



## **PCTEL Corporate Governance Guidelines**

(as amended and approved by the Board of Directors on September 11, 2013)

**I. Introductory Note:** The Board of Directors (the “Board”) of PCTEL, Inc. (the “Company”) has developed corporate governance practices over time to help it fulfill its responsibilities to oversee the actions of management and the performance of the Company. The governance practices are set forth in these guidelines to confirm that the Board will have the requisite authority and processes in place to (i) review, and where appropriate, approve the Company's business strategy as developed by management, (ii) continually evaluate the Company's business results, and (iii) assure that the interests and actions of directors serving on PCTEL's Board (the “Directors”) and management are aligned with those of PCTEL's stockholders.

### **II. Composition of the Board**

A. Qualification. The Board consists of a majority of outside Directors who meet the criteria for independence, as amended from time to time, established by the SEC and the NASDAQ. One of these independent Directors will be appointed by the Board to serve as Lead Independent Director. The Nominating and Governance Committee (the “Committee”) considers and makes recommendations to the Board concerning the appropriate size and needs of the Board.

The Committee also assesses the credentials and qualities of prospective candidates, and of continuing Directors in recommending them to the Board for election or re-election by stockholders. In performing these duties, the Committee will take into consideration such factors as judgment, skill, diversity, knowledge of the communications industry, experience with businesses and other organizations of comparable size, understanding of fiduciary and governance responsibilities in publicly held companies, actual or potential conflicts of interest, number of Board positions held with other companies, particular needs of the Board or its committees to optimize their effectiveness, and such other factors as the Committee deems appropriate.

In addition to possessing the skills and other attributes listed above, Directors must not be more than 76 years of age. If a Director attains 76 years of age during a term of directorship, such Director must resign by December 31 of the year in which such Director becomes 76 years of age.

B. Selection. The Committee considers candidates for Board and committee membership. Potential Director candidates for consideration may be identified through the Committee's own initiatives or offered by management, by other Directors, or by the Company's stockholders. Final approval of candidates to fill vacancies or for election by the stockholders is determined by the independent Directors.

C. Compensation. PCTEL employees serving as Directors do not receive additional compensation for their services as Directors. Generally, the Board believes that the compensation paid to non-employee Directors be based on the amount of time devoted to fulfilling Board and committee responsibilities and be competitive with that of other public companies of comparable size. The Compensation Committee annually reviews the compensation of Directors and reports its recommendations to the Board.

D. Orientation and Continuing Education. The Company will conduct an orientation program for new Directors, the design and implementation of which shall be overseen by the Committee, including presentations by senior management with respect to PCTEL's strategic plans, financial reporting and risk management controls, auditing processes and code of conduct. The Company also encourages and supports the activities of its Directors on a continuing basis in attending corporate governance and other professional

development and training programs designed for Board members of publicly held companies.

### III. Board Leadership

Chairman. The Chairman of the Board is selected by the Board. The Board may select the Chief Executive Officer as Chairman.

### IV. Functioning of the Board

A. Ethics. The Board and each Director comport themselves in accordance with the Company's Code of Ethics and Business Conduct found on the Company's website.

B. Meetings. Directors are expected to attend Board and committee meetings and to spend the time needed to prepare for a meeting. The Board will generally hold four (4) regularly scheduled meetings per year and will hold additional special meetings as necessary. The Chairman and CEO, together with the Lead Independent Director, will establish the agenda for each Board meeting, with the understanding that items pertinent to the advisory and monitoring functions of the Board will be brought to it periodically for review and/or decision. Any member of the Board may request that an item be included on the agenda. At a Board meeting any member of the Board may raise a subject that is not on the agenda for that meeting. Materials related to agenda items are to be provided to the Board members sufficiently in advance of the meeting as necessary to allow the members to prepare for discussion of the items at the meeting.

C. Board Evaluation. The Committee is responsible for coordinating an annual evaluation by the Directors of the Board's performance. The Committee also establishes the evaluation criteria and conducts the evaluation. Evaluation results are reported to the Board.

D. CEO Evaluation. The Board will review the performance of the CEO at least annually and report its findings to the Compensation Committee. The Compensation Committee, working in conjunction with the Committee, will establish the long-term and short-term compensation and performance goals for the CEO, unless otherwise determined by a majority of the independent directors. These goals are communicated to the CEO by the Lead Independent Director and the Chair of the Compensation Committee.

E. Management Succession. The Board will plan for the succession of the Chairman and CEO as well as other senior management positions. The Committee will oversee the annual process to create a succession plan with respect to the Chief Executive Officer and other executive management positions for the Board's consideration, consistent with the Nominating and Governance Committee Charter. In connection with the development of the succession plan, the CEO is required to (i) provide annual assessments of PCTEL's then current senior managers as well as any other persons considered potential successors to the Chairman and/or CEO position and to other senior management positions; and (ii) prepare a short-term succession plan that delineates a temporary delegation of authority to certain officers if any or all of the senior officers should unexpectedly become unable to perform their duties. The short-term plan would be in effect until the Board has the opportunity to consider the situation and take any necessary and appropriate action.

F. Access to Management; Independent Advisors. The Directors have unrestricted access to members of management and employees of the Company. The Board and its committees welcome regular attendance of executive officers and other members of PCTEL management on an invitational basis at Board and committee meetings. The Board and/or the committees of the Board also have the ability to hire, at PCTEL's expense,

independent advisors when it is deemed necessary or advisable to do so. The Directors rely on the advice, reports and opinions of management, counsel and expert advisers.

G. Executive Sessions. Executive sessions, or meetings of independent Directors without management present, are held as part of each regularly scheduled Board meeting. The Lead Independent Director chairs these meetings.

H. Communications with Constituencies. Management speaks for the Company. Communications about PCTEL with the press, media and other constituencies (e.g., customers, communities, suppliers, creditors, regulators and corporate partners) should be made by management. Individual Directors may from time to time, at the request of the CEO, meet or otherwise communicate with various constituencies of the Company.

To ensure that the interests of the Company's stockholders can be made known directly to the Board, the Board has established procedures to enable stockholders to communicate directly with the Lead Independent Director designated from time to time by the Board. These procedures are disclosed on the Company's corporate governance website and published in the Company's annual proxy materials.

## V. Committees of the Board

A. Committee Structure. All major decisions are considered by the full Board. The committee structure of the Board is limited to those committees considered by the Board to be basic to or required for the operation of a publicly owned company. Currently those committees are the Audit Committee, the Nominating and Governance Committee and the Compensation Committee. Each committee has its own charter setting forth the purposes of the committee as well as qualifications for committee membership. The members and chairs of these committees will be evaluated annually and recommended by the Nominating and Governance Committee to the Board in consultation with the Chairman and CEO.

In addition to the three standing committees of the Board, the Board may appoint special committees to address important issues that arise from time to time. Each special committee shall be temporary, shall serve solely the purpose identified, and shall have the authority granted to such special committee by resolution of the Board of Directors. Its membership shall be appointed by the Board of Directors. Each standing committee of the Board may appoint a subcommittee comprised solely of its members to discharge a specific duty of the committee in the interim period between meetings. The subcommittee shall be temporary and shall serve solely the purpose identified by the committee.

B. Qualification. All members of the Audit, Nominating and Governance and Compensation Committees are independent Directors under the criteria, as amended from time to time, established by the SEC and the NASDAQ.

C. Functioning of the Committees. The chair of each committee determines the frequency and length of the committee meetings and develops the agenda for each meeting. Materials related to agenda items are to be provided to the committee members sufficiently in advance of the meeting where necessary to allow the members to prepare for discussion of the items at the meeting.

## VI. Amendment

The Corporate Governance Guidelines are subject to modification from time to time by the Board.