GLOBECOMM SYSTEMS INC
Form DEFM14A
October 21, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

PROXY STATEMENT PURSUANT TO SECTION 14(a)

OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant þ

Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

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

þ Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

GLOBECOMM SYSTEMS INC.

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

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

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

(4) Proposed maximum aggregate value of transaction:

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

GLOBECOMM SYSTEMS INC.

45 Oser Avenue

Hauppauge, New York 11788

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

to be held on November 22, 2013

Dear Globecomm Stockholder:

Globecomm Systems Inc., a Delaware corporation (Globecomm), will hold a special meeting of stockholders at Globecomm s principal executive offices at 45 Oser Avenue, Hauppauge, New York 11788 at 10:00 a.m., local time, on November 22, 2013, for the following purposes:

1. To consider and vote on a proposal to adopt the Agreement and Plan of Merger, dated as of August 25, 2013, as it may be amended from time to time (the merger agreement), by and among Globecomm, Wasserstein Cosmos Co-Invest, L.P., a Delaware limited partnership (Parent), and Cosmos Acquisition Corp., a Delaware corporation and an indirect wholly owned subsidiary of Parent.

2. To approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes in favor of adoption of the merger agreement at the time of the special meeting.

3. To consider and vote on a proposal to approve, on a non-binding, advisory basis, certain compensation that may or will be paid by Globecomm to its named executive officers that is based on or otherwise relates to the merger.

4. To act upon other business as may properly come before the special meeting and any and all adjourned or postponed sessions thereof.

Only record holders of common stock, par value $0.001 per share, of Globecomm (the Globecomm common stock) at the close of business on October 9, 2013 are entitled to receive notice of, and will be entitled to vote at, the special meeting.

Under Delaware law, if the merger is completed, holders of Globecomm common stock who do not vote in favor of adoption of the merger agreement will have the right to seek appraisal of the fair value of their shares as determined by the Delaware Court of Chancery. In order to exercise your appraisal rights, you must deliver to Globecomm a written demand for an appraisal prior to the stockholder vote on the merger agreement, not vote in favor of adoption of the merger agreement and comply with other Delaware law procedures explained herein. A copy of Section 262 of the Delaware General Corporation Law (Section 262), the statute that governs appraisal rights, is reproduced in Annex C to the accompanying proxy statement.

Our board of directors unanimously recommends that you vote FOR the proposal to adopt the merger agreement, FOR the adjournment proposal and FOR the named executive officer merger-related compensation proposal.

Your vote is important and we urge you to vote electronically through the Internet or by telephone by following the instructions included with your proxy card, or complete, sign, date and return your proxy card as promptly as possible by mail in the accompanying reply envelope, whether or not you expect to attend the special meeting. If you are unable to attend in person and you return your proxy card, your shares will be voted at the special meeting in accordance with your proxy. If your shares are held in street name by your broker or other nominee, only that holder can vote your shares unless you obtain a valid legal proxy from such broker or nominee. You should follow the directions provided by your broker or nominee regarding how to instruct such broker or nominee to vote your shares.

The merger is described in the accompanying proxy statement, which we urge you to read carefully as it sets forth details of the merger and other important information relating to the merger. A copy of the merger agreement is attached as Annex A to the proxy statement. **If you have any questions or need assistance with voting, please contact MacKenzie Partners, Inc. who is assisting us with the solicitation, toll-free at (800) 322-2885 or collect at (212) 929-5500 if you are calling from outside North America.**

By Order of the Board of Directors,

Julia Hanft
Corporate Secretary

October 21, 2013

The accompanying proxy statement is dated October 21, 2013 and, together with the enclosed form of proxy card, is first being mailed to Globecomm stockholders on or about October 23, 2013.

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SUMMARY TERM SHEET

This Summary Term Sheet, together with the Questions and Answers about the Special Meeting and the Merger, summarizes the material information in the proxy statement. You should carefully read this entire proxy statement and the other documents to which this proxy statement refers you for a more complete understanding of the matters being considered at the special meeting. In addition, this proxy statement incorporates by reference important business and financial information about Globecomm. You may obtain the information incorporated by reference into this proxy statement without charge by following the instructions in Where You Can Find More Information on page 109 of this proxy statement.

References to Globecomm, the Company, we, our or us in this proxy statement refer to Globecomm Systems Inc. and its subsidiaries, u otherwise indicated by the context.

The Parties to the Merger (see page 56)

Globecomm Systems Inc., a Delaware corporation, is a leading provider of satellite-based communications infrastructure solutions and services on a global basis, offering a comprehensive suite of design, engineering, installation and integration solutions, managed network services and lifecycle support services. Globecomm s principal executive offices are located at 45 Oser Avenue, Hauppauge, New York 11788, and its telephone number is (631) 231-9800.

Wasserstein Cosmos Co-Invest, L.P., which we refer to as Parent, is a newly formed Delaware limited partnership that was formed by Wasserstein & Co., LP, which we refer to as Wasserstein & Co., solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement. Parent has not engaged in any business except for activities incident to its formation and in connection with the transactions contemplated by the merger agreement. Wasserstein & Co. is the general partner of Parent. The principal office address of Parent is c/o Wasserstein & Co., LP, 1301 Avenue of the Americas, 41st Floor, New York New York 10019, and its telephone number is (212) 702-5600.

Cosmos Acquisition Corp., which we refer to as Merger Sub, is a Delaware corporation and an indirect wholly owned subsidiary of Parent. Merger Sub was formed solely for the purpose of entering into the merger agreement and consummating the transactions contemplated by the merger agreement. Merger Sub has not engaged in any business except for activities incident to its incorporation and in connection with the transactions contemplated by the merger agreement. The principal office address of Merger Sub is c/o Wasserstein & Co., LP, 1301 Avenue of the Americas, 41st Floor, New York New York 10019, and its telephone number is (212) 702-5600.

The Structure of the Merger and the Merger Agreement

The Structure of the Merger (see page 62). You are being asked to vote to adopt an agreement and plan of merger, dated as of August 25, 2013, by and among Globecomm, Parent and Merger Sub, as it may be amended from time to time, which agreement we refer to as the merger agreement. Pursuant to the merger agreement, Merger Sub will merge with and into Globecomm, which we refer to as the merger. Globecomm, which we sometimes refer to as the surviving corporation, will be the surviving corporation in the merger and will continue to do business as Globecomm following the merger. As a result of the merger, Globecomm will cease to be an independent, publicly traded company and will become an indirect wholly owned subsidiary of Parent.

Merger Consideration (see page 63). Subject to the following sentence, if the merger is completed, each share of our common stock, which we refer to as Globecomm common stock, will be converted into the right to receive $14.15 in cash, without interest and less any applicable withholding taxes, which we refer to as the merger consideration. The following shares of Globecomm common stock will not be converted into merger consideration in connection with the merger:

- shares held by any of our stockholders who are entitled to and who properly exercise, and do not withdraw or lose, appraisal rights under the General Corporation Law of the State of Delaware, which we refer to as the DGCL;
- shares held by the Company as treasury stock; and
- shares owned by Parent or any subsidiary of either Globecomm or Parent.

Treatment of Options (see page 64). In accordance with the terms of the merger agreement, each option to purchase shares of Globecomm common stock, which we refer to as Globecomm stock options, under any employee stock option or compensation plan or arrangement of the Company that is outstanding immediately prior to the completion of the merger, whether or not then exercisable or vested, will automatically be cancelled immediately prior to the completion of the merger, and, subject to applicable withholding taxes, the holder will be entitled to receive an amount in cash equal to the product of (i) the excess, if any, of (a) the merger consideration over (b) the exercise price per share of Globecomm common stock subject to such Globecomm stock option, and (ii) the total number of shares of Globecomm common stock subject to such Globecomm stock option as in effect immediately prior to the completion of the merger, without interest and with the aggregate amount of such payment rounded down to the nearest cent.

Treatment of Globecomm Restricted Shares (see page 64). Upon consummation of the merger, each restricted share representing a share of Globecomm common stock, which we refer to as a Globecomm restricted share, will, to the extent not already fully vested, vest, and each holder of such Globecomm restricted share will be entitled to receive the merger consideration for each Globecomm restricted share, without interest and less any applicable withholding taxes.

Treatment of Other Globecomm Equity-Based Rights (see page 64). Upon consummation of the merger, each award of a right entitling the holder thereof to shares of Globecomm common stock or cash equal to or based on the value of Globecomm common stock (other than Globecomm common stock options and Globecomm restricted shares) that is outstanding immediately prior to the completion of the merger will automatically be cancelled by virtue of the merger, and the holder will be entitled to receive the merger consideration for each such right.

Conditions to the Completion of the Merger (see page 65). Each party s obligation to complete the merger is subject to the satisfaction or waiver (to the extent permitted by applicable law) of the following closing conditions:

- the proposal to adopt the merger agreement shall have been approved by the affirmative vote of the holders of at least a majority of the outstanding shares of Globecomm common stock entitled to vote thereon;
- no order issued by any governmental authority shall be in effect (whether temporary, preliminary or permanent) restraining, enjoining or otherwise prohibiting the consummation of the merger, and no applicable law shall be in effect that prohibits or makes illegal or otherwise restrains the consummation of the merger;

any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which we refer to as the HSR Act, and the International Traffic in Arms Regulations, which we refer to as ITAR, relating to the merger shall have expired or terminated and any National Industrial Security Program Operating Manual, which we refer to as NISPOM, requirements shall have been met;

Parent or the Company shall have been notified by the Committee on Foreign Investment in the United States, which we refer to as CFIUS, that (i) it has determined that it lacks jurisdiction over the transactions contemplated by the merger agreement or has concluded its review and determined not to conduct a full investigation and that there are no unresolved national security issues with respect to the transaction or (ii) if a full investigation is required, the United States government will not take action to prevent the consummation of the transactions contemplated by the merger agreement; and

certain consents shall have been received from the Federal Communications Commission, which we refer to as the FCC, and certain other actions relating to Globecomm s FCC licenses shall have been completed.

Additionally, the obligation of Parent and Merger Sub to complete the merger is subject to the satisfaction of or waiver (to the extent permitted by applicable law) of the following other conditions:

Globecomm shall have performed in all material respects all of its obligations required to be performed by it under the merger agreement at or prior to the effective time of the merger;

Globecomm s representations and warranties shall be true in all respects as of the date of the merger agreement and as of the date of the completion of the merger (or, in the case of representations and warranties that by their terms address matters only as of another specified time, as of that time), subject to the varying materiality standards set forth in the merger agreement;

Globecomm s Closing Condition Adjusted EBITDA, as defined in The Merger Agreement Conditions to the Completion of the Merger beginning on page 65 of this proxy statement, for the most recent 12-calendar months ending 30 days or more prior to the closing of the merger (or, if the final month in such 12-calendar month period is September, 45 days) shall have met or exceeded $32,000,000 until and including the 12-month period ending November 30, 2013;

Parent shall have received a certificate signed by an authorized executive officer of Globecomm certifying that the conditions described in the preceding three bullet points have been satisfied;

since the date of the merger agreement, there shall not have occurred any change, effect, development or circumstance that would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, as defined in The Merger Agreement Definition of Material Adverse Effect beginning on page 70 of this proxy statement;

there shall not be any pending or threatened proceeding in writing by a governmental authority against Globecomm, Parent or Merger Sub or any of their officers or directors that could reasonably be expected to materially and adversely affect the ability of Parent to consummate the merger or that seeks to enjoin the transactions contemplated by the merger agreement;

Globecomm shall not have (i) published or become obligated to file or publish any press release or file a report with the Securities and Exchange Commission, which we refer to as the SEC, to the effect that prior financial statements of Globecomm filed with the SEC may no longer be relied upon or (ii) announced that the audit committee of our board of directors is conducting an investigation of accounting matters; and

Globecomm and its subsidiaries shall not have been debarred from any contracting with any federal governmental authority of the United States.

The obligation of Globecomm to complete the merger is subject to the satisfaction or waiver (to the extent permitted by applicable law) of the following other conditions:

each of Parent and Merger Sub shall have performed in all material respects all of its obligations required to be performed by it under the merger agreement at or prior to the effective time of the merger;

Parent s and Merger Sub s representations and warranties shall be true and correct as of the date of the merger agreement and as of the completion of the merger (or, in the case of representations and warranties that by their terms address matters only as of another specified time, as of such time), except where the failure to be true and correct (without regard to any qualifications or exceptions as to materiality contained in such representations and warranties), would not, individually or in the aggregate, impair, prevent or delay in any material respect the ability of each of Parent or Merger Sub to perform its obligations under the merger agreement; and

Globecomm shall have received a certificate signed by an authorized executive officer of Parent certifying that the conditions described in the preceding two bullet points have been satisfied.

Conduct of Business Pending the Merger (see page 71). We have agreed to refrain from certain enumerated actions between the date of the merger agreement and the completion of the merger without Parent s consent, including actions that are outside the ordinary course of our business. See The Merger Agreement Conduct of Business Pending the Merger beginning on page 71 of this proxy statement.

No Solicitation by Globecomm (see page 74). Subject to the exceptions described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, Globecomm has agreed that neither Globecomm nor any of its subsidiaries will, nor will Globecomm or any of its representatives, directly or indirectly:

solicit, initiate or take any action to knowingly facilitate or encourage the submission of any acquisition proposal;

enter into or participate in any negotiations with, or furnish any information relating to Globecomm or any of its subsidiaries or afford access to the business, properties, assets, books or records of the Company or any of its subsidiaries to, any third party relating to an acquisition proposal or any inquiry, proposal or request for information that may reasonably be expected to lead to an acquisition proposal;

enter into any merger agreement, letter of intent, agreement in principle, share purchase agreement, asset purchase agreement, share exchange agreement, option agreement or other similar contract relating to an acquisition proposal (other than a confidentiality agreement entered into in accordance with the terms of the merger agreement);

fail to make, or withdraw, qualify or modify in a manner adverse to Parent, or publicly propose to withdraw, qualify or modify, the recommendation of our board of directors to Globecomm s stockholders to adopt the merger agreement or fail to include the recommendation of our board of directors with respect to the merger in this proxy statement;

take any action to exempt any third party from the provisions of any state takeover statute;

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approve, adopt or recommend to Globecomm s stockholders, or publicly propose to approve, adopt or recommend to Globecomm s stockholders any acquisition proposal, which, together with any action described in the two preceding bullet points, we refer to as an adverse recommendation change; or

resolve or propose to do any of the foregoing.

Our board of directors, at any time prior to the adoption of the merger agreement by Globecomm s stockholders, may withdraw its recommendation, which would be an adverse recommendation change, if (i) Globecomm receives an acquisition proposal that was not the result of a breach of the merger agreement and our board of directors determines in good faith, after consultation with outside financial advisors and outside legal counsel, that such proposal constitutes a superior proposal, as defined in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, or (ii) an intervening event, as defined in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, has occurred and our board of directors determines in good faith, based on the opinion of outside legal counsel and after consultation with its outside financial advisors and outside legal counsel, that the failure to take such action would breach its fiduciary duties under applicable law, in each case, subject to Globecomm s notification to Parent of such superior proposal or intervening event and the right of Parent to match such superior proposal and to increase its bid with respect to an intervening event.

However, subject to the satisfaction of certain notice provisions and other requirements as described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, Globecomm may:

engage in negotiations or discussions with any third party and its representatives or financing sources if such third party has made an acquisition proposal after the date of the merger agreement that our board of directors determines in good faith constitutes or is reasonably likely to result in a superior proposal by the third party;

furnish to such third party or its representatives or financing sources information, including nonpublic information, relating to Globecomm or any of its subsidiaries or afford access to the business, properties, assets, books and records of Globecomm and its subsidiaries pursuant to a confidentiality agreement with terms no less favorable than the confidentiality agreement entered into in connection with the merger agreement, provided that all such information (to the extent not previously provided or made available to Parent) is provided or made available to Parent prior to or substantially concurrently with the time it is provided to such third party; and

take any nonappealable, final action required by applicable law and any action that any court of competent jurisdiction requires Globecomm to take.

Termination of the Merger Agreement (see page 82). The merger agreement may be terminated at any time before the completion of the merger, whether before or after Globecomm s stockholders have adopted the merger agreement, as follows:

By mutual written agreement of Parent and Globecomm;

By either Parent or Globecomm, if, subject to certain exceptions and limitations:

the merger has not been consummated by February 25, 2014, which we refer to as the outside date, subject to extension upon the written agreement of Parent and Globecomm;

there is any applicable law that makes completion of the merger illegal or otherwise prohibited or that permanently enjoins Globecomm or Parent from completing the merger and such injunction has become final and nonappealable; or

no adverse recommendation change has occurred but Globecomm s stockholders fail to adopt the merger agreement at a Globecomm stockholders meeting called for that purpose (or at any adjournment or postponement thereof).

By Parent, subject to certain exceptions and limitations, in certain additional instances:

(i) prior to Globecomm stockholder approval if there is an adverse recommendation change, (ii) prior to Globecomm stockholder approval if Globecomm materially breaches its obligations relating to non-solicitation as described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, or (iii) if Globecomm (a) publishes or becomes obligated to file or publish any press release or file a report with the SEC to the effect that prior financial statements of Globecomm filed with the SEC may no longer be relied on or (b) announces that the audit committee is conducting an investigation of accounting matters; or

if there has been a material breach by Globecomm of any representation or warranty or failure to perform any covenant or agreement that results in failure of applicable conditions and that cannot be cured by the outside date or, if curable, within 30 days.

By Globecomm, subject to certain exceptions and limitations, in certain additional instances:

if an adverse recommendation change has occurred and our board of directors has approved our entry into a definitive agreement providing for a superior proposal, provided that Globecomm has complied with its obligations relating to non-solicitation as described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, and paid the applicable termination fee;

if there has been a material breach by Parent of any representation or warranty or failure to perform any covenant or agreement that results in failure of applicable conditions and that cannot be cured by the outside date or, if curable, within 30 days;

if all conditions to closing have been satisfied (other than those to be satisfied at closing or that have not been satisfied due to the failure of Parent or Merger Sub to perform their obligations under the merger agreement), Parent and Merger Sub fail to consummate the merger within two business days of the date on which the closing should have occurred and Globecomm is ready and willing to consummate the merger; or

if an adverse recommendation change has occurred and the Globecomm stockholders fail to approve the merger at the stockholders meeting called for that purpose.

Termination Fees and Expenses (see page 84). The merger agreement provides for termination fees to be paid by either Globecomm or Parent in certain circumstances.

Termination Fee Payable by Globecomm Globecomm has agreed to pay Parent a cash termination fee, which we refer to as the Globecomm termination fee, if the Merger is terminated under specified circumstances, in the amount of:

$10,200,000, if Parent terminates the merger agreement (i) prior to Globecomm stockholder approval, if there is an adverse recommendation change, (ii) prior to

Globecomm stockholder approval, if Globecomm materially breaches its obligations related relating to non-solicitation as described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, or (iii) if Globecomm (a) publishes or becomes obligated to file or publish any press release or file a report with the SEC to the effect that prior financial statements of Globecomm filed with the SEC may no longer be relied on or (b) announces that the audit committee is conducting an investigation of accounting matters;

$10,200,000, if Globecomm terminates the merger agreement due to an adverse recommendation change and our board of directors has approved our entry into a definitive agreement providing for a superior proposal;

$10,200,000, if Globecomm terminates the merger agreement because an adverse recommendation change has occurred and Globecomm stockholders did not adopt the merger agreement at the stockholders meeting called for that purpose;

$10,200,000, if either Globecomm or Parent terminates the merger agreement as a result of (i) Globecomm stockholder approval not having been obtained and the merger agreement failing to be consummated by the outside date or (ii) Globecomm stockholders fail to adopt the merger agreement at the stockholders meeting when there has been no adverse recommendation change and, in each case, prior to such termination an acquisition proposal was publicly disclosed and Globecomm enters into a definitive agreement or consummates an acquisition proposal within 12 months from the date of such termination; or

$3,400,000, reflecting a reasonable estimate of Parent and Merger Sub s out-of-pocket fees and expenses (including fees and expenses of third party advisors), overhead costs and charges and lost opportunity costs, if the merger agreement is terminated because Globecomm stockholders failed to adopt the merger agreement at the stockholders meeting when there has been no adverse company recommendation change. However, no such fee will be payable by Globecomm if at the time of termination Globecomm would have been entitled to terminate the merger agreement as a result of an uncured breach by Parent or Merger Sub of any of their covenants or representations or warranties, which breach would result in the failure of a closing condition. In the event that Globecomm pays the $3,400,000 fee and a Globecomm termination fee of $10,200,000 subsequently becomes payable because an acquisition proposal was publicly disclosed prior to the termination and Globecomm enters into a definitive agreement or consummates an acquisition proposal within 12 months from such date of termination, then the fee paid by Globecomm in the amount of $3,400,000 will be credited against the subsequent $10,200,000 payment.

Termination Fee Payable by Parent Parent has agreed to pay Globecomm a termination fee of $15,600,000, which we refer to as the Parent termination fee, if (i) Globecomm terminates the merger agreement when all conditions to closing have been satisfied (other than those to be satisfied at closing or that have not been satisfied due to the failure of Parent or Merger Sub to perform their obligations under the merger agreement) and Parent and Merger Sub fail to consummate the merger within two business days of the date on which the closing should have occurred and Globecomm is ready and willing to consummate the merger or (ii) Parent terminates the merger agreement as a result of the failure of the merger to be consummated by the outside

date and Globecomm would have been entitled to terminate the merger agreement at such time, in accordance with the circumstances described in (i). See The Merger Agreement Termination Fee Payable by Parent. An affiliate of Wasserstein & Co., which we refer to as the guarantor, has provided Globecomm with a limited guaranty in favor of Globecomm, which we refer to as the limited guaranty, guaranteeing the payment of any Parent termination fee that may become payable by Parent as described in The Merger Limited Guaranty beginning on page 44 of this proxy statement.

Exclusive Remedy If either party receives a termination fee or reimbursement of expenses in accordance with the provisions of the merger agreement, the payment of the termination fee (and the rights and remedies of Globecomm available under the equity financing and the limited guaranty, as described in The Merger Financing of the Merger beginning on page 42 of this proxy statement and in The Merger Limited Guaranty beginning on page 44 of this proxy statement, respectively) will constitute the sole and exclusive monetary remedy of Parent and Globecomm in connection with the termination of the merger agreement. In all events, the liability under the limited guaranty is limited to the amount of any termination fee payable by Parent.

Expense Reimbursement (see page 86). As provided in the merger agreement, Globecomm paid to Parent $2,000,000, which we refer to as the Parent reimbursement amount, to reimburse Parent and Merger Sub for its fees, expenses and costs incurred in connection with the merger agreement and the transactions contemplated thereby prior to August 25, 2013. Parent is obligated to refund to Globecomm the Parent reimbursement amount in the event that the merger agreement is terminated by either Parent or Globecomm because the merger is not consummated on or before the outside date as a result of the failure of the closing condition requiring certain FCC consents (unless a breach of the merger agreement by Globecomm was the principal cause of the failure of such closing condition to be satisfied), except that Parent will not be required to refund to Globecomm the Parent reimbursement amount in the event that Parent provides Globecomm with written notice that it is willing to extend the outside date to no later than May 27, 2014 in order to cause the conditions relating to FCC consents to be satisfied and Globecomm does not agree to such extension.

Specific Performance (see page 86)

Subject to certain exceptions and limitations (including with respect to the payment of termination fees), each of Globecomm, Parent and Merger Sub agreed that, in addition to other remedies, the parties will be entitled to an injunction, specific performance and other equitable relief to prevent breaches of the merger agreement and to specifically enforce the terms and provisions of the merger agreement.

Additionally, prior to the earlier to occur of the termination of the merger agreement and the closing of the merger, subject to certain exceptions and limitations and the satisfaction of certain conditions, Globecomm is entitled to seek specific performance to cause Parent or Merger Sub to draw down the full proceeds of the equity financing (as described in detail in The Merger Financing of the Merger beginning on page 42 of this proxy statement) and to cause Parent or Merger Sub to consummate the transactions contemplated by the merger agreement. Subject to certain exceptions and limitations and the satisfaction of certain conditions, Globecomm is further entitled to seek specific performance to cause Parent and Merger Sub to enforce the terms of the debt financing commitment (as described in detail in The Merger Financing of the Merger beginning on page 42 of this proxy statement); however, in no event is Globecomm permitted to seek specific performance directly against the party providing the debt financing.

Delisting and Deregistration of Globecomm Common Stock (see page 41)

Globecomm common stock is currently registered under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and is quoted and traded on The NASDAQ Global Market, which we refer to as NASDAQ, under the symbol GCOM. As a result of the merger, Globecomm will become a privately held corporation, and there will be no public market for its common stock. After the merger, the Globecomm common stock will cease to be quoted and traded on NASDAQ, and price quotations with respect to sales of shares of common stock in the public market will no longer be available. In addition, registration of the Globecomm common stock under the Exchange Act will be terminated, and we will no longer file periodic reports with the SEC on account of our common stock.

Financing of the Merger (see page 42)

We anticipate that the total amount of funds necessary to complete the merger and the related transactions, including the funds needed to:

- pay our stockholders the amounts due under the merger agreement;
- make payments in respect of Globecomm stock options, Globecomm restricted shares and other Globecomm equity-based rights pursuant to the merger agreement;
- repay and discharge all principal amounts outstanding pursuant to the Credit Agreement, dated July 18, 2011, by and among Globecomm, Citibank, N.A., as administrative agent, and the lenders party thereto, as amended, which we refer to as the existing credit agreement; and
- pay all fees and expenses payable by Parent and Merger Sub under the merger agreement and Merger Sub s agreements with its lenders (and related transactions), other than fees and expenses already reimbursed via the Parent reimbursement amount,

will be approximately $365,000,000. This amount will be funded through a combination of:

- Equity financing of up to $84,500,000 to be provided to Parent or caused to be provided to Parent immediately prior to the closing of the merger by Wasserstein & Co. and certain of its affiliates and co-investors;
- Borrowings of up to $205,000,000 under a senior secured term loan facility and $30,000,000 under a senior secured revolving credit facility (revolver borrowings are not expected to be made on the closing of the merger unless necessary to cash collateralize outstanding letters of credit); and
- Globecomm s freely available cash at closing.

In connection with the financing of the merger, Parent has entered into an equity commitment letter, dated as of August 25, 2013, which we refer to as the equity financing commitment, with an affiliate of Wasserstein & Co., and entered into a debt commitment letter, dated as of August 25, 2013, which we refer to as the debt financing commitment, with Highbridge Principal Strategies, LLC, on behalf of its affiliates, which we refer to as Highbridge. We refer to the financing contemplated by the equity financing commitment and the debt financing commitment as the equity financing and debt financing, respectively, and we refer to the equity financing commitment and the debt financing commitment together as the financing commitments. We believe the amounts committed under the financing commitments, together with the available cash held by

Globecomm, will be sufficient to complete the merger, but we cannot assure you of that. Those amounts might be insufficient if, among other things, one or more of the parties to the financing commitments fails to fund the committed amounts in breach of such financing commitments or if the conditions to such commitments are not met. Although obtaining the proceeds of any financing, including the financing under the financing commitments is not a condition to the completion of the merger, the failure of Parent and Merger Sub to obtain any portion of the committed financing (or alternative financing) is likely to result in the failure of the merger to be completed. In that case, Parent may be obligated to pay Globecomm the Parent termination fee. See The Merger Financing of the Merger beginning on page 42.

The funding under the financing commitments is subject to conditions, including conditions that do not relate directly to the conditions to closing in the merger agreement. See The Merger Financing of the Merger beginning on page 42.

Limited Guaranty (see page 44)

Concurrently with the execution of the merger agreement, Parent delivered to Globecomm the limited guaranty of up to $15,600,000 from an affiliate of Wasserstein & Co. pursuant to which the guarantor agreed to guarantee the obligations of Parent to pay Parent s termination fee, subject to the limitations set forth in the merger agreement as described in The Merger Agreement Termination Fee Payable by Parent, or to pay certain reimbursement and other obligations of Parent or Merger Sub under the merger agreement, provided that in no event will the guarantor s aggregate liability under the limited guaranty exceed $15,600,000. See The Merger Limited Guaranty beginning on page 44 of this proxy statement.

Litigation Related to the Merger (see page 52)

An alleged stockholder of Globecomm has filed a putative class action lawsuit challenging the merger in New York Supreme Court, Suffolk County. The lawsuit generally alleges that (i) the members of our board of directors violated the fiduciary duties owed to stockholders by purportedly failing to obtain fair value for Globecomm, agreeing to improper deal-protection provisions, agreeing to receive benefits not shared by the Globecomm stockholders generally and filing a preliminary proxy statement that omits material information and (ii) Globecomm and Parent aided and abetted the alleged breaches of fiduciary duties. The lawsuit seeks, among other relief, an order enjoining the merger, unspecified damages and attorneys fees and costs. On October 21, 2013, the parties entered into a memorandum of understanding regarding the settlement of this purported class action. Pursuant to the memorandum of understanding, the parties have agreed that Globecomm would make additional disclosures relating to the merger, which are included in this proxy statement, in exchange for a complete release of all claims. The settlement contemplated by the memorandum of understanding is subject to customary conditions, including completion of the merger, completion of certain confirmatory discovery and final court approval following notice to the Company s stockholders.

The Special Meeting (see page 57)

See Questions and Answers About the Merger and the Special Meeting and The Special Meeting beginning on pages 14 and 57 of this proxy statement, respectively.

Other Important Considerations

Recommendation of our Board of Directors (see page 29). Our board of directors has unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are fair to and in the best interests of Globecomm s stockholders, approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, and resolved to

recommend adoption of the merger agreement by the Globecomm stockholders. Our board of directors recommends that the Globecomm stockholders vote FOR the adoption of the merger agreement, FOR the adjournment of the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes in favor of adoption of the merger agreement at the time of the special meeting and FOR the named executive officer merger-related compensation proposal.

Voting by Globecomm s Directors and Executive Officers (see page 58). As of October 9, 2013, the record date, the directors and executive officers of Globecomm are entitled to vote, in the aggregate, shares of Globecomm common stock representing approximately 2.1% of the outstanding shares of Globecomm common stock. The directors and executive officers have informed Globecomm that they currently intend to vote all of these shares of Globecomm common stock FOR the adoption of the merger agreement, FOR the adjournment proposal and FOR the named executive officer merger-related compensation proposal.

Interests of the Company s Directors and Executive Officers in the Merger (see page 45). In considering the recommendation of our board of directors that you vote to approve the proposal to adopt the merger agreement and the named executive officer merger-related compensation proposal, you should be aware that our directors and executive officers may have interests in the merger that are different from, or in addition to, your interests as a stockholder. Our board of directors was aware of and considered these interests to the extent such interests existed at the time, among other matters, of evaluating and negotiating the merger agreement, of approving the merger agreement and the merger and of recommending that the merger agreement be adopted by Globecomm s stockholders. These interests include, among others, the following:

- accelerated vesting of equity-based awards simultaneously with the effective time of the merger and the settlement of such awards in exchange for cash;
- the entitlement of certain executive officers to receive payments and benefits under their respective employment agreements in connection with an involuntary termination of employment other than for cause, as such term is defined in their respective employment agreements, or if the executive officer voluntarily terminates his or her employment for good reason, as such term is defined in their respective employment agreements, during the one-year period following the effective time of the merger;
- potential retention bonus payments to certain executive officers on the first anniversary of the effective time of the merger; and
- continued indemnification and directors and officers liability insurance to be provided by the surviving corporation.

As of October 9, 2013, our directors and executive officers, as a group, beneficially owned 497,462 securities in respect of shares of Globecomm common stock, which represent 2.1% of the total Globecomm securities that are subject to purchase as part of the merger. The maximum total amount of all cash payments our directors and executive officers may receive in respect of their beneficially owned Globecomm securities upon the consummation of the merger is approximately $7,039,087. See The Merger Interests of the Company s Directors and Executive Officers in the Merger beginning on page 45 of this proxy statement.

Opinion of the Company s Financial Advisor (see page 33).

Needham & Company, LLC, which we refer to as Needham & Company, delivered its written opinion to the board of directors that, as of August 25, 2013 and based upon and subject to the factors, limitations, qualifications and assumptions set forth therein, the $14.15 per share in cash to be paid to the holders of the outstanding shares of Globecomm common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) pursuant to the merger agreement was fair, from a financial point of view, to those holders.

The full text of the written opinion of Needham & Company, dated August 25, 2013, which sets forth the assumptions made, procedures followed, matters considered and qualifications and limitations on and scope of the review undertaken by Needham & Company in connection with the opinion, is attached as Annex B to this proxy statement. Needham & Company provided its opinion for the information and assistance of the board of directors in connection with its consideration of the merger agreement. The Needham & Company opinion is not a recommendation as to how any holder of the Globecomm common stock should vote with respect to the merger or any other matter.

Regulatory Approvals (see page 41). Under the HSR Act, and the rules promulgated thereunder by the Federal Trade Commission, which we refer to as the FTC, the merger may not be completed until notification and report forms have been filed with the FTC and the Antitrust Division of the Department of Justice, which we refer to as the DOJ, and the applicable waiting period has expired or been terminated. Globecomm and Parent filed notification and report forms under the HSR Act with the FTC and the Antitrust Division of the DOJ on September 25, 2013. The merger is also conditioned on (i) the expiration or termination of any applicable waiting period relating to the merger under ITAR and any NISPOM requirements having been met, (ii) CFIUS notifying us that (a) it has determined that it lacks jurisdiction over the transactions contemplated by the merger agreement or has concluded its review and determined not to conduct a full investigation and that there are no unresolved national security issues with respect to the transaction or (b) if a full investigation is required, the U.S. government will not take action to prevent the consummation of the transactions contemplated by the merger agreement, and (iii) the receipt of certain other consents from the FCC and the completion of certain actions relating to certain of Globecomm s FCC licenses.

Material U.S. Federal Income Tax Consequences of the Merger (see page 50). The conversion of shares of our common stock into the right to receive the $14.15 per share cash merger consideration will be a taxable transaction to our stockholders who are U.S. holders for U.S. federal income tax purposes. **Stockholders should consult their own tax advisors concerning the U.S. federal income tax consequences relating to the merger in light of their particular circumstances and any consequences arising under the laws of any state, local or foreign taxing jurisdiction.**

Appraisal Rights (see page 89). Holders of our common stock may elect to pursue their appraisal rights to receive the judicially determined fair value of their shares, which could be more or less than, or the same as, the per share merger consideration for the Globecomm common stock, but only if they comply with the procedures required under Section 262 of the DGCL, which we refer to as Section 262. In order to be eligible to exercise appraisal rights, you must (i) not vote in favor of adoption of the merger agreement, (ii) deliver to Globecomm a written demand for appraisal prior to the taking of the vote on the adoption of the merger agreement at the special meeting, (iii) continue to hold the common stock of record through the effective time of the merger, and (iv) otherwise comply with the

procedures required under Section 262 for exercising appraisal rights. For a summary of these procedures, see Appraisal Rights beginning on page 89 of this proxy statement. An executed proxy that is not marked AGAINST or ABSTAIN will be voted FOR adoption of the merger agreement and will disqualify the stockholder submitting that proxy from being entitled to exercise appraisal rights. A copy of Section 262 is also included as Annex C to this proxy statement. Failure to follow the procedures set forth in Section 262 will result in the loss of appraisal rights.

Market Price of Globecomm common stock (see page 101). The closing sale price of Globecomm common stock on NASDAQ was $10.60 per share on October 9, 2012, the day on which Discovery Group filed an amendment to its Schedule 13D with the SEC following the close of the market that included a letter requesting that Globecomm s board of directors solicit offers from parties interested in acquiring the Company. On January 14, 2013, the day on which Globecomm announced, following the close of the market, that it had engaged Needham & Company to assist Globecomm in its review of strategic alternatives, the closing sale price of Globecomm common stock was $11.61 per share. On August 23, 2013, the last trading day prior to the public announcement of the execution of the merger agreement, the closing sale price was $14.40 per share. On October 18, 2013, which is the most recent practicable trading date prior to the date of the proxy statement, the closing sale price of our common stock was $14.12 per share.

QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following questions and answers are intended to address briefly some commonly asked questions regarding the merger, the merger agreement and the special meeting. These questions and answers do not address all questions that may be important to you as a Globecomm stockholder. Please refer to the Summary Term Sheet and the more detailed information contained elsewhere in this proxy statement, the annexes to this proxy statement and the documents referred to or incorporated by reference in this proxy statement, which you should read carefully.

The Proposed Merger

Q. What will I receive for my shares of Globecomm common stock in the merger?

A: Upon completion of the merger, you will receive $14.15 in cash, without interest, for each share of Globecomm common stock that you own, unless you properly demand and exercise, and do not withdraw or lose, appraisal rights under Section 262.

Q. What effects will the proposed merger have on the Company?

A: Upon completion of the proposed merger, Globecomm will cease to be a publicly traded company and will become an indirect wholly owned subsidiary of Parent. As a result, you will no longer have any interest in our future earnings or growth, if any. Following completion of the merger, the registration of our common stock and our reporting obligations with respect to our common stock under the Exchange Act are expected to be terminated. In addition, upon completion of the proposed merger, shares of Globecomm common stock will no longer be quoted or traded on NASDAQ.

Q. What happens if the merger is not completed?

A. If the merger agreement is not adopted by our stockholders, or if the merger is not completed for any other reason, our stockholders will not receive any payment for their shares pursuant to the merger agreement. Instead, Globecomm will remain a public company and our common stock will continue to be registered under the Exchange Act and quoted and traded on NASDAQ.

Under specified circumstances, Globecomm may be required to pay Parent a termination fee of either $10,200,000 or $3,400,000, or Parent may be required to pay Globecomm a termination fee of $15,600,000, in each case, as described in The Merger Agreement Termination Fees and Expenses beginning on page 84 of this proxy statement. Under certain circumstances, Globecomm may also be entitled to reimbursement of $2,000,000 previously paid to Parent with respect to Parent s and Merger Sub s fees, expenses and costs incurred in connection with the merger agreement and the transactions contemplated thereby prior to August 25, 2013.

Q. When is the merger expected to be completed?

A. We are working toward completing the merger as quickly as possible. In order to complete the merger, we must obtain stockholder approval and the other closing conditions under the merger agreement must be satisfied or waived (as permitted by law). Assuming we obtain stockholder approval and the necessary government and/or regulatory approvals, we expect to complete the merger as promptly as possible after the completion of the special meeting. See The Merger Agreement Conditions to the Completion of the Merger beginning on page 65 of this proxy statement. We currently expect to complete the merger during the fourth quarter of 2013. However, we cannot assure completion of the merger by any particular date, if at all. Because consummation of the merger is subject to a number of conditions, the exact timing of the merger cannot be determined at this time.

Q. Do you expect the merger to be taxable to Globecomm stockholders?

A. The exchange of Globecomm common stock for cash in the merger by U.S. holders will be a taxable transaction for U.S. federal income tax purposes and may also be taxable under state and local and other tax laws. You should read the section entitled The Merger Material U.S. Federal Income Tax Consequences of the Merger beginning on page 50 of this proxy statement and consult your tax advisers regarding the specific U.S. federal income tax consequences of the merger to you in your particular circumstances, as well as tax consequences arising under the laws of any state, local or foreign taxing jurisdiction.

Appraisal Rights

Q. Am I entitled to exercise appraisal rights instead of receiving the merger consideration for my shares of Common Stock?

A. Stockholders who do not vote in favor of the proposal to adopt the merger agreement are entitled to statutory appraisal rights under Section 262 in connection with the merger. This means that if you comply with the requirements of Section 262, you are entitled to have the fair value (as defined in Section 262) of your shares of Globecomm common stock determined by the Court of Chancery of the State of Delaware and to receive payment based on that valuation instead of receiving the merger consideration. The ultimate amount you would receive in an appraisal proceeding may be more than, the same as or less than the amount you would have received under the merger agreement. To exercise your appraisal rights, you must comply with the requirements of Section 262. See Appraisal Rights beginning on page 89 and the text of the Delaware appraisal rights statute, Section 262, which is reproduced in its entirety as Annex C to this proxy statement.

The Special Meeting

Q. When and where is the special meeting?

A. The special meeting of stockholders of Globecomm will be held on November 22, 2013, at 10:00 a.m. local time, at Globecomm s principal executive offices at 45 Oser Avenue, Hauppauge, New York 11788.

Q. What matters will be voted on at the special meeting?

A. You will be asked to consider and vote on the following proposals:

to adopt the merger agreement;

to approve the adjournment of the special meeting, if necessary, to solicit additional proxies in the event there are not sufficient votes in favor of adoption of the merger agreement at the time of the special meeting;

to consider and vote on a proposal to approve, on a non-binding, advisory basis, certain compensation that may or will be paid by Globecomm to its named executive officers that is based on or otherwise relates to the merger; and

to act upon other business as may properly come before the special meeting and any and all adjourned or postponed sessions thereof.

Q. How does the Globecomm board of directors recommend that I vote on the proposals?

A. The Globecomm board of directors unanimously recommends that you vote as follows:

FOR the proposal to adopt the merger agreement;

FOR the adjournment proposal; and

FOR the named executive officer merger-related compensation proposal.

Q. Why am I being asked to consider a proposal to approve, on a non-binding, advisory basis, certain compensation that will or may be paid by Globecomm to its named executive officers that is based on or otherwise relates to the merger?

A. The SEC rules require Globecomm to seek a non-binding, advisory vote with respect to certain payments that may or will be made to Globecomm s named executive officers in connection with the merger, the approval of which is not required to complete the merger.

Q. Who is entitled to vote at the special meeting?

A. Stockholders of record holding Globecomm common stock as of the close of business on October 9, 2013, the record date for the special meeting, are entitled to vote at the special meeting. As of the record date, there were 23,910,622 shares of Globecomm common stock issued and outstanding. Every holder of Globecomm common stock is entitled to one vote for each such share the stockholder held as of the record date.

Q Who may attend the special meeting?

A. Stockholders of record holding Globecomm common stock as of the close of business on October 9, 2013, the record date for the special meeting, or their duly appointed proxies may attend the meeting. Street name holders (those whose shares are held through a broker, bank or other nominee) should bring a copy of an account statement reflecting their ownership of Globecomm common stock as of the record date. If you are a street name holder and you wish to vote at the special meeting, you must also bring a proxy from the record holder (your broker, bank or other nominee) of the shares of Globecomm common stock authorizing you to vote at the special meeting.

Q. What vote is required for Globecomm s stockholders to adopt the merger agreement?

A. The affirmative vote of a majority of the outstanding shares of Globecomm common stock entitled to vote at the special meeting is required to adopt the merger agreement.

Q. What vote is required for Globecomm s stockholders to approve other matters to be discussed at the special meeting?

A. The proposal to approve, on a non-binding, advisory basis certain compensation that may or will be paid by Globecomm to its named executive officers that is based on or otherwise relates to the merger and the proposal to adjourn the special meeting, if necessary, to solicit additional proxies each requires the affirmative vote of a majority of the shares of Globecomm common stock present, in person or represented by proxy, at the special meeting.

Q. Who is soliciting my vote?

A. This proxy solicitation is being made and paid for by Globecomm. In addition, we have retained MacKenzie Partners, Inc., which we refer to as MacKenzie, as our proxy solicitor to assist in the solicitation. We will pay MacKenzie $40,000, plus out-of-pocket expenses, for its assistance. Our directors, officers and employees may also solicit proxies by personal interview, mail, e-mail, telephone, facsimile or by other means of communication. These persons will not be paid additional remuneration for their efforts. We will also request brokers and other fiduciaries to forward proxy solicitation material to the beneficial owners of shares of Globecomm common stock that the brokers and fiduciaries hold of record, and we will reimburse them for their reasonable out-of-pocket expenses.

Q. What do I need to do now?

A. We urge you to carefully read and consider the information contained in this proxy statement and to consider how the merger affects you. If you hold your shares in your own name as the stockholder of record, there are four methods by which you may vote, or cause your shares to be voted, at the special meeting:

Internet: To vote over the Internet, follow the instructions printed on your proxy card. If you vote over the Internet, you do not have to mail in a proxy card.

Telephone: To vote by telephone, follow the instructions printed on your proxy card. If you vote by telephone, you do not have to mail in a proxy card.

Mail: To vote by mail, complete, sign and date a proxy card and return it promptly in the postage paid envelope provided. If you return your signed proxy card to us before the special meeting, we will vote your shares as you direct.

In Person: To vote in person, attend the special meeting. You will be given a ballot when you arrive.

Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote in person if you have already voted by proxy. **Please choose only one method to cast your vote by proxy. We encourage you to vote over the Internet or by telephone, both of which are convenient, cost-effective and reliable alternatives to returning a proxy card by mail.**

If you hold your shares in street name through a broker, bank or other nominee, then you received this proxy statement from the nominee, along with the nominee s voting instruction form, which includes voting instructions and instructions on how to change your vote. You should follow the procedures provided by your broker, bank or other nominee regarding the voting of your shares. Your broker, bank or other nominee will only be permitted to vote your shares if you instruct your broker, bank or other nominee how to vote. If you do not instruct your broker, bank or other nominee to vote your shares, your shares will not be voted and the effect will be the same as a vote against the adoption of the merger agreement and will not have an effect on the proposal to adjourn the special meeting or for the named executive officer merger-related compensation proposal.

Q. What happens if I sell my shares of Globecomm common stock before completion of the merger?

A. If you sell your shares of Globecomm common stock, you will have transferred your right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares of Globecomm common stock through completion of the merger.

Q. How can I revoke my proxy?

A. You have the right to revoke your proxy at any time before the vote taken at the special meeting in any one of the following ways:

you may send in another proxy with a later date;

you may notify our Corporate Secretary in writing before the special meeting that you have revoked your proxy;

you may vote in person at the special meeting, but attending the meeting in person will not in and of itself revoke a previously submitted proxy unless you specifically request it; or

if you have instructed a broker, bank or other nominee to vote your shares, by following the directions received from your broker, bank or other nominee to change those instructions.

Q. What do I do if I receive more than one proxy or set of voting instructions?

A. You may receive more than one proxy card or voting instruction form if you hold shares of our common stock in more than one account, which may be in registered form or held in street name. Please vote in the manner described under What do I need to do now? for each account to ensure that all of your shares are voted. **These should each be voted and/or returned separately as described elsewhere in this proxy statement in order to ensure that all of your shares are voted**.

Q. How are votes counted?

A. For the proposal to adopt the merger agreement, you may vote FOR, AGAINST or ABSTAIN. Abstentions will count for the purpose of determining whether a quorum is present. If you abstain, it will have the same effect as if you vote against the adoption of the merger agreement. In addition, if your shares are held in the name of a broker, bank or other nominee, your broker, bank or other nominee will not be entitled to vote your shares in the absence of specific instructions. These non-voted shares, which we refer to as broker non-votes, if any, will not be counted as shares present and will have the same effect as if you vote against the adoption of the merger agreement.

For the proposal to adjourn the special meeting, if necessary, to solicit additional proxies and for the named executive officer merger-related compensation proposal, approval of which is not required to complete the merger, you may vote FOR, AGAINST or ABSTAIN. For purposes of determining the presence of a quorum, abstentions will be counted as shares present. Abstentions will have the same effect as a vote against the proposals to adjourn the meeting and to approve, by a non-binding advisory vote, the named executive officer merger-related compensation; however, a broker non-vote will have no effect on the vote for these proposals.

For stockholders of record, if you sign your proxy card without indicating your vote, your shares will be voted FOR the adoption of the merger agreement, FOR the adjournment of the special meeting, if necessary, to solicit additional proxies and FOR the named executive officer merger-related compensation proposal, and in accordance with the recommendations of our board of directors on any other matters properly brought before the special meeting for a vote.

Q. Who will count the votes?

A. A representative of Broadridge Financial Solutions, Inc., which we refer to as Broadridge Financial Solutions , will count the votes and act as an inspector of election. Questions concerning stock certificates or other matters pertaining to your shares may be directed to Shareholder Services at American Stock Transfer & Trust Company, LLC at (800) 937-5449.

Q. Should I send in my stock certificates now?

A. No. After the merger is completed, you will be sent a letter of transmittal with detailed written instructions for exchanging your Globecomm common stock certificates for the merger consideration. If your shares are held in street name by your broker, bank or other nominee, you will receive instructions from your broker, bank or other nominee as to how to effect the surrender of your street name shares in exchange for the merger consideration. Please **do not** send your certificates in now.

Q. How can I obtain additional information about Globecomm?

A. If you would like a copy of our Annual Report on Form 10-K for the fiscal year ended June 30, 2013, which we refer to as the Fiscal 2013 Form 10-K, which we filed with the SEC on September 13, 2013, we will send you one without charge. In addition, upon written request and payment of a fee equal to our reasonable expenses, we will send you copies of any exhibit to our Fiscal 2013 Form 10-K. Please

write to: Globecomm Systems Inc., 45 Oser Avenue, Hauppauge, New York 11788 Attn: Investor Relations.

Our Fiscal 2013 Form 10-K and other SEC filings also may be accessed on the world wide web at http://www.sec.gov or on the Investor Relations page of the Company s website at http://www.globecomm.com. Our website address is provided as an inactive textual reference only. The information provided on our website is not part of this proxy statement, and therefore is not incorporated by reference. For a more detailed description of the information available, please refer to Where You Can Find More Information beginning on page 109 of this proxy statement.

Q. Who can help answer my questions?

A. If you have additional questions about the merger after reading this proxy statement or need assistance voting your shares, please call our proxy solicitor, MacKenzie, toll-free at (800) 322-2885 or collect at (212) 929-5500 if you are calling from outside North America or by email at proxy@mackenziepartners.com.

THE MERGER

Background of the Merger

Our board of directors regularly reviews and evaluates the Company s operations, financial performance, industry conditions, long-term strategic plan and business strategy with the goal of maximizing stockholder value. As part of this ongoing process, our board has periodically reviewed strategic alternatives that may be available to the Company, including strategic alliances, debt and equity financings for the expansion of our business and merger and acquisition alternatives.

On October 8, 2012, Discovery Group submitted a letter to our board requesting that the board engage an investment bank to solicit offers from parties interested in acquiring the Company. Following the close of the market on October 9, 2012, Discovery Group filed an amendment to its Schedule 13D with the SEC that included the letter previously submitted to the board. The closing price of the Company s common stock on October 9, 2012 was $10.60 per share. Following the public filing of the letter, several other institutional stockholders made similar public and private requests of the board. At the 2012 annual meeting of the stockholders held on November 15, 2012, more votes were withheld than voted for the election of five of the eight members of the board. Following the 2012 annual meeting, members of the board s strategy committee, which advises the board on strategic transactions, engaged in discussions with some of our institutional stockholders in an effort to better understand their perspectives on the Company.

In January 2013, in response to both the board s perception of the wishes of stockholders holding a substantial percentage of our shares and its assessment of the challenges of operating as a public company in a difficult financial and operational environment, the board began to consider again strategic alternatives that might be available to the Company. On January 10, 2013, the board held a special meeting. Members of management and representatives of Kramer Levin Naftalis & Frankel LLP, which we refer to as Kramer Levin, the Company s outside legal counsel, participated in the meeting. At the meeting, the board determined, following an extensive discussion, that it would be advisable to retain a financial advisor to assist in its consideration of strategic alternatives. The board also discussed the following two proposals: (i) engaging a financial advisor to perform a valuation of the Company as a stand-alone business to permit the board to assess the viability of achieving enhanced value for the Company s stockholders or (ii) engaging a financial advisor to help the Company consider a possible strategic transaction. The board determined that it would be in the best interest of the Company s stockholders to retain Needham & Company as a financial advisor in connection with the solicitation and evaluation of possible strategic transactions to enhance stockholders value. The board selected Needham & Company, on management s recommendation, based on Needham & Company s experience in assisting the Company in the past, its knowledge of and experience in the telecommunications industry, its expertise with transactions similar to the transactions which would be expected to be evaluated by the Company, its market reach and its reputation. On January 11, 2013, the Company executed an engagement letter with Needham & Company to serve as the Company s financial advisor to explore potential strategic alternatives for the Company. Following the close of the market on January 14, 2013, the Company issued a press release announcing Needham & Company s engagement. On January 14, 2013, the closing price of the Company s common stock was $11.61 per share.

On January 8, 2013 representatives from U.S. Space LLC, which we refer to as U.S. Space, acting as an industry advisor to an affiliate of Wasserstein & Co., contacted the Company to request a meeting between the Company s management and Wasserstein & Co. On January 11, 2013, an affiliate of Wasserstein & Co. entered into a customary non-disclosure agreement, which included customary standstill provisions that, among other things, prohibited Wasserstein & Co. from making a takeover proposal unless requested to do so by the Company or unless the Company entered into or publicly announced a definitive agreement for the sale of the Company or control thereof, which we refer to as an NDA, with the Company. Members of management met on January 16,

2013 with representatives of Wasserstein & Co. and U.S. Space at the Company s headquarters and engaged in a general discussion, during which Wasserstein & Co. expressed its preliminary interest in exploring a possible transaction with the Company.

On January 17, 2013, a representative of U.S. Space reiterated to a member of management that Wasserstein & Co. was interested in considering a possible transaction with the Company, and the member of management suggested that a representative of U.S. Space or of Wasserstein & Co. contact Needham & Company. On January 18, 2013, a representative of Wasserstein & Co. spoke with representatives from Needham & Company at which time Needham & Company stated that it would be conducting due diligence on the Company over the coming weeks and assisting the Company in its preparation of marketing materials. Wasserstein & Co. expressed interest in receiving such materials once they were finalized by the Company, with the assistance of Needham & Company.

On January 24, 2013, representatives of Needham & Company met with management to begin its due diligence of the Company, prepare marketing materials, review a proposed timetable and describe the possible universe of third parties that Needham & Company might contact. Management, including two executive directors, as well as representatives from Kramer Levin, participated in a portion of the meeting via conference call. During that portion of the meeting, a representative from Kramer Levin reviewed with the two executive directors their fiduciary responsibilities in considering the Company s evaluation of strategic alternatives.

As instructed by the board, Needham & Company sought to identify strategic parties with a focus on communications, in particular entities that the representatives of Needham & Company believed might be interested in the Company s expertise in establishing and managing highly complex communications networks globally, and financial sponsors with experience in middle market transactions and a focus on technology and communications. In identifying potential third parties, Needham & Company worked with our senior management and representatives of the board to identify parties it believed were the most likely to consider a transaction based on each party s current strategic focus, capability and track record. Needham & Company and the Company also established a process for managing inbound inquiries whereby Needham & Company would respond to each inquiry in order to communicate consistently with each party regarding the process and to protect confidentiality.

Throughout the latter half of January 2013 and the first half of February 2013, management finalized the Company s financial projections as described in Important Information About Globecomm Projected Financial Information and, working with representatives of Needham & Company, prepared and refined materials to be provided to third parties.

In consultation with management and members of the board, between February 11, 2013 and March 8, 2013, Needham & Company contacted 118 third parties regarding a potential strategic transaction involving the Company, 57 of which were strategic parties and 61 of which were financial sponsors, including Wasserstein & Co. The 118 parties were selected based on an assessment as to whether there was a reasonable possibility that they would be interested in pursuing a possible transaction involving the Company. No third parties were excluded due to their business being competitive with the business of the Company. During this period, the Company entered into NDAs, which included standstills similar to that entered into by an affiliate of Wasserstein & Co., with 37 third parties, including ten strategic parties and 27 financial sponsors, each of which subsequently received marketing materials, including the Company s financial projections, and a letter outlining the Company s anticipated process. On February 13, 2013, representatives of Needham & Company sent Wasserstein & Co. the marketing materials, financial projections and process letter. By March 8, 2013, the initial process deadline, ten of these 37 parties expressed interest in a potential transaction, including two strategic parties and eight financial sponsors, with preliminary indications of interest that valued the Company in a range of $12.00 to $15.50 per share, with none of these indications of interest individually having a range greater than $1.50 per share. Wasserstein & Co. s initial indication of interest included a potential range of between $14.00 and $15.00 per share.

On March 15, 2013, the board held a meeting to review the status of the process. Members of management, Needham & Company and Kramer Levin participated in the meeting, as did representatives of Morris, Nichols, Arsht & Tunnell, LLP, special Delaware counsel to the Company, which we refer to as Morris Nichols. At the meeting, the Needham & Company representatives: provided the board with an update regarding the process and reviewed each of the ten preliminary indications of interest received to date; recommended that eight of the ten parties be permitted to continue in the process (eliminating two financial sponsors whose indications of interest were deemed to be inferior to the others and whose prospects for improvement were determined to be small); reviewed existing market valuation multiples and conditions; and proposed how to proceed. Representatives of Kramer Levin and representatives of Morris Nichols also reviewed materials previously provided to the board regarding its fiduciary obligations under Delaware law. Based on these discussions and Needham & Company s recommendations, the board instructed Needham & Company to invite the eight recommended parties (including Wasserstein & Co.) to participate in the second round of the process (which included, among other things, inviting the eight bidders to meet with management to tour the Company s principal facility in Hauppauge, New York and providing access the Company s electronic data room to conduct further due diligence on the Company).

Throughout the month of March, with the assistance of Needham & Company, the Company added to the electronic dataroom detailed information regarding the Company s business, financial condition and prospects. On March 21, 2013, representatives of the eight parties, including Wasserstein & Co., were provided access to the Company s electronic dataroom.

From March 28, 2013 to April 12, 2013, the Company hosted in-person management presentations at which management reviewed with each of the eight remaining parties the Company s business, financial condition and prospects. Following each in-person presentation, management conducted facility tours of the Company s headquarters and also hosted dinners with each of the parties. Representatives of Needham & Company also attended all of the presentations, facility tours and dinners. The meeting with representatives of Wasserstein & Co. was held on April 12, 2013.

Between April 12, 2013 and May 10, 2013, the eight parties involved in the process commenced a round of extensive due diligence reviews of the Company, which included comprehensive reviews of the data contained in the electronic dataroom, multiple requests for follow-up information and in-person meetings and other discussions with management and representatives of Needham & Company. Wasserstein & Co. again met with management and representatives of Needham & Company on April 19, 2013 and May 8, 2013.

Management provided the board updates of the status of the meetings with the third parties throughout this period, including written updates on April 8, April 16 and April 22, 2013. In its April 16, 2013, update, management informed the board of Needham & Company s recommendation to establish a second process deadline on May 10, 2013. In its April 22, 2013 update, management informed the board that one of the parties had advised Needham & Company that it was withdrawing from the process.

On May 10, 2013, Needham & Company received revised non-binding indications of interest from three parties, including Wasserstein & Co., a strategic party which we refer to as Party B, and a financial sponsor which we refer to as Party C, with values ranging from $12.65 to $13.50 per share. Each of the parties requested exclusivity for 45 days in order to complete its due diligence. The indications from both Wasserstein & Co. and Party C required external financing in order to consummate the transaction, while Party B s proposal did not. Wasserstein & Co. s indication of interest valued the Company at $13.50 per share and contemplated that another private equity firm would jointly participate with Wasserstein & Co. in the transaction (that private equity firm ultimately determined not to proceed prior to the final process deadline). Party B indicated a value of $13.00 per share, and Party C indicated a value of $12.65 per share. Additionally, the other four of the seven remaining participants in the process informed Needham & Company between May 9, 2013 and May 14, 2013 that they would not be submitting proposals. The seven parties that withdrew from the process between March 8, 2013 and May 10, 2013 did so for their own reasons and not because they were requested or encouraged to do so by the Company or its representatives.

On May 14, 2013, the board held a meeting to review the status of the process. Members of management, Needham & Company and Kramer Levin participated in the meeting. Representatives of Needham & Company presented to the board an updated summary of the indications of interest received from Wasserstein & Co. and Parties B and C, and an update regarding the status of the process. Needham & Company recommended that the due diligence process be continued with all of the three remaining participants in an effort to increase their proposed values, with the goal of receiving final proposals by the end of May. Needham & Company also recommended that a draft definitive transaction agreement be distributed to the three remaining participants. The board approved these recommendations.

On May 16, 2013, Needham & Company distributed an initial draft of the definitive transaction agreement, which had been prepared by Kramer Levin, to each of the remaining parties.

On May 20, 2013, members of management and representatives of Needham & Company met with representatives of Wasserstein & Co. to discuss the Company and its business, which was followed the next day by an in-person due diligence session.

On May 22, 2013, management provided a written update to the board describing the status of the continuing due diligence process with each of the remaining parties.

On May 23, 2013, Needham & Company requested that each of the parties submit their best and final proposal, including comments on the definitive transaction agreement previously circulated, by May 28, 2013.

On May 28, 2013, Needham & Company received new indications of interest from Party B, Party C and Wasserstein & Co., with proposals that valued the Company ranging from $13.00 per share by Party B to $13.50 per share by each of Party C and Wasserstein & Co.

On May 30, 2013, the board held a meeting to review the status of the process. Members of management, Needham & Company and Kramer Levin participated in the meeting. The proposals from Party B, Party C and Wasserstein & Co. were reviewed and discussed at the meeting, and the board instructed Needham & Company to attempt to convince each remaining participant to improve its proposal and authorized management to proceed to exclusivity with the best proposal at $13.50 per share or higher. Representatives of Needham & Company then held conversations with each of Party B, Party C and Wasserstein & Co. Subsequently, representatives of Needham & Company received a revised proposal at $14.00 per share from Wasserstein & Co.

On May 31, 2013, representatives of Needham & Company received a revised proposal at $14.00 per share from Party C. Party B said in a conversation with Needham & Company that it was not willing to increase its proposal above $13.00 per share. Following discussions with representatives of Needham & Company, Wasserstein & Co. increased its proposal to $14.15 per share, and Party C stated that it was unwilling to increase its proposed price above $14.00 per share. Subsequently, on May 31, 2013, the board held a meeting to review the status of the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. Representatives of Needham & Company reported on the revised indications of interest. Management and representatives of Needham & Company provided the board with an overview of the status and findings of the process that had been completed to date. The board was informed that Wasserstein & Co. had stated that it was willing to proceed with pursuing a negotiated transaction at a value of $14.15 per share, subject to its continued due diligence investigation of the Company, but only if the Company entered into an exclusivity agreement with Wasserstein & Co. Following discussion, the board authorized management to agree to Wasserstein & Co. s request for a 45-day exclusivity period, ending July 14, 2013.

On June 4, 2013, Kramer Levin delivered an updated version of the draft merger agreement to Jones Day, counsel to Wasserstein & Co., and thereafter until the execution of the merger agreement on August 25, 2013, representatives of Kramer Levin and Jones Day negotiated the terms of the merger agreement and exchanged numerous drafts of the merger agreement and related documents.

Also on June 4, 2013, Wasserstein & Co. conducted a due diligence tour of the Company s facilities in Laurel, Maryland.

Throughout June and July 2013, representatives of Wasserstein & Co. conducted legal and financial due diligence on the Company s business units, including meetings with management and representatives of Needham & Company on June 6 and June 12, 2013. During this period, Wasserstein & Co. continued to work to finalize the details of its transaction financing arrangements, and management continued to supplement the due diligence materials to the data room.

In addition, in connection with its review of the potential transaction, Wasserstein & Co. engaged a number of outside advisors, including Avascent, Deloitte & Touche LLP, PricewaterhouseCoopers LLP and Marsh & McLennan Companies, which were engaged to conduct due diligence on the Company s strategy and business, accounting and tax matters, benefits matters and insurance matters, respectively. Beginning in June, these advisors met with and had discussions with members of management and representatives of Needham & Company on multiple occasions in connection with their respective reviews.

Management continued to provide updates to the board regarding the due diligence process and the status of discussions with Wasserstein & Co., including written updates on June 6 and June 17, 2013.

On June 21, 2013, representatives of Wasserstein & Co. toured the Company s European facilities in the Netherlands, accompanied by members of management and Needham & Company.

On July 8, 2013, the board held a meeting to review the status of the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. At the meeting, the board discussed a request by Wasserstein & Co. to extend the exclusivity period to permit time for additional due diligence and to finalize the details of its financing. The board authorized management to extend the exclusivity period from July 14, 2013 to July 28, 2013.

On July 10, 2013, members of management and representatives of Needham & Company held meetings at Wasserstein & Co. s headquarters with prospective debt financing sources, including Highbridge.

On July 11, 2013, representatives of Wasserstein & Co. and Highbridge met with members of management and representatives of Needham & Company to conduct due diligence and tour the Company s facilities in Hauppauge, New York. On July 12, 2013, representatives of Wasserstein & Co. and Highbridge met with members of management and representatives of Needham & Company to tour the Company s facilities in Laurel, Maryland.

Throughout July and August, representatives of Kramer Levin and Morris Nichols, on behalf of the Company, and Jones Day, on behalf of Wasserstein & Co., negotiated the definitive transaction agreement and related documents. Representatives of the Company, Kramer Levin and the parties other outside law firms that had been engaged to help with regulatory matters, including the Company s FCC licenses, also participated in a number of teleconferences to discuss the requirements and process for regulatory approvals and transferring control over the FCC licenses.

On July 19, 2013, representatives of Wasserstein & Co. and Highbridge, members of management and representatives of Needham & Company met to review each industry segment and its associated revenue pipeline, as well as to review the Company s financial performance for the first quarter of fiscal year 2014.

On July 23, 2013, a representative of Jones Day distributed to Kramer Levin a draft limited guaranty, which had previously been presented to Jones Day by Kramer Levin, and a draft of the equity commitment letter.

On July 24, 2013, management provided a written update to the board stating that Wasserstein & Co. had reaffirmed its proposal of $14.15 per share, informing the board that Wasserstein & Co. had requested a further extension to the exclusivity period that was set to expire on July 28, 2013 and summarizing the open issues on the transaction documents and the status of discussions generally.

On July 25, 2013, the board held a meeting to review the status of the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. At the meeting, representatives of Needham & Company discussed delays in the merger negotiation process due to the inability of representatives of Wasserstein & Co. to speak with certain contracting parties under a small number of the Company s classified contracts, the fact that Highbridge had not yet completed its due diligence process and the ongoing discussions relating to the process for various regulatory approvals. Representatives of Kramer Levin advised that they believed that the parties had made substantial progress toward resolving open issues on the transaction documents. The board authorized management to extend the exclusivity period to August 4, 2013 in order to permit the resolution of the foregoing. An extension letter was delivered on July 26, 2013.

On August 2, 2013, members of management and representatives of Wasserstein & Co. had a meeting regarding further due diligence. Later on August 2, 2013, management provided a written update to the board describing the status of Wasserstein & Co. s debt financing, informing the board that Highbridge had provided Wasserstein & Co. a draft debt commitment letter, updating the board on the due diligence process and the process for regulatory approvals and addressing open issues regarding the approach to the termination fee structure under the merger agreement. Upon authorization by the board, the Company granted an extension to the exclusivity period through August 6, 2013 in order to permit Wasserstein & Co. to finalize the terms of its financing and the process for obtaining regulatory approvals. An extension letter was provided on August 2, 2013.

On August 5, 2013, Wasserstein & Co. provided Needham & Company a copy of the draft debt commitment letter.

On August 6, 2013, representatives of Wasserstein & Co. met with members of management and representatives of Needham & Company at Wasserstein & Co. s offices in New York to conduct due diligence.

Also on August 6, 2013, the board held a meeting to review the status of the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. At the meeting, members of management reported to the board that Wasserstein & Co. and Highbridge were nearing completion of their due diligence, that Wasserstein & Co. was close to finalizing the sources of its equity financing and that a draft of the debt commitment letter had been provided to the Company. Upon authorization by the board, the Company granted a further extension of exclusivity through August 12, 2013 in order to allow Wasserstein & Co. to finalize the terms of its debt financing. An extension letter was provided on August 6, 2013.

On August 12, 2013, management provided a written update to the board on the status of the discussions, including the debt commitment letter, equity commitment letter, limited guaranty, due diligence process and

merger agreement termination fee structure. The board authorized management to extend the exclusivity period to August 16, 2013 in order to permit Wasserstein & Co to finalize the terms of its debt financing. An extension letter was provided on August 12, 2013.

On August 13, 2013, Highbridge and members of management had a discussion in which Highbridge received an update on the Company s business. Representatives of Wasserstein & Co. and Needham & Company joined the discussion.

On August 15, 2013, Wasserstein & Co. delivered to the Company a revised draft of the debt commitment letter.

At various times throughout the course of Wasserstein & Co. s negotiation of the debt commitment letter in August 2013, members of management engaged in discussions with representatives of Wasserstein & Co. and Highbridge relating to the key terms of the credit agreement contemplated by the debt commitment.

On August 16, 2013, the board held a meeting to review the process. Members of management, Needham & Company and Kramer Levin participated in the meeting. At the meeting, management reported that due diligence was complete except for certain confirmatory matters, that the equity commitment letter and the limited guaranty had been substantially completed and that the remaining issues on the debt commitment letter were being negotiated. Management provided a similar update on August 17, 2013 and, on August 19, 2013, notified the board of the expected process for final approval of the transaction, should the board ultimately determine to proceed with the potential transaction. Upon authorization by the board, the Company granted a further extension of exclusivity on August 16, 2013 through August 23, 2013 in order to allow Wasserstein & Co. to finalize the debt commitment letter and enter into the transaction.

On August 21, 2013, the board held a meeting to review the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. Representatives of Needham & Company provided the board with an update on the status of the discussions and process with Wasserstein & Co. Representatives of Kramer Levin again reviewed the board s fiduciary duties with the board and also reviewed the material terms and conditions of the then-current draft of the transaction documents, including the treatment of outstanding options, the representations and warranties related to FCC matters and classified contracts, the provisions relating to termination and the fees related thereto, the treatment of superior proposals, limitations related to the limited guaranty by an affiliate of Wasserstein & Co. and Wasserstein & Co. s request to include a reimbursement at signing to cover its extensive due diligence costs incurred to date. Representatives of Kramer Levin reported that Wasserstein & Co. was willing to adjust certain termination fees in favor of the Company in exchange for the reimbursement of certain out-of-pocket expenses at signing. In addition, the representatives of Kramer Levin reviewed the proposed conditions to closing, including the requested Closing Condition Adjusted EBITDA test, as defined in The Merger Agreement Conditions to the Completion of the Merger beginning on page 65 of this proxy statement, which was a condition required by Wasserstein & Co. and also a condition to the debt financing required by Highbridge, as well as the process and steps that would be required following the signing of a definitive agreement in order to successfully close the transaction. An extensive discussion followed.

On August 22, 2013, members of management and representatives of Needham & Company attended a diligence meeting at the offices of Wasserstein & Co. to discuss the remaining due diligence items with Wasserstein & Co. On August 23, 2013, members of management and representatives from Highbridge held a bring-down due diligence conference call with representatives of Wasserstein & Co. and Needham & Company joining.

Also on August 23, 2013, members of management provided a written update to the board informing the board that management expected that the debt commitment letter would be finalized over the weekend and

recommended that the board should convene a meeting for the evening of August 25, 2013 to consider the transaction. Management also advised that Needham & Company was finalizing its financial analysis of the potential transaction and would be prepared to review its financial analysis, if requested to do so, at the meeting during the evening of August 25, 2013.

On August 25, 2013, counsel for Wasserstein & Co. delivered to Kramer Levin signed equity and debt commitment letters. Thereafter, the board held a meeting to review the process. Members of management and representatives of Needham & Company and Kramer Levin participated in the meeting. Prior to the meeting, the directors had received copies of the draft merger agreement and a summary of the terms thereof, as well as presentation materials prepared by Needham & Company. Representatives of Needham & Company reviewed with the board the strategic alternatives process and Needham & Company s financial analysis of the potential transaction. Thereafter, representatives of Needham & Company delivered its oral opinion, subsequently confirmed by Needham & Company to the Company in writing, to the effect that, as of August 25, 2013, and based upon and subject to the assumptions and other matters set forth in its written opinion, the $14.15 per share in cash to be paid to the holders of the outstanding shares of Globecomm common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) pursuant to the merger agreement was fair, from a financial point of view, to those holders. Representatives of Kramer Levin then presented to the board an update on the material terms and conditions of the merger agreement and ancillary documents, including the circumstances in which the board could consider and respond to unsolicited acquisition proposals after the execution of the merger agreement and could terminate the merger agreement to enter into an alternative transaction, as well as the financing structure of the transaction and the inclusion of the Parent termination fee and specific performance remedies to provide a level of assurance that the merger would be completed. Representatives of Kramer Levin also reviewed again the board s fiduciary duties with respect to the board s consideration of the potential transaction. The board then considered and discussed various factors regarding the proposed merger, including the factors described below under the heading Reasons for the Merger; Recommendation of our Board of Directors beginning on page 29 of this proxy statement.

After thorough review and consideration, including a review of the merits of the proposal, as compared to the merits and considerations relating to the Company s future performance as a stand-alone entity, considering, among other things, the challenges facing the Company and the industry more generally, as described and discussed at prior meetings, the board unanimously determined that the merger agreement and the transactions contemplated thereby, including the merger, are fair to and in the best interests of the Company and its stockholders. The board then unanimously approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, resolved to recommend adoption of the merger agreement by the Globecomm stockholders and directed the merger agreement be submitted for consideration of adoption by the Globecomm stockholders at the special meeting of the stockholders.

During the evening of August 25, 2013, following the approval of the merger agreement by the board, the Company, Parent and Merger Sub executed and delivered the merger agreement.

Prior to the opening of the market on August 26, 2013, the Company issued a press release announcing the transaction.

Reasons for the Merger; Recommendation of our Board of Directors

The board of directors, acting with the advice and assistance of its independent legal and financial advisors, evaluated the merger proposal from Parent, including the terms and conditions of the merger agreement. At a meeting held on August 25, 2013, the board (i) unanimously determined that the merger agreement and the

transactions contemplated thereby, including the merger, are fair to and in the best interests of Globecomm s stockholders, (ii) approved and declared advisable the merger agreement and the transactions contemplated thereby, including the merger, and (iii) resolved to recommend adoption of the merger agreement by the Globecomm stockholders and directed the merger agreement be submitted for consideration of adoption by the Globecomm stockholders at the special meeting of the stockholders.

In the course of reaching its determination, the board of directors considered the following substantive factors and potential benefits of the merger, each of which the board of directors believed supported its decision:

the review of Globecomm s business, current and projected financial condition, annual earnings and earnings prospects, including the challenges expected for Globecomm in the face of government cutbacks and the withdrawal of U.S. armed forces from Afghanistan and Iraq;

the inherent uncertainty of attaining management s internal financial projections, including those described in Important Information about Globecomm Projected Financial Information beginning on page 96 of this proxy statement;

the fact that certain institutional stockholders representing a significant percentage of the outstanding share ownership of Globecomm were of the view that Globecomm should solicit offers from third parties interested in acquiring the Company;

the fact that the merger consideration is all cash, providing liquidity and allowing stockholders to immediately realize a certain value for all shares of their Globecomm common stock upon the closing of the merger as compared to the uncertain future long-term value that might be realized if we stayed independent;

the fact that the closing price of Globecomm common stock was $10.60 per share on October 9, 2012 (the day on which Discovery Group filed an amendment to its Schedule 13D with the SEC following the close of the market that included a letter requesting that Globecomm s board of directors solicit offers from parties interested in acquiring the Company), and $11.61 per share on January 14, 2013 (the day on which Globecomm announced, following the close of the market, that it had engaged Needham & Company to assist Globecomm in its review of strategic alternatives);

the fact that the purchase price was within the range of values in comparable transactions and represents, in the view of the board of directors, the best price reasonably attainable for Globecomm s stockholders and a fair price based on a variety of valuation criteria;

the fact that the board negotiated an increase in the merger consideration to $14.15 per share from Wasserstein & Co. s May 10th indication of interest of $13.50 per share, as described in Background of the Merger beginning on page 22 of this proxy statement;

the risks and opportunities associated with the potential alternative to the merger of remaining a stand-alone public company and the assessment that no other alternatives were reasonably likely to create greater value for Globecomm s stockholders;

the extensive and careful process conducted by Needham & Company in order to assess the Company s strategic alternatives, including solicitations of interest from 118 potential buyers, including 57 strategic parties and 61 financial sponsors;

the opinion of Needham & Company, dated August 25, 2013, to the effect that, as of that date, and based upon and subject to the factors, limitations, qualifications and assumptions set forth therein, the $14.15 per share in cash to be paid to the holders of the outstanding shares of Globecomm common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) pursuant to the merger agreement was fair, from a financial point of view, to those holders, as more fully described in The Merger Opinion of the Company s Financial Advisor beginning on page 33 of this proxy statement;

our ability, under certain circumstances, as described in The Merger Agreement No Solicitation by Globecomm beginning on page 74 of this proxy statement, to provide information to, and participate in discussions or negotiations with, third parties regarding other acquisition proposals;

our ability, under certain circumstances, as described in The Merger Agreement Termination of the Merger Agreement beginning on page 82 of this proxy statement, to terminate the merger agreement in order to adopt, approve, endorse or recommend a superior proposal, subject to paying a termination fee of $10,200,000 (equal to approximately 3% of the equity value of the transaction);

the view of the board of directors, after consulting with its legal and financial advisors, that the termination fee of $10,200,000 (equal to approximately 3% of the equity value of the transaction) to be paid by the Company if the merger agreement is terminated under certain circumstances is within the range provided in similar transactions and should not impede other takeover proposals;

the fact that Parent and Merger Sub had obtained committed debt and equity financing for the transaction, the obligation of Parent to use its reasonable best efforts to obtain the debt and equity financing and the fact that obtaining debt or equity financing was not a condition to closing the transactions contemplated by the merger agreement, as described in The Merger Agreement Financing beginning on page 78 of this proxy statement;

the fact that Parent agreed to pay a termination fee to Globecomm in the amount of $15,600,000 if Globecomm or Parent terminates the merger agreement in certain instances, including if the merger is not consummated by the outside date and all conditions to Parent s obligations have been satisfied or waived, as described in The Merger Agreement Termination Fees and Expenses beginning on page 84 of this proxy statement;

the $15,600,000 limited guaranty from an affiliate of Wasserstein & Co., as described in The Merger Limited Guaranty beginning on page 44 of this proxy statement, in our favor with respect to certain obligations of each of Parent and Merger Sub in certain circumstances as described in The Merger Agreement Termination Fees and Expenses beginning on page 84 of this proxy statement;

the fact that Globecomm s legal and financial advisors were involved throughout the process and, together with management, updated the board of directors directly and regularly, which provided the board of directors with additional perspectives on the negotiations in addition to those of management; and

the availability of appraisal rights to the stockholders who comply with all of the required procedures under Delaware law for exercising appraisal rights as described in The Merger Agreement Appraisal Rights beginning on page 89 of this proxy statement, which allow such holders to seek appraisal of the fair value of their stock as determined by the Court of Chancery of the State of Delaware in lieu of receiving the merger consideration.

Certain of the financial analyses presented by Needham & Company to the Globecomm board were based upon financial projections prepared by our management based on various assumptions about the future performance of our business. These projections were based on numerous variables and assumptions that are inherently uncertain and may be beyond the control of management, including factors related to general economic and competitive conditions. Accordingly, actual results could vary significantly from those set forth in such projections. See Important Information about Globecomm Projected Financial Information beginning on page 96 of this proxy statement.

The board also considered the following risks and other potentially negative factors concerning the merger agreement and the merger:

- the stockholders will not participate in any future earnings or growth of our business and will not benefit from any appreciation in our value, including any appreciation in value that could be realized as a result of improvements to our operations;

- the risks and costs to us if the merger does not close, including the diversion of management and employee attention, potential employee attrition and the potential effect on our business and our relationships with customers;

- the potential negative effect of the pending merger on Globecomm s business and relationships with customers, vendors, business partners and employees;

- the fact that Globecomm has incurred and will continue to incur significant transaction costs and expenses in connection with the proposed transaction, whether or not the merger is consummated, including the requirement that we reimburse Parent for $2,000,000 of its and Merger Sub s fees, expenses and costs incurred in connection with the merger agreement and the transactions contemplated thereby prior to August 25, 2013;

- the fact that multiple government approvals are required makes the timing and outcome of the closing of the transactions contemplated by the merger agreement uncertain;

- the fact that an all-cash transaction would be taxable to the stockholders that are U.S. persons for U.S. federal income tax purposes;

- the restrictions on the conduct of our business prior to the completion of the merger, requiring us to conduct our business only in the ordinary course, subject to specific limitations, which may delay or prevent us from undertaking business opportunities that may arise pending completion of the merger;

- the risk that various provisions of the merger agreement, including the requirement that Globecomm must pay to Parent a termination fee of either $10,200,000 or, in one circumstance, $3,400,000 if the merger agreement is terminated under certain circumstances, including if we recommend that the stockholders vote for a competing superior proposal, may discourage other parties potentially interested in an acquisition of, or combination with, Globecomm from pursuing that opportunity;

- the fact that the closing price of Globecomm common stock was $14.40 per share on August 23, 2013 (the last trading day prior to the public announcement of the execution of the merger agreement), which exceeded the $14.15 per share merger consideration;

- the risk that Globecomm may not achieve the Closing Condition Adjusted EBITDA target, as defined in The Merger Agreement Conditions to the Completion of the Merger beginning on page 65 of this proxy statement, which is a condition to the closing of the transaction; and

the risk that, while the merger is expected to be completed, there can be no assurance that all conditions to the parties obligations to complete the merger will be satisfied, and as a result, it is possible that the merger may not be completed, even if approved by our stockholders.

In addition, the board was aware of and considered the interests that certain of our directors and executive officers have with respect to the merger that differ from, or are in addition to, their interests as stockholders of the Company, as described in The Merger Interests of the Company s Directors and Executive Officers in the Merger beginning on page 45 of this proxy statement. However, the board believed that such different or additional benefits are attributable to services provided or to be provided by such officers and directors, are customary and/or determined on an arm s-length basis and were not offered in contemplation of the merger.

The foregoing discussion summarizes the material factors considered by our board in its consideration of the merger and is not intended to be exhaustive. It also contains statements which are forward looking in nature and should be read in light of the factors set forth in the section entitled Cautionary Statement Regarding Forward-Looking Information beginning on page 54 of this proxy statement. In view of the wide variety of factors considered by our board, and the complexity of these matters, our board did not find it practicable to quantify or otherwise assign relative weights to the foregoing factors. In addition, individual members of our board may have assigned different weights to various factors. Our board approved and recommended the merger agreement and the merger based upon the totality of the information presented to and considered by it.

Our board recommends that you vote FOR the adoption of the merger agreement, FOR the adjournment of the special meeting, if necessary, to solicit additional proxies and FOR the named executive officer merger-related compensation proposal.

Opinion of the Company s Financial Advisor

We retained Needham & Company to act as financial advisor in connection with the merger and to render an opinion as to the fairness, from a financial point of view, to the holders of our common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) of the consideration to be received by those holders in the merger pursuant to the merger agreement.

On August 25, 2013, Needham & Company delivered its oral opinion, which it subsequently confirmed in writing, to our board of directors that, as of that date and based upon and subject to the assumptions and other matters described in the opinion, the consideration of $14.15 per share of our common stock to be received by the holders of our common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) pursuant to the merger agreement was fair to those holders from a financial point of view. **Needham & Company provided its opinion for the information and assistance of our board of directors in connection with and for the purpose of the board s evaluation of the transactions contemplated by the merger agreement. Needham & Company s opinion relates only to the fairness, from a financial point of view, to the holders of our common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) of the merger consideration, which was determined through arm s length negotiations between us and Parent. While Needham & Company provided independent financial advice to our board of directors during the course of the negotiations between us and Parent, the decision to approve and recommend the merger was made independently by our board. Needham & Company s opinion does not address any other aspect of the merger or any related transaction and does not constitute a recommendation to any stockholder of our company as to how that stockholder should vote or act on any matter relating to the merger.**

The complete text of Needham & Company s opinion, which sets forth the assumptions made, procedures followed, matters considered and qualifications and limitations on and scope of the review undertaken by Needham & Company, is attached to this proxy statement as Annex B and is incorporated by reference in this proxy statement. The summary of Needham & Company s opinion set forth below is qualified in its entirety by reference to the full text of the opinion. **We urge you to read this opinion carefully and in its entirety.**

In arriving at its opinion, Needham & Company, among other things:

- reviewed a draft of the merger agreement dated August 25, 2013;
- reviewed certain publicly available information concerning us and certain other relevant financial and operating data of our company that we furnished to Needham & Company;
- reviewed the historical stock prices and trading volumes of our common stock;
- held discussions with members of our management concerning our current operations and future business prospects;
- reviewed certain financial forecasts with respect to our company prepared by our management and held discussions with members of our management concerning those forecasts;
- compared certain publicly available financial data of companies whose securities are traded in the public markets and that Needham & Company deemed relevant to similar data for our company;
- reviewed the financial terms of certain other business combinations that Needham & Company deemed relevant; and
- reviewed such other financial studies and analyses and considered such other matters as Needham & Company deemed appropriate.

In connection with its review and in arriving at its opinion, Needham & Company assumed and relied on the accuracy and completeness of all of the financial, accounting, legal, tax and other information discussed with or reviewed by it for purposes of its opinion and did not independently verify, nor did Needham & Company assume responsibility for independent verification of, any of that information. Needham & Company assumed the accuracy of the representations and warranties contained in the merger agreement and all agreements related thereto. In addition, Needham & Company assumed that the merger would be consummated on the terms and subject to the conditions set forth in the draft merger agreement furnished to Needham & Company without waiver, modification or amendment of any material term, condition or agreement thereof and that, in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the merger, no delay, limitation, restriction or condition would be imposed that would have an adverse effect on our company. Needham & Company assumed that our financial forecasts provided to Needham & Company by our management were reasonably prepared on bases of and reflecting the best currently available estimates and judgments of our management, at the time of preparation, of our future operating and financial performance. Needham & Company expressed no opinion with respect to any of those forecasts or estimates or the assumptions on which they were based.

Needham & Company did not assume any responsibility for or make or obtain any independent evaluation, appraisal or physical inspection of the assets or liabilities of our company, Parent or any of our or their respective subsidiaries, nor did Needham & Company evaluate the solvency or fair value of our company, Parent or any of our or their respective subsidiaries under any state or federal laws relating to bankruptcy, insolvency or similar matters. Needham & Company s opinion states that it was based on economic, monetary and market conditions as they existed and could be evaluated as of its date, and Needham & Company assumed no responsibility to

update or revise its opinion based upon circumstances and events occurring after its date. Needham & Company s opinion is limited to the fairness, from a financial point of view, to the holders of our common stock (other than Parent or any of its subsidiaries and other than holders of dissenting shares) of the merger consideration to be received by those holders pursuant to the merger agreement and Needham & Company expressed no opinion as to the fairness of the merger to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors or other constituencies of our company, or as to our underlying business decision to engage in the merger or the relative merits of the merger as compared to other business strategies that might be available to us. In addition, Needham & Company expressed no opinion with respect to the amount or nature or any other aspect of any compensation payable to or to be received by any officers, directors or employees of any party to the merger, or any class of those persons, relative to the merger consideration to be received by the holders of our common stock pursuant to the merger agreement or with respect to the fairness of any such compensation.

We imposed no limitations on Needham & Company with respect to the investigations made or procedures followed by Needham & Company in rendering its opinion.

In preparing its opinion, Needham & Company performed a variety of financial and comparative analyses. The following paragraphs summarize the material financial analyses performed by Needham & Company in arriving at its opinion. The order of analyses described does not represent relative importance or weight given to those analyses by Needham & Company. Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by Needham & Company, the tables must be read together with the full text of each summary. The following quantitative information, to the extent it is based on market data, is, except as otherwise indicated, based on market data as it existed on or prior to August 25, 2013 and is not necessarily indicative of current or future market conditions.

Selected Companies Analysis. Using publicly available information, Needham & Company compared selected historical and projected financial and market data ratios for the Company to the corresponding data and ratios of publicly traded companies that Needham & Company deemed relevant because they have lines of business that may be considered similar to certain of our lines of business. These companies, referred to as the selected companies, consisted of the following:

Comtech Telecommunications Corp.

Gilat Satellite Networks Ltd.

Kratos Defense & Security Solutions, Inc.

KVH Industries, Inc.

RRSat Global Communications Network Ltd.

The following table sets forth information concerning the following multiples for the selected companies and for the Company:

enterprise value as a multiple of last 12 months, or LTM, revenues;

enterprise value as a multiple of projected calendar year 2013 and 2014 revenues;

enterprise value as a multiple of adjusted LTM earnings before interest, taxes, depreciation and amortization, or adjusted EBITDA;

enterprise value as a multiple of projected calendar year 2013 and 2014 adjusted EBITDA;

price as a multiple of LTM non-GAAP earnings per share, or non-GAAP EPS;

price as a multiple of projected calendar year 2013 and 2014 non-GAAP EPS; and

price as a multiple of book value.

Needham & Company calculated multiples for the selected companies based on the closing stock prices of those companies on August 23, 2013 and calculated multiples for the Company based on the merger consideration of $14.15 per share of our common stock. All financial information excludes the impact of non-recurring items. Adjusted EBITDA amounts excluded the impact of stock-based compensation expense. Non-GAAP EPS amounts excluded non-recurring items, including M&A expenses and restructuring fees, but generally included expenses related to the impact of stock-based compensation and amortization of intangibles. Our projected calendar year 2013 and 2014 multiples were calculated based on forecasts by our management.

	Selected Companies				Our Company
	High	Low	Mean	Median	Implied by Merger
Enterprise value to LTM revenues	1.2x	0.5x	0.9x	0.9x	0.8x
Enterprise value to projected calendar year 2013 revenues	1.2x	0.5x	0.9x	0.9x	0.9x
Enterprise value to projected calendar year 2014 revenues	1.1x	0.5x	0.9x	0.8x	0.7x
Enterprise value to LTM adjusted EBITDA	9.4x	4.9x	7.0x	5.9x	7.0x
Enterprise value to projected calendar year 2013 adjusted EBITDA	11.1x	5.6x	8.0x	8.1x	7.3x
Enterprise value to projected calendar year 2014 adjusted EBITDA	8.6x	5.1x	7.4x	8.0x	5.1x
Price to LTM non-GAAP EPS	25.0x	16.5x	22.2x	24.9x	21.4x
Price to projected calendar year 2013 non-GAAP EPS	30.4x	16.5x	24.9x	26.4x	26.3x
Price to projected calendar year 2014 non-GAAP EPS	28.1x	14.6x	20.3x	19.4x	15.5x
Price to book value	1.9x	0.9x	1.4x	1.4x	1.4x

Selected Transaction Analysis. Needham & Company analyzed publicly available financial information for the following selected merger and acquisition transactions, which represent transactions completed since January 1, 2008 that involved target companies that were operating in similar businesses to our company or had SIC code classifications deemed similar to our business and with transaction enterprise values equal to or greater than $100 million and less than $2 billion:

Acquirer	Target
Avista Capital Holdings, L.P.	Telular Corporation
MacDonald, Dettwiler & Associates Ltd.	Space Systems/Loral, Inc.
Cobham plc	Thrane & Thrane A/S
Honeywell International Inc.	EMS Technologies, Inc.
Kratos Defense & Security Solutions, Inc.	Integral Systems, Inc.
EchoStar Corporation	Hughes Communications, Inc.
Inmarsat plc	Ship Equip International AS
Kratos Defense & Security Solutions, Inc.	Herley Industries, Inc.
Raytheon Company	Applied Signal Technology, Inc.
Veritas Capital LLC	CPI International, Inc.
Gilat Satellite Networks Ltd.	Wavestream Corp.
Harris Corporation	CapRock Holdings, Inc.
Inmarsat plc	Segovia, Inc.
Rockwell Collins, Inc.	DataPath, Inc.
Comtech Telecommunications Corp.	Radyne Corporation

In examining the selected transactions, Needham & Company analyzed, for the selected transactions and for the merger,

- enterprise value as a multiple of LTM revenues; and
- enterprise value as a multiple of LTM adjusted EBITDA.

Needham & Company calculated multiples for the Company based on the merger consideration of $14.15 per share.

The following table sets forth information concerning the multiples described above for the selected transactions and the same multiples implied by the merger:

	Selected Transactions				Implied by
	High	Low	Mean	Median	Merger
Enterprise value to LTM revenues	2.8x	0.5x	1.7x	1.5x	0.8x
Enterprise value to LTM adjusted EBITDA	16.2x	5.7x	10.1x	9.7x	7.0x

Needham & Company also reviewed LTM gross margin and LTM adjusted EBITDA margins for the target companies in the selected transactions and noted that our LTM gross margin fell below the mean, median and low LTM gross margins for the target companies and that our LTM adjusted EBITDA margin fell below the mean and median LTM adjusted EBITDA margins for the target companies. The following table sets forth information concerning these margins.

	Selected Transactions				
	High	Low	Mean	Median	Globecomm
LTM gross margin	52.3%	29.0%	34.8%	31.8%	23.9%
LTM adjusted EBITDA margin	27.6%	0.7%	15.9%	15.9%	12.0%

Stock Price Premium Analysis. Needham & Company analyzed publicly available financial information for 39 merger and acquisition transactions that represent all-cash transactions involving publicly traded technology, technology-enabled services and communications companies announced since January 1, 2010 and subsequently completed with transaction enterprise values of between $250 million and $750 million. In examining these transactions, Needham & Company analyzed the premium of consideration offered to the acquired company s stock price one day, one week and one month prior to the announcement of the transaction.

Needham & Company calculated premiums for us based on the merger consideration of $14.15 per share and the closing prices of our common stock on the following dates:

- August 23, 2013, the last trading day prior to the public announcement of the execution of the merger agreement;
- January 14, 2013, the day on which Globecomm announced, following the close of the market, that it had engaged Needham & Company to act as our financial advisor to review potential strategic alternatives to enhance stockholder value; and
- October 9, 2012, the day on which Discovery Group filed an amendment to its Schedule 13D with the SEC following the close of the market that included a letter requesting Globecomm s board of directors solicit offers from parties interested in acquiring the Company.

The following table sets forth information concerning the stock price premiums in the selected transactions and the stock price premium implied by the merger:

	Announced Premium Paid		
	1 Day	1 Week	1 Month
Selected Transactions:			
High	74.3%	81.4%	125.6%
Mean	30.4%	31.5%	36.7%
Median	30.3%	30.3%	35.6%
Low	-2.0%	-3.8%	4.7%
Our company as of August 23, 2013	-1.7%	-1.3%	-2.6%
Our company as of January 14, 2013	21.9%		
Our company as of October 9, 2012	33.5%		

Discounted Cash Flow Analysis. Needham & Company performed illustrative discounted cash flow analyses to determine indicators of illustrative implied equity values for our company and illustrative implied equity values per share of our common stock based on our management s forecasts. Needham & Company calculated a range of indications of the present value of unlevered free cash flows for us for the projected fiscal years 2014 through 2016 using discount rates ranging from 13.25% to 15.25%. The range of discount rates, reflecting an estimated range of weighted average costs of capital of the Company, was selected by Needham & Company utilizing its professional judgment and experience after taking into account the trading price volatility and risk associated with our common stock, the current market environment, the opportunity cost of equity capital and other relevant factors. Our unlevered free cash flow, as shown under Important Information About Globecomm Projected Financial Information beginning on page 96 of this proxy statement, includes stock-based compensation, depreciation and amortization as non-cash expenses. Needham & Company then made calculations using two different methods.

In the first, the perpetuity method, Needham & Company calculated a range of illustrative terminal enterprise values as of the end of our fiscal 2016 by applying perpetual growth rates ranging from 2.0% to 6.0%. The range of perpetual growth rates was estimated by Needham & Company utilizing its professional judgment and experience after taking into account market expectations regarding long-term real growth of gross domestic product, growth of the technology sector and inflation. These illustrative terminal enterprise values were then discounted to calculate ranges of implied indications of present values using discount rates ranging from 13.25% to 15.25%. Needham & Company then added the ranges of the implied present values of our unlevered free cash flows for the projected periods to the ranges of implied present values of our terminal enterprise values to derive ranges of implied present enterprise values of our company. Needham & Company then added our cash and subtracted our debt to arrive at the ranges of implied present equity values. This analysis indicated an implied per share equity reference range for our company of $8.76 to $12.85, as compared to the merger consideration of $14.15 per share.

In the second, the exit multiple method, Needham & Company calculated a range of illustrative terminal enterprise values as of the end of our fiscal 2016 by applying multiples ranging from 6.0x to 8.0x to our management s estimate of our 2016 adjusted EBITDA. The range of multiples was selected by Needham & Company utilizing its professional judgment and experience after taking into account the enterprise value to LTM adjusted EBITDA multiple of 7.0x implied by the merger. These illustrative terminal enterprise values were then discounted to calculate ranges of implied indications of present values using discount rates ranging from 13.25% to 15.25%. Needham & Company then added the ranges of the implied present values of our unlevered free cash flows for the projected periods to the ranges of implied present values of our terminal enterprise values to derive ranges of implied present enterprise values of our company. Needham & Company then added our cash and subtracted our debt to arrive at the ranges of implied present equity values. This analysis indicated an implied per share equity reference range for our company of $14.07 to $17.89, as compared to the merger consideration of $14.15 per share.

No company, transaction or business used in the Selected Company Analysis, Selected Transaction Analysis or Stock Price Premium Analysis as a comparison is identical to us or to the merger, as applicable. Accordingly, an evaluation of the results of these analyses is not entirely mathematical; rather, it involves complex considerations and judgments concerning differences in the financial and operating characteristics and other factors that could affect the acquisition, public trading or other values of the selected companies or selected transactions or the business segment, company or transaction to which they are being compared.

The summary set forth above does not purport to be a complete description of the analyses performed by Needham & Company in connection with the rendering of its opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant quantitative and qualitative methods of financial analyses and the application of those methods to the particular circumstances and, therefore, such an opinion is not readily susceptible to summary description. Accordingly, Needham & Company believes that its analyses must be considered as a whole and that selecting portions of its analyses or the factors it considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying its analyses and opinion. Needham & Company did not attribute any specific weight to any factor or analysis considered by it. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis.

In performing its analyses, Needham & Company made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond our or Parent s control. Any estimates contained in or underlying these analyses, including estimates of our future performance, are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those estimates. Additionally, analyses relating to the values of businesses or assets do not purport to be appraisals or necessarily reflect the prices at which businesses or assets may actually be sold or the prices at which any securities have traded or may trade at any time in the future. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. Needham & Company s opinion and its related analyses were only one of many factors considered by our board of directors in their evaluation of the merger and should not be viewed as determinative of the views of our board of directors or management with respect to the merger consideration or the merger.

Under the terms of our engagement letter with Needham & Company, dated January 11, 2013, we have paid Needham & Company a fee of $250,000 for rendering its opinion and agreed to pay, upon the closing of the merger, a fee of 1.5% of the aggregate purchase price paid in the merger (approximately $5.1 million), against which the opinion fee would be credited. In addition, we have agreed to reimburse Needham & Company for certain of its out-of-pocket expenses and to indemnify Needham & Company and related persons against various liabilities, including certain liabilities under the federal securities laws.

Needham & Company is a nationally recognized investment banking firm. As part of its investment banking services, Needham & Company is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of securities, private placements and other purposes. Needham & Company was retained by our board of directors to act as our financial advisor based on Needham & Company s experience as a financial advisor in mergers and acquisitions as well as Needham & Company s familiarity with us and our industry generally. Needham & Company has not in the past two years provided investment banking or financial advisory services to us, Parent or Merger Sub for which Needham & Company has received compensation. Needham & Company may in the future provide investment banking and financial advisory services to us, Parent or our or their respective affiliates unrelated to the merger, for which services Needham & Company would expect to receive compensation. In the normal course of its business, Needham & Company may actively trade our equity securities for its own account or for the account of its customers and, therefore, may at any time hold a long or short position in those securities.

Certain Effects of the Merger

If the merger agreement is adopted by Globecomm s stockholders and the other conditions to the closing of the merger are either satisfied or waived, Merger Sub will be merged with and into Globecomm, with Globecomm being the surviving corporation. As a result of the merger, Globecomm will become a wholly owned indirect subsidiary of Parent, and Globecomm common stock will no longer be publicly traded. If the merger is completed, you will not own any shares of the capital stock of the surviving corporation.

The merger will become effective, which we refer to as the effective time of the merger, upon the filing of a certificate of merger with the Secretary of State of the State of Delaware (or at such later time as we, Parent and Merger Sub may agree and specify in the certificate of merger).

Subject to the following sentence, upon the completion of the merger, each share of Globecomm common stock issued and outstanding immediately prior to the completion of the merger will be converted into the right to receive $14.15 in cash, without interest. The following shares of Globecomm common stock will not be converted into merger consideration:

- shares held by any of our stockholders who are entitled to and who properly exercise, and do not withdraw or lose, appraisal rights under the DGCL;
- shares held by the Company as treasury stock; and
- shares owned by Parent or any subsidiary of either Globecomm or Parent.

In accordance with the terms of the merger agreement, each Globecomm stock option under any employee stock option or compensation plan or arrangement of the Company that is outstanding immediately prior to the completion of the merger, whether or not then exercisable or vested, will automatically be cancelled immediately prior to the completion of the merger, and, subject to applicable withholding taxes, the holder will be entitled to receive an amount in cash equal to the product of (i) the excess, if any, of (a) the merger consideration over (b) the exercise price per share of Globecomm common stock subject to such Globecomm stock option, and (ii) the total number of shares of Globecomm common stock subject to such Globecomm stock option as in effect immediately prior to the completion of the merger, without interest and with the aggregate amount of such payment rounded down to the nearest cent.

Upon consummation of the merger, each Globecomm restricted share will, to the extent not already fully vested, vest, and each holder of such Globecomm restricted share will be entitled to receive the merger consideration for each Globecomm restricted share, without interest and less any applicable withholding taxes.

Upon consummation of the merger, each award of a right entitling the holder thereof to shares of Globecomm common stock or cash equal to or based on the value of Globecomm common stock (other than Globecomm common stock options and Globecomm restricted shares) that is outstanding immediately prior to the completion of the merger will automatically be cancelled by virtue of the merger, and the holder will be entitled to receive the merger consideration for each such right.

Effects on the Company if the Merger is Not Completed

If the merger agreement is not adopted by Globecomm s stockholders or if the merger is not completed for any other reason, stockholders will not receive any payment for their shares in connection with the merger. Instead, Globecomm will remain an independent public company and the Globecomm common stock will continue to be quoted and traded on NASDAQ. In addition, if the merger is not completed, we expect that management will operate the business in a manner similar to that in which it is being operated today and that Globecomm stockholders will continue to be subject to the same risks and opportunities as they currently are. Accordingly, if the merger is not consummated, there can be no assurance as to the effect of these risks and

opportunities on the future value of your Globecomm shares. Under specified circumstances, Globecomm may be required to pay Parent a termination fee of either $10,200,000 or $3,400,000, or Parent may be required to pay Globecomm a Parent termination fee of $15,600,000 or reimburse the Parent reimbursement amount to Globecomm, in each case as described in The Merger Agreement Termination Fees and Expenses beginning on page 84 of this proxy statement.

From time to time, our board of directors will evaluate and review, among other things, the business, operations, properties, dividend policy and capitalization of Globecomm and make such changes as are deemed appropriate and continue to seek to identify strategic alternatives to enhance stockholder value. If the merger agreement is not adopted by Globecomm s stockholders or if the merger is not consummated for any other reason, there can be no assurance that any other transaction acceptable to Globecomm will be offered or that the business, prospects or results of operations of Globecomm will not be adversely impacted.

Delisting and Deregistration of Globecomm Common Stock

Globecomm common stock is currently registered under the Exchange Act and is quoted and traded on NASDAQ under the symbol GCOM. As a result of the merger, Globecomm will be a privately held corporation, and there will be no public market for its common stock. After the merger, the Globecomm common stock will cease to be quoted and traded on NASDAQ, and price quotations with respect to sales of shares of common stock in the public market will no longer be available. In addition, registration of the Globecomm common stock under the Exchange Act will be terminated, and we will no longer file periodic reports with the SEC on account of our common stock.

Regulatory Approvals

FCC Approval

Under the Communications Act of 1934, as amended, which we refer to as the Communications Act, as a condition to, and before the completion of, the transaction, the FCC must approve the transfer of control of certain of Globecomm s licenses and authorizations in connection with the transactions contemplated by the merger agreement. In connection with such approval, the FCC must determine whether Parent is qualified to control Globecomm s licenses and authorizations and whether the transfer of control of such licenses is consistent with the public interest, convenience and necessity. In order to obtain FCC approval, we are required to file applications for FCC consent to the transfer of control of the FCC licenses in connection with the merger. The requisite FCC applications were filed on September 12, 2013. While we believe that FCC approval will ultimately be obtained, this approval is not assured.

U.S. Antitrust Requirements

Under the HSR Act and the rules promulgated thereunder by the FTC, the merger cannot be completed until Globecomm and Parent file a notification and report form under the HSR Act and the applicable waiting period has expired or been terminated. Globecomm and Parent filed notification and report forms under the HSR Act with the FTC and the Antitrust Division of the DOJ on September 25, 2013.

Although Globecomm expects that the merger can be effected in compliance with federal and state antitrust laws, it cannot be certain that the merger will not be challenged by a governmental authority or private party on antitrust grounds. At any time before or after completion of the merger, the DOJ or the FTC could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin the completion of the merger or seeking divestiture of substantial assets of Globecomm or Parent. At any time before or after the completion of the merger, any state could take such action under the antitrust laws as it

deems necessary or desirable in the public interest. Such action could include seeking to enjoin the completion of the merger or seeking divestiture of substantial assets of Globecomm or Parent. Private parties may also seek to take legal action under the antitrust laws under certain circumstances.

When we use the term antitrust laws in this proxy statement, we are referring to the Sherman Antitrust Act of 1890, as amended, the Clayton Antitrust Act of 1914, as amended, the HSR Act, the Federal Trade Commission Act of 1914, as amended, and all other Federal and state statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other laws that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade.

Committee on Foreign Investment in the United States

Under the Exon-Florio Amendment to the Defense Production Act of 1950, the President of the United States has the authority to review and, where necessary, suspend or prohibit any foreign acquisition, merger or takeover of companies engaged in U.S. interstate commerce or determined to threaten U.S. national security. By executive order, the President has delegated his investigatory powers under the Exon-Florio Amendment to CFIUS, an interagency committee chaired by the U.S. Treasury Department. In general, CFIUS review of a covered transaction occurs in an initial 30-day review period that may be extended by CFIUS for an additional 45-day investigation period. At the close of its review or investigation, CFIUS may decline to take any action relative to the covered transaction, may impose mitigation terms to resolve any national security concerns with the covered transaction or may send a report to the President recommending that the transaction be suspended or prohibited or providing notice to the President that CFIUS cannot agree on a recommendation relative to the covered transaction. The President has 15 days under the Defense Production Act to act on the Committee s report.

If requested by CFIUS, we will file, with Parent, a joint voluntary notice with CFIUS, seeking confirmation that the transaction contemplated by the business combination agreement does not threaten national security. We cannot assure you that CFIUS will not request that the Company and Parent file a joint voluntary notice or, if a notice is filed, that the Company and Parent will receive CFIUS approval.

Other U.S. Regulatory Filings

We engage in several business areas that are regulated by the U.S. Government on national security grounds. In particular, we are registered with the U.S. State Department as a manufacturer of items that are controlled under ITAR. In addition, we have been granted a facility security clearance that is regulated by the U.S. Department of Defense in accordance with the requirements of NISPOM. In connection with the transfer of control of Globecomm to Parent, we will make any required notices and other filings and satisfy any other requirements necessary to comply with ITAR or NISPOM.

Financing of the Merger

Parent and Merger Sub have secured committed financing consisting of a combination of equity to be provided by Wasserstein & Co. and certain of its affiliates and other co-investors and debt financing from Highbridge and certain of its affiliates, the aggregate proceeds of which, together with the available cash held by Globecomm, will be sufficient for Parent and Merger Sub to:

- pay our stockholders the amounts due under the merger agreement;
- make payments in respect of Globecomm stock options, Globecomm restricted shares and other Globecomm equity-based rights pursuant to the merger agreement;

repay and discharge all principal amounts outstanding pursuant to the existing credit agreement; and

pay all fees and expenses payable by Parent and Merger Sub under the merger agreement and Merger Sub s agreements with its lenders (and related transactions), other than fees and expenses already reimbursed via the Parent reimbursement amount.

Equity Financing

In connection with the execution and delivery of the merger agreement, Parent has entered into the equity financing commitment, providing for equity financing of up to $84,500,000, with an affiliate of Wasserstein & Co. solely for the purpose of allowing Parent to fund a portion of the merger consideration required pursuant to the merger agreement and the fees and expenses incurred by Parent related to the transactions contemplated by the merger agreement.

The obligation to fund or cause the funding of the equity financing commitment is subject to (i) the execution and delivery of the merger agreement by Globecomm, (ii) the satisfaction or waiver of each of the conditions to Parent s and Merger Sub s obligations to consummate the merger (other than those conditions that, by their nature, are to be satisfied at the closing, but subject to their satisfaction at the closing), and (iii) the debt financing commitment being funded on the closing date of the merger, subject only to the consummation of the transactions contemplated by the equity financing commitment. Globecomm is a third-party beneficiary to the equity financing commitment for the limited purpose of permitting us to seek, under certain circumstances, specific performance to cause the equity financing to be funded in accordance with the terms of the equity financing commitment and the merger agreement.

Debt Financing

In connection with the execution and delivery of the merger agreement, Parent received a debt financing commitment of up to $235,000,000 in total aggregate amount from Highbridge, on behalf of its affiliates, acting as the sole administrative agent, consisting of (i) a senior secured term loan of up to $205,000,000 and (ii) a $30,000,000 senior secured revolving credit facility (revolver borrowings are not expected to be made on the closing of the merger unless necessary to cash collateralize outstanding letters of credit). The senior secured term loan may be reduced by $1.00 for every $0.75 by which the equity financing commitment is increased up to a maximum reduction of $20,000,000 in Borrower s (as defined below) sole discretion. The revolving credit facility and the term loan will each mature five years from the closing date of the merger. Merger Sub and/or Globecomm and, following the merger, the surviving corporation will be the borrower under the senior secured facility, which we refer to as Borrower. The proceeds of borrowings under the senior secured term loan will be used to finance, in part, the payment of the amounts payable under the merger agreement and the payment of fees and expenses incurred in connection with the merger and other general corporate purposes. After the initial funding date, borrowings under the revolving credit facility may be used for working capital and general corporate purposes.

The closing of the debt financing is conditioned on customary conditions, including, but not limited to:

receipt by Parent of equity contributions of at least $84,500,000 in the aggregate immediately prior to or concurrently with the funding of the debt financing;

the completion of the merger pursuant to the merger agreement, substantially concurrently with the funding of the senior term loan, and the merger agreement having not been amended, supplemented, modified or waived, in each case, in a manner materially adverse to the lenders, unless consented to by Highbridge;

receipt by Highbridge of a duly executed customary payoff letter from Citibank, N.A.;

the completion of actions, filings and deliverables necessary to perfect security interests in certain of the collateral, described below;

delivery of true and complete funds flow memorandum describing sources and uses of funds for the merger;

the delivery of customary legal opinions, certificates, solvency certificates and other customary closing documents;

Globecomm s Closing Condition Adjusted EBITDA, as defined in The Merger Agreement Conditions to the Completion of the Merger beginning on page 65 of this proxy statement, for the most recent 12-calendar months ending 30 days or more prior to the closing of the merger (or, if the final month in such 12-calendar month period is September, 45 days) having met or exceeded $32,000,000 until and including the 12-month period ending November 30, 2013;

there not having occurred a Material Adverse Effect, as defined in The Merger Agreement Definition of Material Adverse Effect beginning on page 70 of this proxy statement, since August 25, 2013;

certain representations made by or with respect to Globecomm and its subsidiaries in the merger agreement and additional specified representations to enter into the facilities documentation being accurate; and

the payment of all fees and expenses then due and payable pursuant to commitment and fee letters in connection with the debt financing being paid.

Under the merger agreement, Parent and Merger Sub may replace or amend the debt financing commitment to add lenders, lead arrangers, bookrunners, syndication agents or similar entities or otherwise so long as the terms would not adversely impact the ability of Parent and the Merger Sub to timely consummate the merger or the likelihood of the completion of the merger and related transactions. As of the date of this proxy statement, no alternative financing arrangements or alternative financing plans have been made in the event the debt financing described above is not available as anticipated or otherwise. The documentation governing the senior secured facility has not been finalized and, accordingly, its actual terms may differ from those described in this proxy statement. The debt financing commitment provides that Parent and Merger Sub may not engage in discussions with any other potential financing sources unless the debt financing commitment is terminated (i) by Highbridge upon notice of termination due to material breach by Merger Sub (other than with respect to its indemnity, confidentiality or exclusivity obligations) or (ii) by Merger Sub if Highbridge breaches its material obligations under the debt financing commitment or the definitive loan documents or if Highbridge refuses to waive a closing condition if the parties to the merger seek to consummate the merger.

Limited Guaranty

Concurrently with the execution of the merger agreement, Parent delivered to Globecomm a limited guaranty of up to $15,600,000 by an affiliate of Wasserstein & Co., pursuant to which the guarantor agreed to guarantee the payment of Parent s termination fee, subject to the limitations set forth in the merger agreement as described in The Merger Agreement Termination Fee Payable by Parent on page 85 of this proxy statement, or to pay certain reimbursement and other obligations of Parent or Merger Sub under the merger agreement, provided that in no event will the guarantor s aggregate liability under the limited guaranty exceed $15,600,000. We refer to the payment of the Parent s termination fee and the monetary damages in the immediately preceding sentence collectively as the guaranteed obligations.

The limited guaranty will remain in full force and effect until the earlier of (i) the effective time of the merger, (ii) the valid termination of the merger agreement under circumstances in which none of the guaranteed obligations are payable, (iii) the payment of Parent s termination fee or an amount equal to $15,600,000, and (iv) subject to certain exceptions and limitations, the 150-day anniversary following termination of the merger agreement unless, prior to the 150-day anniversary, (a) Globecomm delivered written notice to the guarantor with respect to any of guarantor s obligations in accordance with the limited guaranty or (b) Globecomm commenced a suit, action or other proceeding alleging that the obligations of the guarantor under the limited guaranty are due and payable.

Interests of the Company s Directors and Executive Officers in the Merger

In considering the recommendations of our board of directors, Globecomm s stockholders should be aware that certain of Globecomm s directors and executive officers have interests in the transaction that are different from, and/or in addition to, the interests of Globecomm s stockholders generally and that may create potential conflicts of interest. Our board of directors was aware of these potential conflicts of interest and considered them, among other matters, in reaching their decisions to approve the merger agreement and to recommend that our stockholders vote in favor of adopting the merger agreement.

Set forth below are descriptions of the interests of directors and executive officers, including interests in equity or equity-based awards, and other compensation and benefit arrangements. Certain named executive officers participate in change in control severance arrangements, which are described in the next section, Golden Parachute Compensation. The dates used in the discussions below to quantify certain of these interests have been selected for illustrative purposes only, and they do not necessarily reflect the dates on which certain events will occur.

Treatment of Stock Options and Restricted Shares and Other Equity-Based Rights

In accordance with the terms of the merger agreement, each Globecomm stock option under any employee stock option or compensation plan or arrangement of the Company that is outstanding immediately prior to the completion of the merger, whether or not then exercisable or vested, will automatically be cancelled immediately prior to the completion of the merger, and, subject to applicable withholding taxes, the holder will be entitled to receive an amount in cash equal to the product of (i) the excess, if any, of (a) the merger consideration over (b) the exercise price per share of Globecomm common stock subject to such Globecomm stock option, and (ii) the total number of shares of Globecomm common stock subject to such Globecomm stock option as in effect immediately prior to the completion of the merger, without interest and with the aggregate amount of such payment rounded down to the nearest cent.

Upon consummation of the merger, each Globecomm restricted share will, to the extent not already fully vested, vest, and each holder of such Globecomm restricted share will be entitled to receive the merger consideration for each Globecomm restricted share, without interest and less any applicable withholding taxes.

Upon consummation of the merger, each award of a right entitling the holder thereof to shares of Globecomm common stock or cash equal to or based on the value of Globecomm common stock (other than Globecomm common stock options and Globecomm restricted shares) that is outstanding immediately prior to the completion of the merger will automatically be cancelled by virtue of the merger, and the holder will be entitled to receive the merger consideration for each such right.

The table below sets forth, as of October 18, 2013, the consideration expected to be received by each of our directors and executive officers in connection with the treatment of stock options and restricted shares, assuming continued employment through the completion of the merger:

Name	Estimated Cash to be Received in Respect of Options to Purchase Globecomm Common Stock	Estimated Cash to be Received in Respect of Restricted Stock in the Merger	Estimated Total Resulting Consideration
Outside Directors:			
A. Robert Towbin	$ 218,300	$ 63,208	$ 281,508
C.J. Waylan	218,300	63,208	281,508
Harry L. Hutcherson, Jr.	218,300	63,208	281,508
Brian T. Maloney	244,844	63,208	308,052
Jack A. Shaw	129,100	63,208	192,308
Richard E. Caruso	3,800	49,058	52,858
Employee Directors:			
David E. Hershberg	$ 95,500	$ 882,019	$ 977,519
Keith A. Hall	22,920	613,169	636,089
Executive Officers:			
Andrew C. Melfi	$	$ 353,750	$ 353,750
Thomas C. Coyle		212,264	212,264
Andrew Silberstein	46,750	231,119	277,869
Total of all directors and executive officers as a group	$ 1,197,814	$ 2,657,419	$ 3,855,234

Globecomm Director Compensation Arrangements and Other Interests

As of October 18, 2013, our non-employee directors held an aggregate of 21,590 shares of Globecomm common stock. These directors will receive an aggregate cash payment in respect of their beneficially owned shares of Globecomm common stock in the amount of $305,499.

The members of our board of directors (excluding David E. Hershberg and Keith A. Hall) are independent of and have no economic interest or expectancy of an economic interest in Parent or its affiliates. We expect that, prior to the completion of the merger, some or all of Globecomm s executive officers may discuss or enter into agreements, arrangements or understandings with Parent or Merger Sub or any of their respective affiliates regarding their continuing employment with the surviving corporation or one or more of its affiliates. However, the merger is not conditioned on any such executive officers entering into any such agreements, arrangements or understandings. See The Merger Agreement Employee Matters beginning on page 82 of this proxy statement for a summary of Parent s obligations to Globecomm s employees following the completion of the merger.

Each of the independent directors received remuneration based on the following:

Retainer per director for service on the Board of Directors: $40,000 per year (each director also receives a payment of $1,500 or $750 for each in-person or telephonic meeting, respectively, which is held in addition to the scheduled quarterly meetings of the Board of Directors);

Audit Committee member: $10,000 per year;

Audit Committee Chairperson: $18,000 per year;

Compensation Committee member: $4,000 per year;

Compensation Committee Chairperson: $6,000 per year;

Nominating and Corporate Governance Committee member: $3,000 per year;

Nominating and Corporate Governance Committee Chairperson: $6,000 per year;

Strategy Committee member: $3,000 per year; and

Strategy Committee Chairperson: $6,000 per year.

Directors on the Nominating and Corporate Governance Committee and Strategy Committee, all of whom are independent, and who attend independent directors meetings also receive a payment of $1,500 or $750 for each in-person or telephonic meeting, respectively, which is not held at the scheduled quarterly meetings of the board of directors. These independent directors are also reimbursed for certain expenses incurred in connection with attendance at meetings of the board of directors. Directors who are also employees of the Company do not receive any compensation for their service as directors.

Through June 30, 2013, the members of our board of directors earned fees in connection with the performance of their duties as members of the board of directors for the fiscal year ended June 30, 2013, in the aggregate amount of $397,500 as follows:

Director	Amount of Fees
Richard E. Caruso	$ 68,750
Harry L. Hutcherson, Jr.	$ 71,500
Brian T. Maloney	$ 73,500
Jack A. Shaw	$ 59,750
A. Robert Towbin	$ 48,250
C.J. Waylan	$ 75,750

Indemnification and Insurance

Parent has agreed to cause the surviving corporation to indemnify each of our present and former directors and executive officers against all costs or expenses (including reasonable attorneys fees and expenses), judgments, fines, losses, claims, damages, liabilities and amounts paid in settlement in connection with any actual or threatened claim, action, suit, proceeding or investigation (whether civil, criminal, administrative or investigative) arising out of, relating to or in connection with any act or omission in their capacity as an officer or director occurring on or before the closing date of the merger.

The merger agreement requires that following the closing date of the merger the surviving corporation maintain directors and officers liability insurance policies with terms, conditions, retentions and limits of liability that are no less favorable than the Company s existing policies as of August 25, 2013, and with a claims period of at least six years from the closing date of the merger for claims arising from facts or events that occurred on or prior to the closing date. Under the merger agreement, Globecomm may obtain a six-year prepaid tail policy in lieu of such continued coverage. If the total aggregate amount payable for such tail insurance policy exceeds 300% of our current annual premium, Globecomm may obtain a substantially similar policy with the greatest coverage available for a cost not exceeding 300% of the current annual premium paid by us.

Golden Parachute Compensation

Globecomm entered into employment agreements (the executive agreements) with Messrs. Hershberg in October 2001 (and amended in January 2009 and September 2013), Melfi in October 2001 (and amended in January 2009), Hall in June 2008 (replaced by a new agreement in July 2009), Coyle in June 2008 (and amended in January 2009) and Silberstein in June 2011, whom we refer to collectively as the named executive officers. The executive agreements continue from year to year, unless terminated earlier by either party by written notice of termination given to the other party. Each executive agreement entitles the relevant named executive officer to all employee benefits generally made available to executive officers.

The following discusses the benefits available to a named executive officer in the event of a change in control, including as a result of the merger.

As a result of the merger, named executive officers will receive cash in respect of certain equity awards. Pursuant to the Globecomm Systems Inc. 1997 Stock Incentive Plan and the 2006 Stock Incentive Plan, all outstanding Globecomm stock options, Globecomm restricted shares and each award of a right entitling the holder thereof to shares of Globecomm common stock or cash equal to or based on the value of Globecomm common stock will become fully vested immediately prior to the completion of the merger and such holder will be entitled to receive merger consideration as described above under the heading Treatment of Stock Options and Restricted Shares and Other Equity-Based Rights above.

Pursuant to the executive agreements, if a named executive officer does not provide the Company notice of resignation or non-renewal at any time during the year following a change in control and remains employed by the Company through the first anniversary of a change in control, he would be paid a one-time bonus payment equal to 50% of his annual base salary during the immediately preceding calendar year (the retention bonus).

The executive agreements provide for severance payments and benefits if, within one year after a change in control, a named executive officer is terminated other than for cause or gives notice of his resignation for good reason. A named executive officer may give notice of his resignation for good reason due to either a material reduction in his duties or responsibilities or a change in his reporting relationship, but if the Company gives such individual written notice, at any time up to 10 days after it receives such individual s written resignation notice and requests that he continue his employment until a date no later than the first anniversary of the change in control, then the named executive officer will receive severance payments and benefits only if he continues his employment until that date.

The salary component of severance is payable in the form of salary continuation for a severance period equivalent to three years for each of Messrs. Hershberg, Melfi and Hall; two years for Mr. Coyle; and one year for Mr. Silberstein. Each of the executive agreements contains a non-compete, non-solicitation, non-disparagement and confidentiality agreement.

In the event the Company gives notice of election not to extend the initial term or any renewal term of the executive agreements with any of Messrs. Hershberg, Hall or Melfi, the named executive officer would be entitled to three years of severance payments and benefits.

If the payments to a named executive officer (including the value of accelerated vesting of stock options, restricted stock and/or other rights in respect of Globecomm common stock) in connection with a change in control exceed three times the individual s five-year average compensation from the Company, the portion of the

payments that exceeds the individual s average compensation will be subject to a 20% federal excise tax. The executive agreements provide that the severance payments and the retention bonus will be reduced to the extent necessary to prevent the imposition of the excise tax, unless the named executive officer would retain a greater net payment by receiving the full amount and paying the excise tax. The amount of compensation that is subject to the excise tax would not be deductible for federal tax purposes by the Company.

The table below presents each of the individual elements of compensation that the named executive officers would receive based on or otherwise related to the merger and the total for each executive officer.

Named Executive Officer	Cash[1]	Equity[2]	Perquisites/ Benefits[3]	Total
David E. Hershberg	$ 1,725,000	$ 977,519	$ 217,342	$ 2,919,861
Keith A. Hall	1,275,000	636,089	149,657	2,060,746
Andrew C. Melfi	1,110,000	353,750	147,370	1,611,120
Thomas C. Coyle	620,000	212,264	105,479	937,743
Andrew Silberstein	275,000	277,869	33,743	586,612

(1) The amounts in this column represent the cash salary portion of severance payments pursuant to the executive agreements with each of the named executive officers. The salary component of severance is payable in the form of salary continuation for a severance period equivalent to three years for Messrs. Hershberg, Melfi and Hall; two years for Mr. Coyle; and one year for Mr. Silberstein. Each of the executive agreements contains a non-compete, non-solicitation, non-disparagement and confidentiality agreement.

(2) All equity acceleration occurs on a single-trigger basis (without the necessity for any termination of employment). These amounts represent cash payments in respect of the cancellation of options and acceleration of restricted shares, as set forth in the table below:

Named Executive Officer	Cancellation of Options	Acceleration of Restricted Shares	Equity
David E. Hershberg	$ 95,500	$ 882,019	$ 977,519
Keith A. Hall	22,920	613,169	636,089
Andrew C. Melfi		353,750	353,750
Thomas C. Coyle		212,264	212,264
Andrew Silberstein	46,750	231,119	277,869

All currently outstanding options are fully vested for each named executive officer. The value of the cancelled options was determined by multiplying the number of cancelled options by the merger consideration less the exercise price per share. The value of restricted shares was determined by multiplying the number of shares of restricted stock by the merger consideration.

(3) The amounts in this column represent amounts the named executive officers would receive upon termination of employment without cause or for good reason in connection with a change in control, within one year after a change in control (double-trigger payments), pursuant to the executive agreements summarized above, indicating (i) the aggregate amounts of medical and dental continuation coverage, based on the Company s current rates, (ii) the aggregate amounts the named executive officers would receive upon termination of employment without cause or for good reason in conjunction with a change in control for (a) the automobile allowance, (b) the non-elective deferral employer contribution made under the Company s 401(k) plan for the last fiscal year of the Company prior to the termination of employment, (c) the estimated cost to converting the group term life insurance coverage to an individual policy, (d) the

annual professional service allowance, which would be for Mr. Hershberg only, and (e) the aggregate amount of the vacation payout, as set forth in the table below:

Named Executive Officer	Medical and Dental Continuation Coverage	Automobile Allowance	Non-Elective Deferral Employer Contribution Made Under 401(k) Plan	Estimated Cost to Converting the Group Term Life Insurance Coverage	Professional Service Allowance	Vacation Payout	Perquisites/ Benefits
David E. Hershberg	$ 72,000	$ 36,000	$ 11,250	$ 49,457	$ 7,500	$ 41,135	$ 217,342
Keith A. Hall	76,250	27,000	11,250	1,860		33,297	149,657
Andrew C. Melfi	74,738	27,000	11,250	7,500		26,882	147,370
Thomas C. Coyle	48,000	12,000	7,500	7,730		30,249	105,479
Andrew Silberstein	25,417	6,000		1,385		941	33,743

Accounting Treatment

The merger will be accounted for as a purchase transaction for financial accounting purposes.

Material U.S. Federal Income Tax Consequences of the Merger

The following discussion summarizes the material U.S. federal income tax consequences of the merger to U.S. holders (as defined below) of Globecomm common stock whose shares will be exchanged for cash in the merger. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended, which we refer to as the Code, the U.S. Treasury Regulations promulgated thereunder and judicial and administrative rulings, all as in effect as of the date of this proxy statement and all of which are subject to change or varying interpretation, possibly with retroactive effect. Any such changes could affect the accuracy of the statements and conclusions set forth herein.

This discussion assumes that U.S. holders of Globecomm common stock hold their shares as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all aspects of U.S. federal income taxation that may be relevant to a U.S. holder of Globecomm common stock in light of such holder s particular circumstances, nor does it discuss the special considerations applicable to holders of our common stock subject to special treatment under the U.S. federal income tax laws, such as, for example, financial institutions or broker-dealers, mutual funds, partnerships or other pass-through entities and owners, tax-exempt organizations, insurance companies, dealers in securities or foreign currencies, traders in securities who elect mark-to-market method of accounting, controlled foreign corporations, passive foreign investment companies, holders who are not U.S. holders, U.S. expatriates, holders who acquired their Globecomm common stock through the exercise of options or otherwise as compensation, holders who hold their Globecomm common stock as part of a hedge, straddle, constructive sale or conversion transaction, holders whose functional currency is not the U.S. dollar, holders who exercise appraisal rights or the receipt of cash in connection with the treatment of holders of stock options, restricted stock or other matters related to equity compensation or benefit plans. This discussion does not address any aspect of foreign, state, local, alternative minimum, estate, gift or other tax law that may be applicable to a U.S. holder, nor does it address any tax consequences arising under the 3.8% unearned income Medicare contribution tax.

We intend this discussion to provide only a general summary of the material U.S. federal income tax consequences of the merger to U.S. holders of Globecomm common stock. We do not intend it to be a complete analysis or description of all potential U.S. federal income tax consequences of the merger. The U.S. federal

income tax laws are complex and subject to varying interpretation. Accordingly, the Internal Revenue Service may not agree with the tax consequences described in this proxy statement.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Globecomm common stock, the tax treatment of a partner in such partnership generally will depend on the status of the partner and activities of the partnership. If you are a partner of a partnership holding Globecomm common stock, you should consult your own tax advisor regarding the tax consequences of the merger.

All holders should consult their own tax advisor to determine the particular tax consequences to them (including the application and effect of any state, local or foreign income and other tax laws) of the receipt of cash in exchange for shares of Globecomm common stock pursuant to the merger.

For purposes of this discussion, the term U.S. holder means a beneficial owner of Globecomm common stock that is, for U.S. federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- a trust if (i) its administration is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person; or
- an estate the income of which is subject to U.S. federal income tax regardless of its source.

Treatment of the Merger

The conversion of shares of Globecomm common stock into cash pursuant to the merger will be a taxable transaction in part for U.S. federal income tax purposes.

A U.S. holder generally will recognize gain or loss for U.S. federal income tax purposes equal to the difference, if any, between the amount of cash received pursuant to the merger and such U.S. holder s adjusted tax basis in the shares converted into cash pursuant to the merger. Such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the holder s holding period for such shares exceeds one year as of the date of the merger. Long-term capital gains for certain non-corporate U.S. holders, including individuals, are generally taxed at a maximum rate of 20% under current law. The deductibility of capital losses is subject to limitations. If a U.S. holder acquired different blocks of Globecomm common stock at different times or different prices, such U.S. holder must generally determine its tax basis, holding period and gain or loss separately with respect to each block of Globecomm common stock.

Information Reporting and Backup Withholding

A U.S. holder may, under certain circumstances, be subject to information reporting and backup withholding at the applicable rate (currently 28%) with respect to the cash received pursuant to the merger, unless such holder properly establishes an exemption or provides its correct tax identification number and otherwise complies with the applicable requirements of the backup withholding rules. Each of our U.S. holders

should complete and sign, under penalty of perjury, the Internal Revenue Service Form W-9 or substitute form included as part of the letter of transmittal and return it to the paying agent, in order to provide the information and certification necessary to avoid backup withholding, unless an exemption applies and is established in a manner satisfactory to the paying agent.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules may be refunded or credited against the holder s United States federal income tax liability, if any, provided that certain required information is furnished to the IRS in a timely manner. U.S. holders should consult their own tax advisors regarding application of backup withholding in their particular circumstances and the availability of and procedure for obtaining an exemption from backup withholding under current United States Treasury Regulations.

Certain Relationships Between Parent and Globecomm

There are no material relationships between Parent and Merger Sub or any of their respective affiliates, on the one hand, and Globecomm or any of its affiliates, on the other hand, other than in respect of the merger agreement and those arrangements described above under Background of the Merger and Interests of the Company s Directors and Executive Officers in the Merger beginning on pages 22 and 45 of this proxy statement, respectively.

Litigation Related to the Merger

On October 10, 2013, Theodore Matozzo filed a lawsuit on behalf of himself and a putative class of public Globecomm stockholders, which we refer to as the Matozzo complaint, in New York Supreme Court, Suffolk County, captioned Matozzo v. Globecomm Systems Inc., et al., Index No. 063299/2013 (N.Y. Sup. Ct. Suffolk County). The Matozzo complaint generally alleges that the directors of Globecomm, all named as defendants, breached their fiduciary duties:

by purportedly failing to obtain fair value for Globecomm and agreeing to improper deal-protection provisions;

because company insiders purportedly will receive benefits not shared by the Globecomm stockholders generally; and

because Globecomm s September 30, 201