

Safe Harbor for Forward-Looking Statements

This website and any websites of our affiliated companies or divisions and materials attached to or incorporated or referred to in any of the foregoing websites (collectively, this “website”) may contain forward-looking statements as defined by federal securities laws which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include statements concerning plans, objectives, goals, strategies, expectations, intentions, projections, developments, future events, performance or products, underlying assumptions and other statements which are other than statements of historical facts. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expects,” “intends,” “plans,” “anticipates,” “contemplates,” “believes,” “estimates,” “predicts,” “projects,” and other similar terminology or the negative of these terms. From time to time, we may publish or otherwise make available forward-looking statements of this nature. All such forward-looking statements, whether written or oral, and whether made by us or on our behalf, are expressly qualified by the cautionary statements described in this website, including those set forth below, and any other cautionary statements which may accompany the forward-looking statements. In addition, we undertake no obligation to update or revise any forward-looking statement to reflect events, circumstances, or new information after the date of the information or to reflect the occurrence of unanticipated or any other subsequent events, and we disclaim any such obligation.

Forward-looking statements may discuss our future expectations, contain projections of our future results of operations or of our financial position, or state other forward-looking information. However, there may be events in the future that we are not able to accurately predict or control. Forward-looking statements are thus only predictions that relate to future events or our future performance and are subject to substantial known and unknown risks, uncertainties, assumptions, and other factors that may cause actual results, outcomes, levels of activity, performance, developments, or achievements to be materially different from any future results, outcomes, levels of activity, performance, developments, or achievements expressed, anticipated, or implied by these forward-looking statements. As a result, we cannot guarantee future results, outcomes, levels of activity, performance, developments, or achievements, and there can be no assurance that our expectations, intentions, anticipations, beliefs, or projections will result or be achieved or accomplished. In summary, you should not place undue reliance on any forward-looking statements.

In addition to other factors and matters discussed elsewhere in this website, in our periodic reports and other filings made with the OTC Markets from time to time (available at www.otcmarkets.com), including without limitation our Annual Report for the year ended December 31, 2009 as filed with the OTC Markets on March 30, 2010, in our periodic reports and other filings previously made with the Securities and Exchange Commission (available at www.sec.gov), and in our other public statements from time to time (including, without limitation, our press releases), some of the important factors that, in our view, could cause actual results to differ materially from those expressed, anticipated, or implied in the forward-looking statements include, without limitation, the following:

- The impact of the ongoing economic downturn
- Our limited capital resources
- Our history of significant losses
- Our inability to increase our revenue
- Control of our company being held by two entities due to their owning over a majority of our voting stock, their being our secured lenders, and their board representation
- Potential control and conflicts of interest issues relating to those two significant stakeholders
- Rights and powers granted to those two stakeholders in the secured credit transaction in early 2011
- Our ability to comply with the financial covenant and other terms and conditions of our secured credit facility
- Dilution, changed voting power, stock preferential rights, and other issues resulting from the stock sale completed by Proxim on August 13, 2009
- The amount of indebtedness and preferred stock obligations to which we are currently subject
- Potential need or desire to raise additional debt or equity capital
- Availability of any additional capital we need or desire to raise on terms we want or at all
- The terms of any additional capital raised, which may be better than the terms of our common stock
- The impacts and effects of any strategic or financing transactions Proxim may evaluate or consummate
- The possible stagnation and decline in the price of Proxim’s common stock as a result of any such transactions

- The reactions, positive or negative, of customers, investors, employees, competitors, and others to any such transactions
- The impact of any sale of any business or assets for strategic or capital-raising purposes
- The impacts of the reverse stock split implemented in May 2010, including the decline in our stock price since that reverse stock split and the limited number of shares of common stock outstanding after the split
- Difficulties in attracting and retaining employees
- The substantial competition we face, much of it from larger, more well-known companies
- Our ability to keep pace with rapid technological changes
- The expected decline in the prices of our products over time
- Difficulties in developing and introducing new products
- Time and costs associated with developing and launching new products
- Performance, quality, warranty, and other potential issues with new products we launch
- Uncertainty about market acceptance of products we introduce
- Potential long sales cycles for new products such that there may be extended periods of time before new products contribute positively to our financial results
- Decisions we may make to delay or discontinue efforts to develop and introduce certain new products
- Difficulties or delays in developing and supplying new products with the contemplated or desired features, performance, compliances, certifications, cost, price, and other characteristics and at the times and in the quantities contemplated or desired
- Difficulties in differentiating our products from competitive products
- Alternative broadband technologies being more attractive than our products
- New broadband technologies being more attractive than our products
- Commitments we may make to our suppliers relating to orders that may end up getting cancelled or relating to orders we anticipate that are not received in the quantities expected
- Our procuring inventory that we are not able to sell as expected
- Difficulties in predicting Proxim's future financial performance
- Exposures arising from our past acquisition activities, including risks arising from contracts entered into prior to our acquiring a company and other pre-acquisition activities of a company we acquired
- The lack of long-term purchase commitments from our customers
- Our dependency on third parties due to our indirect sales model
- Our dependency on third parties due to our outsourced manufacturing model
- Difficulties in obtaining the quantities of products in the varieties we desire at the prices we desire when we desire them
- The use of sole-source or limited source components in our products
- Component shortages or discontinuations which could cause us to lose revenue, undergo costly and time-consuming product redesigns, and/or discontinue offering certain products
- Warranty claims
- Product liability claims
- Intellectual property infringement claims
- Inability to protect our intellectual property
- Risks associated with international business operations, such as currency, political, regulatory, cultural, and collection risks
- Additional governmental regulation and changes in existing regulation
- Customer concentration issues
- Difficulties in collecting our accounts receivable, particularly in this difficult economic environment
- Our pending stockholder litigation
- Claims arising from minimum purchase quantity contracts
- Other litigation and claims
- Future stock sales by our significant stockholders, board members, and employees

The items described above, either individually or in some combination, could have a material adverse impact on our viability as an ongoing company, reputation, business, need for additional capital, ability to obtain additional debt or equity financing, current and contemplated products gaining market acceptance, development of new products and new areas of business, sales, cash flow, results of operations, financial condition, stock price, results, outcomes, levels of activity, performance, developments, or achievements. Given these uncertainties, investors and others are cautioned not to place undue reliance on any forward-looking statements.