

QUALCOMM INC/DE
Form PRE 14A
December 23, 2004

SCHEDULE 14A INFORMATION

**PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE
SECURITIES EXCHANGE ACT OF 1934**

(AMENDMENT NO. __)

Filed by the Registrant ☒ [X]

Filed by a Party other than the Registrant ☐ []

Check the appropriate box:

☒ [X] Preliminary Proxy Statement

☐ [] Definitive Proxy Statement

☐ [] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

☐ [] Definitive Additional Materials

☐ [] Soliciting Material Pursuant to sec. 240.14a-11(c) or sec. 240.14a-12

QUALCOMM INCORPORATED

(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):

☒ [X] Fee not required.

☐ [] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

(2) Aggregate number of securities to which transaction 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:

(5) Total fee paid:

☐ [] Fee paid previously with preliminary materials.

☐ []

Edgar Filing: QUALCOMM INC/DE - Form PRE 14A

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

PRELIMINARY COPIES

January 14, 2005

Dear Fellow Stockholder:

You are cordially invited to attend our Company's annual meeting on Tuesday, March 8, 2005. The meeting will begin promptly at 9:30 a.m. local time at the Copley Symphony Hall, 750 B Street, San Diego, California 92101. I invite you to arrive early at 8:30 a.m. local time to preview our product displays. The meeting will commence with a discussion and voting on matters set forth in the accompanying Notice of Annual Meeting of Stockholders followed by presentations and a report on your company's 2004 performance.

Your vote is important, whether or not you plan to attend the meeting. **PLEASE VOTE YOUR SHARES.** Instructions on how to vote can be found at the bottom of the Notice of Annual Meeting. You may vote over the Internet, by telephone or by mailing a proxy card:

If you have Internet access, we encourage you to vote over the Internet. It is convenient for you and saves your company significant postage and processing costs;

If you vote using the telephone, have your proxy card available before dialing the toll-free 800 number; and

If you use the enclosed proxy card, it should be signed, dated and returned in the enclosed postage-paid envelope.

We encourage you to conserve natural resources, as well as significantly reduce printing and mailing costs, by **signing up for electronic delivery of our stockholder communications**. For more information, see Electronic Delivery of QUALCOMM Stockholder Communications on page _.

Please review the enclosed proxy materials carefully and send in your vote today. I look forward to seeing you in San Diego.

Sincerely,

Irwin Mark Jacobs
Chairman and Chief Executive Officer

**5775 Morehouse Drive
San Diego, California 92121-1714**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held On March 8, 2005**

To the Stockholders of QUALCOMM Incorporated:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of QUALCOMM Incorporated, a Delaware corporation (the "Company"), will be held at Copley Symphony Hall, 750 B Street, San Diego, California 92101, on Tuesday, March 8, 2005 at 8:30 a.m. local time for previewing product displays, and 9:30 a.m. local time for the following purposes:

1. To elect three Class II directors.
2. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate the classified board and cumulative voting.
3. To approve an amendment to the Company's Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 3 billion to 6 billion.
4. To approve an amendment to the Company's Restated Certificate of Incorporation to eliminate unnecessary and outdated references to the Company's initial public offering.
5. To ratify the selection of PricewaterhouseCoopers LLP as the Company's independent accountants for the Company's fiscal year ending September 25, 2005.
6. To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

The Board of Directors has fixed the close of business on January 7, 2005 as the record date for the determination of stockholders entitled to notice of and to vote at this Annual Meeting and at any adjournment or postponement thereof.

By Order of the Board of Directors

Irwin Mark Jacobs
Chairman of the Board and Chief Executive Officer

San Diego, California
January 14, 2005

How You Can Vote

If you are a stockholder whose shares are registered in your name, you may vote your shares by one of the three following methods:

Vote by Internet, by going to the web address <http://www.proxyvote.com> and following the instructions for Internet voting shown on the enclosed proxy card.

Vote by Telephone, by dialing 1-800-690-6903 and following the instructions for telephone voting shown on the enclosed proxy card.

Vote by Proxy Card, by completing, signing, dating and mailing the enclosed proxy card in the envelope provided. If you vote by Internet or telephone, please do not mail your proxy card.

If your shares are held in street name (through a broker, bank or other nominee), you may receive a separate voting instruction form with this Proxy Statement, or you may need to contact your broker, bank or other nominee to determine whether you will be able to vote electronically using the Internet or telephone.

PLEASE NOTE THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE MEETING, YOU WILL NOT BE PERMITTED TO VOTE IN PERSON AT THE MEETING UNLESS YOU FIRST OBTAIN A LEGAL PROXY ISSUED IN YOUR NAME FROM THE RECORD HOLDER.

ELECTRONIC DELIVERY OF QUALCOMM STOCKHOLDER COMMUNICATIONS

The Company is pleased to offer to our stockholders the benefits and convenience of electronic delivery of annual meeting materials, including:

E-mail delivery of the proxy statement, annual report and related materials;

Stockholder voting on-line;

Reduction of the amount of bulky documents stockholders receive; and

Reduction of the Company's printing and mailing costs associated with more traditional delivery methods. The Company encourages you to conserve natural resources, as well as to reduce printing and mailing costs, by signing up for electronic delivery of QUALCOMM stockholder communications.

If a broker or other nominee holds your QUALCOMM shares and you would like to sign-up for electronic delivery, please visit www.icsdelivery.com/qcom/index.html to enroll. Your electronic delivery enrollment will be effective until you cancel it. If you have questions about electronic delivery, please call QUALCOMM Investor Relations at 858-658-4813 or send email to ir@qualcomm.com.

QUALCOMM INCORPORATED
5775 Morehouse Drive
San Diego, California 92121-1714

PROXY STATEMENT
FOR ANNUAL MEETING OF STOCKHOLDERS
March 8, 2005

General

The enclosed proxy is solicited on behalf of the Board of Directors of QUALCOMM Incorporated, a Delaware corporation (the "Company"), for use at the Annual Meeting of Stockholders to be held on Tuesday, March 8, 2005, at 9:30 a.m. local time (the "Annual Meeting"), or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting. The Annual Meeting will be held at Copley Symphony Hall, 750 B Street, San Diego, California 92101. The Company intends to mail this proxy statement and accompanying proxy card on or about January 14, 2005 to all stockholders entitled to vote at the Annual Meeting.

Voting Rights and Outstanding Shares

Only holders of record of common stock at the close of business on January 7, 2005 (the "Record Date") will be entitled to notice of and to vote at the Annual Meeting. At the close of business on the Record Date, the Company had outstanding and entitled to vote [] shares of common stock. On July 13, 2004, the Company announced a two-for-one stock split in the form of a stock dividend. Stock was distributed on August 13, 2004 to stockholders of record as of July 23, 2004. All references in this document to number of shares and per share amounts reflect the stock split.

Each holder of record of common stock on such date will be entitled to one vote for each share held on all matters to be voted upon. If no choice is indicated on the proxy, the shares will be voted in favor of Proposals 1 through 5. With respect to the election of directors, stockholders may exercise cumulative voting rights. Under cumulative voting, each holder of common stock will be entitled to five votes for each share held. Each stockholder may give one candidate, who has been nominated prior to voting, all the votes such stockholder is entitled to cast or may distribute such votes among as many such candidates as such stockholder chooses. However, no stockholder will be entitled to cumulate votes for a candidate unless the candidate's name has been placed in nomination prior to the voting and at least one stockholder has given notice at the meeting, prior to the voting, of his or her intention to cumulate votes. Unless the proxy holders are otherwise instructed, stockholders, by means of the accompanying proxy, will grant the proxy holders discretionary authority to cumulate votes.

All votes will be tabulated by an independent inspector of election appointed for the meeting, who will separately tabulate affirmative and negative votes, abstentions and broker non-votes.

Broker Non-Votes

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 the election of directors, increases in authorized common stock for general corporate purposes and ratification of auditors. Non-routine matters include amendments to stock plans.

Revocability of Proxies

Any person giving a proxy pursuant to this solicitation has the power to revoke it at any time before it is voted. It may be revoked by filing with the Corporate Secretary of the Company at the Company's principal executive offices, 5775 Morehouse Drive, L-733G, San Diego, California 92121-1714, a written notice of revocation or a duly executed proxy bearing a later date, or it may be revoked by attending the meeting and voting in person. Attendance at the meeting will not, by itself, revoke a proxy.

Solicitation

The Company will bear the entire cost of solicitation of proxies including preparation, assembly, printing and mailing of this proxy statement, the proxy card and any additional information furnished to stockholders. Copies of solicitation materials will be furnished to banks, brokerage houses, fiduciaries and custodians holding in their names shares of common stock beneficially owned by others to forward to such beneficial owners. The Company may reimburse persons representing beneficial owners of common stock for their costs of forwarding solicitation materials to such beneficial owners. In addition, the Company has retained Morrow & Company to act as a proxy solicitor in conjunction with the meeting. The Company has agreed to pay that firm \$12,500, plus reasonable out of pocket expenses, for proxy solicitation services. Original solicitation of proxies by mail may be supplemented by telephone, telegram or personal solicitation by directors, officers or other regular employees of the Company. No additional compensation will be paid to directors, officers or other regular employees for such services.

Stockholder Proposals

The deadline for submitting a stockholder proposal for inclusion in the Company's proxy statement and form of proxy for the Company's 2006 Annual Meeting of Stockholders pursuant to Rule 14a-8, Shareholder Proposals, of the Securities and Exchange Commission (the SEC) is September 16, 2005. The deadline for submitting a stockholder proposal or a nomination for director that is not to be included in such proxy statement and proxy is also September 16, 2005. Any such stockholder proposals must be submitted to the Company's Corporate Secretary in writing at 5775 Morehouse Drive, L-733G, San Diego, California 92121-1714. Stockholders are also advised to review the Company's Bylaws, which contain additional advance notice requirements, including requirements with respect to advance notice of stockholder proposals and director nominations. For further information regarding stockholder proposals see page __.

Code of Ethics

The Company has adopted a code of ethics that applies to all QUALCOMM employees, including employees of QUALCOMM's subsidiaries, as well as each member of the Company's Board of Directors. The code of ethics is available at the Company's website at <http://www.qualcomm.com/ir/docs/codeofethics.pdf>.

PROPOSAL 1

ELECTION OF DIRECTORS

The Company's Restated Certificate of Incorporation and Bylaws provide that the Board of Directors shall be divided into three classes, with each class having a three-year term. Directors are assigned to each class in accordance with a resolution or resolutions adopted by the Board of Directors, each class consisting, as nearly as possible, of one-third the total number of directors. Vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes may be filled by either the affirmative vote of the holders of a majority of the then-outstanding shares of common stock or by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum of the Board of Directors. Newly created directorships resulting from any increase in the number of directors may, unless the Board of Directors determines otherwise, be filled only by the affirmative vote of the directors then in office, even if less than a quorum of the Board of Directors. A director elected by the Board of Directors to fill a vacancy (including a vacancy created by an increase in the number of directors) shall serve for the remainder of the full term of the class of directors in which the vacancy occurred and until such director's successor is elected and qualified.

The Company's Restated Certificate of Incorporation provides that the number of directors which shall constitute the whole Board of Directors shall be fixed exclusively by one or more resolutions adopted from time to time by the Board of Directors. The authorized number of directors is currently set at 13, with two vacancies in Class II. Five seats on the Board of Directors, currently held by Robert E. Kahn, Duane A. Nelles and Brent Scowcroft, with two vacancies, have been designated as Class II Board seats, with the term of the directors occupying such seats expiring as of the Annual Meeting. Dr. Kahn, Mr. Nelles and General Scowcroft will stand for re-election at this Annual Meeting.

Dr. Kahn, Mr. Nelles and General Scowcroft are currently Board members of the Company previously elected by the stockholders. If elected at the Annual Meeting and proposal 2 is not approved by the stockholders, each of the three nominees would serve until the 2008 Annual Meeting and until his successor is duly elected and qualified, or until such director's earlier death, resignation or removal. If proposal 2 is approved by the stockholders, if elected Dr. Kahn, Mr. Nelles and General Scowcroft would serve until the 2006 Annual Meeting and until each successor is duly elected and qualified or until such director's earlier death, resignation or removal.

If a quorum is present and no stockholder has exercised cumulative voting rights, the directors will be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Abstentions and broker non-votes have no effect on the vote. If a stockholder has exercised cumulative voting rights, the three

candidates receiving the highest number of affirmative votes of the shares of common stock entitled to be voted for such directors will be elected directors of the Company. Shares of common stock represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the three nominees named below. Notwithstanding the two vacancies in Class II, proxies may not be voted for a greater number of candidates than the three named above. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, such shares of common stock will be voted for the election of such substitute nominee as the Board of Directors may propose. Each person nominated for election has agreed to serve if elected, and the Board of Directors has no reason to believe that any nominee will be unable to serve.

The following table sets forth, for our current directors, including the Class II nominees to be elected at this meeting, information with respect to their ages and background.

Name	Position With QUALCOMM Incorporated	Age	Director Since
<i>Class II directors nominated for election at the 2005 Annual Meeting of Stockholders:</i>			
Robert E. Kahn	Director	66	1997
Duane A. Nelles	Director	61	1988
Brent Scowcroft	Director	79	1994
<i>Class III directors whose terms expire at the 2006 Annual Meeting of Stockholders:</i>			
Richard C. Atkinson	Director	75	1991
Diana Lady Dougan	Director	62	1998
Peter M. Sacerdote	Director	67	1989
Marc I. Stern	Director	60	1994
<i>Class I directors whose terms expire at the 2007 Annual Meeting of Stockholders:</i>			
Adelia A. Coffman	Director	52	1992
Raymond V. Dittamore	Director	61	2002
Irwin Mark Jacobs	Chairman of the Board and Chief Executive Officer	71	1985
Richard Sulpizio	Director	55	2000

Mr. Frank Savage was a member of the Company's Board of Directors at the beginning of the fiscal year, but resigned in May 2004. Set forth below is biographical information for each person nominated and each person whose term of office as a director will continue after the Annual Meeting.

Nominees for Election at this Meeting

ROBERT E. KAHN

Robert E. Kahn, age 66, became a Director of the Company in February 1997. Dr. Kahn is chairman, chief executive officer and president of the Corporation for National Research Initiatives (CNRI), which he founded in 1986. From 1972 to 1985, Dr. Kahn was employed at the U.S. Defense Advanced Research Projects Agency, where his last position was director of the Information Processing Techniques Office. From 1966 to 1972, Dr. Kahn was a

senior scientist with Bolt Beranek and Newman, where he was responsible for the system design of the Arpanet, the first packet switched network. Dr. Kahn received numerous awards for his pioneering work on the Internet for which he received the 1997 National Medal of Technology. Dr. Kahn received a B.E.E. degree from the City College of New York and M.A. and Ph.D. degrees from Princeton University. Dr. Kahn holds numerous honorary degrees and is a member of the National Academy of Engineering.

DUANE A. NELLES

Duane A. Nelles, age 61, a certified public accountant, became a Director of the Company in August 1988. Mr. Nelles has been in the personal investment business since 1987. Prior to that time, Mr. Nelles was a partner in the international public accounting firm of Coopers & Lybrand, L.L.P., which he joined in 1968. Mr. Nelles is also a director of WFS Financial Inc., an automotive finance company and Westcorp Inc., a diversified financial services holding company. He received his M.B.A. degree from the University of Michigan.

BRENT SCOWCROFT

Brent Scowcroft, age 79, became a Director of the Company in December 1994. General Scowcroft is the president of The Scowcroft Group, Inc., an international business consulting firm he founded in June 1994. General Scowcroft is also the president of The Forum for International Policy, a non-profit organization he founded in 1993 that promotes American leadership and foreign policy. General Scowcroft served as Assistant to the President for National Security Affairs for President George H.W. Bush from January 1989 until January 1993; he also held that position for President Ford during his term. A retired U.S. Air Force lieutenant general, General Scowcroft served in numerous national security posts in the Pentagon and the White House prior to his appointments as Assistant to the President for National Security Affairs. General Scowcroft received his B.S. degree from West Point and M.A. and Ph.D. degrees from Columbia University and holds numerous honorary degrees.

Directors Elected to Continue in Office Until the 2006 Annual Meeting

RICHARD C. ATKINSON

Richard C. Atkinson, age 75, became a Director of the Company in January 1991. Dr. Atkinson served as the president of the University of California from 1995 to 2003 and is now President Emeritus. Prior to that time, he served as chancellor of the University of California at San Diego from 1980 to 1995. Dr. Atkinson joined the board of directors of Cubic Corporation, a high-tech electronic company, in May 1999. Dr. Atkinson is a former director of the National Science Foundation, past president of the American Association for the Advancement of Science and former chair of the Association of American Universities. Dr. Atkinson is one of the founders of Computer Curriculum Corporation. Dr. Atkinson is a member of the National Academy of Sciences, the Institute of Medicine, the National Academy of Education and the American Philosophical Society. Dr. Atkinson holds a Ph.D. degree from Indiana University and a Ph.B. degree from the University of Chicago.

DIANA LADY DOUGAN

Diana Lady Dougan, age 62, became a Director of the Company in December 1998. Ambassador Dougan is chairwoman of the Cyber Century Forum and senior advisor at the Center for Strategic and International Studies. Ambassador Dougan has served in senior policy and management positions for more than three decades, including appointments by both Republican and Democratic presidents in senate-confirmed positions. From 1982 to 1988, as the first statutory U.S. coordinator for International Communications and Information Policy, Ambassador Dougan spearheaded international negotiations and policies involving telecom, broadcast, and information technology services on behalf of 14 federal agencies, served administratively as Assistant Secretary of State and holds the permanent rank of ambassador. Early in her career, Ambassador Dougan was the first CATV marketing director for Time, Inc. and an award-winning TV producer. Ambassador Dougan serves on a diversity of technology and public policy related boards including co-chair of the Center for Information Infrastructure and Economic Development under the auspices of the Chinese Academy of Social Sciences. In addition to earning undergraduate degrees in industrial psychology and English from the University of Maryland, Ambassador Dougan's studies also include economics at the University of Utah and the Advanced Management Program at Harvard University.

PETER M. SACERDOTE

Peter M. Sacerdote, age 67, became a Director of the Company in October 1989. Mr. Sacerdote has been an advisory director of Goldman, Sachs & Co. since May 1999 where he also serves as chairman of the Investment Committee of its Principal Investment Area. In the five years prior to that time, he served as a limited partner of Goldman, Sachs Group, L.P. Mr. Sacerdote also serves as a director of Franklin Resources, Inc., a mutual fund management company and Hexcel Corporation, a materials manufacturer. Mr. Sacerdote received his B.E.E. degree

from Cornell University and an M.B.A. degree from the Harvard Graduate School of Business Administration.

MARC I. STERN

Marc I. Stern, age 60, became a Director of the Company in February 1994. Mr. Stern has been with The TCW Group, Inc., an asset management firm, since 1990 and has served as its president since 1992. From 1988 to 1990, Mr. Stern served as president and a director of SunAmerica, Inc., a financial services company. Prior to joining SunAmerica, Mr. Stern was managing director and chief administrative officer of The Henley Group, Inc., a diversified manufacturing company and prior thereto was senior vice president of Allied-Signal Inc., a diversified manufacturing company. Mr. Stern is a director of TCW Galileo Funds, Inc., a registered investment company. Mr. Stern received a B.A. degree from Dickinson College, an M.A. degree from the Columbia University Graduate School of Public Law and Government and a J.D. degree from the Columbia University School of Law.

Directors Elected to Continue in Office Until the 2007 Annual Meeting

ADELIA A. COFFMAN

Adelia A. Coffman, age 52, one of the founders of the Company, has served as a Director of the Company from July 1985 to February 1989 and since January 1992. Ms. Coffman also served as chief financial officer of the Company from July 1985 until April 1994 and held the titles of vice president and senior vice president at the Company during that time. Ms. Coffman currently provides financial consulting services; is active in a real estate investment and development company of which she is an owner; and is an owner of Medford Air Service LLC, which is a fixed base operation at the Rogue Valley International Airport Medford. From July 1970 until July 1985, Ms. Coffman held various positions at LINKABIT and M/A-COM LINKABIT. Prior to joining the Company, Ms. Coffman was controller of M/A-COM LINKABIT. Ms. Coffman received her B.S. degree in business from San Diego State University.

RAYMOND V. DITTAMORE

Raymond V. Dittamore, age 61, has served as a Director of the Company since December 2002. Mr. Dittamore is a retired audit partner of Ernst & Young LLP, an international accounting firm. Mr. Dittamore retired in 2001 after 35 years of service with that firm including 14 years as the managing partner of the firm's San Diego office. Mr. Dittamore is a director of Invitrogen Corporation, Gen-Probe Incorporated, and Digirad Corporation. Mr. Dittamore received his B.S. from San Diego State University.

IRWIN MARK JACOBS

Irwin Mark Jacobs, age 71, one of the founders of the Company, has served as Chairman of the Board of Directors and chief executive officer of the Company since it began operations in July 1985. He served as the Company's president prior to May 1992. Before joining the Company, Dr. Jacobs was executive vice president and a director of M/A-COM. From October 1968 to April 1985, Dr. Jacobs held various executive positions at LINKABIT (M/A-COM LINKABIT after August 1980), a company he co-founded. During most of his period of service with LINKABIT, Dr. Jacobs was chairman, president and chief executive officer and was at all times a director. Dr. Jacobs received his B.E.E. degree from Cornell University and his M.S. and Sc.D. degrees from the Massachusetts Institute of Technology. Dr. Jacobs is a member of the National Academy of Engineering and the American Academy of Arts and Sciences and was awarded the National Medal of Technology in 1994.

RICHARD SULPIZIO

Richard Sulpizio, age 55, has served as a Director of the Company since December 2000. He served as president of QUALCOMM China from May 2002 to March 2003, served as president of the Company from July 1998 to July 2001 and served as the Company's chief operating officer from 1995 to July 2001. Mr. Sulpizio was president of QUALCOMM Wireless Business Solutions (formerly QUALCOMM OmniTRACS Division) from February 1994 to August 1995. Prior to his assignment in the OmniTRACS division, he held the position of chief operating officer from May 1992 to February 1994. Mr. Sulpizio joined the Company in May 1991 as vice president, Information Systems and was promoted to senior vice president in September 1991. Prior to joining the Company, Mr. Sulpizio spent eight years with Unisys Corporation, a diversified computer and electronics company. Mr. Sulpizio holds a B.A. degree from California State University, Los Angeles and his M.S. degree in systems management from the University of Southern California.

Required Vote and Board of Directors Recommendation

If a quorum is present and voting, the three nominees for Class II director receiving the highest number of votes will be elected as Class II directors. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any effect on the outcome of the vote.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH NAMED NOMINEE.

Board Committees and Meetings

During the fiscal year ended September 26, 2004, the Board of Directors held eight meetings. Peter M. Sacerdote has acted as the Company's presiding independent director since the Board meeting immediately following the 2004 stockholder meeting. The Board currently has an Audit Committee, a Compensation Committee, a Governance Committee, a Finance Committee and a Strategic Committee. Committee assignments are re-evaluated annually and approved by the Board at its annual meeting that follows the annual meeting of stockholders in February or March of each year.

The Audit Committee. The Audit Committee meets at least quarterly with the Company's management and independent accountants to, among other things, review the results of the annual audit and quarterly reviews and discuss the financial statements, select and engage the independent accountants, assess the adequacy of the Company's staff, management performance and procedures in connection with financial controls and receive and consider comments as to internal controls. The Audit Committee acts pursuant to a written charter adopted by the Board. The charter is available on the Company's website at http://www.qualcomm.com/ir/docs/audit_comm_charter.pdf. As of the beginning of fiscal 2004, the Audit Committee was composed of Messrs. Nelles (Committee Chair) and Dittamore, Dr. Atkinson and Ms. Coffman. The Audit Committee as then-constituted met three times during such fiscal year. Effective February 5, 2004, Ms. Coffman resigned from the Audit Committee. Seven additional Audit Committee meetings were conducted during fiscal 2004 after her resignation. The Audit Committee has determined that Ms. Coffman and Messrs. Dittamore and Nelles are audit committee financial experts, within the meaning of Rule 4350 of the National Association of Securities Dealers, Inc. (the "NASD"). All of the current members of the Audit Committee are independent directors within the meaning of Rule 4200 of the NASD. With respect to the determination of independence of Mr. Nelles under NASD Rule 4200, the Board of Directors considered the employment of Mr. Nelles' son in a non-executive officer position by the Company, as described below under the heading "Certain Transactions." The Board also considered Mr. Nelles' track record of decision-making and determined that the employment of Mr. Nelles' son had not interfered and would not interfere with the exercise of Mr. Nelles' independent judgment in carrying out his duties as a director.

The Compensation Committee. The Compensation Committee makes recommendations concerning salaries and incentive compensation, administers and approves stock offerings under the Company's 1996 Non-Qualified Employee Stock Purchase Plan and the 2001 Employee Stock Purchase Plan (collectively, the "Employee Stock Purchase Plans"), administers the Company's 1991 Stock Option Plan and 2001 Stock Option Plan (collectively, the "Stock Option Plans") and otherwise determines compensation levels for the Chief Executive Officer, the Named Executive Officers (as listed in the Summary Compensation Table), the directors and other key employees and performs such other functions regarding compensation as the Board may delegate. The Compensation Committee acts pursuant to a written charter adopted by the Board. The charter is available on the Company's website at http://www.qualcomm.com/ir/docs/comp_comm_charter.pdf. As of the beginning of fiscal 2004, the Compensation Committee was composed of Ms. Coffman (Committee Chair), Dr. Atkinson, and Messrs. Dittamore and Stern. The Compensation Committee as then-constituted met two times during such fiscal year. Effective February 5, 2004, Ms. Coffman resigned from the Compensation Committee and Mr. Dittamore was appointed Chair. Three additional Compensation Committee meetings were conducted thereafter during fiscal 2004. All of the current members of the Compensation Committee are independent directors within the meaning of Rule 4200 of the NASD and outside directors within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended.

The Governance Committee. The Governance Committee reviews, approves and oversees various corporate governance related policies and procedures applicable to the Company. The Committee also reviews and evaluates the effectiveness of the Company's executive development and succession planning processes, as well as providing active leadership and oversight of these processes. In addition, the Committee evaluates and recommends nominees for membership on the Company's Board of Directors and its committees. The Governance

Committee acts pursuant to a written charter adopted by the Board. The charter is available at the Company's website at http://www.qualcomm.com/ir/docs/gov_comm_charter092203.pdf. As of the beginning of fiscal 2004, the Governance Committee was composed of Messrs. Stern (Committee Chair), Nelles and Sacerdote, General Scowcroft, and Dr. Kahn, and met eight times during the fiscal year. All of the members of the Governance Committee are independent directors within the meaning of Rule 4200 of the NASD.

The Company's Bylaws contain provisions which address the process by which a stockholder may nominate an individual to stand for election to the Board of Directors at the Company's Annual Meeting of Stockholders. Subsequent to the Company's 2004 Annual Meeting of Stockholders, the Board also adopted a formal policy concerning stockholder recommendations of Board candidates to the Governance Committee. This policy is set forth in the Corporate Governance Principles and Practices, which is available on the Company's website at http://www.qualcomm.com/ir/docs/corp_gov_prin_pract.pdf. Under this policy the Governance Committee will review a reasonable number of candidates recommended by a single stockholder who has held over 1% of our stock for over one year and who satisfies the notice, information and consent requirements set forth in our Bylaws. To recommend a nominee for election to the Board, a stockholder should submit his or her recommendation to the Company's corporate offices at 5775 Morehouse Drive, L-733G, San Diego, California 92121-1714, Attention: Corporate Secretary. A stockholder's

recommendation should be received by the Company prior to the date set forth above under Stockholder Proposals. A stockholder's recommendation should be accompanied by the information required with respect to stockholder nominees in the Bylaws, including among other things, the name, age, address and occupation of the recommended person, the proposing stockholder's name and address and the number of shares beneficially owned by the stockholder. The proposing stockholder should also provide evidence of owning the requisite shares of Company stock for over one year. Candidates so recommended will be reviewed using the same process and standards for reviewing Board recommended candidates.

In evaluating director nominees, the Governance Committee considers the following factors:

the appropriate size of the Company's Board of Directors;

the needs of the Company with respect to the particular talents and experience of its directors;

the knowledge, skills and experience of nominees, including experience in technology, business, finance, administration or public service, in light of prevailing business conditions and the knowledge, skills and experience already possessed by other members of the Board;

familiarity with national and international business matters;

experience in political affairs;

experience with accounting rules and practices;

appreciation of the relationship of the Company's business to the changing needs of society; and

the desire to balance the considerable benefit of continuity with the periodic injection of the fresh perspective provided by new members.

The Governance Committee's goal is to assemble a Board of Directors that brings to the Company a variety of perspectives and skills derived from high quality business and professional experience. In doing so the Governance Committee also considers candidates with appropriate non-business backgrounds.

Other than the foregoing there are no stated minimum criteria for director nominees, although the Governance Committee may also consider such other factors as it may deem are in the best interests of the Company and its stockholders. The Governance Committee does, however, believe it appropriate for at least one, and, preferably, several, members of the Board to meet the criteria for an audit committee financial expert as defined by SEC rules, and that a majority of the members of the Board meet the definition of independent director under NASDAQ rules. The Governance Committee also believes it appropriate for certain key members of the Company's management to participate as members of the Board.

The Governance Committee identifies nominees by first evaluating the current members of the Board of Directors willing to continue in service. Current members of the Board with skills and experience that are relevant to the Company's business and who are willing to continue in service are considered for re-nomination, balancing the value of continuity of service by existing members of the Board with that of obtaining a new perspective. If any member of the Board does not wish to continue in service or if the Governance Committee or the Board decides not to re-nominate a member for re-election, the Governance Committee identifies the desired skills and experience of a new nominee in light of the criteria above. Current members of the Governance Committee and Board of Directors are polled for suggestions as to individuals meeting the criteria of the Governance Committee. Research may also be performed to identify qualified individuals. The Company has also recently engaged a third party to identify and

evaluate potential nominees.

Since the 2004 Annual Meeting of Stockholders the Company has adopted a formal process for stockholder communications with the Board. This process is also set forth in the Corporate Governance Principles and Practices, available on the Company's website. Communications to the Board should be sent to the Company's corporate offices at 5775 Morehouse Drive, L-733G, San Diego, California 92121-1714, Attention: General Counsel. Our General Counsel logs all such communications and forwards those not deemed frivolous, threatening or otherwise inappropriate to the Chair of the Governance Committee for distribution.

The Company's Corporate Governance Principles and Practices also sets forth the new policy on director attendance at annual meetings. Directors are encouraged to attend absent unavoidable conflicts. 10 out of 12 of our then-sitting directors attended our last annual meeting.

The Finance Committee. The Finance Committee reviews the Company's financial position, cash management, dividend and stock repurchase programs and major investment decisions. As of the beginning of fiscal 2004, the Finance Committee was composed of Messrs. Sacerdote (Committee Chair), Savage and Sulpizio, and Ambassador Dougan. The Finance Committee as then-constituted met three times during such fiscal year. After Mr. Savage's resignation from the Board of Directors in May 2004, the Finance Committee conducted two additional meetings during fiscal 2004.

The Strategic Committee. The Strategic Committee monitors the development and implementation of the Company's business and research and development strategies. It works with management in identifying and developing Board focus on issues and recommendations which will further the Company's long and short term strategic planning. As of the beginning of fiscal 2004, the Strategic Committee was composed of Ambassador Dougan (Committee Chair), Drs. Jacobs and Kahn, Messrs. Savage and Sulpizio and General Scowcroft. The Strategic Committee as then-constituted met four times during such fiscal year. After Mr. Savage's resignation from the Board of Directors in May 2004, the Strategic Committee conducted two additional meetings during fiscal 2004.

During the fiscal year ended September 26, 2004, with the exception of Ms. Coffman, each Board member attended at least 75% of the aggregate of the meetings of the Board, and of the Committees on which he or she served, held during the period for which he or she was a Board or Committee member, respectively. Ms. Coffman was unable to attend at least 75% of the meetings of the Board and Committees on which she served due to extenuating, ongoing personal circumstances. Ms. Coffman is a valued member of our Board, and the Company looks forward to her contributions at such time as her personal circumstances permit. Until such time, Ms. Coffman has resigned from the Committees of the Board on which she formerly served.

The Board has determined that, except as noted below, all of the members of the Board are independent directors within the meaning of Rule 4200 of the NASD. Dr. Irwin Jacobs is not considered independent because he is an executive officer of the Company. In addition, his son Dr. Paul Jacobs is the Group President of QUALCOMM Wireless and Internet Group, and his son Mr. Jeffrey Jacobs is the President of QUALCOMM Global Development. Mr. Richard Sulpizio is not considered independent because he was employed by the Company within the last three years.

PROPOSAL 2

APPROVAL OF AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO ELIMINATE CLASSIFIED BOARD OF DIRECTORS AND ELIMINATE CUMULATIVE VOTING

The Company's Restated Certificate of Incorporation provides that the Board of Directors shall be divided into three classes, with each class having a three-year term. The Restated Certificate of Incorporation also provides that when electing directors, stockholders may exercise cumulative voting rights. Under cumulative voting, each holder of common stock is entitled to that number of votes equal to the number of directors being elected, including vacancies, for each share held. Each stockholder may give one candidate, who has been nominated prior to voting, all the votes such stockholder is entitled to cast or may distribute such votes among as many candidates as such stockholder chooses.

In December 2004, the Board of Directors adopted, subject to stockholder approval, an amendment to revise Article VI of its Restated Certificate of Incorporation to eliminate the classified Board of Directors and to eliminate cumulative voting for election of directors. The proposal would allow for the annual election of directors in the manner described below. The Board of Directors has set the current number of directors at 13. The proposal would not change the present number of directors and the Board of Directors will retain the authority to change that number and

to fill any vacancies or newly created directorships.

Background of Proposal

Classified or staggered boards have been widely adopted and have a long history in corporate law. Proponents of classified boards assert they promote the independence of directors because directors elected for multi-year terms are less subject to outside influence. Proponents of a classified structure for the election of directors also believe it provides continuity and stability in the management of the business and affairs of a company because a majority of directors always has prior experience as directors of the company. This continuity and long-term focus is particularly important to research-based organizations, such as ours, where product and technology development is complex and long-term. Proponents further assert that classified boards may enhance stockholder value by forcing an entity seeking control of a target company to initiate arms-length discussions with the board of a target company because the entity is unable to replace the entire board in a single election. This system for electing and removing directors was adopted by the Company's stockholders in 1993, and has worked well for the past eleven years.

Alternatively, some investors view classified boards as having the effect of reducing the accountability of directors to stockholders because classified boards limit the ability of stockholders to evaluate and elect all directors on an annual basis. The election of directors is a primary means for stockholders to influence corporate governance policies and to hold management accountable for implementing those policies. In addition, opponents of classified boards assert that a classified structure for the election of directors may discourage proxy contests in which stockholders have an opportunity to vote for a competing slate of nominees and therefore may erode stockholder value.

In 2004, a stockholder proposal requesting that the Board take all necessary steps to elect the directors annually was included in the Company's annual proxy statement and was approved by greater than two-thirds of the votes cast. The Company's Governance Committee and the full Board of Directors has considered carefully the advantages and disadvantages of maintaining a classified board structure, and in the past concluded that it would be in the best interests of the Company and its stockholders to maintain a classified board. This year, the Board requested that the Governance Committee again give due consideration to the various arguments for and against a classified board, including consultation with internal and outside advisors. After this review, the Board of Directors, based upon the recommendation of the Governance Committee, decided that it is an appropriate time to propose eliminating the classified Board. The Board is committed to principles of corporate democracy and is mindful that more than two-thirds of stockholders voting at last year's annual meeting voted for eliminating the classified structure. This determination by the Board furthers its goal of ensuring that the Company's corporate governance policies maximize management accountability to stockholders and would, if adopted, allow stockholders the opportunity each year to register their views on the performance of the entire Board of Directors. Accordingly, the Board, after further review and deliberation, has determined that eliminating the classified Board is in the best interests of the Company and its stockholders.

In reviewing the Company's classified board structure, the Governance Committee and Board also reviewed the Company's Restated Certificate of Incorporation provisions on cumulative voting. As allowed by Delaware corporate law, the Company's Restated Certificate of Incorporation permits stockholders to exercise cumulative voting rights when electing directors. As explained above, each holder of common stock is entitled to that number of votes equal to the number of directors being elected, including vacancies, for each share held. Each stockholder may give one candidate, who has been nominated prior to voting, all the votes such stockholder is entitled to cast or may distribute such votes among as many such candidates as such stockholder chooses. Cumulative voting also worked together with the classified board system to encourage bidders to negotiate with the Board when making bids for the Company because it would be more difficult to gain control of the Board as part of a hostile transaction, thereby enhancing the Board's ability to protect the interests of stockholders. Under this mechanism, however, after eliminating our classified board system a minority stockholder would be able to disproportionately influence the composition of the Board, as it would require substantially less stock to assure a stockholder of being able to elect a representative to the Board. The Company believes, based on its review of public filings, that less than ten percent (10%) of Delaware corporations in the Nasdaq-100 and the Dow Jones Industrial Average maintain cumulative voting without a classified board system.

The Board believes that each director should only be elected if such director receives a plurality of the votes cast and that each director should represent the interest of all stockholders, rather than the interest of a minority stockholder or special constituency. The elimination of cumulative voting for directors is consistent with the Company's desire to more closely align stockholder interests and Board accountability. Accordingly, the Board, after review and deliberation, determined that eliminating cumulative voting of directors is in the best interests of the Company and its stockholders.

Both the elimination of the classified board and elimination of cumulative voting would require amendment of the Restated Certificate of Incorporation. If the proposed amendment is approved by the stockholders, current director nominees' terms would expire at the 2006 annual meeting of stockholders, but sitting directors' terms would not be shortened. Those directors whose terms expire at the 2006 annual meeting of stockholders will similarly be elected for

a one-year term to expire in 2007. Beginning with the 2007 annual meeting, all directors would be elected for one-year terms at each annual meeting. Board candidates receiving the highest number of votes of the shares entitled to be voted, up to the number of directors to be elected by such shares, shall be declared elected.

If this proposal is adopted, any director appointed by the Board as a result of a newly created directorship or to fill a vacancy on the Board of Directors would hold office until the next annual meeting.

The proposed amendments to our Restated Certificate of Incorporation under this proposal, as well as proposals 3 and 4, are set forth in Appendix 2, and the Company has shown the changes to the relevant sections of Article VI resulting from the amendment with deletions indicated by strike-outs and additions indicated by both italicizing and underlining. If approved, this proposal will become effective upon the filing of a Certificate of Amendment to our Restated Certificate of Incorporation with the Secretary of State of the State of Delaware, which the Company would do promptly after the annual meeting. At such time, the Board would consider amendments to the Company's Bylaws that would make the Bylaws consistent with the proposed amendment to eliminate the classified Board and eliminate cumulative voting of shares.

Required Vote and Board of Directors Recommendation

Approval of this proposal requires the affirmative vote of at least sixty-six and two-thirds percent (66-2/3%) of the shares of the Company's common stock outstanding as of the Record Date. Abstentions and broker non-votes will be counted as present for purposes of determining if a quorum is present, but will have the same effect as a negative vote on the outcome of this proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO ELIMINATE THE CLASSIFIED BOARD AND TO ELIMINATE CUMULATIVE VOTING.

PROPOSAL 3

APPROVAL OF AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK

The Board of Directors has adopted, subject to stockholder approval, an amendment to the Company's Restated Certificate of Incorporation to increase the Company's authorized number of shares of common stock from 3 billion to 6 billion.

Background of Proposal

Under Delaware law, the Company may only issue shares of common stock to the extent such shares have been authorized for issuance under our Restated Certificate of Incorporation. The Restated Certificate of Incorporation currently authorizes the issuance of up to 3 billion shares of common stock, each having a par value of one-hundredth of one cent (\$0.0001). However, as of December 3, 2004, approximately 1.6 billion shares of common stock were issued and outstanding and approximately 0.3 billion unissued shares were reserved for issuance under our equity compensation plans, leaving approximately 1.1 billion shares of common stock unissued and unreserved. In order to ensure sufficient shares of common stock will be available for issuance by the Company, the Board of Directors has approved, subject to stockholder approval, an amendment to the Company's Restated Certificate of Incorporation to increase the number of shares of such common stock authorized for issuance from 3 billion to 6 billion.

Purpose and Effect of the Amendment

The principal purpose of the proposed amendment to the Restated Certificate of Incorporation is to authorize additional shares of common stock, which will be available in the event the Board of Directors determines that it is necessary or appropriate to permit future stock splits in the form of stock dividends, to raise additional capital through the sale of equity securities, to acquire another company or its assets, to establish strategic relationships with corporate partners, to provide equity incentives to employees and officers or for other corporate purposes. The availability of additional shares of common stock is particularly important in the event that the Board of Directors needs to undertake any of the foregoing actions on an expedited basis and thus to avoid the time and expense of seeking stockholder approval in connection with the contemplated issuance of common stock. If the amendment is approved by the stockholders, the Board does not intend to solicit further stockholder approval prior to the issuance of any additional shares of common stock, except as may be required by applicable law.

The increase in authorized common stock will not have any immediate effect on the rights of existing stockholders. However, the Board will have the authority to issue authorized common stock without requiring future stockholder approval of such issuances, except as may be required by applicable law. To the extent that additional authorized shares are issued in the future, they may decrease the existing stockholders' percentage equity ownership and,

depending on the price at which they are issued, could be dilutive to the existing stockholders. The holders of common stock have no preemptive rights and the Board of Directors has no plans to grant such rights with respect to any such shares.

The increase in the authorized number of shares of common stock and the subsequent issuance of such shares could have the effect of delaying or preventing a change in control of the Company without further action by the stockholders. Shares of authorized and unissued common stock could, within the limits imposed by applicable law, be issued in one or more transactions which would make a change in control of the Company more difficult, and therefore less likely. Any such issuance of additional stock could have the effect of diluting the earnings per share and book value per share of outstanding shares of common stock and such additional shares could be used to dilute the stock ownership or voting rights of a person seeking to obtain control of the Company.

The Board of Directors is not currently aware of any attempt to take over or acquire the Company. While it may be deemed to have potential anti-takeover effects, the proposed amendment to increase the authorized common stock is not prompted by any specific effort or takeover threat currently perceived by management.

If the proposed amendment is approved by the stockholders, Article IV of our Restated Certificate of Incorporation will be amended to read in its entirety as follows:

This corporation is authorized to issue two classes of stock to be designated, respectively, common stock and Preferred Stock. The total number of shares which the corporation is authorized to issue is six billion eight million (6,008,000,000) shares. Six billion (6,000,000,000) shares shall be common stock, each having a par value of one one-hundredth of one cent (\$0.0001). Eight million (8,000,000) shares shall be Preferred Stock, each having a par value of one one-hundredth of one cent (\$0.0001).

These proposed amendments to our Restated Certificate of Incorporation are set forth in Appendix 2, and the Company has shown the above changes to Article IV with deletions indicated by strike-outs and additions indicated by both italicizing and underling. The additional shares of common stock to be authorized pursuant to the proposed amendment will be of the same class of common stock as is currently authorized under the Certificate. The Company does not have any current intentions, plans, arrangements, commitments or understandings to issue any shares of its capital stock except in connection with its existing equity compensation and purchase plans.

Vote Required and Board of Directors Recommendation

Approval of this proposal requires the affirmative vote of the holders of a majority of the shares of the Company's common stock outstanding on the Record Date. Abstentions and broker non-votes will be counted as present for purposes of determining if a quorum is present, but will have the same effect as a negative vote on the outcome of this proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO INCREASE THE NUMBER OF AUTHORIZED SHARES OF COMMON STOCK FROM 3 BILLION TO 6 BILLION.

PROPOSAL 4

**APPROVAL OF AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO
REMOVE
UNNECESSARY AND OUTDATED REFERENCES TO THE COMPANY'S INITIAL PUBLIC OFFERING**

Background of Proposal

The Board of Directors has adopted, subject to stockholder approval, an amendment to the Company's Restated Certificate of Incorporation to remove unnecessary and outdated references to the Company's initial public offering.

Purpose and Effect of the Amendment

The Board, with the assistance of the Governance Committee, has reviewed and evaluated the Company's charter documents including the Restated Certificate of Incorporation. The substance of the Company's Restated Certificate of Incorporation has largely been left unchanged since it was originally formalized on September 10, 1991. Since that date, the Company has undergone a number of significant corporate changes, including its initial public offering. The Board, based upon the Governance Committee's recommendation, now seeks stockholder approval for an amendment

to its Restated Certificate of Incorporation to remove unnecessary and outdated references to the Company's initial public offering.

If this proposal is adopted, no substantive change will occur to the rights and privileges afforded to the Company or its stockholders by the current Restated Certificate of Incorporation as the references to the initial public offering are no longer operative.

These proposed amendments to our Restated Certificate of Incorporation are set forth in Appendix 2, and the Company has shown the changes to the relevant sections, namely Articles VI D and VIII A, resulting from the amendment, with deletions indicated by strike-outs and additions indicated by both italicizing and underlining. Both of these references to the Company's initial public offering in these sections make the remainder of the section ineffective until such time of the initial public offering. Because the initial public offering has occurred, both sections are now effective and deletion of reference to it will not affect these sections' operation.

Vote Required and Board of Directors Recommendation

Approval of this proposal requires the affirmative vote of at least sixty-six and two-thirds percent (66-2/3%) of the shares of the Company's common stock outstanding as of the Record Date. Abstentions and broker non-votes will be counted as present for purposes of determining if a quorum is present, but will have the same effect as a negative vote on the outcome of this proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE FOR APPROVAL OF THE AMENDMENTS TO THE RESTATED CERTIFICATE OF INCORPORATION TO REMOVE UNNECESSARY AND OUTDATED REFERENCES TO THE INITIAL PUBLIC OFFERING.

PROPOSAL 5

RATIFICATION OF SELECTION OF INDEPENDENT ACCOUNTANTS

The Audit Committee of the Board of Directors has selected PricewaterhouseCoopers LLP as the Company's independent accountants for the fiscal year ending September 25, 2005 and has further directed that management submit the selection of independent accountants for ratification by the stockholders at the Annual Meeting. PricewaterhouseCoopers LLP has audited the Company's financial statements since the Company commenced operations in 1985. Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual Meeting, will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Stockholder ratification of the selection of PricewaterhouseCoopers LLP as the Company's independent accountants is not required by the Company's Bylaws or otherwise. However, the Board is submitting the selection of PricewaterhouseCoopers LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in their discretion may direct the appointment of a different independent accounting firm at any time during the year if they determine that such a change would be in the best interests of the Company and its stockholders.

FEES PAID TO PRICEWATERHOUSECOOPERS LLP

Fees for Professional Services

The following table presents fees for professional services rendered by PricewaterhouseCoopers LLP for the audit of the Company's annual financial statements for the years ended September 26, 2004 and September 28, 2003 and fees for other services rendered by PricewaterhouseCoopers LLP during those periods.

Fiscal 2004

Fiscal 2003

Edgar Filing: QUALCOMM INC/DE - Form PRE 14A

Audit Fees(1)	\$4,260,000	\$1,960,000
Audit Related Fees(2)	1,483,000	1,298,000
Tax Fees(3)	97,000	509,000
All Other Fees(4)	7,000	31,000
	<u> </u>	<u> </u>
Total	\$5,847,000	\$3,798,000
	<u> </u>	<u> </u>

-
- (1) Audit Fees consist of fees for professional services rendered for the audit of the Company's consolidated annual financial statements and review of the interim consolidated financial statements included in quarterly reports and services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements. In 2004, audit fees also include fees for professional services rendered for the audits of (i) management's assessment of the effectiveness of internal control over financial reporting and (ii) the effectiveness of internal control over financial reporting.

- (2) Audit-Related Fees consist of fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's consolidated financial statements and are not reported under Audit Fees. This category includes fees principally related to field verification of royalties from licensees.
- (3) Tax Fees consist of fees for professional services rendered for assistance with federal, state and international tax compliance, acquisitions and international tax planning.
- (4) All Other Fees consist of fees for products and services other than the services reported above. These services include fees related to technical publications purchased from the independent auditor and international services unrelated to services reported above.

Fees for professional services rendered by other accounting firms during fiscal 2004 and 2003 were \$4,528,000 and \$2,730,000, respectively.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services of Independent Auditor

The Audit Committee's policy is to pre-approve all audit and non-audit services provided by the independent auditors. These services may include audit services, audit-related services, tax services and other services. Pre-approval is generally provided for up to one year and any pre-approval is detailed as to the particular service or category of services and is subject to a specific budget. The Audit Committee has delegated pre-approval authority to its Chairperson when expedition of services is necessary. The independent auditors and management are required to periodically report to the full Audit Committee regarding the extent of services provided by the independent auditors in accordance with this pre-approval, and the fees for the services performed to date. None and less than 1% of the fees paid to the independent auditors during fiscal 2004 and 2003, respectively, under the categories Audit-Related, Tax and All Other fees described above were approved by the Audit Committee after services were rendered pursuant to the de minimis exception established by the SEC.

Required Vote and Board of Directors Recommendation

The affirmative vote of a majority of the votes cast at the meeting, at which a quorum is present, either in person or by proxy, is required to approve this proposal. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum but will not have any effect on the outcome of the proposal.

THE BOARD UNANIMOUSLY RECOMMENDS A VOTE FOR THE RATIFICATION OF THE SELECTION OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT ACCOUNTANTS FOR THE FISCAL YEAR ENDING SEPTEMBER 25, 2005.

STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the ownership of the Company's common stock as of December 3, 2004 by: (i) each director and nominee for director; (ii) each of the executive officers of the Company named in the Summary Compensation Table under "Compensation of Executive Officers" (the "Named Executive Officers"); and (iii) all executive officers and directors of the Company as a group. Based on currently available Schedules 13D and 13G filed with the SEC, the Company does not know of any beneficial owners of more than 5% of its common stock.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	
	Number of Shares	Percent of Class
Irwin Mark Jacobs(2)	41,039,795	2.48%
Anthony S. Thornley(3)	1,530,695	*
Paul E. Jacobs(4)	3,635,250	*
Steven R. Altman(5)(12)	1,490,982	*
Sanjay K. Jha(12)	1,094,037	*
Richard C. Atkinson(6)(12)	870,306	*
Adelia A. Coffman(7)(12)	606,664	*
Raymond V. Dittamore(8)(12)	24,400	*
Diana Lady Dougan(12)	473,664	*
Robert E. Kahn(12)	697,664	*
Duane A. Nelles(12)	399,004	*
Peter M. Sacerdote (9)(12)	1,532,264	*
Brent Scowcroft(12)	526,248	*
Marc I. Stern(10)(12)	1,124,664	*
Richard Sulpizio(11)	987,135	*
All Executive Officers and Directors as a Group (20 persons)(12)	61,338,752	3.68%

* Less than 1%.

- (1) This table is based upon information supplied by officers and directors. Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, the Company believes that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 1,641,387,299 shares outstanding on December 3, 2004, adjusted as required by rules promulgated by the SEC.
- (2) Includes 29,508,120 shares held in family trusts and 272,156 shares held in a Grantor Retained Annuity Trust for the benefit of Dr. Irwin Jacobs and his spouse. Also includes 11,259,519 shares issuable upon exercise of options exercisable within 60 days of which 2,449,972 shares are held in trusts for the benefit of Dr. Irwin Jacobs and/or his spouse and 1,115,051 shares are held by Dr. Irwin Jacobs' spouse.

- (3) Includes 17,226 shares held in family trusts and 6,158 shares held by family members who live with Mr. Thornley. Also, includes 1,507,311 shares issuable upon exercise of options exercisable within 60 days of which 979 shares would be issuable to Mr. Thornley's son, Christian A. Thornley, who lives with Mr. Thornley and is employed by QUALCOMM. Mr. Thornley disclaims all beneficial ownership in all such stock options issuable by Christian A. Thornley.
- (4) Includes 22,880 shares held for the benefit of Dr. Paul Jacobs' children. Also includes 2,133,980 shares issuable upon exercise of options exercisable within 60 days of which 1,041 are held by Dr. Paul Jacobs' spouse.
- (5) Includes 178,984 shares held in family trusts.
- (6) Includes 427,362 shares held in family trusts, 65,280 shares held in trust for the benefit of relatives.
- (7) Includes 373,000 shares held in family trusts.

- (8) Includes 4,401 shares held in family trusts.
- (9) Includes 114,600 shares held by The Peter M. Sacerdote Investment Partners, L.P., a family partnership, with Peter M. Sacerdote as General Partner and 440,000 shares owned by the Peter M. Sacerdote Foundation which Mr. Sacerdote disclaims all beneficial ownership.
- (10) Includes 715,000 shares held by the Beatrice B. Corporation of which Mr. Stern is the president and 100% owner, and 162,576 shares owned through a grantor trust, which Mr. Stern is the trustee.
- (11) Includes 30,846 shares held in family trusts and 16,800 shares held for the benefit of Mr. Sulpizio's children. Also includes 939,489 shares issuable upon exercise of options exercisable within 60 days of which 1,368 shares are held in trusts for the benefit of Mr. Sulpizio's children for which Mr. Sulpizio's spouse is the trustee.
- (12) Includes shares issuable upon exercise of options exercisable within 60 days as follows: Mr. Altman, 1,311,998 shares; Dr. Jha, 1,071,365 shares; Dr. Atkinson, 377,664 shares; Ms. Coffman, 233,664 shares; Mr. Dittamore, 19,999 shares; Ambassador Dougan, 473,664 shares; Dr. Kahn, 665,664 shares; Mr. Nelles, 297,664 shares; Mr. Sacerdote, 217,664 shares; General Scowcroft, 377,664 shares; Mr. Stern, 247,088 shares; and all directors and executive officers as a group 25,168,457 shares.

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 a registered class of the Company's equity securities to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of the Company. Officers, directors and greater-than-ten-percent stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company and written representations that no other reports were required, during the fiscal year ended September 26, 2004, all Section 16(a) filing requirements were complied with except for (i) one Form 4 filed late for Mr. J. Jacobs, reflecting a stock sale, one Form 4 for Mr. Sulpizio, reflecting a stock purchase, one Form 4 for Mr. Thornley, reflecting four stock option grants to his son Christian Thornley, who is an employee of QUALCOMM and resides with Mr. Thornley, and (ii) one Form 5 filed late for Dr. I. Jacobs reflecting three gifts.

EXECUTIVE COMPENSATION AND OTHER MATTERS

Compensation of Directors

At the beginning of fiscal 2004, each Non-Employee Director of the Company received (i) a fee of \$1,000 for each Board meeting or Board Committee meeting attended, (ii) a fee of \$500 for each Board or Board Committee meeting in which such director participated by telephone, and (iii) a fee of \$2,500 per annum for the Chairperson of each Board Committee. When traveling from out-of-town, the members of the Board of Directors are also eligible for reimbursement for their travel expenses incurred in connection with attendance at Board meetings and Board Committee meetings. Employee Directors do not receive any compensation for their participation in Board meetings or Board Committee meetings. Additionally, each Non-Employee Director of the Company is eligible to participate in a Charitable Matching Gift Program in which the Company will match (up to \$50,000 annually) a Non-Employee Directors' contribution to a qualified, eligible IRS recognized nonprofit organization.

Consistent with its charter to review and approve annually the compensation levels of all directors, in November 2003, the Compensation Committee revised the Board's cash compensation. Effective January 1, 2004,

each Non-Employee Director of the Company receives an annual retainer of \$25,000, paid quarterly. Effective March 2, 2004, each Non-Employee Director of the Company also now receives: (i) a fee of \$2,000 for each Board meeting attended (\$1,000 for attendance by telephone); (ii) a fee of \$1,500 for each Board Committee meeting attended (including attendance by telephone); and (iii) a fee of \$5,000 per annum for the Chairperson of each Board Committee, except for the Audit Committee Chairperson, who receives a fee of \$10,000 per annum. There was no change to the Company's program of reimbursing expenses of traveling to Board or Committee meetings or the Charitable Matching Gift Program.

Non-Employee Directors of the Company are also eligible to receive stock option grants under the Company's 2001 Non-Employee Directors' Stock Option Plan (the "2001 Directors' Plan"). Employee Directors are not eligible to receive stock options under the 2001 Directors' Plan.

The 2001 Directors' Plan provides for an Initial Option grant to purchase 20,000 shares of the Company's common stock to Non-Employee Directors upon first joining the Board (except that a director who was an employee of the Company or certain related entities or designated affiliates and who subsequently becomes a Non-Employee Director as a result of the termination of such employment shall not be eligible to receive an Initial Option) and an Annual Option grant to purchase 10,000 shares of the Company's common stock at the time of each annual meeting to Non-Employee Directors who continue to serve on the Board. A Non-Employee Director that was granted an Initial Option within 270 days prior to the annual meeting does not receive such Annual Option.

All options granted under the Company's Non-Employee Directors' Stock Option Plan (the 'Prior Directors' Plan'), the 1998 Non-Employee Directors' Stock Option Plan (the '1998 Directors' Plan') and the 2001 Directors' Plan have exercise prices equal to the fair market value of the underlying common stock on the date of grant and vest over five years according to the following vesting schedules. Options granted on or after February 27, 2001 under the 2001 Directors' Plan vest according to the following schedule: so long as the optionee continues to serve as a Non-Employee Director or employee of, or consultant to, the Company, 10% of the shares subject to the option will vest on the six-month anniversary of the date of grant, with ratable monthly vesting thereafter. Options granted between January 17, 2000 and February 26, 2001 under the 1998 Directors' Plan vest according to the following schedule: so long as the optionee continues to serve as a Non-Employee Director or employee of, or consultant to, the Company, shares subject to the option will vest on each monthly anniversary of the date of grant. Options granted between November 18, 1996 and January 16, 2000 under the Prior Directors' Plan and under the 1998 Directors' Plan vest according to the following schedule: so long as the optionee continues to serve as a Non-Employee Director or employee of, or consultant to, the Company, 20% of the shares subject to the option will vest on each of the first, second, third, fourth and fifth anniversaries of the date of grant.

The term of all options under the Prior Directors' Plan, the 1998 Directors' Plan and the 2001 Directors' Plan is ten years, but such options generally terminate 30 days after the optionee ceases to be a Non-Employee Director, employee or consultant (including those options granted prior to November 18, 1996, as amended). In the event that an optionee terminates service due to the optionee's (i) retirement at age 70 or older after nine years of service on the Board ('Retirement' as defined in the 1998 Directors' Plan and the 2001 Directors' Plan) or (ii) due to permanent and total disability as defined in Section 22(e)(3) of the Internal Revenue code of 1986, as amended (the 'Code'), the option will terminate only upon expiration of the option term. In the event that an optionee terminates service due to the optionee's death or due to the optionee's termination due to permanent and total disability or Retirement and such termination is followed by death, the vesting of all unvested shares will be accelerated in full as of the date of the optionee's death and the option may be exercised in full at any time within one year of such termination or upon the original expiration date, whichever is earlier. In addition to the foregoing, the vesting of options granted under the Prior Directors' Plan, the 1998 Directors' Plan and the 2001 Directors' Plan accelerate in connection with specified change of control transactions.

During the fiscal year ended Sepoman', Times, serif; TEXT-ALIGN: left">12.

CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)
EXCLUDES CERTAIN SHARES ☐

13.
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

4.3% (2)

14.
TYPE OF REPORTING PERSON

OO

(1) Includes 69,491 Shares issuable upon the conversion of Preferred Stock. See Item 5(a).

(2) Calculated in accordance with the Blocker restrictions of the Preferred Stock. See Item 5(a).

1. NAMES OF REPORTING PERSONS

1. I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Capital Group, LP

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) ☒

(b) ☐

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF, OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

120,000 (1)

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

120,000 (1)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

120,000 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)

EXCLUDES CERTAIN SHARES ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.3% (2)

14. TYPE OF REPORTING PERSON

PN

(1) Includes 120,000 Shares issuable upon the conversion of Preferred Stock. See Item 5(a).

(2) Calculated in accordance with the Blocker restrictions of the Preferred Stock. See Item 5(a).

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Luxor Management, LLC

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) ☒

(b) ☐

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

120,000 (1)

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

120,000 (1)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

120,000 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)

EXCLUDES CERTAIN SHARES ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.3% (2)

14. TYPE OF REPORTING PERSON

OO

(1) Includes 120,000 Shares issuable upon the conversion of Preferred Stock. See Item 5(a).

(2) Calculated in accordance with the Blocker restrictions of the Preferred Stock. See Item 5(a).

1. NAMES OF REPORTING PERSONS

I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Christian Leone

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(a) ☒

(b) ☐

3. SEC USE ONLY

4. SOURCE OF FUNDS

AF

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ☐

6. CITIZENSHIP OR PLACE OF ORGANIZATION

USA

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH:

7. SOLE VOTING POWER

0

8. SHARED VOTING POWER

120,000 (1)

9. SOLE DISPOSITIVE POWER

0

10. SHARED DISPOSITIVE POWER

120,000 (1)

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

120,000 (1)

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11)

EXCLUDES CERTAIN SHARES ☐

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.3% (2)

14. TYPE OF REPORTING PERSON

IN

(1) Includes 120,000 Shares issuable upon the conversion of Preferred Stock. See Item 5(a).

(2) Calculated in accordance with the Blocker restrictions of the Preferred Stock. See Item 5(a).

The following constitutes Amendment No. 15 to the Schedule 13D filed by the undersigned ("Amendment No. 15"). This Amendment No. 15 amends the Schedule 13D, as previously amended, by updating the percentage ownership for certain of the filers in order to give proper effect to the Blocker restrictions of the Preferred Stock.

Item 5. Interest in Securities of the Issuer.

Item 5(a) is hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 1,530,463 Shares outstanding, which is the total number of Shares outstanding as of February 22, 2017 as reported on the Issuer's Annual Report filed on Form 10-K with the Securities and Exchange Commission on March 1, 2017.

The Series A Convertible Preferred Stock, Par Value \$0.01 Per Share ("Preferred Stock"), reported owned by the Reporting Persons contain "blocker" provisions that could restrict the Reporting Persons' ability to convert all or a portion of the Preferred Stock to the extent that in no event will any holder of Preferred Stock be allowed to accept an aggregate number of Shares (taking into account Shares obtained upon conversion of the Preferred Stock or otherwise) that, when taken together with the Shares beneficially owned by such holder and any affiliates of such holder, collectively exceeds 9.9% of the Shares outstanding on the trading date immediately prior to the date of conversion (the "Blocker").

As of the date hereof, the Onshore Fund may be deemed to have beneficially owned 23,749 Shares, the Offshore Master Fund may be deemed to have beneficially owned 31,102 Shares, the Wavefront Fund may be deemed to have beneficially owned 12,214 Shares, the Thebes Master Fund may be deemed to have beneficially owned 2,426 Shares, the Onshore Liquidating SPV may be deemed to have beneficially owned 18,820 Shares and the Offshore Liquidating SPV may be deemed to have beneficially owned 26,798 Shares, constituting approximately 1.5%, 2.0%, less than 1%, less than 1%, 1.2% and 1.7%, respectively, of the outstanding Shares. All shares beneficially owned by the Onshore Fund, the Offshore Master Fund, the Wavefront Fund, the Thebes Master Fund, the Onshore Liquidating SPV and the Offshore Liquidating SPV are Shares issuable upon the conversion of Preferred Stock.

The Offshore Feeder Fund, as the owner of a controlling interest in the Offshore Master Fund, may be deemed to have beneficially owned the 31,102 Shares beneficially owned by the Offshore Master Fund, constituting approximately 2.0% of the outstanding Shares. The Thebes Feeder Fund, as the owner of a controlling interest in the Thebes Master Fund, may be deemed to have beneficially owned the 2,426 Shares beneficially owned by the Thebes Master Fund, constituting less than 1% of the Shares outstanding.

LCG Holdings, as the general partner of the Onshore Fund, the Wavefront Fund, the Offshore Master Fund and the Thebes Master Fund, may be deemed to have beneficially owned the 69,491 Shares beneficially owned in the aggregate by the Onshore Fund, the Wavefront Fund, the Offshore Master Fund and the Thebes Master Fund, constituting approximately 4.3% of the Shares outstanding calculated in accordance with the Blocker restrictions.

Luxor Capital Group, as the investment manager of the Luxor Funds, the Offshore Liquidating SPV and the Separately Managed Account, and as the manager of the Onshore Liquidating SPV, may be deemed to have beneficially owned 120,000 Shares, including the 69,491 Shares owned in the aggregate by the Luxor Funds and the 50,509 Shares beneficially owned in the aggregate by the Liquidating SPVs and the Separately Managed Account, constituting approximately 7.3% of the Shares outstanding calculated in accordance with the Blocker restrictions. All shares beneficially owned by the Separately Managed Account are Shares issuable upon the conversion of Preferred Stock.

Luxor Management, as the general partner of Luxor Capital Group, may be deemed to have beneficially owned the 120,000 Shares beneficially owned by Luxor Capital Group, constituting approximately 7.3% of the Shares outstanding calculated in accordance with the Blocker restrictions.

Mr. Leone, as the managing member of Luxor Management, may be deemed to have beneficially owned the 120,000 Shares owned by Luxor Management, constituting approximately 7.3% of the Shares outstanding calculated in accordance with the Blocker restrictions.

Item 5(c) is hereby amended to add the following:

(c) The transactions effected by the Reporting Persons since the filing of Amendment No. 14 to the Schedule 13D, are set forth on Schedule B attached hereto.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

The first paragraph of Item 6 is hereby amended and restated to read as follows:

The Offshore Master Fund has entered into notional principal amount derivative agreements (the "Derivative Agreements") in the form of cash settled swaps with respect to 1,723 Shares. The Derivative Agreements provide the Offshore Master Fund with economic results that are comparable to the economic results of ownership but do not provide it with the power to vote or direct the voting or dispose of or direct the disposition of the Shares that are the subject of the Derivative Agreements (such Shares, the "Subject Shares"). The Offshore Master Fund disclaims beneficial ownership in the Subject Shares. The counterparties to the Derivative Agreements are unaffiliated third party financial institutions.

SIGNATURES

After reasonable inquiry and to the best of its knowledge and belief, each of the undersigned certifies that the information with respect to it set forth in this statement is true, complete, and correct.

Dated: March 27, 2017

LUXOR CAPITAL
PARTNERS, LP

By: LCG Holdings, LLC
General Partner

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR WAVEFRONT,
LP

By: LCG Holdings, LLC
General Partner

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL
PARTNERS OFFSHORE
MASTER FUND, LP

By: LCG Holdings, LLC
General Partner

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL
PARTNERS OFFSHORE,
LTD.

Luxor Capital Group,
By: LP
Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

THEBES OFFSHORE
MASTER FUND, LP

By: LCG Holdings, LLC
General Partner

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

THEBES PARTNERS
OFFSHORE, LTD.

Luxor Capital Group,
By: LP
Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL
PARTNERS
LIQUIDATING SPV, LLC

Luxor Capital Group,
By: LP
Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL
PARTNERS OFFSHORE
LIQUIDATING SPV,
LTD.

Luxor Capital Group,
By: LP
Investment Manager

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR CAPITAL
GROUP, LP

Luxor Management,
By: LLC
General Partner

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LCG HOLDINGS, LLC

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

LUXOR MANAGEMENT,
LLC

By: /s/ Norris Nissim
Name: Norris Nissim
Title: General Counsel

/s/ Norris Nissim
NORRIS NISSIM, as Agent for Christian Leone

SCHEDULE B

TRANSACTIONS EFFECTED BY THE REPORTING PERSONS SINCE THE FILING OF AMENDMENT NO. 14 TO THE SCHEDULE 13D

<u>Class of Security</u>	<u>Amount of Securities</u> <u>(Sold)</u>	<u>Price (\$)</u>	<u>Date of</u> <u>Transactions</u>
--------------------------	--	-------------------	---------------------------------------

LUXOR CAPITAL PARTNERS OFFSHORE MASTER FUND, LP

Common Stock	(39,256)	50.0000	3/23/2017
Common Stock	(50,000)	52.5000	3/23/2017