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

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) May 7, 2009

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**MIPS TECHNOLOGIES, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or Other Jurisdiction of Incorporation or Organization)

**000-24487**

(Commission File Number)

**77-0322161**

(IRS Employer Identification No.)

**1225 Charleston Road  
Mountain View, CA 94043**

(Address of Principal Executive Offices, including zip code)

**(650) 567-5000**

(Registrant's telephone number including area code)

**N/A**

(Former Name or Former Address, if Changed Since Last Report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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**Item 1.01. Entry into a Material Definitive Agreement.**

On July 3, 2008, MIPS Technologies, Inc. ("MIPS") entered into a Loan and Security Agreement ("Loan and Security Agreement") with Silicon Valley Bank ("SVB"), providing for a term loan and a revolving credit facility. The Loan and Security Agreement contains customary affirmative and negative covenants (including financial covenants and covenants preventing MIPS from disposing of certain assets), and events of default. The Loan and Security Agreement was previously amended on December 18, 2008 to increase the amount that MIPS may invest in its subsidiaries.

On May 7, 2009, MIPS entered into and closed a Membership Interest Purchase Agreement with Synopsys, Inc., pursuant to which MIPS divested itself of its Analog Business Group, including MIPS Technologies Holding LLC. In connection with this transaction, MIPS, SVB and MIPS Technologies Holding LLC entered into a second amendment of the Loan and Security Agreement ("Amendment No. 2"), pursuant to which SVB granted its consent to the sale of MIPS' Analog Business Group to Synopsys, Inc. More information regarding the sale of the Analog Business Group may be found in MIPS' Current Report on Form 8-K filed on May 11, 2009.

Amendment No. 2 also contains provisions: (i) terminating the Unconditional Guaranty and Security Agreement, dated as of July 3, 2008, between SVB and MIPS Technologies Holding LLC, (ii) terminating the Uncertificated Security Control Agreement, dated as of July 3, 2008, among SVB, MIPS and MIPS Technologies Holding LLC, (iii) adjusting certain financial covenants, and (iv) updating certain definitions, notice provisions and exhibits. Other than these changes, the Loan and Security Agreement continues in full force in accordance with its terms.

The foregoing description of Amendment No. 2 in this Current Report on Form 8-K is qualified in its entirety by reference to the full text of such amendment referenced as Exhibit 10.1 to this Current Report on Form 8-K, which is incorporated by reference herein.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The disclosure set forth in Item 1.01 above is hereby incorporated by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

10.1 Amendment No. 2 to Loan and Security Agreement and Consent, dated May 7, 2009, by and among MIPS Technologies, Inc., Silicon Valley Bank and MIPS Technologies Holding LLC

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**MIPS TECHNOLOGIES, INC.**  
*(Registrant)*

Date: May 13, 2009

By: /s/ GAIL SHULMAN KNITTEL  
Name: Gail Shulman Knittel  
Title: Vice President, General Counsel & Secretary

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**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
10.1	Amendment No. 2 to Loan and Security Agreement and Consent, dated May 7, 2009, by and among MIPS Technologies, Inc., Silicon Valley Bank and MIPS Technologies Holding LLC

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## AMENDMENT NO. 2

TO

## LOAN AND SECURITY AGREEMENT AND CONSENT

This AMENDMENT NO. 2 TO LOAN AND SECURITY AGREEMENT AND CONSENT (this "*Amendment*") is entered into May 7, 2009, by and among MIPS TECHNOLOGIES, INC., a Delaware corporation ("*Borrower*"), MIPS TECHNOLOGIES HOLDING LLC, a Delaware limited liability company ("*Guarantor*"), and SILICON VALLEY BANK, ("*Bank*"). Capitalized terms used herein without definition shall have the same meanings given them in the Loan Agreement (as defined below).

## RECITALS

- A. Borrower and Bank have entered into that certain Loan and Security Agreement dated as of July 3, 2008, as amended by that certain Amendment No. 1 to Loan and Security Agreement dated December 18, 2008 (as so amended and as may be further amended, restated or modified, the "*Loan Agreement*"), pursuant to which the Bank has agreed to extend and make available to Borrower certain advances of money.
- B. In support of Borrower's Obligations under the Loan Agreement, (i) Guarantor and Bank have entered into that certain Unconditional Guaranty and Security Agreement dated as of July 3, 2008 (the "*Guaranty*"), and Guarantor, Borrower, and Bank have entered into that certain Uncertificated Security Control Agreement dated as of July 3, 2008 (the "*USCA*").
- C. Borrower has informed Bank that Borrower wishes to sell its analog business group, comprised of Guarantor and all of Guarantor's Subsidiaries (such sale, the "*Transaction*"), to Synopsys, Inc., a Delaware corporation (the "*Buyer*"), pursuant to a Membership Interest Purchase Agreement substantially in the form of the document received by Bank via e-mail from Borrower on May 6, 2009, at 12:32 p.m. (the "*Transaction Document*").
- D. Borrower and Guarantor acknowledge and confirm that Sections 7.1, 7.3, and 7.5 of the Loan Agreement and various sections of the Guaranty and the USCA prohibit Borrower from entering into the Transaction without Bank's prior written consent.
- E. Borrower and Guarantor desire that Bank (i) consent to the Transaction, (ii) terminate the Guaranty and the USCA, and (iii) amend the Loan Agreement to modify a financial covenant and make certain other changes, all upon the terms and conditions more fully set forth herein.
- F. Subject to the representations and warranties of Borrower and Guarantor herein and upon the terms and conditions set forth in this Amendment, Bank is willing to consent to the Transaction, to terminate the USCA and the Guaranty, and to amend the Loan Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals and intending to be legally bound, the parties hereto agree as follows:

- 1. **CONSENT TO TRANSACTION.** Subject to Section 6, Bank hereby grants its consent (i) to Borrower entering into and consummating the Transaction in accordance with the Transaction Document and (ii) to the transfer of the membership interests of Guarantor to the Buyer in connection with the Transaction, free and clear of any security interest held by Bank under the Loan Documents. Bank further agrees that the actions described in (i) and (ii) above, in and of themselves, shall not be deemed to be an Event of Default under the Loan Agreement. The foregoing consent is conditioned on the Transaction closing not later than May 11, 2009.
  - 2. **TERMINATION OF GUARANTY, USCA, AND RELATED UCC FILINGS.**
    - 2.1 **Guaranty.** Subject to Section 6, Bank and Guarantor hereby agree that immediately upon the consummation of the Transaction as consented to by Bank, the Guaranty shall be terminated. Following such termination of the Guaranty, Bank shall file (i) a UCC termination statement with regard to UCC financing statement 82300091 and (ii) a UCC amendment with regard to UCC financing statement 82300034 modifying the definition of Guarantor in such financing statement to be consistent with definition of Guarantor in the Loan Agreement, as amended pursuant to Section 3.3 below.
    - 2.2 **USCA.** Subject to Section 6 of this Amendment, Bank hereby gives notice pursuant to Section 8(a) of the USCA that immediately upon the consummation of the Transaction as consented to by Bank, the USCA shall be terminated.
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- (e) this Amendment has been duly executed and delivered by the Borrower and is the binding obligation of Borrower, enforceable against it in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights;
- (f) as of the date hereof, it has no defenses against the obligations to pay any amounts under the Obligations. Borrower acknowledges that Bank has acted in good faith and has conducted in a commercially reasonable manner its relationships with Borrower in connection with this Amendment and in connection with the Loan Documents; and
- (g) the Transaction, and the executed documents effecting the Transaction, shall not, on an individual basis or together with one or more other executed documents, (i) substantially differ from the Transaction Document or (ii) differ from the reasonable expectation of Bank in light of the Recitals.

4.2 Borrower understands and acknowledges that Bank is entering into this Amendment in reliance upon, and in partial consideration for, the representations and warranties in Section 4.1, and agrees that such reliance is reasonable and appropriate.

5. **LIMITATION.** The amendments and the consent set forth in this Amendment shall be limited precisely as written and shall not be deemed (a) to be a waiver or modification of any other term or condition of the Loan Agreement or of any other instrument or agreement referred to therein or to prejudice any right or remedy which Bank may now have or may have in the future under or in connection with the Loan Agreement or any instrument or agreement referred to therein; or (b) to be a consent to any future amendment or modification or waiver to any instrument or agreement the execution and delivery of which is consented to hereby, or to any waiver of any of the provisions thereof. Except as expressly amended hereby, the Loan Agreement shall continue in full force and effect. This Amendment is a Loan Document and any breach of this Amendment by Borrower shall be an immediate Event of Default under the Loan Agreement.

6. **EFFECTIVENESS.** This Amendment shall become effective upon the satisfaction of all the following conditions precedent:

6.1 **Amendment.** Borrower and Bank shall have duly executed and delivered this Amendment to Bank.

6.2 **Transaction Document.** Borrower shall have delivered to Bank a true, accurate and complete copy of the executed document effecting the Transaction together with a redline comparison of the foregoing executed document to the Transaction Document.

6.3 **Bank Expenses.** Borrower shall have paid all Bank Expenses incurred through the date of this Amendment.

7. **COUNTERPARTS.** This Amendment may be signed in any number of counterparts, and by different parties hereto in separate counterparts, with the same effect as if the signatures to each such counterpart were upon a single instrument. All counterparts shall be deemed an original of this Amendment.

8. **INTEGRATION.** This Amendment and any documents executed in connection herewith or pursuant hereto contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, offers and negotiations, oral or written, with respect thereto and no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Amendment; except that any financing statements or other agreements or instruments filed by Bank with respect to Borrower shall remain in full force and effect.

9. **GOVERNING LAW; VENUE.** THIS AMENDMENT SHALL BE GOVERNED BY AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California.

*[Signature page to Amendment No. 2 to Loan and Security Agreement and Consent]*

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the date first written above.

**BORROWER:**

**MIPS TECHNOLOGIES, INC.**

a Delaware corporation

By: /s/ JOHN BOURGOIN

Printed Name: John Bourgoin  
Title: Chief Executive Officer

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**GUARANTOR:**

**MIPS TECHNOLOGIES HOLDING LLC**

a Delaware limited liability company

By: MIPS Technologies, Inc., its sole member

By: /s/ MAURY AUSTIN

Printed Name: Maury Austin  
Title: Chief Financial Officer

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**BANK:**

**SILICON VALLEY BANK**

By: /s/ NICK TSIAGKAS

Printed Name: Nick Tsiagkas  
Title: Relationship Manager

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**EXHIBIT A TO AMENDMENT NO. 2**

**EXHIBIT E TO LOAN AGREEMENT - COMPLIANCE CERTIFICATE**

TO: SILICON VALLEY BANK  
FROM: MIPS TECHNOLOGIES, INC.

Date: \_\_\_\_\_

The undersigned authorized officer of MIPS Technologies, Inc. ("Borrower") certifies that under the terms and conditions of the Loan and Security Agreement between Borrower and Bank (the "Agreement"), (1) Borrower is in complete compliance for the period ending \_\_\_\_\_ with all required covenants except as noted below, (2) there are no Events of Default, (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports (or has been granted an extension to file such tax return and reports), and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement, and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank. Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance or qualification status by circling Yes/No under "Complies" or "Qualifies" column.		
Reporting Covenants	Required by*	Complies
Borrowing Base Certificate	If any amount is outstanding under the Revolving Line: 30 days after month end Otherwise: 5 days prior to borrowing under the Revolving Line	Yes No
A/R & A/P Agings plus Deferred Revenue	With every Borrowing Base Certificate	Yes No
10K (or link thereto)	5 days after SEC filing or 90 days after FYE	Yes No
10Q (or link thereto)	5 days after SEC filing or 45 days after FQE	Yes No
Compliance Certificate	With every 10K or 10Q report	Yes No
Consolidating Financial Statements	With every 10K or 10Q report	Yes No
Royalty Trend Report	30 days after FQE	Yes No
Annual financial projections	90 days after FYE or 10 days after Board approval	Yes No
FYE=Fiscal Year End FQE=Fiscal Quarter End		* If more than one deadline is indicated, the earlier deadline is the required deadline.

Financial Covenants	Required	Actual	Complies
Maintain at the end of each quarter:			
<b>Minimum Fixed Charge Coverage</b> (rolling two fiscal quarters' basis)	FQE 09/30/08: 1.25 to 1.00 FQE 12/31/08: 1.25 to 1.00 Following FQEs: 1.50 to 1.00	_____:1.00	Yes No
<b>Maximum Senior Debt Leverage Ratio</b>	2.00 to 1.00	_____:1.00	Yes No
<b>Minimum Adjusted Quick Ratio</b>	FQE 03/31/09: 0.75 to 1.00 FQE 06/30/09: 1.75 to 1.00 Following FQEs: 1.75 to 1.00	_____:1.00	Yes No

Other Items	Required to Qualify	Actual	Qualifies
Increase in Permitted Investments (c)(ii)	Consolidated cash + Cash Equivalents at FQE >= \$14,000,000	\$ _____	Yes No

The following financial covenant analysis[is][es] and information set forth in Schedule 1 attached hereto are true and accurate as of the date of this Certificate.

The following are the exceptions with respect to the certification above: (if none, state "No exceptions to note.")

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MIPS Technologies, Inc.

By:  
Name:  
Title:

BANK USE ONLY

Received by: \_\_\_\_\_  
authorized signer  
Date: \_\_\_\_\_

Verified: \_\_\_\_\_  
authorized signer  
Date: \_\_\_\_\_

Compliance Status:                      Yes   No

**Schedule 1 to Exhibit E to Loan Agreement - Compliance Certificate**

**Financial Covenants of Borrower**

In the event of a conflict between this Schedule and the Loan Agreement, the terms of the Loan Agreement shall govern.

Dated: \_\_\_\_\_

**I. Calculation of Quick Assets**

A.	Aggregate value of the unrestricted cash and Cash Equivalents of Borrower and its Subsidiaries (not less than 50% of which are held in the US)	\$ _____
B.	Aggregate value of the gross accounts receivable of Borrower and its Subsidiaries	\$ _____
C.	Aggregate value of the Investments with maturities of fewer than 12 months of Borrower and its Subsidiaries	\$ _____
D.	Quick Assets (the sum of lines A through C)	\$ _____

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**II. Calculation of EBITDA (on a rolling-2 quarter basis)**

A.	Net Income	\$ _____
B.	To the extent included in the determination of Net Income	
	1. Interest Expense	\$ _____
	2. Consolidated income taxes	\$ _____
	3. Amortization expense	\$ _____
	4. Depreciation expense	\$ _____
	5. All other non-cash charges (including non-cash stock compensation expense)	\$ _____
	6. Non-cash charges for amortization of amounts in the Founders Deferral Escrow Account if constituting employee compensation	\$ _____
	7. The sum of lines 1 through 6	\$ _____
C.	EBITDA (line A plus line B.7)	\$ _____

\* \* \* \* \*

III. **Fixed Charge Coverage Ratio Covenant** (Section 6.7(a) of Loan Agreement)

**Required:**

Fixed Charge Coverage Ratio as at the last day of any period of two consecutive fiscal quarters ending with any fiscal quarters set forth below to be not less than the ratio set forth below opposite such fiscal quarters:

Fiscal Quarter Ending	Fixed Charge Coverage Ratio
September 30, 2008	1.25:1.00
December 31, 2008	1.25:1.00
March 31, 2009 and thereafter	1.50:1.00

**Actual:**

A.	EBITDA (from Line I.C above)	\$ _____
B.	Unfunded capital expenditures	\$ _____
C.	Line A minus Line B	\$ _____
D.	Scheduled payments of principal and interest on all Indebtedness (for the same two rolling quarters, but excluding the pay-off or pre-payment of Indebtedness to Jefferies Finance LLC on or before July 3, 2008)	\$ _____
E.	Fixed Charge Coverage Ratio	_____:1.00

Is line III.E equal to or **greater than** the required ratios set forth above? (please circle answer)

No, not in compliance	Yes, in compliance
*	*
*	*
*	*

IV. **Senior Debt Leverage Ratio** (Section 6.7(b) of Loan Agreement)

**Required:**

Senior Debt Leverage Ratio of not more than 2.00:1.00 as of the last day of any fiscal quarter

**Actual:**

A.	All Indebtedness (including Advances and Term Loans) owed to banks	\$ _____
B.	Capital lease obligations	\$ _____
C.	Sum of Line A plus Line B	\$ _____
D.	EBITDA (line I.C above) annualized	\$ _____
E.	Senior Debt Leverage Ratio (line C divided by line D)	_____:1.00

Is line IV.E equal to or **less than** the required ratios set forth above? (please circle answer)

No, not in compliance	Yes, in compliance
*	*
*	*
*	*

V. **Adjusted Quick Ratio** (Section 6.7(c) of Loan Agreement)

**Required:**

Fiscal Quarter Ending	Adjusted Quick Ratio
March 31, 2009	0.75:1.00
June 30, 2009 and thereafter	1.75:1.00

**Actual:**

A.	Quick Assets (Line I.D above)	\$ _____
B.	Current Liabilities (as defined in the Agreement)	\$ _____
C.	Deferred Revenue	\$ _____
D.	Line B minus line C	\$ _____
E.	Adjusted Quick Ratio (line A divided by line D)	_____:1.00

Is line V.G equal to or **greater than** the number required in the table above? (please circle answer)

No, not in compliance

Yes, in compliance

\* \* \* \* \*