

**Genesis Microchip Inc.
Corporate Governance Guidelines**

Adopted July 21, 2006

These guidelines have been adopted by the Board of Directors (the “**Board**”) of Genesis Microchip Inc. (the “**Company**”). The guidelines, in conjunction with the Certificate of Incorporation, Bylaws and Board Committee charters, form the framework for governance of the Company.

I. Role of the Board of Directors

The Board of Directors oversees and provides policy guidance on the business and affairs of the Company. The Board is classified into three classes, with the members of each class up for election once every three years. The Board monitors the Company’s overall performance. The Board also elects corporate officers, acts as the management team’s advisor and monitors its performance. The Board regularly reviews the Company’s long-term strategic business plans with the officers and other pertinent issues affecting the business of the Company. The Board assesses risks facing the Company and management’s approach to addressing such risks.

Directors are expected to attend at least 75% of the Board and applicable Committee meetings, absent extraordinary circumstances, and to review meeting materials provided in advance of such meetings.

II. Director Independence

A majority of the Board shall consist of independent Directors, in accordance with Nasdaq listing requirements.

III. Board Membership Criteria

Members of the Board of Directors are required to have the highest professional and personal ethics and values, consistent with longstanding Company values and standards. They have broad experience at the policy-making level in business, government, education, technology or public interest. They are committed to enhancing shareholder value and have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Their service on other boards of public companies is limited to four (4) companies, including the Company. Each Director must represent the interests of all stockholders. Directors are encouraged to attend the Company's annual meetings of stockholders.

V. Selection of New Directors

Directors are elected annually on a classified basis by the stockholders at the Annual Meeting. The Nominating Committee proposes a slate of nominees for consideration each year. Between Annual Meetings, the Board, in accordance with the Company's Bylaws and these Guidelines, may elect Directors to serve until the next Annual Meeting. Formal offers to join the Board or to be included in the slate of nominees are extended by the Nominating Committee Chairman and/or the Chairman of the Board. Stockholders may recommend director nominees

for consideration by the Nominating Committee by writing to the Corporate Secretary in a timely manner according to the Company's Bylaws specifying the nominee's name and certain other details and qualifications for Board membership, as set forth in the Company's Bylaws. Following verification of the shareholder status of the person submitting the recommendation, all properly submitted recommendations are brought to the attention of the Nominating Committee at a regularly scheduled Committee meeting.

VI. Board Size

In accordance with the Company's Bylaws, the number of Directors is determined by the Board and is currently set at seven (7) members. The Board's size is assessed at least annually by the Nominating Committee. If any nominee is unable to serve as a Director, which is not anticipated, the Board by resolution may reduce the number of Directors or choose a substitute. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

VII. Frequency of Meetings

There are at least eight (8) regularly scheduled meetings of the Board each year. Regular meetings of the Board of Directors may be held without notice at such time and at such place as determined by the Board.

VIII. Term of Office

There are no limits on the number of three-year terms that may be served by a Director.

IX. Number and Composition of Board Committees

The Board currently has four Committees: Audit, Compensation, Nominating and Governance. All members of the Audit, Compensation, , Nominating and Governance Committees are independent Directors, as defined by Nasdaq listing requirements and as determined by the Board based on a review of the facts and circumstances of each Director or nominee.

Each Committee is chaired by an independent Director who determines the agenda, frequency and length of Committee meetings and who has unlimited access to management, Company information and independent advisors, as necessary and appropriate.

Committee charters are available on the Company's website and a brief description of committee functions is available in the Company's most recent annual proxy statement.

X. Executive Sessions

Executive sessions of independent Directors are held at least twice a year. The sessions are scheduled and chaired by the Chairman of the Board. Any non-employee Director can request that an additional executive session be scheduled.

XI. Code of Business Conduct and Ethics

The Board expects all Directors, as well as officers and employees, to display the highest standard of ethics, consistent with longstanding Company values and standards. The Company has and will continue to maintain a code of conduct, known as the "Code of Business Conduct and Ethics." The Audit Committee periodically reviews compliance with the Code of Business Conduct and Ethics. Directors are expected to report any possible conflict of interest between the Director and the Company to the Board, and the Board shall take appropriate action.

XII. Succession Planning

The Board plans for CEO succession and reviews senior management selection and succession planning in order to assure the orderly functioning and transition of the management of the Company, in the event of emergency or retirement of the CEO. As part of this process, the non-employee Directors, in consultation with the CEO, assess management needs and abilities of potential successors.

XIII. Board Compensation

Non-employee Directors receive compensation that consists of a combination of cash and equity. Employee Directors are not paid additional compensation for their services as Directors. The Compensation Committee reviews the amount and form of director compensation and provides a recommendation to the Board as to such compensation based upon the Committee's consideration of the responsibilities and time commitment of Company directors, as well as competitive information. The Company does not make substantial charitable contributions to organizations in which a director is affiliated, although such organizations are not excluded from the Company's charitable donation matching program, and has not entered into consulting contracts with, or provided compensation other than director fees to, its Directors. The Compensation Committee has full authority to engage, at the Company's expense, third party consultants to provide advice regarding compensation levels and compensation components.

XIV. Board Access to Senior Management

Directors are encouraged to talk directly to any member of management regarding any questions or concerns the Directors may have. Members of senior management are encouraged to attend Board meetings when practical.

XV. Director Orientation and Education

The Company has and will continue to maintain an orientation program that contains written material, oral presentations and site visits. In addition, the Company supports continuing Director education and generally expects Directors to attend an appropriate continuing education program every two years. The Company will reimburse Board members for expenses associated with continuing education programs. The Secretary of the Company will notify Directors of such educational opportunities.

XVI. Evaluation of Board Performance

The Board and each Board Committee conducts a self-evaluation annually. Committees assess their performance relative to their charter and to best practices. The Governance Committee oversees this self-evaluation process and also assesses Board performance. The Governance Committee recommends changes to improve the Board, the Board Committees and

individual Director effectiveness. From time to time the Governance Committee may engage, at the Company's expense, an independent advisor to evaluate Board effectiveness and to suggest changes to improve Board performance.

XVII. Chief Executive Officer Performance Review and Succession

The Board annually reviews the performance of the CEO. To conduct this review, the Compensation Committee gathers and consolidates input from all Directors and presents the results of the review to the Board and to the CEO. The Compensation Committee also uses such assessment in determining CEO compensation. In the event of an emergency or the retirement of the CEO, succession shall be determined by the Board, as set forth in the Company's Bylaws.

XVIII. Stock Ownership Guidelines

The Compensation Committee periodically assesses the appropriateness of stock ownership guidelines for Directors and senior executives, including whether and to what extent executives should be restricted from selling stock acquired through equity compensation.

XIX. Review of External Board Memberships by Company Executives

The Governance Committee reviews and concurs in the election of any employee Director and any Section 16 officer to outside, for-profit board seats. Additional board service by such executives may help to broaden their experience and thereby benefit the Company.

XX. Non-Employee Directors Whose Responsibilities Change

Individual non-employee directors whose job responsibilities change materially from when they were elected to the Board must notify the Board promptly and in writing. Such directors should not necessarily leave the Board. However, there should be an opportunity for the Board, through the Governance Committee, to review the continued appropriateness of Board membership under these circumstances.

XXI. Authority to Retain Advisors

The Board and each Board Committee has the authority, at the Company's expense, to retain and terminate independent advisors as the Board and any such Committee deems necessary.

XXII. Amendments

The Board may amend these Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any applicable law, rule or regulation and further provided that any such modification or waiver is appropriately disclosed.