COMTECH TELECOMMUNICATIONS CORP /DE/
Form DEF 14A
November 21, 2016
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 (Amendment No.)

Filed by the Registrant [X]
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))
[X] Definitive Proxy Statement
[ ] Definitive Additional Materials
[ ] Soliciting Material Pursuant to §240.14a-12
COMTECH TELECOMMUNICATIONS CORP.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):
[X] No fee required.
[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

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

2) Aggregate number of securities to which transaction applies:

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

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

Notice of Fiscal 2016 Annual Meeting of Stockholders and
Proxy
Statement

December 8, 2016 at 10 a.m., Eastern Time
68 S. Service Road, Lower Level Auditorium
Melville, NY 11747

Proof of ownership required for admission
See Part 1 – "About the Proxy Statement" for details on admission requirements to attend the Annual Meeting of Stockholders.

2016 Proxy Statement

NOTICE OF FISCAL 2016 ANNUAL MEETING OF STOCKHOLDERS

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November 21, 2016

Dear Stockholder:

On behalf of the Board of Directors (the “Board”) and management, we cordially invite you to attend the Fiscal 2016 Annual Meeting of Stockholders (the “Annual Meeting”) of Comtech Telecommunications Corp. (“Comtech” or the “Company”). The Annual Meeting will be held at 10 a.m. on December 8, 2016 at our corporate headquarters located at 68 South Service Road, Lower Level Auditorium, Melville, New York, 11747. The Notice of Fiscal 2016 Annual Meeting of Stockholders, Proxy Statement and proxy card are enclosed.

Your Board recommends that you promptly vote “FOR” Proposals 1, 2, 3 and 4 on the enclosed proxy card. It is important that your shares are voted at the Annual Meeting. Whether or not you are able to attend in person, the prompt execution and return of the enclosed proxy card in the envelope provided or submission of your proxy and voting instructions over the Internet or by telephone will assure that your shares are represented at the Annual Meeting. Instructions for voting via the Internet or by telephone are set forth on the enclosed proxy card.

Important Notice Regarding the Availability of Proxy Materials for the Fiscal 2016 Annual Meeting of Stockholders to be Held on December 8, 2016.

Our Proxy Statement and Fiscal 2016 Annual Report are available at: www.proxyvote.com and www.comtechtel.com

On behalf of everyone at Comtech, we thank you for your ongoing interest and investment in our Company. We are committed to acting in your best interests.

Sincerely,
Fred Kornberg
Chairman, Chief Executive Officer and President

Your vote is extremely important. If you have any questions or require any assistance voting your shares, please contact Comtech's proxy solicitor:

Innisfree M&A Incorporated
Stockholders May Call
Toll-Free: (888) 750-5834
Banks and Brokers May Call
Collect: (212) 750-5833

NOTICE OF FISCAL 2016 ANNUAL MEETING OF STOCKHOLDERS

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Date	December 8, 2016
Time	10:00 a.m., Eastern Time
Place	68 S. Service Road, Lower Level Auditorium, Melville, NY 11747
Record Date	In order to vote, you must have been a stockholder at the close of business on November 11, 2016
Proxy voting	It is important that your shares be represented at the Annual Meeting regardless of the number of shares you hold in order that we have a quorum, whether or not you plan to be present at the Annual Meeting in person. Please complete, sign, date and mail the enclosed proxy card in the accompanying envelope (to which you need affix no postage if mailed within the United States) or submit your proxy and voting instructions over the Internet or by telephone. Instructions for voting via the Internet or by telephone are set forth on the enclosed proxy card. Your vote is extremely important If you have any questions or require any assistance with voting your shares, please contact Comtech's proxy solicitor: Innisfree M&A Incorporated Stockholders May Call Toll-Free: (888) 750-5834 Banks and Brokers May Call Collect: (212) 750-5833
Items of business	1. To elect Dr. Yacov A. Shamash to serve as a member of the Company's Board of Directors for a term expiring at the Company's first annual meeting following the end of its fiscal year ending July 31, 2017, and to elect Fred Kornberg and Edwin Kantor to serve as members of the Company's Board of Directors for terms expiring at the Company's first annual meeting following the end of its fiscal year ending July 31, 2019. 2. To conduct an advisory vote on the compensation of Named Executive Officers as disclosed in this Proxy Statement. 3. To ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for the current fiscal year ending July 31, 2017. 4. To approve our amended 2000 Stock Incentive Plan (the "2000 Plan"), including an increase in the number of shares of our Common Stock available under the 2000 Plan, extending the 2000 Plan term until November 18, 2026 and reapproving the material terms of performance goals under Internal Revenue Code Section 162(m). 5. To transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.
Admission to	Proof of share ownership will be required to enter the Annual Meeting. See Part 1 – "About the Proxy Statement" for details.

meeting
By Order of the Board of Directors,

Nancy Stallone
Secretary
November 21, 2016

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Proxy Summary

This summary highlights information contained within this Proxy Statement. This summary does not contain all of the information you should consider. Please read the entire Proxy Statement carefully before voting.

Annual Stockholders' Meeting		Meeting Agenda
Date	December 8, 2016	Election of Three Directors
Time	10 a.m., Eastern Time	
Place	68 S. Service Road, Lower Level Auditorium, Melville, NY 11747	An advisory vote on the compensation of the Named Executive Officers as disclosed in this Proxy Statement
		Ratification of the selection of our independent registered public accounting firm
Record Date	Stockholders as of November 11, 2016 are entitled to vote. Each share of common stock is entitled to one vote for each director nominee and one vote for each of the proposals to be voted on.	Approval of our amended 2000 Plan, including an increase in the number of shares of our Common Stock available under the 2000 Plan, extending the 2000 Plan term until November 18, 2026 and reapproving the material terms of the performance goals under Internal Revenue Code Section 162(m)

Voting matters and vote recommendation

Item	Board recommendation	Reasons for recommendation	More info
Election of three directors	FOR	The Board and Nominating and Governance Committee believe that	Page 52

			the three Board candidates possess the skills, experience, and diversity to effectively monitor performance, provide oversight, and advise management on the Company's long-term strategy.	
2	Approval (on an advisory basis) of the compensation of the Named Executive Officers as disclosed in this Proxy Statement	FOR	Our executive compensation programs demonstrate the continuing evolution of our pay for performance philosophy, and reflect the input of stockholders from our extensive outreach efforts.	Page 53
3	Ratification of selection of independent registered public accounting firm	FOR	The Audit Committee of the Board of Directors believes that the appointment of Deloitte & Touche LLP is in the best interests of the Company and its stockholders.	Page 54
4	Approval of our amended 2000 Stock Incentive Plan (the "2000 Plan"), including an increase in the number of shares of our Common Stock available under the 2000 Plan, extending the 2000 Plan term until November 18, 2026 and reapproving the material	FOR	The approval of our amended 2000 Plan will increase the number of shares available for awards under the 2000 Plan which will allow us to grant equity-based awards to eligible participants to attract, motivate and retain such participants. In addition, stockholders are being asked to approve the performance goals to enable us to grant awards that are intended to qualify as performance-based compensation under Section 162(m) of the	Page 56

terms of the performance goals under Internal Revenue Code Section 162(m)	Internal Revenue Code.

Vote in advance of the meeting			Vote in person
Internet	Telephone	Mail	In person at the meeting
Vote your shares via the Internet by going to the website address for Internet voting indicated on your proxy card & following the steps outlined on the secure website.	Call the toll-free number on your proxy card at any time, and follow the recorded instructions.	Sign, date, and return the enclosed proxy card in the postage-paid envelope provided.	See Part 1 – "About the Proxy Statement" for details on admission requirements to attend the Annual Meeting.

ABOUT THE PROXY STATEMENT

Questions and Answers

What is the purpose of the Annual Meeting?

At the Annual Meeting, our stockholders will be asked to consider and act upon the following matters:

- Election of Dr. Yacov A. Shamash to serve as a member of the Company's Board of Directors for a term expiring at the Company's first annual meeting following the end of its 2017 fiscal year, and the election of Fred Kornberg and Edwin Kantor to serve as members of the Company's Board of Directors for terms expiring at the Company's first annual meeting following the end of its 2019 fiscal year;

- An advisory vote on the compensation of Named Executive Officers as disclosed in this Proxy Statement;

- Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the 2017 fiscal year;

- Approval of our amended 2000 Plan and related actions; and

- Such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

Who may attend the Annual Meeting?

Only Stockholders of the Company and its invited guests may attend the Annual Meeting. Proof of ownership of Comtech Common Stock, along with personal identification (such as a driver's license or passport), must be presented in order to be admitted to the Annual Meeting.

If your shares are held in the name of a bank, broker or other holder of record and you plan to attend the Annual Meeting in person, you must bring a brokerage statement or other proof of ownership as of the close of business on November 11, 2016 to be admitted to the Annual Meeting. Please note that a street-name stockholder who wishes to vote in person at the Annual Meeting will need to provide a legal proxy from its bank, broker or other holder of record.

Who is entitled to vote at the Annual Meeting?

Only stockholders of record at the close of business on November 11, 2016, the record date for the Annual Meeting, are entitled to receive notice of and vote at the Annual Meeting. If you hold your shares through a bank, broker or other nominee and intend to vote in person at the Annual Meeting, you will need to provide a legal proxy from your bank, broker or other holder of record.

What are the voting rights of stockholders?

Each share of our Common Stock is entitled to one vote. There is no cumulative voting.

When are the proxy materials first being sent or given to stockholders?

The Notice of the Annual Meeting, Proxy Statement and form of proxy or voting instruction card are being mailed starting on or about November 21, 2016.

ABOUT THE PROXY STATEMENT

How do stockholders vote?

Stockholders may vote at the Annual Meeting in person or by proxy. Whether or not you plan to attend the Annual Meeting in person, we urge you to vote by doing one of the following:

Vote by Mail: You can vote your shares by mail by completing, signing, dating and returning your proxy card in the postage-paid envelope provided.

Vote by Telephone: You can also vote your shares by calling the number (toll-free in the United States and Canada) indicated on your proxy card at any time and following the recorded instructions.

Vote via the Internet: You can vote your shares via the Internet by going to the website address for Internet voting indicated on your proxy card and following the steps outlined on the secure website.

If you are a beneficial owner, or you hold your shares in “street name,” please follow the instructions provided by your bank, broker or other holder of record with respect to voting your shares.

If a stockholder gives a proxy, how are the shares voted?

Proxies received by us will be voted at the Annual Meeting in accordance with the instructions given by you on the proxy card that you return or by telephone or Internet.

If you sign and return your proxy card, but do not give voting instructions, your shares will be voted by the persons named as proxies on your proxy card on each matter in accordance with the recommendation of the Board of Directors or, if no recommendation is made by the Board of Directors, in the discretion of the proxies. The proxies named on the proxy card are Fred Kornberg, Chairman, Chief Executive Officer (“CEO”) and President of Comtech and Michael D. Porcelain, Senior Vice President and Chief Financial Officer (“CFO”) of Comtech.

Under the rules that govern brokers and nominees who have record ownership of shares that are held in “street name” for account holders (who are the beneficial owners of the shares), brokers and nominees have the discretion to vote such shares on routine matters, but not on other matters. At the Annual Meeting, only the ratification of the appointment of Deloitte & Touche LLP as the Company’s independent registered public accounting firm for fiscal 2017 (Proposal No. 3) is a matter considered routine under applicable rules. Accordingly, brokers and nominees will not have discretionary authority to vote on the following matters at the Fiscal 2016 Annual Meeting of Stockholders:

- The election of members to our Board of Directors;

- The advisory vote on the compensation of Named Executive Officers as disclosed in this Proxy Statement; and

- The proposed amendment to our 2000 Plan and related items.

If a broker or nominee has not received voting instructions from an account holder and does not have discretionary authority to vote shares on a particular item, a “broker non-vote” occurs.

ABOUT THE PROXY STATEMENT

It is possible that matters other than those described in this Proxy Statement may be brought before stockholders at the Annual Meeting. If we were not aware of the matter a reasonable time before the mailing of this Proxy Statement, the proxies will vote your shares on the matter as recommended by the Board of Directors or, if no recommendation is given, the proxies will vote your shares in their discretion. In any event, the proxies will comply with the rules of the Securities and Exchange Commission ("SEC") when acting on your behalf on a discretionary basis. At the date of this Proxy Statement, we had not received any notice regarding any other matter to come before the Annual Meeting.

How are proxies changed or revoked?

You may change any vote by proxy or revoke a proxy before it is exercised by filing with the Secretary of Comtech a notice of revocation, by submitting a duly executed later-dated proxy by mail, telephone or via the Internet, or by attending the Annual Meeting and voting in person by ballot. If you hold shares through a bank or brokerage firm, you must contact that bank or brokerage firm to revoke any prior voting instructions. Attendance at the Annual Meeting will not by itself constitute revocation of a proxy.

What should I do if I receive more than one proxy card?

If you hold your shares in multiple accounts or registrations, or in both registered and street name, you will receive a proxy card for each account. Please execute and return each proxy card or, if you choose to vote by telephone or by Internet, please vote using each proxy you receive. Only your latest dated proxy for each account will be voted.

How many shares are outstanding and what constitutes a quorum?

At the close of business on November 11, 2016 the record date for the Annual Meeting, 23,525,893 shares of Common Stock were outstanding. Stockholders entitled to vote at least a majority of the shares that all stockholders are entitled to vote must be present at the Annual Meeting in person or by proxy to constitute a quorum for the transaction of business. Withheld votes, "abstentions" and broker non-votes count for purposes of determining whether a quorum is present.

What vote is required to approve each item?

Election of Three Directors. The three director nominees will be elected by a plurality of the votes cast. That means that the nominees within each director class receiving the greatest number of "FOR" votes with respect to such director class will be elected as directors, even if the number of votes received is less than a majority of the votes present at the Annual Meeting.

Approval (on an advisory basis) of the Compensation of the Named Executive Officers. In order to be approved on an advisory basis, this proposal must receive the affirmative vote of a majority of the shares voted in person or by proxy.

Ratification of Selection of Accounting Firm. The ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal 2017 will require the affirmative vote of a majority of the shares voted in person or by proxy.

Approval of our Amended 2000 Stock Incentive Plan and Related Items. The approval of our amended 2000 Plan and related items will require the affirmative vote of a majority of votes cast in person or by proxy on the proposal.

Other Matters. Approval of any other matter that comes before the Fiscal 2016 Annual Meeting of Stockholders generally will require the affirmative vote of a majority of the shares voted in person or by proxy although a different number of affirmative votes may be required, depending on the nature of such matter.

ABOUT THE PROXY STATEMENT

How do withheld votes, abstentions and broker non-votes affect the outcome of a vote?

Withheld votes and broker non-votes with respect to a nominee for election as director will not affect the outcome of the vote.

Abstentions and broker non-votes with respect to any matter for which the vote required is a majority of the votes cast (i.e., the advisory vote on executive compensation, the ratification of Deloitte & Touche LLP and the approval of the amended 2000 Plan) will not affect the outcome of such vote because abstentions and broker non-votes are not considered to be votes cast under our By-Laws or under the laws of the State of Delaware (our state of incorporation). Abstentions and broker non-votes will be considered shares present for purposes of quorum.

What does our Board of Directors recommend?

The Board of Directors unanimously recommends that you vote by proxy as follows:

- Proposal No. 1 - FOR the election of the three nominees proposed by the Company for election as directors;
- Proposal No. 2 - FOR the proposal to approve (on an advisory basis) the compensation of Named Executive Officers as disclosed in this Proxy Statement;
- Proposal No. 3 - FOR the ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal 2017; and
- Proposal No. 4 - FOR the approval of our amended 2000 Plan and related items.

Other Business and Information

We have enclosed our Annual Report for fiscal 2016 together with this Proxy Statement. No material contained in the Annual Report is to be considered a part of the proxy solicitation material.

The Board of Directors does not know of any other matters to be presented at the Fiscal 2016 Annual Meeting of Stockholders. If other matters do come before the Fiscal 2016 Annual Meeting of Stockholders, the persons acting pursuant to the proxy will vote on them in their discretion.

Proxies may be solicited by mail, email, fax, telephone, telegram, and personally by directors, officers and other employees of Comtech who will not receive incremental pay as a result of any potential solicitation. The Company has also engaged Innisfree M&A Incorporated (“Innisfree”) to assist it in connection with soliciting proxies and has agreed to pay Innisfree a fee not to exceed $15,000, plus reimbursement of expenses. The Company has agreed to indemnify Innisfree against certain liabilities relating to or arising out of the engagement.

The Company will request banks, brokers and other custodians, nominees and fiduciaries to forward proxy soliciting material to beneficial owners of shares held of record by such persons and obtain their voting instructions. The Company will reimburse such persons at approved rates for their expenses in connection with the foregoing activities.

The cost of soliciting proxies will be borne by Comtech.

A complete list of stockholders entitled to vote at the Fiscal 2016 Annual Meeting of Stockholders will be available for inspection beginning November 28, 2016 at the Company’s headquarters located at 68 South Service Road, Suite 230, Melville, New York 11747.

ABOUT THE PROXY STATEMENT

Our Internet website is www.comtechtel.com, and we make available on our website our filings with the SEC including annual reports, quarterly reports, current reports and any amendments to those filings. We also use our website to disseminate other material information to our investors (on the Home Page and in the “Investor Relations” section). Among other things, we post on our website our press releases and information about our public conference calls (including the scheduled dates, times and the methods by which investors and others can listen to those calls), and we make available for replay webcasts of those calls and other presentations.

Since October 2013, we have used the Internet to communicate with investors, including information about our stockholder meetings. Information and updates about our Fiscal 2016 Annual Meeting have been and will continue to be posted on our website at www.comtechtel.com in the "Investor Relations" section. The reference to our website address does not constitute incorporation by reference of any other information contained therein into this Proxy Statement.

The Fiscal 2016 Annual Meeting of Stockholders may be adjourned from time to time without notice other than by announcement at the Annual Meeting.

We have previously adopted a procedure approved by the SEC called “householding.” Under this procedure, unless we have received contrary instructions from a stockholder, we satisfy the delivery requirements for proxy materials with respect to two or more stockholders sharing the same address by delivering a single proxy statement and annual report to the address of those stockholders. Each stockholder who participates in householding will continue to receive a separate proxy card. This procedure reduces our printing costs and postage fees. If you wish to participate in householding for future Annual Meetings or are currently participating in householding and wish to receive separate copies of the proxy materials for the Fiscal 2016 Annual Meeting of Stockholders or future Annual Meetings, then please contact the Secretary of the Company by writing to 68 South Service Road, Suite 230, Melville, New York 11747 or calling (631) 962-7000. We will promptly deliver separate copies of the proxy materials for the Fiscal 2016 Annual Meeting of Stockholders upon receiving your request.

Other Business

Our Board of Directors does not presently intend to bring any other business before the Annual Meeting, and, so far as known to our Board of Directors, no matters are to be brought before the Annual Meeting, except as specified in the Notice of Annual Meeting. As to any business that may properly come before the Annual Meeting, however, it is intended that proxies, in the form enclosed, will be voted in respect thereof in accordance with the judgment of the persons voting such proxies.

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Table of Principal Stockholders

This table provides the number of shares owned by principal stockholders who the Company believes beneficially own more than five percent of our outstanding Common Stock, as of the date stated in the below footnotes.

The information in this table is based upon the latest filings by each principal stockholder of either a Schedule 13D, Schedule 13G or Form 13F as filed by the respective stockholder with the SEC.

We calculate the stockholder's percentage of the outstanding class assuming the stockholder beneficially owned that number of shares on November 11, 2016.

Unless otherwise indicated, the stockholder had sole voting and sole dispositive power over the shares.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock Institutional Trust Company, N.A. (1) 400 Howard Street San Francisco, CA 94105-2618	2,225,802	9.5%
The Vanguard Group, Inc. (2) 100 Vanguard Boulevard Malvern, PA 19355-2331	1,843,746	7.8%
Dimensional Fund Advisors, L.P. (3) 6300 Bee Cave Road, Building 1 Austin, TX 78746-5833	1,371,561	5.8%

(1) The information is based on a Form 13F filed by BlackRock Institutional Trust Company, N.A. with the SEC, reporting beneficial ownership as of September 30, 2016.

(2) The information is based on a Form 13F filed by The Vanguard Group, Inc. with the SEC, reporting beneficial ownership as of September 30, 2016.

(3) The information is based on a Form 13F filed by Dimensional Fund Advisors, L.P. with the SEC, reporting beneficial ownership as of September 30, 2016.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our directors and executive officers, and persons who own more than ten percent of our Common Stock, if any, to file with the SEC reports of ownership, and reports of changes in ownership, of our equity securities. Such persons must furnish copies of all such reports that they file to us. Based solely on a review of such reports and written representations of our directors and executive officers, we are not aware that any such person failed to timely file such reports during fiscal 2016.

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Table of Shares Beneficially Owned by Directors and Named Executive Officers

The table below shows the beneficial ownership of our Common Stock of each of our directors, Chief Executive Officer, Chief Financial Officer, and the three other highest paid executive officers (collectively, the “Named Executive Officers” or “NEOs”) and all current directors and executive officers as a group, as of November 11, 2016.

Unless otherwise indicated, our directors and executive officers had sole voting and sole dispositive power over their shares.

Name	(1) Shares Beneficially Owned on November 11, 2016	Percent of Class
Non-employee Directors (listed alphabetically):		
Edwin Kantor	21,792	*
Ira S. Kaplan	14,042	*
Robert G. Paul	23,190	*
Dr. Yacov A. Shamash	-	*
Lawrence J. Waldman	3,473	*
Named Executive Officers (listed alphabetically):		
John Branscum, Jr.	107,362	*
Richard L. Burt	232,441	1.0%
Fred Kornberg	860,035	3.6%
Michael D. Porcelain	263,614	1.1%
Dr. Stanton D. Sloane	12,114	*
All current directors, NEOs, and other executive officers as a group (11 persons)	1,541,074	6.4%

* Less than one percent

(1) Includes: (i) 2,687 stock units held by Mr. Paul, (ii) 3,167 restricted stock units held by Mr. Kantor, 6,283 restricted stock units held by Mr. Kaplan, and 6,680 restricted stock units held by Mr. Paul (iii) 9,948 performance shares held by Mr. Kornberg and 7,254 performance shares held by Dr. Sloane, (iv) 5,072 share units held by Mr. Porcelain, and (v) the following shares of our Common Stock underlying stock options with respect to which such persons have the right to acquire beneficial ownership within 60 days from November 11, 2016: Mr. Kantor 11,250 shares; Mr. Kaplan 3,750 shares; Mr. Paul 1,875 shares; Mr. Burt 55,400 shares, Mr. Kornberg 377,600 shares; Mr. Porcelain 178,950 shares; Mr. Waldman 3,473 shares; Mr. Branscum 82,100 shares and all current directors, NEOs and other executive officers as a group 714,398 shares. The amount of shares reported for Dr. Sloane excludes performance shares for which our Board has not yet determined whether the performance conditions have been satisfied, but to the extent our Board determines that the performance conditions have been satisfied, Dr. Sloane will receive up to 20,364 additional shares within 60 days from November 11, 2016. We calculated the percentage of the outstanding class beneficially owned by each person and by the group treating their shares subject to this

right to acquire within 60 days as outstanding.

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Directors and Executive Officers

Name	Principal Occupation	Age	For Term Expiring In	Served As Director Since
Directors nominated for election at Fiscal 2016 Annual Meeting:				
Fred Kornberg	Chairman, President and Chief Executive Officer of Comtech	80	2019	1971
Edwin Kantor	Chairman of S2K Partners LLC	84	2019	2001
Dr. Yacov A. Shamash	Vice President of Economic Development at Stony Brook University	66	2017	2016
Continuing Directors (in order of expiration of current term):				
Ira S. Kaplan	Private Investor	80	2017	2002
Robert G. Paul	Private Investor	74	2018	2007
Lawrence J. Waldman	Managing Director at First Long Island Investors, LLC	70	2018	2015
Other Executive Officers (listed alphabetically):				
John Branscum, Jr.	Senior Vice President; President of Comtech EF Data Corp. and Xicom Technology, Inc.	57	-	-
Richard L. Burt	Senior Vice President of Comtech; President of Comtech Systems, Inc.	75	-	-
Michael D. Porcelain	Senior Vice President; Chief Financial Officer of Comtech	47	-	-

Our Nominees’ Biographies and Director Qualifications

Fred Kornberg (Chairman, Chief Executive Officer and President)

Biography

Mr. Kornberg is CEO and President as well as Chairman of Comtech's Board of Directors. From January 2015 to January 2016, he served as Comtech’s Executive Chairman, and from January 2016 until September 2016, as Chairman. He was previously CEO and President of Comtech from 1976 to 2015.

Director Qualifications

Mr. Kornberg brings to his director role deep knowledge of the Company’s history, strategies, technologies and culture. His experience leading the Company’s management and the depth of his knowledge of our business enable him to provide valuable leadership on complex business matters that we face on an ongoing basis. Mr. Kornberg has been the driving force behind the Company’s continuous efforts in technological innovation and operational excellence to achieve market leadership and generate long-term stockholder value. Mr. Kornberg has been a director of Comtech since 1971 and is currently a member of the Executive Committee of the Board of Directors.

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Edwin Kantor (Lead Independent Director)

Biography

Mr. Kantor has been a director of Comtech since 2001 and Lead Independent Director commencing in 2011. He currently serves as Chairman of S2K Partners LLC, a Private Equity Firm. Previously he was Vice Chairman of Investment Banking with Cantor Fitzgerald & Co. from 2009 to 2012 and was Chairman of BK Financial Services LLP from 2002 to 2009. He served as Co-Chief Executive Officer of TPB Financial Services and was Co-Chairman and Co-Chief Executive Officer of HCFP/Brenner Securities from 1999 to 2001. He was Vice Chairman of Barington Capital Group from 1993 to 1999. Prior to joining Barington, Mr. Kantor spent 37 years in the securities industry with Drexel Burnham Lambert and its predecessor firms, where he held various positions, including serving as the firm's Vice Chairman.

Director Qualifications

Mr. Kantor brings his distinguished career in the financial services industry and a deep understanding of the public capital markets to his director role. His background and acumen enable him to make a valuable contribution to the Board’s oversight of Comtech’s capital structure and finances. As the former Vice Chairman of Investment Banking with Cantor Fitzgerald & Co. and current Chairman of S2K Partners LLC, Mr. Kantor brings to us emerging and evolving knowledge related to strategic planning, capital raising, mergers and acquisitions and economic analysis.

Mr. Kantor meets the independence guidelines established by the Board of Directors and the applicable NASDAQ listing standards, and currently is a member of the following Committees of the Board of Directors:

- Nominating and Governance Committee;
- Executive Compensation Committee; and
- Executive Committee

Dr. Yacov A. Shamash

Biography

Dr. Yacov A. Shamash has been a director of Comtech since October 2016. He currently serves as Vice President of Economic Development at Stony Brook University where he was the founder of the New York State Center for Excellence in Wireless and Information Technology and previously served as the Dean of Engineering and Applied Sciences and as Dean of the Harriman School for Management and Policy. Prior to joining Stony Brook University, Dr. Shamash developed and directed the National Science Foundation Industry/University Cooperative Research Center for the Design of Analog/Digital Integrated Circuits and also served as Chairman of the Electrical and Computer Engineering Department at Washington State University. He also serves on the Board of Directors of KeyTronic Corp. and Applied DNA Sciences, Inc. Dr. Shamash holds a Ph.D. degree in Electrical Engineering from Imperial College of Science and Technology in London, England.

Director Qualifications

With an extensive background in wireless and information technologies, Dr. Shamash brings to our Board an expansive view of those rapidly evolving areas and the potential commercial opportunities for Comtech in that space.

Dr. Shamash meets the independence guidelines established by the Board of Directors and the applicable NASDAQ listing standards, and currently is a member of the following Committee of the Board of Directors:

- Executive Compensation Committee

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Continuing Directors' Biographies and Director Qualifications

Ira S. Kaplan

Biography

Mr. Kaplan has been a director of Comtech since 2002 and is currently a private investor. Mr. Kaplan was President and Chief Operating Officer ("COO") of EDO Corporation from 1998 to 2000 and, following the merger of EDO Corporation with AIL Technologies Inc., Mr. Kaplan served as the Executive Vice President and COO of the combined companies with responsibility to manage the integration of the companies. Mr. Kaplan held that position until his retirement in 2001. EDO Corporation was a supplier of sophisticated, highly engineered products and systems for defense, aerospace and industrial applications. EDO was purchased by ITT, and the operations that Mr. Kaplan oversaw were spun-off as part of a publicly-traded company that was called Exelis, which was subsequently purchased by Harris Corporation.

Director Qualifications

With more than 40 years of experience, including holding senior executive positions at a similar company, Mr. Kaplan brings valuable experience arising from his deep understanding of the defense and communications industries and provides perspective on the Company's business opportunities, supply chain and general management matters. Mr. Kaplan meets the independence guidelines established by the Board of Directors and the applicable NASDAQ listing standards, and currently is a member of the following Committees of the Board of Directors:

- Audit Committee;
- Executive Compensation Committee (Chairman); and
- Nominating and Governance Committee

Robert G. Paul

Biography

Mr. Paul has been a director of Comtech since March 2007. He currently serves on the board of directors of Kemet Corporation, and previously served on the boards of directors of Rogers Corporation and Andrew Corporation. He was the Group President, Base Station Subsystems, for Andrew Corporation from 2003 to 2004. Mr. Paul was the President and Chief Executive Officer of Allen Telecom Inc. from 1989 to 2003. He also served in various other capacities at Allen Telecom, which he joined in 1970, including Chief Financial Officer.

Director Qualifications

Mr. Paul has significant experience leading a multinational public corporation whose performance, like Comtech's, is largely driven by technological innovation and product research and development. Those leadership experiences and his service as a director of other public companies are significant assets to the Company.

Mr. Paul meets the independence guidelines established by the Board of Directors and the applicable NASDAQ listing standards, qualifies as an audit committee financial expert as defined by SEC rules, and currently is a member of the following Committees of the Board of Directors:

- Audit Committee; and
- Nominating and Governance Committee (Chairman)

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Lawrence J. Waldman

Biography

Mr. Waldman has been a director of Comtech since August 2015. He serves as a member of the board of directors and Lead Independent Director of Bovie Medical Corporation, and as chair of its audit committee. He is also a member of the boards of directors of CVD Equipment Corp and Northstar/RXR Metro Income, Inc., an SEC registered non-traded real estate investment trust and as a member of its audit committee. Mr. Waldman currently serves as Managing Director at First Long Island Investors, LLC and was previously an Advisor to the accounting firm of EisnerAmper LLP following his role as Partner-in-Charge of Commercial Audit Practice Development for Long Island. Prior to joining EisnerAmper LLP, Mr. Waldman was the Partner-in-Charge of Commercial Audit Practice Development for Holtz Rubenstein Reminick, LLP from July 2006 to August 2011. Mr. Waldman was the Managing Partner of the Long Island office of KPMG LLP from 1994 through 2006, the accounting firm where he began his career in 1972.

Mr. Waldman is currently Chairman of the board of directors of the Long Island Association, a member of the boards of directors of the Long Island Angel Network and the Advanced Energy Research Center at Stony Brook University, and a member of the Dean's Advisory Board of the Hofstra University Frank G. Zarb School of Business. Mr. Waldman serves as a member of the State University of New York's Board of Trustees and as chair of its audit committee. He also serves as the Chairman of the Supervisory Committee of Bethpage Federal Credit Union. Mr. Waldman previously served as the Chairman of the Board of Trustees of the Long Island Power Authority (LIPA) and as chair and a member of its finance and audit committee.

Mr. Waldman is a certified public accountant in New York State. He is a member of the American Institute of Certified Public Accountants and the New York State Society of CPAs. Mr. Waldman holds a Bachelor of Science and a Master of Business Administration from Hofstra University in Hempstead, New York, where he is also an adjunct professor.

Director Qualifications

Mr. Waldman has significant experience leading public accounting firms, and his extensive experience as a member of a variety of business, industry and civic boards allows him to bring a diverse perspective to our Board.

Mr. Waldman meets the independence guidelines established by the Board of Directors and the applicable NASDAQ listing standards, qualifies as an audit committee financial expert as defined by SEC rules, and currently is a member of the following Committees of the Board of Directors:

- Audit Committee (Chairman); and
- Executive Compensation Committee

Our Other Current Executive Officers (listed in alphabetical order)

John Branscum, Jr.

Biography

Mr. Branscum has been Senior Vice President of Comtech and President of Comtech EF Data Corp. since 2015. He also holds the post of President of Comtech Xicom Technology, Inc. which he has held since May 2009. He joined the company in 1999 and has held various positions within the Company including Vice President of Operations and Director of Business Development. Mr. Branscum has more than 25 years in the High Power Microwave Amplifier industry, having held Engineering and Operations management positions at Communications and Power Industries, Litton Industries, and Varian Associates prior to joining Comtech Xicom. Mr. Branscum has both a BA and an MA degree in Physics from Dartmouth College.

STOCKHOLDERS, DIRECTORS AND EXECUTIVE OFFICERS

Richard L. Burt

Biography

Mr. Burt has been Senior Vice President of Comtech since 1998 and had been a Vice President since 1992. He has been President of Command and Control Technologies since 2016, President of Comtech Systems, Inc. since 1989 and Vice President since its founding in 1984. Mr. Burt first joined Comtech in 1979. Prior to joining Comtech, Mr. Burt held roles at Westinghouse, Page Communications, Radio Engineering Laboratories and Rockwell International.

Michael D. Porcelain

Biography

Mr. Porcelain has been Senior Vice President and Chief Financial Officer of Comtech since March 2006 and was previously Vice President of Finance and Internal Audit of Comtech from 2002 to March 2006. Prior to joining Comtech, Mr. Porcelain was Director of Corporate Profit and Business Planning for Symbol Technologies, a mobile wireless information solutions company, where he was employed from 1998 to 2002. Previously, he spent five years in public accounting holding various positions, including Manager in the Transaction Advisory Services Group of PricewaterhouseCoopers. Since 1998, he has owned and operated The Independent Adviser Corporation, a privately held company which holds the rights to use certain intellectual properties and trademarks (including various Internet websites) related to the financial planning and advisory industry. Mr. Porcelain is an Adjunct Professor at St. John’s University located in New York where he teaches graduate level accounting courses.

The Board’s Oversight Role

Our Board of Directors oversees the management of our business, in accordance with Delaware General Corporation Law and our Certificate of Incorporation and By-Laws. Members of our Board of Directors are kept informed of our business through discussions with our CEO and other officers, by reviewing materials provided to them, and by participating in regular and special meetings of our Board of Directors and its committees. The Board and its committees also confer, as needed, with independent financial, executive compensation and other advisors. In addition, to promote open discussion among our non-employee directors, those directors meet in scheduled executive sessions without the participation of any member of management, including our CEO.

Our Governance Policies and Guidelines

Our Board of Directors has adopted Corporate Governance Policies and Guidelines. These policies and guidelines, in conjunction with the Company’s Certificate of Incorporation and By-Laws, and the charters of the committees of the Board of Directors, form the framework for the governance of the Company.

The following is a summary of the key components of our Corporate Governance Policies and Guidelines (which can be found at our web site at http://www.comtechtel.com/directors.cfm):

- Directors should have high professional and personal ethics and values, and should have experience in areas of particular significance to the long-term creation of stockholder value.

- Directors must have sufficient time to carry out their duties and limit their service on public company boards to no more than five (inclusive of the Company).

- Each member of our Board of Directors must at all times exhibit high standards of integrity and ethical behavior and adhere to our Standards of Business Conduct. We require directors as well as employees to certify in writing on an annual basis that they have read and will abide by such standards. In addition, Directors must avoid any conflict between their own interests and the interests of the Company in dealing with suppliers, customers, and other third parties, and in the conduct of their personal affairs.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

- Unless requested by the Board of Directors to remain, an employee director is expected to resign from the Board of Directors at the time employment terminates.

- The Board of Directors shall hold executive sessions of independent directors as necessary, but at least once a year.

- The Board of Directors shall regularly consider succession plans addressing the potential resignation or unavailability of our CEO, and shall regularly consider and discuss with our CEO his plans addressing the potential resignation or unavailability of the executive officers reporting to our CEO. These plans are discussed by the Board of Directors at least annually.

- Directors are encouraged to talk directly to any member of management regarding any questions or concerns the directors may have. Members of senior management, as appropriate, can attend Board meetings, if invited.

- The Board of Directors and each committee of the Board have the authority to retain and discharge independent advisors as the Board of Directors and any such committee deems necessary, including the sole authority to approve the advisors' fees.

- The Board of Directors and each committee conducts a self-evaluation annually. The Nominating and Governance Committee oversees each such annual self-evaluation.

- Non-employee directors are required to hold an equity ownership interest in Company stock with a market value of at least six times their respective annual cash retainer. Our CEO is required to hold an equity ownership interest in Company stock with a market value of at least six times his annual base salary. All other executive officers are required to hold an equity ownership interest of at least 20,000 shares or shares with a market value of at least two times their respective annual base salary, whichever is less. Until applicable equity ownership interest guidelines are met, non-employee directors and executive officers are required to hold any shares received from the exercise of stock options or the delivery of shares pursuant to a restricted stock-based award or similar awards issued in fiscal 2011 or later, less the number of shares used for the payment of any related exercise price and applicable taxes.

- The Nominating and Governance Committee of the Board of Directors maintains guidelines for the review, approval or ratification and disclosure of "related person transactions" as defined by SEC rules.

- The Chairperson of the Nominating and Governance Committee (and if different, our Lead Independent Director) shall receive copies of stockholder communications directed to non-management directors.

Independent Directors

Our Board of Directors has a long-standing commitment to sound and effective corporate governance, the foundation of which is our Board's policy that a substantial majority of our directors should be independent. We have only one director who is an employee of the Company (our Chairman of the Board, Mr. Fred Kornberg, who is also our CEO).

Our Board of Directors has determined that each of our five other directors has no relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, and that each otherwise meets the independence requirements of the NASDAQ Stock Market ("NASDAQ").

Executive sessions of the independent directors occur without the presence of the CEO. The Board believes that executive sessions of the independent directors and the existence of a Lead Independent Director play important roles in the governance structure of Comtech.

In fiscal 2016, the independent directors held seven executive sessions. These sessions included discussion on a wide range of strategic matters.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Board Leadership Structure

The Chairman of the Board is Fred Kornberg. As CEO, Mr. Kornberg is responsible for general oversight of our businesses and the various executive management teams that are responsible for our day-to-day operations, and he is accountable directly to the full Board of Directors. As Chairman, Mr. Kornberg’s in-depth knowledge of our Company’s strategic priorities and operations enables him to facilitate effective communication between management and the Board and see to it that key issues and recommendations are brought to the attention of the Board. Our Board believes that, in light of our two complementary business segments, this streamlined leadership structure is currently appropriate for our Company as it enhances the ability of our business segments to operate flexibly to maximize responsiveness to our customers.

Edwin Kantor serves as our Lead Independent Director. As Lead Independent Director, Mr. Kantor presides at meetings of the Board in the absence, or upon the request, of the CEO: presides at executive sessions of the independent directors with authority to call additional executive sessions or meetings of the independent directors (and communicating with our CEO, as appropriate, concerning matters arising from such executive sessions); approves Board meeting dates and agendas, as well as certain information packages provided to directors, and in consultation with the CEO, recommends matters for the Board to consider; serves as a liaison between independent directors and the members of senior management; and evaluates, along with the members of the Executive Compensation Committee of the Board, the performance of the Company’s CEO.

We believe our overall Board leadership structure allows the Board to appropriately perform its oversight functions.

Risk Management, Environmental Compliance and Workplace Safety

In connection with its oversight responsibilities, the Board of Directors has established certain committees, including the Audit Committee, Nominating and Governance Committee and Executive Compensation Committee, which periodically assess the various significant risks that we face. These risks include financial, technological, competitive, operational and compensation-related risks. Any such risk oversight that is not specifically assigned to a Committee comes within the purview of the Audit Committee. The Board (and its various Committees) administers its risk oversight responsibilities through our CEO and our CFO who, together with our other NEOs and other management of the Company’s operating subsidiaries, review and assess the operations of the businesses as well as management's identification, assessment and mitigation of the material risks affecting our operations. The Board (and its various Committees) also periodically engages outside advisors who help assess risk.

Given social trends and global initiatives to both monitor and reduce a company’s impact on the environment and to ensure workplace safety, our Board of Directors is fully committed to a policy of compliance with all such applicable rules and regulations. To that end, our Board will periodically assess the need for the establishment of other Board level committees. We believe we have a successful track record of maintaining compliance with the various global environmental standards and initiatives that are applicable to our business segments.

Committees of the Board of Directors

Nominating and Governance

The Nominating and Governance Committee is responsible for, among other things, identifying and evaluating candidates for election as members of our Board of Directors and reviewing matters concerning corporate governance policy, including responding to any stockholder concerns about corporate governance, Board of Directors and committee self-evaluations, and any related-party transactions.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

In seeking and evaluating prospective members of our Board of Directors, our Nominating and Governance Committee considers the nature and scope of our business activities, and the capacity of our Board of Directors to provide oversight and positive contributions in areas of particular significance to the long-term creation of stockholder value. Areas of experience and capability that our Nominating and Governance Committee particularly believes should be represented on our Board of Directors include operational, accounting and finance, and technology experience related to our business.

The Nominating and Governance Committee identifies nominees first by evaluating the current members of the Board of Directors willing to continue in service. If any member of the Board does not wish to continue in service, or if the Nominating and Governance Committee or the Board of Directors decides not to re-nominate a member for re-election, the Nominating and Governance Committee will identify the required skills, background and experience of a new nominee, taking into account prevailing business conditions, and will source relevant candidates and present candidates to the Board of Directors. In connection with the identification of possible new directors, the Nominating and Governance Committee seeks diversity of professional experience, education, skill, gender, race, ethnic or national origin, age and other qualities and attributes as compared to the current Board members. These factors are important as a diverse Board can provide different perspectives to Board discussions and decisions.

In evaluating director candidates, the Nominating and Governance Committee generally considers the following factors:

- our needs with respect to the particular competencies and experience of our directors;
- the knowledge, skills and background of candidates, in light of prevailing business conditions and the knowledge, skills, background and experience already possessed by other members of our Board of Directors;
- familiarity with our business and businesses similar or analogous to ours; and
- financial acumen and corporate governance experience.

Our Nominating and Governance Committee also believes that individual candidates should also demonstrate high levels of commitment, adequate availability to actively participate in our Board of Directors’ affairs, and high levels of integrity and sensitivity to current business and corporate governance trends. Before recommending a candidate to our Board of Directors, all members of our Nominating and Governance Committee will participate in interviews with the candidate and our Nominating and Governance Committee will seek to arrange meetings between the candidate and other members of our Board of Directors. Candidates are typically identified by our Board of Directors, including with the assistance of a global search firm experienced in director candidate searches. Our Nominating and Governance Committee will consider individuals recommended by stockholders. A stockholder who wishes to recommend a candidate for consideration by the Nominating and Governance Committee should do so in writing addressed to the Nominating and Governance Committee Chairman at Comtech Telecommunications Corp., 68 South Service Road, Suite 230, Melville, NY 11747. Candidates recommended by stockholders will be considered according to the same standards of perceived Comtech need and potential individual contribution as are applied to candidates from other sources.

In connection with our Board of Directors' decision to add a new Board member in fiscal 2017, the Nominating and Governance Committee met with certain Board member candidates. After considering diversity of professional experience, education, skill, gender, race, ethnic or national origin, age and other qualities and attributes as compared to the current Board members, in October 2016 the Nominating and Governance Committee recommended the election of Dr. Yacov A. Shamash, and the Board of Directors unanimously elected Dr. Shamash as Director. Dr.

Shamash was recommended to the Nominating and Governance Committee as a Board member candidate by Lawrence J. Waldman. Dr. Shamash has been nominated for re-election at the fiscal 2016 annual meeting of stockholders.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Our Board of Directors has determined that each member of our Nominating and Governance Committee meets the independence requirements of NASDAQ. Our Nominating and Governance Committee's Charter and our Corporate Governance Policy and Guidelines are available on our website at www.comtechtel.com, under the link for "Board of Directors" in the "Investor Relations" section.

During fiscal 2016, our Nominating and Governance Committee held three meetings.

Audit

Our Audit Committee functions include engaging our independent registered public accounting firm; directing, as necessary, investigations into accounting, finance and internal control matters; reviewing the plan and results of audits with our independent registered public accounting firm; overseeing our internal audit function; reviewing with management our internal accounting controls, engaging and discharging our independent registered public accounting firm, and approving services to be performed by such firm and related fees.

Our Board of Directors has determined that all members of our Audit Committee are qualified to be members of the Committee in accordance with NASDAQ requirements and meet the independence criteria set forth in the rules of the SEC. Our Board of Directors has determined that each of Messrs. Paul and Waldman qualifies as "audit committee financial experts," as defined by SEC rules, based on their education, background and experience.

Our Audit Committee's Charter is available on our website at www.comtechtel.com under the link for "Board of Directors" in the "Investor Relations" section. During fiscal 2016, our Audit Committee held six meetings.

Executive Compensation

Our Executive Compensation Committee (referred to throughout this proxy by name or by "ECC") of our Board of Directors considers and authorizes remuneration arrangements for our executive officers. The ECC also constitutes our Stock Option Committee which administers our stock incentive plan. The ECC determines the terms of performance-based awards for our executive officers, and negotiates the terms of any employment-related agreements with our executive officers. In addition, the ECC monitors the aggregate share usage under our stock incentive programs and potential dilution of the equity-based programs, except with respect to the application of our Company's 2000 Stock Incentive Plan to non-employee directors.

From time to time, the ECC retains executive compensation consulting firms to advise and assist it with respect to certain executive compensation matters. During fiscal 2016, the ECC engaged Arthur J. Gallagher & Co. ("Gallagher & Co."), an independent executive compensation consulting firm. The ECC has the sole authority to set Gallagher & Co.'s compensation and/or to terminate the services of Gallagher & Co. Gallagher & Co. provides no other services to Comtech, other than those relating to executive and director compensation. The ECC has determined that Gallagher & Co. has no conflict of interest and is independent in its role as compensation consultant to the ECC.

The ECC often requests our CEO and CFO to be present at meetings where executive compensation and corporate and individual performance are discussed and evaluated by the ECC or the Board of Directors. At these meetings and at other times, these executives provide insight, suggestions and recommendations, as requested by the ECC, regarding executive compensation matters. The ECC also meets with our CEO to discuss his respective compensation packages, and his recommendations for other executives. Ultimately, decisions regarding compensation for our NEOs are made by the ECC.

Only ECC members are allowed to vote on decisions made regarding executive compensation, and these votes generally take place during the "executive session" portion of the ECC meetings, when members of management are not present.

Our Board of Directors has determined that each member of the ECC meets the independence requirements of NASDAQ. The ECC's Charter is available on our website at www.comtechtel.com under the link for "Board of Directors" in the "Investor Relations" section.

The ECC held five meetings during the past fiscal year.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Executive
Except as limited by law, our Executive Committee has the authority to act upon all matters requiring Board of Directors approval. In practice, our Executive Committee has been tasked, when necessary, with finalizing the logistics and administrative tasks associated with decisions that have been vetted by the full Board of Directors. During fiscal 2016, the Executive Committee did not hold any meetings.

Attendance

Our Board of Directors has adopted a policy which encourages directors, if practicable and time permitting, to attend our annual meetings of stockholders, either in person, by telephone or by other similar means of live communications (including video conference or webcast). All incumbent directors, who were serving as directors at the time, attended our Fiscal 2015 Annual Meeting of Stockholders in person.

Our Board of Directors held nineteen meetings during fiscal 2016, including regularly scheduled and special meetings.

During fiscal 2016, all of our incumbent directors attended more than 96% of the meetings held by the Board of Directors, and all committees on which they served.

Communications with Our Board of Directors

Stockholders may communicate with our Board of Directors, our Lead Independent Director or any other individual director by writing to us at Comtech Telecommunications Corp., Attention: Corporate Secretary, 68 South Service Road, Suite 230, Melville, NY 11747.

Code of Ethics

We have adopted a written Standards of Business Conduct that applies to our Board of Directors, principal executive officer, principal financial officer, principal accounting officer, controller and to all of our other employees. These standards are a guide to help ensure compliance with our high ethical standards. A copy of the Standards of Business Conduct is maintained on our website at www.comtechtel.com, under the link “Investor Relations.”

We intend to post on our website, as required, any amendment to, or waiver from, any provision in our Standards of Business Conduct that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, and that relates to any element of the standards enumerated in the rules of the SEC.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Director Compensation

Table of Director Compensation for Fiscal 2016

Name	Fees Earned or Paid in Cash (1)	Option Awards (2)	Stock Awards (3)	All Other Compensation	Total
Edwin Kantor	$65,000	-	$119,994	-	$184,994
Ira S. Kaplan	60,000	-	119,994	-	179,994
Robert G. Paul	58,859	-	119,994	-	178,852
Lawrence J. Waldman	38,315	$60,977	119,994	-	219,286
Richard L. Goldberg (4)	30,340	-	-	-	30,340

(1) Fred Kornberg, our Chairman, CEO & President is not included in this table because he receives no separate compensation for his services as director. Dr.Stanton D. Sloane, our former director, CEO & President, is not included in this table because he received no separate compensation for his services as director. Dr. Yacov A. Shamash is not included in this table because he became a director in October 2016, after fiscal 2016.

(2) The amount in this column reflects Mr. Waldman's pro-rata annual non-employee director equity award, granted upon his becoming a director in August 2015. Mr. Waldman received 13,890 stock options with an exercise price of $26.68 upon joining the Comtech Board of Directors on August 31, 2015. Assumptions used in the calculation of these amounts are those discussed in Note 11 to our audited consolidated financial statements for the fiscal year ended July 31, 2016, included in our Annual Report on Form 10-K, filed with the SEC on October 6, 2016. At July 31, 2016, non-employee directors held outstanding stock options as follows: Mr. Kantor, 30,000; Mr. Kaplan, 15,000; Mr. Paul, 7,500; and Mr. Waldman, 13,890.

(3) The amounts in this column represent the aggregate grant date fair value, calculated in accordance with SEC rules, of restricted stock units and restricted stock granted on August 9, 2016 (i.e., shortly after fiscal 2016). At that date, Messrs. Kantor, Kaplan and Waldman each received 9,125 restricted stock units, each with a fair value of $13.15. Pursuant to his election, Mr. Paul received 8,869 shares of restricted stock and 256 restricted stock units, each with a fair value of $13.15 At July 31, 2016, Mr. Kaplan held 1,040 unvested restricted stock units and Mr. Paul held 2,628 unvested restricted stock units.

(4) On November 19, 2015, Mr. Goldberg submitted his resignation as Director effective on such date.

In fiscal 2016, each non-employee director received an annualized cash retainer of $50,000. Mr. Paul, as the Chairman of the Nominating and Governance Committee, received a pro-rata additional annual retainer of $1,250, Mr. Kantor, as the Lead Independent Director, received an additional annual retainer of $15,000, Mr. Kaplan, as the Chairman of the Executive Compensation Committee, received an additional annual retainer of $10,000, Mr. Paul, as the previous Chairman of the Audit Committee, received a pro-rata additional annual retainer of $7,609, Mr. Waldman as the Chairman of the Audit Committee, received a pro-rata additional annual retainer of $4,891, and Mr. Goldberg, who resigned on November 19, 2015, received a pro-rata annualized cash retainer of $30,340. Directors may elect to receive fully-vested stock units in lieu of cash retainer amounts. Each director serving at fiscal year-end also received an equity award, granted shortly after fiscal year-end, valued at approximately $120,000. Mr. Waldman also received an equity award, in the form of an option grant, upon commencing service as a director. No meeting fees are paid. Directors are reimbursed reasonable expenses for attending meetings.

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

For fiscal 2017, fees for service as a director are currently as follows:

Director's Annual Retainer	$50,000
Lead Independent Director Retainer	15,000
Committee Chair Fees	
Audit Committee	$12,500
Executive Compensation Committee	10,000
Nominating and Governance Committee	5,000

The value of the annual equity award to each director will be determined near the end of the fiscal year. For fiscal 2016, the equity award value was $120,000.

Restricted stock units and restricted stock granted to non-employee directors have a vesting period of three years, with 25% of such award vesting on each of the first and second anniversaries of grant, and 50% vesting on the third anniversary of grant subject to accelerated vesting upon death of the director or a change-in-control of the Company. Restricted stock units are convertible into shares of Common Stock on a one-for-one basis, generally at the time of termination of service as a director, or earlier in certain circumstances. Under our 2000 Stock Incentive Plan, the exercise price of all non-employee director stock options is equal to the fair market value of our Common Stock on the date of grant. Stock options granted to non-employee directors expire five years after the date of grant, and become exercisable as to 25% of the underlying shares on each of the first and second anniversaries of the date of grant and as to the remaining 50% of the underlying shares on the third anniversary of the date of grant, subject to accelerated vesting upon death of the director or a change-in-control of the Company.

Compensation Discussion and Analysis

The ECC determines the compensation of all of our executive officers. This compensation discussion and analysis ("CD&A") focuses on our Named Executive Officers ("NEOs") and should be read in conjunction with the "Summary Compensation Table" and other compensation tables in this Proxy Statement.

Overview

In recent years, the ECC has made important modifications and enhancements to our executive compensation program including: (i) establishing total direct compensation targets for each NEO, (ii) establishing annual non-equity incentive award opportunities based on targeted dollar amounts for each NEO (previously, these opportunities were calculated based on a percentage of pre-tax profit), (iii) significantly reducing the maximum annual non-equity incentive payout opportunity for all of our NEOs, (iv) introducing long-term performance shares (commonly referred to as performance-based restricted stock units) with challenging three-year performance goals for Adjusted EBITDA and revenue, (v) eliminating all remaining Internal Revenue Code Section 280G tax "gross-up" entitlements for our NEOs, (vi), adopting a diluted earnings per share ("EPS") performance metric for NEOs with company-wide responsibilities, (vii) requiring that a minimum of 70% of a given financial goal, provided for in our annual non-equity incentive awards, be met before any payout may be made in respect of that goal, (viii) adopting mandatory equity ownership interest guidelines for both NEOs and non-employee directors, and (ix) issuing restricted stock units (with some of them having performance conditions) as a component of annual equity awards for our NEOs in contrast to our historical practice of solely awarding stock options. In deciding on these modifications and enhancements, the ECC considered stockholder feedback, including that a greater portion of compensation paid to or earnable by our NEOs be in the form of variable compensation that is tied to our financial performance.

COMPENSATION DISCUSSION AND ANALYSIS

The ECC believes that these modifications and enhancements to our executive compensation program in recent years were appropriate and have played an important role in further incentivizing our NEOs to guide our company to success. The ECC also believes that our NEOs' skills and experience are critical and will drive long-term total stockholder returns. Since we began implementing these changes, our stockholders have in the past three years supported our say-on-pay proposals by votes that exceeded 95%, a strong endorsement of our revised executive compensation program.

The ECC believes that our executive compensation program is designed to produce long-term business success and is based on a pay-for-performance philosophy.

In determining financial and personal performance goals and award opportunities at the beginning of fiscal 2016, the ECC established targets intended to motivate our executive officers to achieve strong results and, for some metrics, year-over-year financial growth despite difficult global business conditions that our NEOs were facing. As such, the established fiscal 2016 non-equity incentive plan performance goals were deemed challenging and, to some extent constituting, “stretch” goals at target.

During fiscal 2016, we negotiated and completed the acquisition of TeleCommunication Systems, Inc. (“TCS”). By most measures, the TCS acquisition approximately doubled the size of Comtech. By combining the strengths of Comtech and TCS, we believe Comtech is well positioned for the future as a leader in a number of telecommunications equipment markets, with a number of new product and services offerings made possible by the merger. For fiscal 2016, however, the completion of the acquisition mid-year and the expenses incurred in completing the acquisition make comparisons of fiscal 2016 to fiscal 2015 relatively uninformative.

During fiscal 2016, our business, including the newly acquired TCS business, continued to face difficult economic conditions in some of our major markets. Global oil prices remained at very depressed levels, following the precipitous decline in 2014 - 2015. As a result, many oil-producing customers and certain related businesses experienced dramatic reductions in revenue, and slashed their own spending in response. In addition, many of our international customers were negatively impacted by the continuing strength of the U.S. dollar, the currency in which virtually all of our sales are denominated. The stronger U.S. dollar lowered the purchasing power of many of our international customers. Our government customers have faced budget constraints that have impacted sales of some of our products and services.

Fiscal 2016 results included the following:

- Revenues in fiscal 2016 increased to $411.0 million, up from $307.3 million in fiscal 2015, of which $151.4 million were incremental sales resulting from the TCS acquisition, partially offset by lower sales of legacy Comtech products;

- Fiscal 2016 bookings were $451.3 million, a book-to-bill ratio (bookings divided by net sales) for the year of 1.10;

- Operating loss for fiscal 2016 was $0.6 million, compared to operating income of $34.1 million in fiscal 2015. Fiscal 2016 results included $21.3 million of pre-tax acquisition expenses, almost all of which relate to the acquisition of TCS. Excluding these expenses, operating income for fiscal 2016 would have been $20.7 million;

- Net loss for fiscal 2016 was $7.7 million, compared to net income of $23.2 million in fiscal 2015;

- Adjusted EBITDA (non-GAAP) was $48.1 million in fiscal 2016, down from $51.8 million for fiscal 2015, a 7.1% decrease. For a definition and explanation of Adjusted EBITDA, see page 60 of our Fiscal 2016 Annual Report on Form 10-K, in the section entitled “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Comparison of Fiscal 2016 and 2015 - Adjusted EBITDA," filed with the SEC on October 6, 2016;

• GAAP diluted EPS was ($0.46) in fiscal 2016, compared to $1.42 in fiscal 2015; and

COMPENSATION DISCUSSION AND ANALYSIS

- From July 31, 2015 to July 31, 2016 (our fiscal 2016), our one-year total stockholder return was approximately -50.5%. As of July 31, 2016, our closing stock price was $13.07.

The ECC considered other factors in addition to our financial performance in evaluating the performance of our management team, particularly:

- The success of the management team in completing the TCS acquisition and positioning us to be able to target $600.0 million of revenue with a targeted Adjusted EBITDA goal of $70.0 million in fiscal 2017. As we enter fiscal 2017, we have a backlog of $484.0 million and we are expecting significant year-over-year increases in net sales, operating income and Adjusted EBITDA.

- The substantial expansion of our product and service offerings during fiscal 2016, taking advantage of both our research and development efforts as well as synergies between Comtech and TCS.

- The encouraging results achieved in the fourth quarter of fiscal 2016, the first full quarter following the TCS acquisition, including revenues of $152.4 million, Adjusted EBITDA (non-GAAP) of $18.8 million, and an accelerating book-to-bill ratio. For a definition and explanation of Adjusted EBITDA, see page 60 of our Fiscal 2016 Annual Report on Form 10-K, in the section entitled “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations - Comparison of Fiscal 2016 and 2015 - Adjusted EBITDA” filed with the SEC on October 6, 2016.

Additionally, the ECC recognized that our stock performance in fiscal 2016 lagged various stock market indices and lagged many of our competitors' stock performance. The Company's stock performance was impacted by the issuance of 7,145,000 shares of common stock in June 2016, which raised net proceeds of $95.0 million in cash. The proceeds of this equity offering were used to reduce debt levels incurred as a result of the TCS acquisition. The equity offering took place during challenging market conditions and during the increased volatility related to certain external events such as Brexit. The ECC believes our current low stock price is a temporary issue and believes the TCS acquisition will bode well for the future of our Company and will generate shareholder return in the future.

During the first quarter of fiscal 2017, we announced that Mr. Kornberg, our Chairman of the Board, resumed his role as Chief Executive Officer and President. Additionally, we created a new role of Chief Operating Officer, and we filled this position on September 26, 2016. In view of our transformative acquisition of TCS and the broad opportunities for future growth across all of our businesses, we believe these leadership changes will enhance our ability to manage expected growth, and reinforce company-wide execution and operational discipline, with a view to building long-term value for our shareholders.

Our fiscal 2016 performance exceeded threshold requirements for payouts to our NEOs under our annual incentive program. Results for some of the performance metrics, particularly non-GAAP pre-tax profit and non-GAAP earnings per share, fell short of target levels. Non-GAAP free cash flow performance exceeded the maximum targeted level and had a positive effect on payouts, and payouts to certain of the NEOs reflect strong performance by the NEO with regard to individual performance goals (individual performance can contribute up to 25% of the targeted annual incentive payout). The ECC provided for adjustments to the financial performance goals to eliminate the effect of expenses, interest and certain other items resulting from our acquisition of TCS, in order to focus the annual incentive program on operating performance.

Looking forward, the ECC believes that our executive compensation program is appropriately designed to incentivize our executives to grow our business and drive positive long-term stockholder returns, and that our senior executives are critical to the future success of our business.

Response to Say-on-Pay Advisory Votes and Stockholder Feedback

At our fiscal 2015, 2014 and 2013 annual meetings, 95.4%, 98.5% and 98.8%, respectively, of the shares voted were voted in favor of our executive compensation program, noteworthy increases from the 75.8% and 68.4% favorable votes in fiscal 2012 and 2011, respectively.

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The ECC believes these highly supportive votes are attributable to: (i) the comprehensive review of our executive compensation program performed by the ECC over the past several years, (ii) the ECC's response to stockholder feedback and comments of certain leading proxy advisory firms; and (iii) the changes implemented by the ECC to our executive compensation plan, which were fully in effect in fiscal 2015 and fiscal 2016.

Goals and Objectives of Our Executive Compensation Program

The principal goals of our executive compensation program for our NEOs are to help us attract, motivate and retain the talent required to develop and achieve our strategic and operating goals, with a view to maximizing stockholder value.

The ECC intends for our executive compensation program to support our growth-oriented business strategy by motivating and rewarding management activities that create long-term stockholder value.

Our key executive officer compensation objectives are to:

- Attract and retain the key leadership talent required to successfully execute our business strategy;
- Align executive pay with performance, both annual and long-term;
- Ensure internal equity that reflects the relative contribution of each executive officer;
- Strongly link the interests of executives to those of our stockholders and other key constituents;
- Keep our executive compensation practices transparent; and
- Administer executive compensation in a cost-effective and tax-efficient manner.

We seek to achieve these goals by placing a major portion of the executives' total compensation at risk, in the form of annual non-equity incentive awards and long-term equity incentive awards. The ECC believes that our overall compensation program has resulted in and will continue to result in long-term alignment with our stockholders.

Annual non-equity incentives are intended to motivate and reward our NEOs' efforts and contributions to our business success, as measured by key performance metrics. Cash bonuses can be paid separately to reward other accomplishments. Stock options and long-term performance shares create compensation opportunities intended to align management's long-term interests with those of our stockholders and to promote long-term service. Such cash and stock-based compensation components have been critical factors in attracting and retaining key employees and are intended to contribute to a high level of executive commitment to our business success.

The ECC assesses the performance of our NEOs in light of business conditions and based on the efforts and effectiveness of each individual NEO as well as their collective efforts. The ECC also exercises its judgment as to the appropriate sharing between management and stockholders of the benefits of our business success. We also intend that the levels of compensation available to executive officers be fair internally as compared to each other and competitive in the marketplace.

The ECC believes our executive compensation program needs to be competitive so that we can retain our senior executive officers who have demonstrated their leadership, commitment and overall importance to our organization. These executives may be sought by other firms or may have other interests. A competitive program likewise is critical to our ability to attract new executives who share our values and commitment and who have demonstrated the abilities needed to add value to Comtech.

COMPENSATION DISCUSSION AND ANALYSIS

Determination of Compensation Opportunities for NEOs

Overview and Components of Fiscal 2016 Compensation Opportunities

The ECC has historically utilized a “pay-for-performance” policy in developing and allocating compensation elements between long-term and short-term, and allocating between cash and non-cash compensation, which has resulted in significant growth and stockholder value creation when viewed over a number of years despite difficult market conditions.

In making decisions regarding our executive officer compensation, ECC members also draw upon their general knowledge and understanding of what executive officers of other companies are earning, particularly in our industry, and which has been derived from publicly available information such as other public company SEC filings and published reports on executive compensation and from the Company’s preparation of and participation in benchmark studies. The ECC also has the ability to engage independent advisors and has done so in the past.

The ECC has established a policy of establishing compensation opportunities for our NEOs that we refer to as targeted total direct compensation. Targeted total direct compensation is defined, in essence, as the total of compensation components identified in the “Summary Compensation Table”, but excluding items contained in “All Other Compensation,” for each NEO. The ECC expects that targeted total direct compensation for an executive will be competitive with market levels of compensation and, as illustrated in the graph below, that the mix of compensation for any given fiscal year will be heavily weighted towards "at risk" incentive-based compensation.

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The following table summarizes the components of total direct compensation for fiscal 2016:

Components of Total Direct Compensation For Fiscal 2016

	Annual Non-Equity Incentive Awards		Long-Term Equity Incentive Awards			
			Stock Options	Long-Term Performance Shares		
Annual Base Salary +	These awards may be settled in cash or share units if at least 70% of financial goals and/or certain personal goals are determined to be achieved by the ECC. Financial goals for our Chairman, our former CEO and our CFO, who have company-wide responsibilities are pre-tax profit, free cash flow and adjusted diluted earnings per share (each as defined, is a non-GAAP financial metric). Our other two NEOs' goals were based on pre-tax profit, free cash flow and bookings. All NEOs, other than our Chairman received five specific personal goals. If 70% of a financial goal is deemed not achieved, the allocated amount of non-equity incentive award for that goal would be zero.	+	Granted with an exercise price equal to the fair market value of our Common Stock at date of grant. If the future stock price is not higher than the fair market value at date of grant an executive would not realize any compensation from stock option awards.	These awards are payable within a range of 70% to 200% of target shares if minimum 3-year financial goals are achieved. If 70% of a given financial goal is deemed not achieved, the allocated amount of long-term performance shares would be zero in respect of that goal.	=	Total Direct Compensation for Fiscal 2016

In establishing specific targeted total direct compensation in fiscal 2016 for each individual NEO, the ECC did not adopt a formal benchmarking policy but did consider prior independent studies prepared by Steven Hall & Partners ("Steven Hall"), an independent executive compensation consulting firm engaged at the time by the Committee and an update to that study prepared by Arthur J. Gallagher & Co. ("Gallagher & Co."), another independent executive compensation consulting firm. These studies provided the ECC with an understanding of the competitive range of total direct compensation for executives in comparable positions in our industry.

When determining individual components of targeted total direct compensation, each NEO's base salary is set by the ECC and the remainder of targeted total direct compensation is apportioned approximately 50% to annual non-equity incentive compensation and 50% to long-term equity incentive awards, with the long-term equity incentive award component then apportioned approximately 50% each to stock options and long-term performance shares, both valued at the grant date. The ECC, after discussions with the Chairman and the then CEO, determined final targeted total direct compensation for fiscal 2016 for each NEO as summarized in the table below:

NEO	Targeted Total Direct Compensation
Fred Kornberg	$2,860,000
Stanton D. Sloane	2,075,000

Michael D. Porcelain	1,148,000
Richard L. Burt	1,057,000
John Branscum, Jr.	1,045,000

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The following discusses each individual component of total direct compensation in more detail:

Annual Base Salary – Base salaries paid to our executive officers are intended to be generally competitive with those paid to executives holding comparable positions in the marketplace. The ECC reviews base salaries each year and, as appropriate, makes upward adjustments based on the ECC's assessment of the executive officer's individual performance, taking into consideration the operating and financial performance of our operations for which the executive is responsible. The ECC also considers the budgeted level of merit increases for all employees generally in determining salary adjustments for executive officers.

The ECC reviews public information regarding competitive levels of salary in our industry, but has not established a policy of targeting a particular benchmarked level. The ECC's determinations regarding salary reflect a degree of subjectivity and business judgment as to the performance and competitiveness of salary levels for each individual NEO's position.

For fiscal 2016, the salaries for the Chairman and the then CEO were unchanged. The Chairman's salary was not increased, in view of the transitioning of his executive duties. The starting salary of our then CEO, Dr. Sloane, was established in mid-fiscal 2015 and was not increased at the start of fiscal 2016. The ECC increased the fiscal 2016 salaries of Mr. Porcelain and Mr. Burt by approximately 1% to 3%, in line with merit increases for salaried employees generally. The ECC increased the fiscal 2016 salary for Mr. Branscum by approximately 8%, recognizing his increased duties.

For fiscal 2016, the following annual salary rates were in effect.

NEO	Salary
Fred Kornberg	$760,000
Stanton D. Sloane	575,000
Michael D. Porcelain	408,000
Richard L. Burt	385,000
John Branscum, Jr.	325,000

Cash Bonuses – The ECC has the ability to award cash bonuses (as defined by SEC rules and regulations and generally referring to discretionary bonuses rather than bonuses based on attaining pre-set goals) to our NEOs. Such bonuses are intended to motivate and reward achievement of corporate objectives by creating the potential to earn compensation for achieving subjective or non-specific financial and performance goals.

Cash bonuses include one-time cash awards such as sign-on bonuses to a newly hired NEO and cash bonuses to an NEO for extraordinary performance. The ECC does not routinely award annual cash bonuses to NEOs.

In fiscal 2016, none of our NEOs received cash bonuses as defined by the SEC rules.

Non-equity Incentive Plan Awards – Non-equity incentive plan compensation is intended to motivate our NEOs to achieve annual operating objectives and goals that are designed to enhance long-term stockholder value. Non-equity incentive award opportunities are based on targeted dollar amounts for each NEO and include specified target, threshold (for example, 70% of financial goals must be achieved) and maximum payout levels for each financial goal and are further subject to an aggregate non-equity incentive plan award cap, set as a multiple of annual salary. Non-equity incentive awards are subject to the terms and conditions of our 2000 Stock Incentive Plan, are intended to qualify as "performance-based" under Section 162(m) of the Internal Revenue Code and may be settled, as determined by the ECC, in cash or share units. In certain cases, our NEOs may receive a pro-rata portion of their award, including situations such as death and disability. In certain situations, settlements of awards may require the execution of an acknowledgement and release in favor of the Company.

COMPENSATION DISCUSSION AND ANALYSIS

In fiscal 2016, non-equity incentive award performance goals for each of our NEOs were established early in the fiscal year, as shown in the below table:

Fiscal 2016 Weighting of Non-Equity Incentive Goals
and Total Target and Maximum Amounts Payable (both in dollars)

Goals (as defined)	Fred Kornberg		Stanton D. Sloane		Michael D. Porcelain		Richard L. Burt		John Branscum, Jr.	
Pre-tax profit	33.3	%	33.3	%	25.0	%	25.0	%	25.0	%
EPS	33.3	%	33.3	%	25.0	%	-		-	
Bookings	-		-		-		25.0	%	25.0	%
“Free” cash flow	33.3	%	33.3	%	25.0	%	25.0	%	25.0	%
Five personal goals	-		-		25.0	%	25.0	%	25.0	%
Total Percentage	100.0	%	100.0	%	100.0	%	100.0	%	100.0	%
Total Target Amount	$950,000		$750,000		$370,000		$336,000		$360,000	
Maximum Amount	$1,425,000		$1,125,000		$647,500		$577,500		$487,500	

Non-equity incentive awards are subject to the full negative discretion of the ECC, except for our Chairman and current CEO, who, pursuant to his amended and restated employment agreement as in effect for fiscal 2016, was entitled to a minimum amount (which in fiscal 2016 was $240,000) calculated based on 3.0% of pre-tax profit, subject to a $1 million limit (when combined with base salary which was $760,000 in fiscal 2016). If an executive does not achieve at least 70% of one financial goal and does not meet any of their personal goals (as applicable), the amount payable to the executive would be zero. In addition, NEOs with responsibilities for specific business units are subject to a cap on the payout specified as a maximum percentage of the business units’ pre-tax profit.

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The actual fiscal 2016 non-equity incentive goals for each NEO are illustrated in the below table:

Fiscal 2016 Non-Equity Incentive Goals

Goals (as defined)	Fred Kornberg	Stanton D. Sloane	Michael D. Porcelain	Richard L. Burt	John Branscum, Jr.
Pre-tax profit	$40,600,000	$40,600,000	$40,600,000	Confidential	Confidential
EPS	$1.42	$1.42	$1.42	Not Assigned	Not Assigned
"Free" cash flow	$6,000,000	$6,000,000	$6,000,000	Confidential	Confidential
Bookings	Not Assigned	Not Assigned	Not Assigned	Confidential	Confidential
Personal Goal #1	Not Assigned	Not Assigned	Work with CEO to pursue and close a significant acquisition	Achieve a specified book-to-bill ratio	Achieve a specified book-to-bill ratio and develop new forecasting plans
Personal Goal #2	Not Assigned	Not Assigned	Strengthen accounting and corporate finance reporting	Sign sales contracts with three specified non-US customers	Complete development of a specified new product and enter the market
Personal Goal #3	Not Assigned	Not Assigned	Work with CEO in support of initiatives	Achieve a pre-defined level of orders from a specified customer	Create and start implementing an intra-unit synergy plan
Personal Goal #4	Not Assigned	Not Assigned	Implement new company-wide email and certain computer software systems	Improve collaboration with other business units and the corporate business development function	Increase number and value of new business with a specified customer and support company-wide business development
Personal Goal #5	Not Assigned	Not Assigned	Achieve no significant accounting or export regulatory deficiencies and adhere to certain internal reporting requirements	Achieve no significant accounting or export regulatory deficiencies, and adhere to certain internal reporting requirements	Achieve no significant accounting or export regulatory deficiencies and adhere to certain internal reporting requirements

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The ECC established fiscal 2016 non-equity incentive financial and personal goals at levels deemed challenging and, to some extent, constituting "stretch" goals at target. In establishing goals, among other items, the ECC considered our long-term strategy, our fiscal 2016 business plan, the potential for a significant acquisition to be completed during the year, prior fiscal years' achievements, known opportunities and our share repurchase and cash dividend programs.

Financial goals for Messrs. Kornberg, Sloane and Porcelain were based on projected consolidated results, and financial goals for Messrs. Burt and Branscum were based on the business operations for which they were responsible. Personal goals reduce the risk that our annual non-equity incentive program could provide an incentive to favor short-term results over long-term performance. Significant input on all of the performance goals was received from our Chairman and our then CEO and all goals were summarized on an annual "Goal Sheet" that was acknowledged by each individual NEO. The threshold, target and maximum award payout opportunities established as specified dollar amounts for each of our NEOs are shown in the "Table of Grants of Plan-Based Awards that Occurred in Fiscal 2016." The final awards in fiscal 2016 for each of our continuing NEOs are reflected in the "Summary Compensation Table" as "Non-equity incentive plan compensation" and are summarized below:

	Fred Kornberg	Michael D. Porcelain	Richard L. Burt	John Branscum, Jr.
	Actual Achievement of Fiscal 2016 Non-Equity Incentive Goals (as defined)			
Pre-tax profit	$32,759,000	$32,759,000	Confidential	Confidential
EPS	$1.32	$1.32	Not Assigned	Not Assigned
"Free" cash flow	$32,249,694	$32,249,694	Confidential	Confidential
Bookings	Not Assigned	Not Assigned	Confidential	Confidential
Personal goals	Not Assigned	4 out of 5	3 out of 5	4 out of 5
	Actual Amount of Fiscal 2016 Non-Equity Incentive Award			
Final non-equity incentive award payable	$1,025,700	$419,862	$89,028	$135,027
% of targeted amount	108.0%	113.5%	65.0%	37.5%

On September 28, 2016, we entered into a Transition Agreement with Dr. Sloane in connection with his separation from Comtech. In connection with his resignation, the Company agreed to award him an incentive award of $278,000 for fiscal 2016 and $22,000 for the portion of fiscal 2017 during which he was employed. Such amount was negotiated with Dr. Sloane and the Company received a release from Dr. Sloane.

The specific level of business-unit performance targets, the pre-tax profits cap on the payout, the actual achievement of business-unit results, detailed personal performance goals and related achievement are not disclosed in this proxy statement because these items are confidential business information, the disclosure of which would result in competitive harm for the Company.

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Detailed Description of Methodology and Mechanical Calculation

The final non-equity incentive awards payable as a percentage of targeted amounts for fiscal 2016 (as shown in the table on the previous page), were determined by a mechanical calculation that was ultimately reviewed and approved by the ECC, after consideration of any negative discretion.

In any given fiscal year, the final non-equity incentive award payable as a percentage of the total targeted amount for each NEO can range from 0% to a maximum of 175% (or 150% in the case of the Chairman and, in fiscal 2016, our then CEO). If actual financial results for any specific financial goal are above target levels, the NEO could earn up to 200% (or 150% in the case of the Chairman and our then CEO) of their targeted payout for that specific goal. Either an individual personal performance goal is achieved and results in earning 5% for that goal (up to 25% for all five personal goals), or that goal is not achieved and no amount is earned in respect of that personal goal. As such, if all actual financial results were at or above the maximum performance level and the NEO met all five personal goals, the resulting non-equity incentive payout would equal 175% of the NEO's specific total non-equity incentive target (in dollars) (or 150% in the case of the Chairman and our then CEO, for whom no personal goals were specified). If the ECC determines that actual financial result for any financial performance goal for an individual NEO (including our Chairman and our then CEO) was less than 70% of the target, the NEO would not receive a payout tied to that specific goal. If an executive does not achieve at least 70% for one financial goal and does not meet any of their personal goals (as applicable), the amount payable to the executive would be zero. Fiscal 2016 non-equity incentive awards were or will be settled in cash.

The calculation of non-equity incentive awards and related methodology is illustrated below, using Mr. Kornberg's final fiscal 2016 non-equity incentive award:

- Determine the percentage achievement of actual performance for each specific financial performance goal by dividing the actual dollar achievement by the pre-established target. For example, in fiscal 2016, for Mr. Kornberg: (i) the percentage achievement for his pre-tax profit goal (as defined, including adjustments as described below) was approximately 80.7% which was calculated by taking $32,759,000 and dividing it by the target of $40,600,000 (ii) the percentage achievement for his adjusted diluted EPS goal was approximately 93.2% which was calculated by taking $1.32 (which was calculated by adjusting our fiscal 2016 GAAP diluted EPS in the manner described below) and dividing it by the target of $1.42 (adjusted for rounding); and (iii) the percentage achievement for his free-cash flow goal (as defined, including adjustments described below) was 150%, which was the maximum level determined because the achieved level, calculated by taking $32,249,694 and dividing it by the target of $6,000,000, exceeded the pre-defined maximum performance level. In each case, the threshold requirement that at least 70% of the target performance level be achieved was met.

- Determine the amounts payable for the achievement of all financial goals. The amount payable for each financial goal is determined by multiplying the percentage achievement by the individual NEO's total targeted non-equity incentive award (in dollars) and then multiplying that result by the original weighting assigned to arrive at an amount payable. Each amount payable is added together to arrive at the total amount payable for all financial goals. For example, in fiscal 2016, Mr. Kornberg's percentage achievement for his pre-tax profit goal (as defined) was approximately 80.7%, which was multiplied by $950,000 and then multiplied by 33.3% to arrive at $255,550 (adjusted for rounding). His percentage achievement for his adjusted diluted EPS goal was approximately 93.2%, which was multiplied by $950,000 and then multiplied by 33.3% to arrive at $295,165 (adjusted for rounding). His percentage achievement for his free cash flow goal was 150.0%, which was multiplied by $950,000 and then multiplied by 33.3% to arrive at $475,000. The sum of these amounts equals $1,025,700 (adjusted for rounding).

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- Determine the amount payable for the achievement of personal goals. This amount is calculated by multiplying the number of personal goals achieved by 5% and multiplying the result by the individual NEO’s total targeted non-equity incentive award (in dollars). Either a personal performance goal is achieved and results in earning 5% for that goal, or that goal is not achieved and no amount is payable in respect of that personal goal. In the case of Mr. Kornberg, no personal goals were assigned.

- Add the amounts payable for all financial goals and personal goals to calculate an amount potentially payable to the NEO. For NEOs with responsibility for particular business units, adjust this amount downward if the calculated payout would exceed the pre-set cap on payout as a percentage of the business unit's pre-tax profit. At this point, the ECC can determine whether it will exercise negative discretion, and in some cases amounts of the calculated incentive award will be voluntarily reallocated to other employees in the NEO's business unit. To illustrate, Mr. Kornberg was awarded a final non-equity incentive award of $1,025,700 for fiscal 2016 which was approximately 108.0% of the fiscal 2016 total target amount ($1,025,700 divided by $950,000), as the ECC did not exercise any negative discretion. This amount includes the minimum amount payable under Mr. Kornberg’s employment contract.

Use and Definitions of Pre-tax Profit, Diluted EPS, “Free” Cash Flow and Bookings

The ECC has utilized pre-tax profits, diluted EPS, bookings and free cash flow, with minor variations, as financial performance goals for the annual non-equity incentive program for the past few years. Because pre-tax profit includes all expenses incurred in generating net sales, the ECC believes that the pre-tax profit measure is an appropriately broad financial measure that does not create distorted incentives that might impel undue risk taking. Likewise, the ECC believes that diluted EPS, bookings, and free cash flow are effective performance metrics because they appropriately align our executives' interests with the creation of long-term stockholder value.

The financial measures -- pre-tax profit, diluted EPS and free cash flow -- utilized under the non-equity incentive plan are non-GAAP measures due to adjustments we make to the corresponding GAAP financial measures. The ECC believes these adjustments make the performance measures fairer and more accurate as a year-over-year comparison, and the ECC keeps the probable effects of adjustments in mind in setting the annual target level for these performance metrics. In fiscal 2016, the ECC determined that, in addition to other adjustments discussed below, each of the financial measures would be subject to adjustment for the anticipated substantial effects of a major acquisition (the TCS acquisition), which was in the planning stages early in the fiscal year. Those adjustments included eliminating the cost of investment banking, due diligence, and legal and related transaction costs, interest charges related to debt incurred or assumed in the acquisition, and certain amortization charges relating to the acquisition.

For fiscal 2016, the calculation of our pre-tax profit, for purposes of our annual non-equity incentives, began with our GAAP pre-tax profit and then was adjusted to eliminate certain effects including: (i) stock-based compensation expense recorded pursuant to FASB ASC Topic 718, (ii) the amortization of newly acquired intangibles with finite lives relating to the acquisition of a trade or business, (iii) any adjustments required by the adoption of new accounting standards, (iv) certain costs associated with exit or disposal activities accounted for pursuant to FASB ASC Topic 420, (v) expenses associated with the termination of employees under FASB ASC Topics 420, 712 or 715 and related rules, (vi) impairment loss on goodwill or long-lived assets, (vii) expenses incurred in connection with a potential or actual business combination (including those discussed above), (viii) expenses related to potential or actual change-in-control matters, and (ix) any extraordinary item.

In fiscal 2016, we utilized an adjusted diluted EPS performance metric for NEOs with company-wide responsibilities. This adjusted diluted EPS metric was based first on GAAP diluted EPS and then adjusted for the acquisitions-related items discussed above, and including adjustments to eliminate the tax benefits associated with the acquisition-related expenses.

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The definition of "free" cash flow is calculated starting with our cash flow from operations as defined by GAAP. This figure is then reduced by the level of capital expenditures incurred by Comtech (or the applicable business operations) for property, plant and equipment (net of write-offs) and, for NEOs with company-wide responsibilities, by the amount of dividends paid by Comtech. We then adjusted free cash flow for the acquisition expenses paid and acquisition-related interest paid in fiscal 2016.

Bookings are based on the receipt of a purchase order from a customer and exclude any awards from the U.S. government or similar entity for which budgetary funding was not yet appropriated.

Long-term Equity Incentive Awards. The ECC provides approximately 50% of total direct compensation (excluding base salary) to each of our NEOs in the form of long-term equity incentive awards, with 50% apportioned each to stock options and long-term performance shares. The ECC believes these types of awards align the NEOs' interests with those of our stockholders by providing each NEO with an opportunity to share in the appreciation in the value of our Common Stock. The vesting terms of our equity awards provide a strong inducement for our executive officers to remain in long-term service to Comtech. Long-term equity incentive awards are issued pursuant to our 2000 Stock Incentive Plan.

The ECC has historically granted stock options with an exercise price equal to the market price of our Common Stock on the date of grant and believes they are appropriate long-term incentives, as they compensate our NEOs only if they successfully raise our stock price over a long-term period. Fair value of our stock options is based on the Black-Scholes fair value at the grant date, calculated for purposes of FASB ASC Topic 718.

The targeted dollar amount of compensation allocable to stock options and long-term performance shares was converted into an estimated number of awards based on an estimated grant-date fair value (with rounding applied). Actual amounts awarded to our NEOs in fiscal 2016 in the form of stock options and long-term performance shares are reflected in the "Summary Compensation Table" as "Option Awards" and "Stock Awards," respectively, and differ slightly from the targeted amounts due to rounding, differences in the market price of the Company's Common Stock at the grant date as compared to that used in valuation estimates, and a final calculation of the Black-Scholes fair value of stock options.

In determining the actual amount of annual grants of long-term equity awards for each respective NEO, the ECC considered the estimated grant-date fair value of the awards. The ECC also considered each individual NEO's past and expected overall performance and his potential impact on our future success, and held a view toward maintaining aggregate internal pay equity. The ECC did not alter the level of long-term equity awards based on the built-up value, or absence of built-up value, of previously granted awards, or value realized by executives from previously granted awards.

The ECC first issued awards of long-term performance shares in fiscal 2014. These long-term performance shares had Adjusted EBITDA (a non-GAAP measure of earnings before interest, taxes, depreciation and amortization) and revenue performance goals that were weighted 50% each for a three-year performance period. The ECC believes that these long-term performance shares provide appropriate incentives for management to focus on long-term financial results, using performance goals that the ECC believes correlate with the value of our Common Stock.

In order to receive any shares under a long-term performance share award, an NEO must achieve 70% or more of at least one goal. If the performance goals are achieved at a level of 70% of target, the threshold level, the threshold number of long-term performance shares will be earned. A maximum of 200% of the long-term performance shares can be earned for achievement of the performance goals at the 200% level. The fiscal 2016 awards provide for potential payout when at least 70% of an individual goal for one year or two years was met, and when the executive does not voluntarily terminate his employment or incur termination for cause before the end of the full three-year period. Long-term performance shares not earned based on one-year and two-year performance remain earnable based on three-year performance. The specific target levels for long-term performance share goals are not disclosed in this proxy statement because such data is confidential business information, the disclosure of which would result in competitive harm that could have an adverse effect on the Company.

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The fiscal 2016 long-term performance shares again required achievement of revenue and Adjusted EBITDA goals (equally weighted) for the performance period of fiscal 2016 - fiscal 2018. These goals, when set, were considered very challenging, requiring significant growth from fiscal 2015 levels.

The fair value of the fiscal 2016 long-term performance shares was based on the market value of our Common Stock at the grant date and provide that dividend equivalents will be credited on outstanding awards, to be earned if and only to the extent the long-term performance shares are earned and become vested. For purposes of valuing these awards as a component of total direct compensation, the ECC valued the long-term performance shares using the target number (the accounting fair value of the target number of long-term performance shares is reflected in the “Stock Awards” column of the "Summary Compensation Table").

The ECC believes that the portion of long-term equity awards attributable to stock options directly align the NEOs’ interests with those of our stockholders by providing each NEO with an opportunity to share in the appreciation in the value of our Common Stock. The ECC believes that the portion of equity awards attributable to long-term performance shares provides significant alignment with stockholders, but also promotes retention and long-term service independent of stock price movements.

The ECC believes that the long-term equity awards granted in fiscal 2016, will promote the creation of long-term value for stockholders. The number of stock options and long-term performance shares granted in fiscal 2016 to each NEO, and their estimated fair values, were as follows:

Named Executive Officer	Number of Stock Options Granted	Target Number of Long-Term Performance Share Units Granted (1)	Estimated Fair Value of Awards at Grant Date
Fred Kornberg	83,000	21,500	$1,061,875
Stanton D. Sloane	60,000	12,500	717,975
Michael D. Porcelain	30,000	6,500	366,075
Richard L. Burt	27,000	6,000	333,720
John Branscum, Jr.	29,000	6,000	345,840

(1) As of July 31, 2016, the long-term performance shares granted in fiscal 2014 reached the conclusion of their performance period. For these awards, for NEOs with company-wide responsibilities, the threshold performance goals for both Adjusted EBITDA and revenues were met, with the aggregate performance level being 88.6% of target, resulting in Mr. Kornberg earning 17,827 shares and Mr. Porcelain earning 6,185 shares. For the NEOs for whom the performance goals were tied to particular business units, the aggregate performance level in the case of Mr. Burt was 42.5% resulting in his earning 2,704 shares, and the aggregate performance level in the case of Mr. Branscum was 42.4% resulting in his earning 2,087 shares.

COMPENSATION DISCUSSION AND ANALYSIS

Based on fiscal 2015 and 2016 performance, long-term performance shares potentially issuable for performance in the fiscal 2015 - fiscal 2017 performance period and the fiscal 2016 - fiscal 2018 performance period have met interim performance goals for the earning of shares as follows: Mr. Kornberg - 16,232 shares; Dr. Sloane - 7,254 shares; Mr. Porcelain - 5,309 shares; Mr. Burt - 1,861 shares; and Mr. Branscum - 2,765 shares.

With the exception of the stock options granted to Mr. Kornberg, the stock options granted to our NEOs in fiscal 2016 were awarded in August 2015 with an exercise price of $28.35, which was equal to the closing market price per share of our Common Stock on the date of grant, and the long-term performance shares (including the grant to Mr. Kornberg) also were granted in August 2015, with a grant-date fair value per share of $28.35. The ECC granted stock options to Mr. Kornberg in September 2015, with an exercise price of $26.62, which was equal to the closing market price per share of our Common Stock on the date of grant.

All stock options granted in fiscal 2016 provide for vesting at 20% per year on the first five anniversary dates of the grant date, with a stated expiration date of ten years after grant. The long-term performance shares vest as described above. All equity awards are subject to accelerated vesting in specified circumstances.

Other Annual Compensation and Benefits – Although direct compensation, in the form of salary, non-equity incentive awards and long-term equity incentive awards provide most of the compensation to each NEO, we also provide for the following items of additional compensation:

- Retirement savings are provided by our tax qualified 401(k) plan, in the same manner available to all U.S. employees. This plan includes an employer matching contribution which is intended to encourage employees (including our NEOs) to save for retirement.

- Health, life and disability benefits are offered to NEOs in the same manner available to all of our U.S. employees. However, our Chairman has elected to enroll in a non-Company sponsored healthcare plan. We provide additional life insurance policies for our Chairman and each of our NEOs.

Perquisites are provided at modest levels to NEOs, primarily in the form of an automobile allowance. Our Chairman also receives a monthly expense allowance. These perquisites are intended to recognize senior employee status.

Other Policies and Practices

Employment Agreements and Change-in-Control Practices
The ECC generally has relied on our history of fair treatment of NEOs as a basis for not entering into employment agreements, other than with Mr. Kornberg and Dr. Sloane. Our employment agreements have been intended to promote careful and complete documentation and understanding of employment terms, prevent uncertainty regarding those terms, promote good disclosure of those terms, help meet regulatory requirements under tax laws and other regulations and avoid frequent renegotiation of the employment terms.

We have entered into change-in-control agreements (or in the case of our Chairman, change-in-control provisions are included in his employment agreement) because we believe they provide important protection to our NEOs, in the form of improved job security, and also provide us a number of important benefits. First, it permits our NEOs to evaluate a potential change-in-control transaction while relatively free of concern for his or her own situation, minimizing the conflict between his or her own interests and those of our stockholders. Second, transactions take time to unfold, and ensuring a stable management team can help to preserve our operations in order to enhance the value delivered to the buyer – and thus the price paid to our stockholders – from a transaction. Third, if a transaction falls through, keeping our management team intact can help us to continue our business without undue disruption. Finally, the ECC believes that one of our greatest strengths is our management and workforce, so job security and protection is provided so that an acquirer could be expected to pay more to acquire the Company with the team remaining intact after the acquisition.

COMPENSATION DISCUSSION AND ANALYSIS

Chairman's Employment Agreement - Key provisions of our Chairman's employment agreement, as it affected service in fiscal 2016, were as follows:

- Annual base salary of $760,000 (subject to periodic review and increase).
- An annual incentive equal to 3.0% of pre-tax profits, but capped at an amount that, when added to annual salary, equals $1 million.
- Mr. Kornberg had agreed to serve as Executive Chairman for the one-year period beginning on the date Dr. Sloane commenced employment, which was January 26, 2015, and thereafter to consult with and advise the CEO and other members of Company management as requested by the CEO. As discussed above, in September 2016, Mr. Kornberg agreed to resume serving as our CEO and President, while continuing to serve as Chairman.
- Reimbursement for term life insurance with a face value of $3.5 million.
- Certain payments and benefits following termination of employment, as described in the section entitled "Summary and Table of Potential Payments Upon Termination or Following a Change-in-Control." Mr. Kornberg is required to execute a release of claims in favor of Comtech in order to receive severance.
- Covenants for the protection of our business, including covenants relating to confidentiality of business information, non-solicitation of employees and non-competition (extending for two years after employment ends), cooperation in litigation, return of Comtech property and non-disparagement.
- A term expiring on July 31, 2017.

Former CEO's Employment Agreement - Key provisions of the employment agreement with Dr. Sloane, as it applies to his service as CEO in fiscal 2016, were as follows:

- An annual base salary of $575,000 (subject to periodic review and increase).
- Eligibility to participate in our annual incentive program and to receive long-term incentive awards.
- Housing near our headquarters and reimbursement of living expenses during the first two years of employment.
- Reimbursement up to $60,000 of his actual relocation expenses, if Dr. Sloane determined to relocate his home to a location near our headquarters.
- Certain payments and benefits following termination of employment, as described in the section entitled "Summary and Table of Potential Payments Upon Termination or Following a Change-in-Control." No tax gross-up for golden parachute excise taxes and related taxes is provided.
- Covenants for the protection of our business, including covenants relating to confidentiality of business information, non-solicitation of employees and non-competition (extending for 12 months after employment ends), cooperation in litigation, return of Comtech property and non-disparagement.
- A term expiring on January 26, 2018.

The employment agreement with Mr. Kornberg includes a "double-trigger" change-in-control provision that provides for severance payments and other benefits if circumstances constituting "Good Reason" (as defined) arise within 2.5 years after a change-in-control if Mr. Kornberg elects to terminate employment for Good Reason. In addition, the agreement does not provide any tax "gross-up" entitlement if payments under the agreement following a change-in-control were to subject him to the federal golden parachute excise tax. Instead, the agreement provides that payments under the agreement would be reduced if doing so, and thereby avoiding the excise tax, would place Mr. Kornberg in a better after-tax position. If the excise tax is triggered, however, it will be payable by Mr. Kornberg without reimbursement by the Company.

In November 2016, the ECC approved an amendment and restatement of Mr. Kornberg's existing employment agreement to reflect Mr. Kornberg's appointment as our President and CEO following Dr. Sloane's departure. The terms of Mr. Kornberg's amended and restated agreement are substantially similar to those in effect during fiscal 2016, with the following changes: