERMINATION

14.1 Amendment, Modification, and Termination. Subject to Section 15.14 hereof, with the approval of the Board, at any time and from time to time, the Committee may terminate, amend or modify the Plan; *provided, however*, that (a) to the extent necessary and desirable to comply with any applicable law, regulation, or stock exchange rule, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required, and (b) stockholder approval shall be required for any amendment to the Plan that (i) increases the number of shares available under the Plan (other than any adjustment as provided by Article 11), or (ii) permits the Committee to extend the exercise period for an Option beyond ten years from the date of grant. Notwithstanding any provision in this Plan to the contrary, absent approval of the stockholders of the Company, no Option or SAR may be amended to reduce the per share exercise price of the shares subject to such Option or SAR below the per share exercise price as of the date the Option is granted and, except as permitted by Article 11, no Option or SAR may be granted in exchange for, or in connection with, the cancellation or surrender of an Option or SAR having a higher per share exercise price.

14.2 Awards Previously Granted. Except with respect to amendments made pursuant to Section 15.14 hereof, no termination, amendment, or modification of the Plan shall adversely affect in any material way any Award previously granted pursuant to the Plan without the prior written consent of the Participant; *provided, however*, that an amendment or modification that may cause an Incentive Stock Option to become a Non-Qualified Stock Option shall not be treated as adversely affecting the rights of the Participant.

ARTICLE 15. GENERAL PROVISIONS

15.1 No Rights to Awards. No Eligible Individual or other person shall have any claim to be granted any Award pursuant to the Plan, and neither the Company nor the Committee is obligated to treat Eligible Individuals, Participants or any other persons uniformly.

15.2 No Stockholders Rights. Except as otherwise provided herein, a Participant shall have none of the rights of a stockholder with respect to Shares covered by any Award, including to the right to vote or receive dividends, until the Participant becomes the record owner of such Shares, notwithstanding the exercise of an Option or other Award.

15.3 Withholding. The Company or any Subsidiary, as appropriate, shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy U.S. federal, state, and local taxes and taxes imposed by jurisdictions outside of the United States (including the Participant's employment tax obligations) required by law to be withheld with respect to any taxable event concerning a Participant arising as a result of this Plan or to take such other action as may be necessary in the opinion of the Company or a Subsidiary, as appropriate, to satisfy withholding obligations for the payment of taxes. The Committee may in its discretion and in satisfaction of the foregoing requirement allow a Participant to elect to have the Company withhold Shares otherwise issuable under an Award (or allow the return of Shares) having a Fair Market Value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan, the number of Shares which may be withheld with respect to the issuance, vesting, exercise or payment of any Award (or which may be repurchased from the Participant of such Award within six months (or such other period as may be determined by the Committee) after such Shares were acquired by the Participant from the Company) in order to satisfy the Participant's U.S. federal, state, local and non-U.S. income and payroll tax liabilities with respect to the issuance, vesting, exercise or payment of the Award shall be limited to the number of Shares which have a Fair Market Value on the date of withholding or repurchase equal to the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. No Shares shall be delivered hereunder to any Participant or other person until the Participant or such other person has made arrangements acceptable to the Committee for the satisfaction of the tax obligations with respect to any taxable event concerning the Participant or such other person arising as a result of this Plan

15.4 No Right to Employment or Services. Nothing in the Plan or any Award Agreement shall interfere with or limit in any way the right of the Company or any Subsidiary to terminate any Participant's employment or services at any time, nor confer upon any Participant any right to continue in the employ or service of the Company or any Subsidiary.

15.5 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Agreement shall give the Participant any rights that are greater than those of a general creditor of the Company or any Subsidiary.

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15.6 Indemnification. To the extent allowable pursuant to applicable law, each member of the Committee or of the Board shall be indemnified and held harmless by the Company from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by such member in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act pursuant to the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her; *provided* he or she gives the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

15.7 Relationship to other Benefits. No payment pursuant to the Plan shall be taken into account in determining any benefits pursuant to any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

15.8 Expenses. The expenses of administering the Plan shall be borne by the Company and its Related Entities.

15.9 Titles and Headings. The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

15.10 Fractional Shares. No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional shares or whether such fractional shares shall be eliminated by rounding up or down as appropriate.

15.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan, the Plan, and any Award granted or awarded to any Participant who is then subject to Section 16 of the Exchange Act, shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 under the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by applicable law, the Plan and Awards granted or awarded hereunder shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

15.12 Government and Other Regulations. The obligation of the Company to make payment of awards in Shares or otherwise shall be subject to all applicable laws, rules, and regulations of the United States and jurisdictions outside the United States, and to such approvals by government agencies, including government agencies in jurisdictions outside of the United States, in each case as may be required or as the Company deems necessary or advisable. Without limiting the foregoing, the Company shall have no obligation to issue or deliver evidence of title for Shares subject to Awards granted hereunder prior to: (i) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and (ii) completion of any registration or other qualification with respect to the Shares under any applicable law in the United States of in a jurisdiction outside of the United States or ruling of any governmental body that the Company determines to be necessary or advisable or at a time when any such registration or qualification is not current, has been suspended or otherwise has ceased to be effective. The inability or impracticability of the Company to obtain or maintain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained. The Company shall be under no obligation to register pursuant to the Securities Act, as amended, any of the Shares paid pursuant to the Plan. If the Shares paid pursuant to the Plan may in certain

circumstances be exempt from registration pursuant to the Securities Act, as amended, the Company may restrict the transfer of such Shares in such manner as it deems advisable to ensure the availability of any such exemption.

15.13 Governing Law. The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Delaware.

15.14 Section 409A. Except as provided in Section 15.15 hereof, to the extent that the Committee determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date. Notwithstanding any provision of the Plan to the contrary, in the event that following the Effective Date the Committee determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the Effective Date), the Committee may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Committee determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance and thereby avoid the application of any penalty taxes under such Section.

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15.15 No Representations or Covenants with respect to Tax Qualification. Although the Company may endeavor to (1) qualify an Award for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States (e.g., incentive stock options under Section 422 of the Code or French-qualified stock options) or (2) avoid adverse tax treatment (e.g., under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, anything to the contrary in this Plan, including Section 15.14 hereof, notwithstanding. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on holders of Awards under the Plan.

I hereby certify that the foregoing Plan was duly adopted by the Board of Directors of PLX Technology, Inc. on April 4, 2008.

I hereby certify that the foregoing Plan was approved by the stockholders of PLX Technology, Inc. on _____, 2008.

Executed on this ____ day of _____, 2008.

Corporate Secretary

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VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information until 11:59 P.M. Eastern Time on May 26, 2008. Have your proxy card in hand when you visit the web site and follow the instructions to obtain your records and to create an electronic instruction form.

ELECTRONIC DELIVERY OF FUTURE STOCKHOLDER COMMUNICATION
If you would like to reduce the costs incurred by PLX Technology, Inc. in mailing materials, you can consent to receive all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you wish to receive or access stockholder communications electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time on May 26, 2008. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to PLX Technology, Inc., c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

VOTE BY ATTENDING THE MEETING
The annual meeting will be held at the headquarters of PLX Technology, Inc., 870 Maude Avenue, Sunnyvale, California. Directions to the headquarters can be found at www.plxtx.com.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: _____ PLXTC1 _____ KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

PLX TECHNOLOGY, INC.	For All	Withhold All	For All Except	To withhold authority to vote for any individual nominee(s), mark "For All Except"
Shares represented by this proxy will be voted as directed by the stockholder. If no such				

directions are indicated, the Proxies will have authority to vote FOR the election of all directors and Proposals 2 and 3.

Except" and write the number(s) of the nominee(s) on the line below.

Vote on Directors

1. Election of Directors

Nominees:

- 01) Michael J. Salameh

02) D. James Guzy

03) John H. Hart
- 04) Robert H. Smith

05) Thomas Riordan

06) Patrick Verderico

Vote on Proposals

2. To approve the 2008 Equity Incentive Plan.

For Against Abstain

0 0 0

3. To ratify the appointment of BDO Seidman LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2008.

0 0 0

In their discretion, the proxies are authorized to vote upon such other business as may properly come before the Annual Meeting.

Please sign this proxy exactly as name appears hereon. When shares are held by joint tenants, both should sign. When signing as attorney, administrator, trustee or guardian, please give full title as such.

For address changes please check this box and write them on the other side of this card. 0

Please indicate if you plan to attend this meeting. 0 0

Yes No

PLEASE MARK, SIGN, DATE AND RETURN THIS PROXY CARD PROMPTLY USING THE ENCLOSED REPLY ENVELOPE.

Signature [PLEASE SIGN WITHIN BOX]

Date

Signature (Joint Owners)

Date

PLX TECHNOLOGY, INC.

870 Maude Avenue

Sunnyvale, CA 94085

THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS
FOR THE ANNUAL MEETING ON MAY 27, 2008

Michael J. Salameh and Arthur O. Whipple, or either of them, each with the power of substitution, are hereby authorized to represent and vote the shares of the undersigned, w all the powers which the undersigned would possess if personally present, at the Annual Meeting of Stockholders of PLX Technology, Inc. (the "Company"), to be held Tuesday, May 27, 2008 at the Company's headquarters, 870 Maude Avenue, Sunnyvale, California, and any adjournment or postponement thereof.

Election of six directors (or if any nominee is not available for election, such substitute as the Board of Directors or the proxy holders may designate). Nominees: **01) MICHAEL J. SALAMEH, 02) D. JAMES GUZY, 03) JOHN H. HART, 04) ROBERT H. SMITH, 05) THOMAS RIORDAN, AND 06) PATRICK VERDERICO AND FOR PROPOSALS 2 AND 3.**

Address Change(s):

(If you noted address change(s) above, please mark corresponding box on the reverse side.)

SEE
REVERSE
SIDE

(CONTINUED AND TO BE SIGNED ON THE REVERSE SIDE)

SEE
REVERS
SIDE