KOPIN CORP
Form DEF 14A
March 17, 2010

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

SCHEDULE 14

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)

of the Securities Exchange Act of 1934

(Amendment No.)

Filed by the Registrant x   Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ 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 Section §240.14a-12

Kopin Corporation

(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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¨ Fee paid previously with preliminary materials.

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(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

KOPIN CORPORATION

200 John Hancock Road, Taunton, Massachusetts 02780

March 17, 2010

To Our Stockholders:

You are cordially invited to attend the 2010 Annual Meeting of Stockholders of KOPIN CORPORATION, to be held at 9:00 a.m. on April 29, 2010, at the offices of Bingham McCutchen LLP, One Federal Street, Boston, Massachusetts 02110 (the Meeting).

The Notice of Meeting and the Proxy Statement that follow describe the business to be considered and acted upon by the stockholders at the Meeting. Our Annual Report on Form 10-K for the fiscal year ended December 26, 2009 is also enclosed for your information.

Our board of directors encourages your participation in Kopin Corporation s electoral process and, to that end, solicits your proxy with respect to the matters described in the Notice of Meeting and the Proxy Statement. You may submit your proxy by completing, dating and signing the enclosed Proxy Card and returning it promptly in the enclosed envelope. You may also vote by telephone or by the Internet, as described in the Proxy Statement. You are urged to vote by mail, telephone or Internet even if you plan to attend the Meeting.

Sincerely,
JOHN C.C. FAN

Chairman

KOPIN CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held On April 29, 2010

Notice is hereby given that the 2010 Annual Meeting (the Meeting) of Stockholders of Kopin Corporation (the Company) will be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, Massachusetts 02110 on April 29, 2010, at 9:00 a.m., local time, to consider and act upon the following matters:

1. A proposal to elect seven (7) directors of the Company to serve until the next Annual Meeting of Stockholders and until their successors are duly elected and qualified.

2. A proposal to approve the Company s 2010 Equity Incentive Plan.

3. A proposal to ratify the appointment of Deloitte & Touche LLP as the independent registered public accounting firm of the Company for the current fiscal year.

4. Such other business as may properly come before the Meeting or any adjournments thereof.

Stockholders of record at the close of business on March 10, 2010 are entitled to notice of and to vote at the Meeting and any adjourned sessions thereof. The enclosed proxy statement is being mailed to those shareholders on or about March 17, 2010. All stockholders are cordially invited to attend the Meeting.

By Order of the Board of Directors
JOHN C.C. FAN

Chairman

Taunton, Massachusetts

March 17, 2010

WHETHER OR NOT YOU EXPECT TO BE PRESENT AT THE MEETING, PLEASE COMPLETE, DATE, SIGN AND MAIL THE ENCLOSED PROXY, WHICH IS SOLICITED BY THE BOARD OF DIRECTORS OF THE COMPANY, AND PROMPTLY RETURN IT IN THE PREADDRESSED ENVELOPE PROVIDED FOR THAT PURPOSE. THE ENCLOSED ENVELOPE REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES. ALTERNATIVELY, YOU MAY VOTE BY TELEPHONE OR THE INTERNET AS DESCRIBED IN THE PROXY STATEMENT. IF YOU ATTEND THE MEETING, YOU MAY WITHDRAW ANY PROXY GIVEN BY YOU AND YOU MAY VOTE YOUR SHARES IN PERSON AT THE MEETING.

KOPIN CORPORATION

200 John Hancock Road

Taunton, Massachusetts 02780

PROXY STATEMENT

Important Notice Regarding Internet Availability of Proxy Materials for the Stockholders Meeting to be Held on April 29, 2010. The Proxy Statement and Annual Report to Stockholders is/are

available at www.kopin.com/proxy

This proxy statement and proxy are being furnished in connection with the solicitation by the board of directors of Kopin Corporation for use at the 2010 Annual Meeting of Stockholders (the Meeting) to be held on April 29, 2010, and at any adjournments thereof. This proxy statement, the accompanying proxy card and our Annual Report for the fiscal year ended December 26, 2009 were first mailed to stockholders on or about March 17, 2010. The Meeting will be held at the offices of Bingham McCutchen LLP, One Federal Street, Boston, Massachusetts 02110 on April 29, 2010 at 9:00 a.m.

All solicitation expenses, including costs of preparing, assembling and mailing proxy materials, will be borne by Kopin Corporation. It is expected that solicitations will be made primarily by mail, but our directors, officers and regular employees also may solicit proxies by telephone and in person, without additional compensation. Arrangements will be made with brokerage houses and other custodians, nominees, and fiduciaries for proxy materials to be sent to their principals, and we will reimburse such persons for their reasonable expenses in so doing.

The close of business on March 10, 2010 has been established as the record date for determining the stockholders entitled to notice of and to vote at the Meeting and at any adjournments thereof. As of the record date, there were issued and outstanding and entitled to vote 68,663,750 shares of our common stock. Holders of shares of our common stock are entitled to one vote for each share owned as of the record date on all matters to come before the Meeting and any adjournments thereof. The presence in person or by proxy of holders of a majority of the issued and outstanding shares of our common stock entitled to vote at the Meeting constitutes a quorum for the transaction of business at the Meeting.

Stockholders may vote by completing the enclosed proxy card and mailing it in the envelope provided, by using a toll-free telephone number provided on the proxy card, or over the Internet. The Internet and telephone voting facilities for stockholders of record will close at 11:59 p.m. on April 28, 2010. Any proxy submitted prior to the Meeting may be revoked at any time before it is voted by written notice of revocation received by the Secretary of Kopin Corporation prior to the Meeting, by delivering a later dated proxy in accordance with the instructions on the enclosed proxy, by voting in person at the Meeting or by revoking a written proxy by request in person at the Meeting. If the proxy submitted is not so revoked, the shares represented by such proxy will be voted in accordance with the instructions contained therein. If no choice is specified for one or more proposals in a proxy submitted by or on behalf of a stockholder, the shares represented by such proxy will be voted in favor of such proposals and in the discretion of the named proxies with respect to any other proposals which may properly come before the Meeting.

For Proposal 1, directors are elected by a plurality of shares present in person or represented by proxy at the Meeting and entitled to vote, which means that the seven individuals receiving the highest number of FOR votes will be elected directors. Proposals 2 and 3 will be approved upon the affirmative vote of a majority of shares present in person or represented by proxy at the Meeting and entitled to vote on each such proposal.

If, in a proxy submitted on behalf of a stockholder by a person acting solely in a representative capacity, the proxy is marked clearly to indicate that the shares represented thereby are not being voted with respect to one or more proposals, then such proxies will be counted as present for purposes of establishing a quorum at the

Meeting but will not be considered entitled to vote on such proposals and such non-votes will have no effect on the results of the voting on such proposals. Proxies marked as abstain as to one or more proposals will be counted as present for purposes of establishing a quorum at the Meeting and for the purpose of calculating the vote on such proposals. Such abstentions will have the effect of a vote against such proposals other than Proposal 1 (for which they will have no effect on the voting results).

The chairman of the Meeting or the holders of a majority of the shares present in person or represented by proxy at the Meeting and entitled to vote have the power to adjourn the Meeting from time to time without notice other than announcement at the Meeting of the time and place of the adjourned meeting.

Our board does not know of any matters which will be brought before the Meeting other than those matters specifically set forth in the Notice of Meeting. However, if any other matter properly comes before the Meeting, it is intended that the persons named in the enclosed proxy card, or their substitutes acting thereunder, will vote on any such matter in accordance with their best judgment.

Corporate Governance Matters

Our board of directors has an Audit Committee, a Compensation Committee, and a Nominating Committee and Corporate Governance. The following table lists each of our directors for fiscal year 2009 and provides membership information for each of the committees:

Name	**Audit**	**Compensation**	**Nominating and Corporate Governance**
John C.C. Fan			
James K. Brewington			X
David E. Brook			X
Andrew H. Chapman	X	X	
Morton Collins	X	X	
Chi Chia Hsieh			X
Michael J. Landine	X		

Corporate Governance Guidelines

Our board has adopted charters for each of its Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee. Our board also has adopted corporate governance guidelines, a code of business conduct and ethics for employees, executive officers and directors and a whistleblower policy regarding the treatment of complaints on accounting, internal accounting controls and auditing matters. All of these documents are available on our website at *www.kopin.com* under the heading Investors: Corporate Governance. A copy of any of these documents may be obtained, without charge, upon written request to Kopin Corporation, c/o Investor Relations, 200 John Hancock Road, Taunton, MA 02780.

Corporate Governance Practices and Board Independence

Each year, our board of directors reviews the relationships that each director has with us and with other parties. Only those directors who do not have any of the categorical relationships that preclude them from being independent within the meaning of applicable NASDAQ Stock Market, Inc. Marketplace Rules, or the NASDAQ Rules, and who the board of directors affirmatively determines have no relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, are considered to be independent directors. Our board of directors has reviewed a number of factors to evaluate the independence of each of its members. These factors include the members current and historic relationships with us and our competitors, suppliers and customers; their relationships with management and other directors; the relationships their current and former employers have with us; and the relationships between us and other companies of which a member of our board of directors is a director or executive officer. After evaluating these factors, our board of directors has determined that a majority of the members of the board of directors, namely James Brewington, David Brook, Andrew Chapman, Morton Collins, Chi Chia Hsieh and Michael Landine, do not have any relationships that would interfere with the exercise of independent judgment in carrying out their responsibilities as a director and are independent directors of Kopin Corporation within the meaning of applicable NASDAQ Rules.

In making its independence determinations, our board considered transactions occurring since the beginning of 2006 between us and entities associated with the independent directors or members of their immediate family. All identified transactions that appear to relate to Kopin Corporation and a person or entity with a known connection to a director are presented to the board for consideration. In making its subjective determination that each non-employee director is independent, our board considered the transactions in the context of the NASDAQ Rules, the standards established by the SEC for members of audit committees, and the SEC and Internal Revenue Service standards for compensation committee members. In each case, our board determined that, because of the nature of the director s relationship with the entity and/or the amount involved, the relationship did not impair the director s independence. Our board s independence determinations included reviewing the following transactions and relationships:

Dr. Hsieh is a director of a company, KoBrite Corp, or KoBrite, in which Kopin owns a minority interest. Dr. Hsieh is also a Director of Bright LED which is the majority owner of KoBrite. Dr. Hsieh is also a director and shareholder of a company, Kopin Taiwan Corporation (KTC), in which Kopin owns a majority interest. Dr. Hsieh receives a consulting fee from KTC of approximately $1,000 per month.

Mr. Brook, one of our directors, is a partner of the patent law firm of Hamilton, Brook, Smith & Reynolds P.C., which is our patent counsel. During the fiscal year 2009, we paid Hamilton, Brook, Smith & Reynolds P.C fees of approximately $298,742.

Nomination and Election of Directors

When seeking candidates for director, the Nominating and Corporate Governance Committee may solicit suggestions from incumbent directors, management or others. After conducting an initial evaluation of a candidate, the committee will interview that candidate if it believes the candidate might be suitable to serve as a director. The committee may also ask the candidate to meet with our management. If the committee believes a candidate would be a valuable addition to the board and there is either a vacancy on the board or the committee believes it is in the best interests of Kopin Corporation and its stockholders to increase the number of board members, it will recommend to the full board that candidate s election.

Before nominating a sitting director for re-election at an annual stockholder meeting, the committee will consider the director s performance on the board and whether the director s re-election would be consistent with our corporate governance guidelines and our continued compliance with applicable laws, rules and regulations.

Our board believes that it should be comprised of directors with diverse and complementary backgrounds, and that directors should have expertise that, at a minimum, may be useful to us and may contribute to the success of our business. Directors also should possess the highest personal and professional ethics and should be willing and able to devote an amount of time sufficient to effectively carry out their duties and contribute to the success of our business. When considering candidates for director, the Committee takes into account a number of factors, which may include the following:

Independence from management;

Age, gender and ethnic background;

Relevant business experience;

Judgment, skill and integrity;

- Existing commitments to other businesses;
- Potential conflicts of interest;
- Corporate governance background;
- Financial and accounting background;
- Executive compensation background; and
- Size and composition of the existing board.

The Nominating and Corporate Governance Committee will consider candidates for director suggested by stockholders by considering the foregoing criteria and the additional information referred to below. Stockholders wishing to suggest a candidate for director should write to Kopin Corporation, c/o Investor Relations, 200 John Hancock Road, Taunton, MA 02780, and include the following:

- The name and address of the stockholder and a statement that he, she or it is one of our stockholders and is proposing a candidate for consideration by the committee;
- The class and number of shares of our capital stock, if any, owned by the stockholder as of the record date for the annual stockholder meeting (if such date has been announced) and as of the date of the notice, and length of time such stockholder has held such shares;
- The name, age and address of the candidate;
- A description of the candidate s business and educational experience;
- The class and number of shares of our capital stock, if any, owned by the candidate, and length of time such candidate has held such shares;
- Information regarding each of the foregoing criteria the board generally considers, other than the factor regarding board size and composition, sufficient to enable the committee to evaluate the candidate;
- A description of any relationship between the candidate and any of our customers, suppliers or competitors or any actual or potential conflict of interest;
- A description of any relationship or understanding between the stockholder and the candidate; and
- A written statement by the candidate that the candidate is willing to be considered and willing to serve as a director if nominated and elected.

Under our by-laws, nominations for directors may be made only by or at the direction of the board, or by a stockholder of record at the time of giving notice who is entitled to vote and delivers to Kopin Corporation written notice along with the additional information and materials required by the by-laws not less than 30 days nor more than 75 days prior to the day and month on which, in the immediately preceding year, the annual meeting for such year occurred. For our annual meeting in the year 2011, in addition to the following requirements included in our by-laws, we must receive this notice no earlier than February 13, 2011 and no later than March 30, 2011 to be eligible for consideration at the annual meeting in 2011. You can obtain, without charge, a copy of the by-laws by writing to Kopin Corporation, c/o Investor Relations, 200 John Hancock Road, Taunton, MA 02780.

Stockholder Communications with the board

The board has established a process for stockholders to send communications to our board or any individual director. Stockholders may send written communications to the board or any director to Kopin Corporation, board of directors, c/o Chief Financial Officer, 200 John Hancock Road, Taunton, MA 02780. Stockholders also may send communications via email to rsneider@kopin.com with the notation Attention: Chief Financial Officer/board of directors in the subject field. All communications will be submitted to the board or the individual directors on a periodic basis.

Related Transactions

The Audit Committee reviews and approves certain transactions or relationships involving Kopin and its directors, executive officers and their affiliates. In reviewing a transaction or relationship, the Audit Committee will take into account, among other factors it deems appropriate, whether it is on terms no more favorable than to an unaffiliated third party under similar circumstances, as well as the extent of the related party s interest in the transaction. Our Code of Business Conduct and Ethics for Employees, Executive Officers and Directors prohibits any transaction or relationship that would create a conflict of interest, unless approved by the board. Conflicts of interests are to be reported to the applicable employees immediate supervisor or our chief financial officer.

We do not currently provide personal loans to our executive officers or directors.

PROPOSAL I

ELECTION OF DIRECTORS

Our by-laws provide that the board shall consist of not less than three nor more than thirteen directors. The board has fixed the number of directors at seven. Unless authority is withheld, it is the intention of the persons voting under the enclosed proxy to vote such proxy in favor of the election of each of the nominees to be a director until the 2011 Annual Meeting of Stockholders and until their successors are elected and qualified. If any nominee is unavailable, such votes will be cast by the proxies either for a substitute nominee selected by the proxies or to fix the number of directors at a lesser number. Our board currently has no reason to expect that any of the nominees will be unavailable.

Required Vote

The election of directors requires a plurality of the votes properly cast by or on behalf of the holders of our common stock at the Meeting. Any non-votes and abstentions from voting received will have no effect on the results of this Proposal 1.

The board of directors has nominated and recommends that you vote FOR the election of each of the nominees listed below to serve as our Directors until the next Annual Meeting or until their successors are duly elected and qualified.

Set forth below are the name and age for each director nominee, his or her principal occupation and business experience during the past five years and the names of other publicly traded companies of which he or she served as a director.

Name	Age	Served as Director Since	Position and Offices with the Company
John C.C. Fan	66	1984	President, Chief Executive Officer, Director and Chairman of the Board
James K. Brewington	66	2006	Director
David E. Brook	69	1984	Secretary and Director
Andrew H. Chapman	55	1985	Director
Morton Collins	74	1985	Director
Chi Chia Hsieh	65	1995	Director
Michael J. Landine	56	2003	Director

Beyond their general business acumen and insights the board of directors believes the proposed directors bring the following skill sets and benefits to the Company:

James K. Brewington Mr. Brewington served as president of Lucent Technologies Mobility Solutions Group where he was responsible for all wireless infrastructure for the mobility segment, including global wireless development and product architecture. The Company s III-V products are integrated into wireless devices such as cell phones and WiFi circuits. Mr. Brewington provides counsel on the direction of wireless technologies used by the Company in developing its strategies.

David E. Brook The Company makes significant investments in research and developing new technologies. Mr. Brook is a founder of Hamilton, Brook, Smith & Reynolds a law firm specializing in intellectual property (IP) rights. Mr. Brook counsels the Company on developing IP strategies to protect the Company s investments.

Andrew Chapman The Company is still in its early growth stage and Mr. Chapman has managed and served on the boards of numerous start-up technology companies and provides the Company counsel on dealing with both day-to-day issues and developing strategies during the Company s formative years.

Morton Collins Dr. Collins has served on the board of directors of several venture capital partnerships, private and public companies and has an extensive technology background. Mr. Collins provides the Company counsel based on his experience in finance and company creation.

Chi Chia Hsieh The Company has production facilities, sales offices and investments in Taiwan, Korea, Japan and China. Dr. Hsieh, Chairman of the Taiwan Science Parks, provides the Company counsel on Asian business practices and relationships with Asian business leaders.

Michael Landine Mr. Landine has served as Chief Financial Officer and Vice President of Business Development at Alkermes, Inc. a publicly-held company and has served on the board of directors of other publicly-held corporations. Mr. Landine provides counsel to the Company as Chairman of the Audit Committee and in evaluating strategic investment opportunities.

The board of directors considers diversity in terms of education, business experience and nationality when considering board of director candidates.

Background of Nominees for Director and Certain Officers

Nominees

John C.C. Fan, President, Chief Executive Officer, Chairman of the board. Dr. Fan has served as our Chief Executive Officer and Chairman of the board since our organization in April 1984. He has also served as our President since July 1990. Prior to July 1985, Dr. Fan was Associate Leader of the Electronic Materials Group at MIT Lincoln Laboratory. Dr. Fan is the author of numerous patents and scientific publications. Dr. Fan received a Ph.D. in Applied Physics from Harvard University. During the past five years Dr. Fan has not served on the board of directors of any other public companies or registered management investment companies.

James K. Brewington, Director. Mr. Brewington has served as one of our directors since 2006. Mr. Brewington retired as President of Developing Markets at Lucent Technologies in 2007. Prior to heading Lucent s Developing Markets group, Mr. Brewington served as president of the company s Mobility Solutions Group, where he was responsible for all wireless infrastructure for the mobility segment, including global wireless development and product architecture, project management, and business and product management. He began his career at AT&T in 1968, and over the ensuing years he has held various executive management positions in the telecommunications industry, including overseeing Bell Telephone Wireless Laboratories. Mr. Brewington is currently a member of the board of directors of Sonus Networks, Inc., a public company. During the past five years Mr. Brewington has not served on the board of directors of any other public companies or registered management investment companies.

David E. Brook, Secretary and Director. Mr. Brook has served one of our directors since 1984. Mr. Brook is a founder and principal of the intellectual property law firm of Hamilton, Brook, Smith & Reynolds P.C. in Concord, Massachusetts. During the past five years Mr. Brook has not served on the board of directors of any other public companies or registered management investment companies.

Andrew H. Chapman, Director. Mr. Chapman has served as one of our directors since 1985. From 2003 to the present, Mr. Chapman has been a private investor. Mr. Chapman has founded, managed, been a director of and or invested in numerous technology start-up companies over the past 20 years. From June 2000 until February 2003, he served as an Executive Vice President for Narad Networks, Inc., a network equipments provider. Mr. Chapman received a B.A. from Yale College and an MBA from The Wharton School. During the past five years Mr. Chapman has not served on the board of directors of any public companies or registered management investment companies.

Morton Collins, Director. From October 1968, to June 1974, Mr. Collins was the Founder and Chief Executive Officer of Data Science Ventures, Inc. (DSV I). He was a Founder of DSV Associates (DSV II); DSV Partners III (DSV III); DSV Partners IV (DSV IV) and has been the Managing Partner of each since their formation in 1974, 1981 and 1985 respectively. These organizations provide venture capital and management assistance to early-stage high-technology companies. In July of 1997 Mr. Collins became a Special Limited Partner of Cardinal Partners, the successor to the DSV series of partnerships. In August of 2003 Mr. Collins became a General Partner of Battelle Ventures which he founded. Mr. Collins is currently a member of the board of directors Inovio Biomedical Corporation, a public company. During the past five years Mr. Collins has not served on the board of directors of any other public companies or registered management investment companies other than Strategic Diagnostic, Inc.

Chi-Chia Hsieh, Director. Dr. Hsieh has served as one of our directors since December 1995. Dr. Hsieh is currently the Vice Chairman and was previously the President of Microelectronics Technology, Inc., a Taiwan corporation publicly traded on the Taiwan Stock Exchange. Dr. Hsieh is Chairman of the board of directors of Kopin Taiwan Corporation, a Taiwan corporation in which we are a majority shareholder. Dr. Hsieh is also a member of the board of directors of BriteLED, a Taiwan Corporation, publicly traded on the Taiwan Stock Exchange. Dr. Hsieh is currently a member of the board of directors of Microelectronics Technology Inc, Advanced Wireless Systems, Bright LED Electronics Corp., and Taiwan Cement Corporation, all public companies. During the past five years Dr. Hsieh has not served on the board of directors of any other public companies or registered management investment companies.

Michael J. Landine, Director. Mr. Landine has served as one of our directors since 2003. Mr. Landine is Senior Vice President of Corporate Development of Alkermes, Inc., where he has worked for over 20 years. Mr. Landine served for 10 years as the Chief Financial Officer and Treasurer of Alkermes. Mr. Landine also serves as an advisor to Walker Magnetics Group, an international manufacturer of industrial equipment. From 1976 to 1983, Mr. Landine worked for the international accounting firm Touche Ross & Co. Mr. Landine currently serves on the board of directors of GTC Biotherapeutics Inc., a publicly-traded biotechnology company, where he also serves on the Audit Committee. During the past five years Mr. Landine has not served on the board of directors of any other public companies or registered management investment companies

Officers

John C.C. Fan, President, Chief Executive Officer, Chairman of the board. Dr. Fan has served as our Chief Executive Officer and Chairman of the board since our organization in April 1984. He has also served as our President since July 1990. Prior to July 1985, Dr. Fan was Associate Leader of the Electronic Materials Group at MIT Lincoln Laboratory. Dr. Fan is the author of numerous patents and scientific publications. Dr. Fan received a Ph.D. in Applied Physics from Harvard University.

Richard A. Sneider, Treasurer and Chief Financial Office. Mr. Sneider, age 49, has served as our Treasurer and Chief Financial Officer since September 1998. Mr. Sneider is a former Certified Public Accountant and was formerly a partner of the international public accounting firm, Deloitte & Touche LLP, where he worked for 16 years.

Hong Choi, Chief Technology Officer and Vice President. Dr. Choi, age 58, joined us as Chief Technology Officer in July 2000. Previously, Dr. Choi served as Senior Staff Member at MIT Lincoln Laboratory, where he worked for 17 years. Dr. Choi received a Ph.D. in Electrical Engineering from the University of California, Berkeley.

Bor-Yeu Tsaur, Executive Vice President Display Operations. Dr. Tsaur, age 54, joined us as Executive Vice President Display Operations in July 1997. From 1993 to 1997, Dr. Tsaur served as Group Leader, Electronic Material Group, at MIT Lincoln Laboratory. Dr. Tsaur received a Ph.D. in Electrical Engineering from the California Institute of Technology.

Michael Presz, Vice President Government Programs and Special Projects. Mr. Presz, age 56, joined us in November 1994 as General Manager of Display s Visual Products Group and was promoted to Vice President in April 2005. Prior to joining us, Mr. Presz worked for 6 years at Kaiser Electronics and 15 years at General Electric Aerospace.

Daily Hill, Senior Vice President Gallium Arsenide Operations. Mr. Hill, age 53, has served as our Vice President Gallium Arsenide Operations since July 1997 and was promoted to Senior Vice President in 2002. From December 1995 to June 1997, Mr. Hill served as a director of Gallium Arsenide Operations. From November 1987 to January 1995, Mr. Hill served as a manager of our HBT transistor wafer product group.

Board Structure and Risk

Our Board leadership structure is commonly utilized by other public companies in the United States, and we believe that it is effective for the Company. This leadership structure is appropriate for our Company given the size and scope of our business, the experience and active involvement of our independent directors, and our corporate governance practices, which include regular communication with and interaction between and among the Chief Executive Officer and the Chief Financial Officer and the independent directors. Pursuant to our Bylaws, our Board selects the Chairman and the Chief Executive Officer that it determines to be in the best interest of the Company s shareholders. Of the seven members of our Board, six are independent from management. We believe that having a combined Chairman and Chief Executive Officer and independent chairs for each of our Board committees provides the best form of leadership for our Company. We have a single leader for our Company with oversight of Company operations by experienced independent directors who have appointed three independent committee chairs.

We believe that our directors provide effective oversight of risk management functions. Annually the Company performs a risk review wherein the management team evaluates the risks facing the Company in the upcoming year and over a longer term horizon, typically three years. From this risk assessment plans are developed to deal with the risks identified. This risk assessment is provided to the Board of Directors and their input is reflected in the annual risk assessment. In addition members of the Company s management periodically present to the Board the strategies, issues and plans for the product lines they manage. The Compensation Committee also reviews the Company s incentive plans to determine if they result in management behavior which may result in additional risk beyond the plans intended purpose. While the Board oversees the Company s risk management, Company management is responsible for day-to-day risk management processes. Additionally, the Board requires that management raise exceptional issues to the Board. We believe this division of responsibilities is the most effective approach for addressing the risks facing our Company and that the Board leadership structure supports this approach.

Board and Committee Meetings

During the fiscal year 2009, our board held 6 meetings. For each director, overall attendance at board meetings, either in person or by conference call, was greater than 75%. All of our then directors attended the 2009 annual stockholder meeting, except for Dr. Chi-Chia Hsieh. Although we currently do not require our directors to attend annual stockholder meetings, we do encourage directors to do so and welcome their attendance.

Audit Committee: We have established a separately designated Audit Committee as defined by Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended. Our Audit Committee is composed of three directors, Morton Collins, Andrew H. Chapman and Michael J. Landine, each of whom the board has determined is independent under the NASDAQ Rules and the applicable SEC rules and regulations. The board has determined that Mr. Landine is an audit committee financial expert as defined by Item 407(d)(5)(ii) of Regulation S-K of the Exchange Act. Our board adopted an Audit Committee Charter and a copy of this charter is available on our website at *www.kopin.com* under the heading Investors: Corporate Governance. Our Audit

Committee Charter delegates to the Audit Committee the responsibility, among other things, to engage our independent auditors, review the audit fees, supervise matters relating to audit functions, review and set internal policies and procedure regarding audits, accounting and other financial controls, and review related party transactions. The Audit Committee pre-approved all audit and non-audit services provided by Deloitte & Touche LLP for fiscal year 2009. During the 2009 fiscal year, our Audit Committee met in person or through a conference call 9 times.

Nominating and Corporate Governance Committee: Our Nominating and Corporate Governance Committee presently is composed of three directors, Mr. Brewington, Dr. Hsieh and Mr. Brook, each of whom the board has determined is independent under applicable NASDAQ Rules. The Nominating and Corporate Governance Committee is responsible, among other things, for considering potential board members, making recommendations to the full board as to nominees for election to the board, assessing the effectiveness of the board and implementing our corporate governance guidelines. The charter of the Nominating and Corporate Governance Committee is available on the Company s website at *www.kopin.com* under the heading Investors: Corporate Governance. During the 2009 fiscal year, our Nominating and Corporate Governance Committee met in person or through a conference call 1 time.

Compensation Committee: Our Compensation Committee presently is composed of two directors, Mr. Collins and Mr. Chapman, each of whom the board has determined is independent under applicable NASDAQ Rules. The charter of the Compensation Committee is available on the Company s website at *www.kopin.com* under the heading Investors: Corporate Governance . During the 2009 fiscal year, our Compensation Committee met in person or through a conference call 2 times.

The Compensation Committee is responsible for the approval of remuneration arrangements for our executive officers, review and approval of compensation plans relating to executive officers and directors, including grants of stock options, restricted stock and stock grants under our 2001 Equity Incentive Plan and 2001 Supplemental Equity Incentive Plan, and other benefits and general review of our employee compensation policies.

Compensation Committee Interlocks and Insider Participation

None of our executive officers serves as a member of our board of directors or compensation committee, or other committee serving an equivalent function, of any other entity that has one or more of its executive officers serving as a member of our board of directors or Compensation Committee. None of the current members of our Compensation Committee has ever been an employee of Kopin or any subsidiary of Kopin.

STOCK OWNERSHIP OF PRINCIPAL STOCKHOLDERS AND MANAGEMENT

The following table sets forth certain information regarding the beneficial ownership of our common stock as of December 26, 2009 by all those known by us to be beneficial owners of more than 5% of our common stock and as of March 10, 2010 for all of our directors, named executive officers and all of our executive officers and directors as a group. The table reflects the cancellation of certain options as a result of our stock option review.

Name	Amount and Nature of Beneficial Ownership(1)	Percent
John C.C. Fan(2)	3,031,650	4.3
James K. Brewington	50,000	*
David E. Brook(3)	234,760	*
Andrew H. Chapman(3)	135,000	*
Morton Collins(3)	263,000	*
Chi Chia Hsieh(4)	223,000	*
Michael J. Landine(5)	105,000	*
Bor Yeu Tsaur(6)	641,611	*
Daily S. Hill(7)	167,088	*
Richard A. Sneider(8)	544,925	*
Hong Choi(9)	396,465	*
Michael Presz(10)	242,133	*
All directors and executive officers as a group (12 persons)(11)	6,034,633	8.44
Blackrock, Inc. 40 East 52 Street, New York, NY	4,944,651	7.2
Vanguard Group, Inc 100 Vanguard Blvd, Malvern, PA.	3,585,339	5.2
Special Situation Fund L.P., Special Situation Fund II L.P. and Special Situation Fund III QP L.P. 527 Madison Avenue, New York, NY	6,475,966	9.4

* Less than 1 %

(1) Unless otherwise indicated in these footnotes, each stockholder has sole voting and investment power with respect to the shares beneficially owned.

(2) Includes 1,395,741 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(3) Includes 91,000 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(4) Includes 107,000 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(5) Includes 65,000 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(6) Includes 300,000 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(7) Includes 40,303 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(8) Includes 296,622 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(9) Includes 239,363 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(10) Includes 84,000 shares representing options that are currently exercisable or exercisable within 60 days of March 17, 2010.

(11) Includes 2,801,029 shares issuable to certain directors and executive officers pursuant to options that are currently exercisable or exercisable within 60 days of March 17, 2010.

Section 16(a) Beneficial Ownership Reporting Compliance

Based solely on a review of reports furnished to us or written representations from our directors and executive officers and other information, we believe that none of our directors, executive officers and 10% stockholders failed to file on a timely basis the reports required to be filed pursuant to Section 16 of the Exchange Act during the fiscal year 2010.

COMPENSATION AND OTHER INFORMATION CONCERNING DIRECTORS AND OFFICERS

Compensation Discussion and Analysis

The following compensation discussion and analysis summarizes our philosophy and objectives regarding the compensation of our named executive officers, including how we determine elements and amounts of executive compensation. The following compensation discussion and analysis should be read in conjunction with our tabular disclosures which directly follow the discussion, beginning on page 20 of this proxy statement.

Compensation Philosophy

We believe that our named executive officers play a critical role in the operational and financial performance of our Company that creates long-term value for our stockholders. Accordingly, our executive compensation philosophy is to reward our executives for individual performance and for contributions to our performance. We believe that while certain products of the Company are more mature, specifically certain of the III-V products, the faster growing and more profitable products, specifically the display products for military applications, are still in their early stages of development and accordingly we have attempted to strike a balance between employee retention objectives and pay-for-performance objectives. We believe that we accomplish this by compensating our executives with a combination of base salary, performance bonus awards and long-term equity-based retention compensation. There is no pre-established policy for the allocation between either cash or non-cash compensation.

We believe that the quality, commitment and performance of our executives are critical factors affecting our long-term value. Accordingly, our executive compensation objectives include:

- aligning our executive interests with the Company s goals and our stockholder interests;
- rewarding our executives for individual performance; and
- retaining our executives.

In addition, we periodically use benchmarks and peer group comparisons to assist us in determining whether our executive compensation is appropriate in light of our compensation objectives and philosophy.

Role of the Compensation Committee

The Compensation Committee of our board of directors sets our executive compensation policies and determines the amounts and elements of compensation for our executive officers. As set forth in the Compensation Committee s written charter, its responsibilities include establishing compensation policies for our directors and executive officers; reviewing and approving the Chief Executive Officer s annual compensation; approving employment agreements or arrangements with executive officers; administering our 2001 Equity Incentive Plan and 2001 Supplemental Equity Plan and approving grants under these 2001 Plans; and making recommendations regarding any other incentive compensation or equity-based plans. The Compensation Committee may delegate authority with respect to compensation matters to our executive officers.

A copy of the Compensation Committee charter is posted on our website, *www.kopin.com*, under the heading Investors: Corporate Governance. Our Compensation Committee consisted of Mr. Collins, Chair and Mr. Chapman, each of whom is an independent director as determined by our board of directors, based upon the NASDAQ Rules and our independence guidelines.

Role of the Compensation Consultant

In making its determinations with respect to executive compensation, the Compensation Committee has periodically engaged the services of a compensation consultant to provide input on trends in executive compensation and to obtain an outside perspective on our executive compensation practices and assist with our peer group benchmarking analysis. In 2007 the Committee retained the services of Pearl Meyer & Partners, a Clark Consulting Practice (Pearl Meyer) to assist with its review of overall compensation for our executive officers. In 2009 and 2008, the Committee retained the services of Pearl Meyer for actuarial serviced related to the valuation of the Chief Executive Officer s employment contract in the event of a change of control.

Compensation Determinations

In making determinations with respect to amounts and elements of executive compensation, the Compensation Committee evaluates our overall performance during the year against annual budgets; evaluates the Chief Executive Officer and the Chief Financial Officer s achievements against the Board s expectations; obtains input from the Chief Executive Officer on the performance reviews of the other executive officers; evaluates the potential for future contributions by each executive to our long-term success; and periodically compares our executive compensation against a benchmarking analysis of a group of peer companies.

Peer Group Benchmarking

In establishing the total executive compensation for each year, including appropriate measures for performance bonus awards, the Compensation Committee periodically reviews compensation for executives in comparable positions at a peer group of other companies. The Compensation Committee does not believe a formal annual peer group assessment by an independent third party is necessary unless either internal factors, such as employee turn-over, or external factors, such as published reports in industry periodicals, indicate significant changes in executive compensation have taken place.

In 2007, Pearl Meyer assisted the Compensation Committee in selecting the peer group and preparing the peer group analysis. The Compensation Committee considered a peer group consisting of companies in two sub peer groups, semiconductor and display companies with comparable revenues and market capitalizations. The peer group included the following companies:

Semiconductor Companies

Advanced Analogic Tech	California Micro Devices Cp	Semitool Inc.
Anadigics	Emcore Corp.	Supertex Inc.
Applied Micro Circuits Corp.	Rudolph Technologies, Inc.	Techwell Inc.
Axt Inc.		Ultratech Inc.

Display Companies

Cree

Universal Display Corp.

The peer group may change from year to year depending on changes in the marketplace and our business focus.

Pearl Meyer s analysis involved a comparison of total compensation for each of our executives against that of executives in similar positions in the peer group companies, as well as an analysis of each component of compensation. The specific components of total compensation reviewed by Pearl Meyer included base salaries, target total cash payments (salary plus target bonus), actual total cash payments (salary plus bonus), long-term incentives and total direct compensation. The benchmarking data indicated that our compensation is more weighted to base pay and less to incentive pay as compared to the peer group.

Based on the next fiscal year s budgeted financial results, the evaluation and performance review process, the Compensation Committee members personal experience and trends identified in the peer group benchmarking analysis described above, the Compensation Committee considers the amounts and elements of compensation for our executive officers, both for the past fiscal year and for the upcoming fiscal year in setting base salaries, cash bonus and equity award targets. For all executive officers other than our Chief Executive Officer and Chief Financial Officer, the Compensation Committee establishes and approves the base salary compensation based on recommendations from the Chief Executive Officer. With respect to compensation of our Chief Executive Officer and Chief Financial Officer, the Compensation Committee establishes and approves the compensation determinations based on the Compensation Committee s evaluation and performance reviews of our Chief Executive Officer and Chief Financial Officer

Elements of Compensation

We use three compensation and benefits elements to provide an overall competitive compensation and benefits package that is tied to creating shareholder value and supporting the execution of our business strategies, as follows:

Annual Base Salary;

Annual Cash Bonus Awards; and

Equity Awards.

The combination and allocation of the components and the target amount of each component is influenced by the role of the executive officer in Kopin, market practices, and the total value of all the compensation and benefits available to the individual executive officers. The Compensation Committee reviews and considers each component for each executive officer before making compensation decisions. Historically we have weighted the mix of compensation more towards base salary and long term equity incentive plans and to a lesser extent short term cash bonuses as discusses below.

Annual Base Salary

We believe that establishing an appropriate level of annual base salary for our executives is an important element in retaining and motivating our executive officers. In determining base salaries for our executive officers, the Compensation Committee considers the responsibilities of each position and the skills and experience required for each job. The Compensation Committee s determinations are influenced heavily by the evaluations and performance reviews for each executive officer by our Chief Executive Officer, as discussed above. In addition, the Compensation Committee reviews the peer group benchmarking analysis if performed, and finally, reviews total compensation for reasonableness prior to making any final determinations.

In furtherance of our executive retention goals, we allocated a substantial portion of total cash compensation to our executives in the form of base salary. We historically have established a base salary for our executives that represent approximately eighty to ninety percent of their total annual cash payments, with cash bonus representing approximately ten to twenty percent.

Annual Cash Bonus Awards

We believe that annual cash bonus awards are an important tool in motivating our executives but not the primary tool to attract, retain and motivate executives. We believe that there are larger companies that have a wider-range and more sophisticated reward programs which, due to our size, we can not offer. We believe our executive officers are drawn to a smaller company such as ours for the potential wealth that can be created by growing our company. This potential wealth is more likely created through our long-term incentive compensation plan. We therefore use cash bonus awards to provide some element of a more immediate reward to motivate our employees as the Company executes on its longer term goals.

Equity Awards

We believe that including an equity-based incentive component of compensation is a critical tool for motivating our executives and certain employees. We believe that granting equity awards to our executives serves to align executive compensation with long-term stockholder value. By awarding executive officers with equity awards that vest over time, we believe that our executive officers will have a continuing stake in our long-term success.

We weight our total executive compensation towards restricted stock awards which either vest upon the achievement of certain milestones or vest over time. While our management can improve our financial performance through the sales of our current products, cost reduction efforts, process improvements and other short-term advancements, we believe that our executive officers focus on long-term achievements, particularly increasing our product portfolio, will create the greatest stockholder value. We believe that by granting our executives meaningful levels of equity awards that vest both in the short and long term we will achieve the proper balance between incentivizing them to focus on the current fiscal year s results and longer-term strategies of the Company. In determining the size of each equity award granted to our executive officers, the Compensation Committee considers the amount previously awarded on an annual basis to the executive, the total value of unvested equity awards held by the executive, the executive s overall performance, our performance during the year and the dilution to the shareholders.

Historically we have issued equity awards to an employee upon the commencement of their employment and we typically issued equity awards to certain employees as part of the year end compensation practice. Awards issued as part of the year end compensation were typically issued in conjunction with either the annual incentive plan, which vested immediately upon achievement of certain milestones, or as a discretionary retention award which vested over a period of time. We have changed our philosophy in reaction to general U.S. industry concerns that annual incentive plans may result in actions which maximize the current year s operating results but may negatively impact succeeding years. Accordingly, we determine the number of equity awards that an officer may receive under the annual incentive based on the milestones achieved in the current fiscal year but to actually receive all of the equity awards the officer must remain employed by the Company through the following year.

2009 Compensation

In order to meet the Company s objectives the Compensation Committee approved a compensation plan for 2009 which contained a combination of salary, cash bonus and incentive and retention restricted stock grants.

The following table shows the base salaries for the 2009 named executive officers:

Officer	**Salary**
Dr. Fan	$ 495,000
Mr. Sneider	300,000
Dr. Tsaur	325,000
Dr. Choi	235,000
Mr. Hill	270,000

The 2009 Incentive Plan was designed to pay out approximately 35% of incentive amounts earned in cash and 65% in common stock of the Company. A participant could earn his or her incentive compensation if the product line he or she works for met its milestones even if the other product line did not meet its results. Corporate participants, including Drs. Fan and Choi and Mr. Sneider, would earn 50% of their incentive compensation based on the results of each product line.

The Total Bonus Goal column in the table below shows what the Officers were eligible to earn under the 2009 Incentive Plan. The Achieved column shows the amount under the 2009 Incentive Plan the officer is eligible to receive based on the level of performance metrics met in the 2009 Incentive Plan. However, the amount the officer is eligible to receive is made up of both a cash component, which is earned immediately upon obtainment of the performance metrics, and restricted stock. Under the 2009 Incentive Plan 50% of the restricted stock vests in the year that the performance metrics are met and the remaining 50% vests at the end of the following year. The Restricted Stock Achieved column shows the number of shares that the officer is eligible to receive based on the level of performance metrics met and the Restricted Stock Unvested column shows the number of shares that will vest at the end of 2010 if they remained employed by the Company. Simply comparing the amounts achieved to the goals is not a complete indication of performance. The amounts listed under the Goal columns were the maximum amounts that could have been achieved if all milestones were met. In order to achieve the maximum goals the Company would have had to substantially exceed historical trends.

	Total Bonus		**Restricted Stock**		
Officer	**Goal**	**Achieved**	**Goal**	**Achieved**	**Unvested**
Dr. Fan	$ 145,000	$ 84,000	50,768	29,567	14,761
Mr. Sneider	$ 72,000	$ 35,000	25,280	12,178	6,080
Dr. Tsaur	$ 83,000	$ 16,000	29,184	5,428	2,710
Dr. Choi	$ 56,000	$ 29,000	19,659	10,041	5,013
Mr. Hill	$ 66,000	$ 50,000	23,183	17,394	8,684
Mr. Presz	$ 54,000	$ 15,000	18,960	5,324	2,658

Dr. Tsaur and Mr. Presz work in our display product line and the amounts they achieved were primarily the result of the increase in sales of our display products for military application. Mr. Hill, is Senior Vice President of our Gallium Arsenide operation and the amounts he achieved were primarily attributable to the operating results of our III-V product line which were positively impacted by an increase in the global sales of 3G phones. Dr. Fan, Mr. Sneider and Dr. Choi are corporate employees and 50% of the amount they achieved is based on the display product line results and 50% is based on the III-V product line results.

Finally, the Compensation Committee granted 50,000 shares of restricted stock to Dr. John Fan which vest upon the achievement of certain milestones related to the development of certain display products. Dr. Fan achieved those goals in 2009.

2010 Compensation

In order to meet the Company s objectives the Compensation Committee approved a compensation plan for 2010 which was more heavily weighted towards incentive pay than in past years. As part of this plan, and in recognition of the current global economic conditions, all officers base salaries were maintained at their 2009 levels.

On December 1, 2009, the Company s 2010 Incentive Plan became effective. The Company s 2010 Incentive Plan acts as an incentive plan for the fiscal year ending December 25, 2010. Pursuant to the 2010 Incentive Plan, the officers and eligible employees are eligible to earn incentive compensation if the Company achieves certain financial milestones, primarily revenue and operating income targets, as adopted by the Company s Compensation Committee. The purpose of the 2010 Incentive Plan is to further align management s and shareholder s interest by providing employees higher levels of compensation for meeting or exceeding the financial milestones. The 2010 Incentive Plan is designed to pay out approximately 35% of amounts earned in cash and 65% in common stock of the Company; however if the Company is unable to issue common stock the amounts earned may be paid out solely in the form of cash. A participant may earn his or her incentive compensation if the product line he or she works for meets its milestones and they remained employed with the Company through the required vesting period. Corporate participants, including Drs. Fan and Choi and Mr. Sneider, will earn 50% of their incentive compensation based on the results of each of our two product line. Any or all of the conditions under the 2010 Incentive Plan may be waived or changed by the Compensation Committee in the event of a change in control.

The table below shows examples of what the Officers may be eligible to earn under the 2010 Incentive Plan. Column A is the approximate cash amount if the minimum milestones are achieved, column B is an estimate of the maximum incentive compensation an officer could earn if all milestones are achieved , column C shows the number of shares of the Company s common stock which can be earned if all milestones are achieved and column D is an estimate of the total cash compensation an officer could earn if all milestones are achieved. If the product lines produce the same operating results in 2010 as they did in 2009, the incentive compensation will increase (decrease) for officers who are designated in the display products, III-V product line and corporate by up to $58,000, $29,000 and ($25,000), respectively.

The total incentive compensation (column B) is computed as the sum of the incentive compensation paid in cash plus the value of the common stock earned under the 2010 Incentive Plan. The value of the common stock was computed as the maximum number of shares an officer could earn multiplied by $4.35 (the closing price of the Company s stock on December 1, 2009). The value of the common stock is an approximation of the expense the Company would record through the 2010 Incentive Plan. The actual value to the Officer is dependent on the Company s common stock price on the day the common stock is earned. Column C below shows the number of shares of restricted stock the Company awarded on December 26, 2009:

Officer	A	B	C	D
Dr. Fan	$ 100,000	$ 170,954	24,845	$ 62,878
Mr. Sneider	$ 25,000	$ 68,838	10,004	$ 25,319
Dr. Tsaur	$ 25,000	$ 95,169	13,831	$ 35,004
Dr. Choi	$ 25,000	$ 58,766	8,541	$ 21,614
Mr. Hill	$ 25,000	$ 68,363	9,935	$ 25,144
Mr. Presz	$ 25,000	$ 51,629	7,503	$ 18,989

In addition to the officer s base compensation and the incentive plan the board of directors granted the following equity awards of which 50% vest on December 10, 2011 and 50% vest on December 10, 2013:

Officer	Shares
Dr. Fan	525,000
Mr. Sneider	75,000
Dr. Tsaur	60,000
Dr. Choi	45,000
Mr. Hill	45,000
Mr. Presz	55,000

The Compensation Committee further approved an incentive restricted stock award to Dr. Fan of 50,000 shares and to Mr. Sneider of 25,000 shares which can be earned if certain specific milestones are achieved. If the milestone is not achieve the shares will be forfeited. Although a time period to achieve the milestones was not stated it is anticipated the milestone would be achieved with in twelve months.

Perquisites

We do not believe in providing extensive perquisites to our executive officers. Our healthcare, insurance, and other welfare and employee-benefit programs are the same for all eligible domestic employees, including executive officers, and include health and dental coverage, group term life insurance, disability programs and matching contributions to our 401(k) plan. We share the cost of health and welfare benefits with our employees, a cost that is dependent on the level of benefits coverage that each employee elects. The benefits provided to foreign employees are typically determined by the laws of the countries they reside in. We have no outstanding loans of any kind to our executive officers.

Chief Executive Officer Compensation

We have historically compensated our Chief Executive Officer more than the other executive officers due to our belief that his overall responsibilities are greater than our other officers and that his association with us has a greater impact on our perception and reputation. As a result, in addition to compensating our Chief Executive Officer more than other executive officers, we have also entered into an employment agreement with Dr. Fan.

Employment and Other Agreements

We typically do not offer employment agreements and the only current employee with such an agreement is our Chief Executive Officer. The agreement with Dr. Fan will terminate on December 31, 2010 and in the event Dr. Fan is terminated without cause or in the event of a change in control and Dr. Fan s position, compensation or responsibilities change, Dr. Fan and his spouse will receive post-retirement monthly supplemental health benefits for the difference between cost of the coverage we provide and benefits provided by the U.S. government for ten years, severance pay of $600,000 per year payable monthly for two years and his unvested stock awards will immediately vest. Furthermore, if the parties fail to extend or renew the agreement, we and Dr. Fan shall negotiate a mutually agreeable consulting agreement or retirement benefit. The agreement also contains covenants not to compete, non-solicitation clauses and our rights to inventions developed by Dr. Fan.

Our 2001 Plans provide for the acceleration of the vesting of unvested stock options and restricted stock awards in the event of a change in control.

Policies Regarding Stock Ownership and Related Matters

We believe that by holding shares of our stock and options to purchase our common stock, our executives will have interests that are more closely aligned with those of our stockholders. Although we do not have a formal stock ownership policy, we encourage our executives to hold shares or vested options so that they share in the sentiments of our stockholders as our stock price increases or decreases.

We have an Insider Trading Policy that governs our executive officers, directors and other persons considered to be insiders under the policy. The policy imposes limits as to when and how our executives can engage in transactions in our securities and prohibits short sales of our common stock by all our personnel. All of our officers have established 10b5-1 plans with an independent broker. These plans typically govern the sale of the company s stock when the Company s stock prices meet certain levels. These plans may only be adjusted during certain times of the year with the Board of Director s approval. We do not currently have a policy that imposes restriction on our executives from entering into hedging transactions with respect to our stock.

Tax and Accounting Implications

As part of its role, the Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code, as amended (the Code), which generally disallows a tax deduction to public companies for certain compensation in excess of $1.0 million paid in any year to a company s chief executive officer and the four other most highly compensated officers. Certain compensation, including qualified performance based compensation, will not be subject to the deduction limitation if certain requirements are met. Although the Compensation Committee has not adopted any specific policy with respect to the application of Section 162(m), we generally seek to structure any long-term incentive compensation granted to our executive officers in a manner that is intended to avoid disallowance of deductions under Section 162(m). In 2009, 2008 and 2007, our Chief Executive Officer earned more than $1.0 million in cash salary and bonus payments.

Accounting for Stock-Based Compensation

As discussed in our Annual Report on Form 10-K for the year ended December 26, 2009, the accounting for stock-based awards requires the measurement and recognition of compensation expense based on the fair value of all share-based payment awards made to employees and directors, including stock options and employee stock purchases under employee stock purchase plans. We are required to account for share-based compensation transactions using a fair value method and recognize the related expense associated with share-based payments in our statement of operations. Stock-based compensation cost is measured at the accounting measurement date based on the fair value of the award and is recognized as expense over the service period, which generally represents the vesting period. The expense recognized over the service period is required to include an estimate of the awards that will be forfeited. Since 2004 we have primarily issued restricted stock awards and the fair value of the award is typically based on the closing price of our stock on the NASDAQ on the day of grant. Previously we primarily issued stock options and we determined the fair value of the stock option using a Black-Scholes-Merton option-pricing model that takes into account the stock price at the accounting measurement date, the exercise price, the expected life of the option, the volatility of the underlying stock and its expected dividends, and the risk-free interest rate over the expected life of the option. All employees are eligible to participate in our equity award program but the number of employees who actually participate annually has been reduced and does not typically included employees who are paid on an hourly basis or are below the level of Director.

Compensation Committee Report

Our Compensation Committee reviewed the Compensation Discussion and Analysis for the year ended December 26, 2009 and discussed this Compensation Discussion and Analysis with the Company s management. Based on this review and its discussions with management, the Compensation Committee recommended to the Company s board of directors that the Compensation Discussion and Analysis be included in this proxy statement and the 2009 Annual Report of the Company.

By the Compensation Committee of the board of directors of Kopin Corporation.

COMPENSATION COMMITTEE

Mort Collins, Chairperson

Andrew Chapman

Named Executive Officer Summary Compensation Table

The following table summarizes the total compensation for the years ended December 26, 2009, December 27, 2008 and December 29, 2007, of those persons who served as our principal executive officer, our principal financial officer and our three most highly compensated executive officers for the fiscal year ended December 26, 2009 (Fiscal 2009). We refer to these individuals in this proxy as our named executive officers.

Name and Principle Position	Year	Salary ($)	Bonus ($)	Restricted Stock Awards ($)(1)	Option Awards ($)(1)	Non-equity Incentive Plan Compensation ($)(2)	Change in Pension Value and Non-Qualified Deferred Compensation ($)(3)	All Other Compensation ($)(4)	Total
John C.C. Fan	2009	$ 495,000		$ 1,807,296		$ 29,567		$ 4,935	$ 2,336,797
	2008	$ 495,000		$ 344,008		$ 70,403		$ 4,875	$ 1,333,858
President, Chief Executive Officer, Chairman of the board	2007	$ 495,000		$ 800,908		$ 100,000		$ 4,175	$ 1,578,190
Richard A. Sneider	2009	$ 300,000		$ 305,934		$ 12,178		$ 4,575	$ 622,687
	2008	$ 300,000		$ 53,136		$ 25,010		$ 4,350	$ 473,608
Treasurer and Chief Financial Officer	2007	$ 280,000		$ 132,048		$ 25,000		$ 3,300	$ 500,862
Boryeu Tsaur	2009	$ 325,000		$ 199,746		$ 5,428		$ 4,650	$ 534,824
	2008	$ 325,000		$ 23,685		$ 53,618		$ 4,350	$ 515,708
Executive Vice President Display Operations	2007	$ 310,000		$ 379,381		$ 25,000		$ 3,300	$ 531,865
Daily S. Hill	2009	$ 270,000		$ 149,507		$ 17,394		$ 4,260	$ 441,161
	2008	$ 265,000		$ 75,896		$ 0		$ 4,260	$ 386,778
Vice President Government Programs and Special Projects	2007	$ 240,000		$ 195,000		$ 25,000		$ 3,300	$ 376,728
Michael Presz	2009	$ 225,000		$ 191,329		$ 5,324		$ 4,350	$ 426,003
	2008	$ 225,000		$ 23,232		$ 41,789		$ 4,125	$ 294,146
Vice President of Government Programs	2007	$ 210,000		$ 114,505		$ 25,000		$ 3,975	$ 353,480

(1) The amounts in the column reflect the number of shares on the grant date multiplied by the closing share price of the Company s stock as listed on NASDAQ. For shares issued subject to the 2010 Incentive Plan or other performance conditions, the number of shares was first multiplied by a probability estimate that the performance conditions of the 2010 Incentive Plan would be met. If the all of the performance conditions are met the value of the 2009 restricted stock awards would be as follows:

Officer	Restricted Stock Award Value
John C.C. Fan	$ 1,989,826
Richard A. Sneider	$ 390,017
Boryeu Tsaur	$ 250,365
Daily S. Hill	$ 185,867
Michael Presz	$ 218,788

For the years 2008 and 2007, the actual number of shares earned under the incentive plans in place during those years was used in the calculation. See notes 1 and 5 of the consolidated financial statements, regarding assumptions underlying valuation of equity awards. The amounts shown under the year 2007 were proposed by the Compensation Committee on December 10, 2007, however, the Company was delinquent in the filing of its Form 10-K because of a review of its historical equity award granting practices and therefore a condition of the award was that the Company becomes compliant with its periodic filing requirements. The Company achieved compliance on April 3, 2008 and the equity awards were granted. On December 2, 2008 the Compensation Committee granted Dr. John Fan 75,000 and 50,000 shares of restricted stock subject to remaining with the Company for four years and the Company s display product line meeting certain product development milestones, respectively. In addition, these grants were subject to the Company filing its Form 10-K for the year ended December 27, 2008. The Company filed its Form 10-K for the 2008 fiscal year end on March 10, 2009. For the purposes of this table the Company is showing the equity awards that were subject to the Company filing its Form 10-K in the year the Compensation Committee recommended the terms of the grant and not in the year that the grant actually occurred as this reflects the normal year end compensation practices of the Company.

(2) The amounts reflect cash bonus payments earned with respect to annual incentive plans for services performed in 2009, 2008 or 2007.
(3) We do not maintain any pension or non-qualified deferred compensation plan.

(4) Amounts represent the Company s matching contributions under the Company s 401(k) Plan ranging from $3,450 to $3,675 per year and premiums paid for life insurance.

Grants of Plan-Based Awards for 2009

The following table sets forth information relating to restricted stock granted pursuant to our 2001 Equity Incentive and 2001 Supplemental Plans and annual performance bonuses awarded during the year ended December 26, 2009 to each of our named executive officers:

		Estimated Future Payouts under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards						
Name	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**All other Stock Awards: Number of Shares of Stock or Units (#)**	**All Other Option Awards: Number of Securities Underlying Options (#)**	**Exercise or Base Price of Option Awards ($/sh)(6)**	**Grant Date Fair Value of Stock Awards**
John C.C. Fan (1)	12/1/09		$ 62,878	$ 100,000			24,845			$ 4.35	$ 34,296
John C.C. Fan (2)	12/1/09						50,000			$ 4.35	$ 108,750
John C.C. Fan (3)	12/1/09						175,000			$ 4.35	$ 761,250
John C.C. Fan (4)	4/28/09						350,000			$ 2.58	$ 903,000
John C.C. Fan(5)	3/10/09						50,000			$ 1.72	$ 86,000
John C.C. Fan(5)	3/10/09						75,000			$ 1.72	$ 129,000
Richard Sneider(1)	12/1/09		$ 25,000	$ 25,319			10,004			$ 4.35	$ 13,809
Richard Sneider (2)	12/1/09						25,000			$ 4.35	$ 54,375
Richard. Sneider (3)	12/1/09						25,000			$ 4.35	$ 108,750
Richard. Sneider (4)	4/28/09						50,000			$ 2.58	$ 129,000
Boryeu Tsaur (1)	12/1/09		$ 25,000	$ 35,004			13,831			$ 4.35	$ 19,092
Boryeu Tsaur(3)	12/1/09						20,000			$ 4.35	$ 87,000
Boryeu Tsaur (4)	4/28/09						40,000			$ 2.58	$ 103,200
Daily S. Hill (1)	12/1/09		$ 25,000	$ 25,144			9,935			$ 4.35	$ 13,314
Daily S. Hill (3)	12/1/09						15,000			$ 4.35	$ 65,250
Daily S. Hill (4)	4/28/09						30,000			$ 2.58	$ 77,400
Michael Presz (1)	12/1/09		$ 18,989	$ 25,000			7,503			$ 4.35	$ 10,357
Michael Presz (3)	12/1/09						25,000			$ 4.35	$ 108,750
Michael Presz (4)	4/28/09						30,000			$ 2.58	$ 77,400

(1) On December 1, 2009, the Compensation Committee approved an incentive plan under which each of our executive officers listed above will earn shares of our common stock and cash bonuses if the Company achieves certain financial milestones listed in the Company s 2010 Incentive Plan. A prorated number of shares and cash bonuses can be earned if some but not all of the milestones are achieved. If they do not meet any of the milestones all of shares will be forfeited and none of the cash bonuses will be paid. The amounts in the Target column and Maximum columns represent the minimum and maximum cash bonus that can be earned, respectively. The share amount represents the maximum number of shares of our common stock which can be earned.

(2) On December 1, 2009 the Compensation Committee approved an incentive restricted stock award to Dr. Fan and Mr. Sneider which can be earned if certain specific milestones are achieved. If the milestone is not achieve the shares will be forfeited.

(3) On December 1, 2009 the Compensation Committee approved retention stock awards which vest 50% if the employee is employed by the Company through December 10, 2011 and the remaining vests on December 10, 2013 if the employee remains employed through 2013.

(4) On April 28, 2009 the Compensation Committee approved retention stock awards which vest 50% if the employee is employed by the Company through December 10, 2011 and the remaining vests on December 10, 2013 if the employee remains employed through 2013.

(5) On December 2, 2008, the Compensation Committee approved a retention grant to Dr. Fan of 75,000 shares of our common stock which vests over 4 years subject to the Company filing its Form 10-K for the year ended December 26, 2009, and there being sufficient shares in our equity award plans for such grant. On or about March 10, 2009 the Company filed its Form 10-K and the grant was made.

(6) Represents the closing stock price of the Company on the day of grant.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

The compensation paid to our named executive officers in 2009 summarized in the Summary Compensation Table was determined by our Compensation Committee. We enter into agreements with our named executive officers that define the criteria to earn their performance bonuses, terms of their restricted stock awards and for our Chief Executive Officer post-employment compensation. The material terms of these agreements are discussed under the caption Compensation Discussion and Analysis Employment and Other Agreements and under the caption Executive Employment Agreement /Other Potential Post-Employment Compensation below.

The restricted stock awards granted to our named executive officers in 2009 summarized in the table Grants of Plan-Based Awards for 2009 were granted pursuant to our 2001 Equity Incentive Plan. The awards were granted by the Compensation Committee on April 28, 2009 and December 1, 2009. Some or all of the 24,845 shares of restricted stocks awarded to Dr. Fan and the awards to the other named executives vest upon the achievement of certain milestones in fiscal year 2010. The number of shares of restricted shares issued to our officers under the 2010 Incentive Plan was approximately half of what was issued under the 2009 Incentive Plan which reflects the increase in value of the Company s stock from the previous year. The Compensation Committee also awarded Dr. Fan 175,000 and 375,000 shares of restricted stock on April 28, 2009 and December 1, 2009, respectively and also made awards to the other named officers. These awards vest 50% on each of December 10, 2011 and December 10, 2013 provided the officer remains employed with the company through each of those dates, respectively. Each share of restricted stock granted pursuant to these awards entitles the holder to the same rights as a holder of unrestricted stock, including voting and dividend rights, except the holder does not have the right to sell the restricted stock until it has vested.

Perquisites and Benefits

We provide benefit programs to executive officers and to other employees. The board of directors and executive management believe that perquisites for executive officers should be extremely limited in scope and value. As a result, Kopin has historically given nominal perquisites. The following table generally identifies such benefit plans and who may be eligible to participate.

Benefit Plan	**Executive Officers**	**Certain Managers**	**Full Time Domestic Employees**	**Full Time Foreign Employees**
401(k)	Yes	Yes	Yes	Not Offered
Defined Contribution to Retirement Plan	Not Offered	Not Offered	Not Offered	Yes(1)
Medical/Dental/ Vision Plans	Yes	Yes	Yes	Not Offered
Life and Disability Insurance(2)	Yes	Yes	Yes	Not Offered
Short Term Incentive Plan	Yes(3)	Yes(3)	Yes(4)	Not Offered
Equity Incentive Plan	Yes	Yes	Yes	Not Offered
Automobile Allowance	Not Offered	Not Offered	Not Offered	Not Offered
Income Tax Planning services	Not Offered	Not Offered	Not Offered	Not Offered
Supplemental Early Retirement Plan	Not Offered	Not Offered	Not Offered	Not Offered
Employee Stock Purchase Plan	Not Offered	Not Offered	Not Offered	Not Offered
Deferred Compensation Plan	Not Offered	Not Offered	Not Offered	Not Offered
Supplemental Early Retirement Plan	Not Offered	Not Offered	Not Offered	Not Offered
Employee Stock Ownership Plan	Not Offered	Not Offered	Not Offered	Not Offered
Defined Benefit Pension Plan	Not Offered	Not Offered	Not Offered	Not Offered
Financial Planning Allowance	Not Offered	Not Offered	Not Offered	Not Offered
Country Club Memberships	Not Offered	Not Offered	Not Offered	Not Offered
Dwellings for Personal Use(5)	Not Offered	Not Offered	Not Offered	Not Offered

(1) Kopin s Korean subsidiary, Kowon, contributes to a government sponsored retirement program for its employees.
(2) Kopin pays for life insurance equal to an employee s base salary for domestic employees.
(3) Kopin has a short term incentive plan pursuant to which certain officers and certain managers are paid a bonus if they remain with the company during the next fiscal year.
(4) The board of directors has historically provided for a discretionary bonus award at the end of the fiscal year.
(5) Kopin does not provide dwellings for personal use other than for temporary job relocation.

Executive Employment Agreement /Other Potential Post-Employment Compensation

As discussed above in our Compensation Discussion and Analysis, certain of our named executive officers and other employees have potential post-employment benefits. Our 2001 Plans have provisions which may result in the acceleration of vesting of certain equity awards as a result of a change in control. In addition, the employment agreement with our Chief Executive Officer provides for certain post-employment benefits. The table below summarizes the effects on the compensation of our named executive officers as if the termination of employment or change of control provisions of the 2001 Plans and employment agreement were triggered on December 26, 2009.

Name	Value of Equity Awards if a Change in Control Occurs on 12/26/09(1)	Health Care Benefits(2)	Severance Payments(2)
John C.C. Fan	$ 3,289,587	$ 43,700	$ 1,200,000
Richard A. Sneider	$ 599,212		
Boryeu Tsaur	$ 508,597		
Daily S. Hill	$ 363,522		
Hong Choi	$ 363,813		

(1) Our 2001 Plans provide for the acceleration of the vesting of our equity awards in the event of a change in control of the Company. The amounts in this column represent the value the executive officer would have received if there were a change of control of the Company on December 26, 2009, and his unvested restricted stock awards as of December 26, 2009 became vested. The restricted stock award value is computed by multiplying the number of unvested shares of restricted stock at December 26, 2009 by the closing price of the Company s Common Stock on the NASDAQ on December 26, 2009 ($4.28). There were no unvested stock options as of December 26, 2009.

(2) The Company has entered into an employment agreement with the Company s Chairman and Chief Executive Officer, Dr. John C.C. Fan, pursuant to which the Company has agreed to employ Dr. Fan as Chief Executive Officer. The agreement will terminate on December 31, 2010. In the event Dr. Fan is terminated without cause or in the event of a change in control of the Company and Dr. Fan s position, compensation or responsibilities change Dr. Fan and his spouse will receive post-retirement monthly supplemental health benefits for the difference between cost of the coverage the Company provides and benefits provided by the U.S. government for ten years (the Health Care Benefit), severance pay of $600,000 per year payable monthly for two years and his unvested stock awards will immediately vest. Furthermore, if the parties fail to extend or renew the employment agreement, the Company and Dr. Fan shall negotiate a mutually agreeable consulting agreement or retirement benefit. The employment agreement also contains covenants not to compete, non-solicitation clauses and the rights of the Company to inventions by Dr. Fan. The present value of the Health Care Benefit for Dr. Fan and his wife if triggered under this agreement is estimated to be $43,700 assuming the Company retains its current level of health care benefits.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table discloses information concerning stock options and unvested stock awards held by our named executive officers as of December 26, 2009 pursuant to the Company s 2001 plans. Market value information is determined by multiplying the number of shares by the closing price of the Company s common stock on NASDAQ on the last trading day of our 2009 fiscal year ($4.28).

	Option Awards					Stock Award			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Yet Vested (#)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards; Market or Payout Value of Unearned Shares, Units or Other Rights That have Not Vested ($)
John C.C. Fan	160,000			$ 27.75	4/12/2010				
John C.C. Fan	150,000			$ 13.00	11/30/2010				
John C.C. Fan	250,000			$ 12.16	4/17/2011				
John C.C. Fan	35,741			$ 14.60	9/17/2011				
John C.C. Fan	400,000			$ 4.64	12/04/2012				
John C.C. Fan	200,000			$ 5.29	12/11/2013				
John C.C. Fan	100,000			$ 10.00	12/27/2014				
John C.C. Fan	100,000			$ 3.75	12/27/2014				
John C.C. Fan						783,356	$ 3,352,762		
Richard A. Sneider	60,000			$ 27.75	4/12/2010				
Richard A. Sneider	50,000			$ 13.00	11/30/2010				
Richard A. Sneider	50,000			$ 12.16	4/17/2011				
Richard A. Sneider	16,622			$ 14.60	9/17/2011				
Richard A. Sneider	70,000			$ 4.64	12/4/12012				
Richard A. Sneider	25,000			$ 5.29	12/11/2013				
Richard A. Sneider	25,000			$ 3.75	12/27/2014				
Richard A. Sneider						146,084	$ 625,238		
Boryeu Tsaur	80,000			$ 27.75	4/17/2010				
Boryeu Tsaur	40,000			$ 13.00	11/30/2010				
Boryeu Tsaur	40,000			$ 12.16	4/17/2011				
Boryeu Tsaur	20,000			$ 14.60	9/17/2011				
Boryeu Tsaur	70,000			$ 4.64	12/4/2012				
Boryeu Tsaur	25,000			$ 5.29	12/11/2013				
Boryeu Tsaur	25,000			$ 3.75	12/27/2014				
Boryeu Tsaur						121,541	$ 520,195		
Daily S. Hill	5,981			$ 14.60	9/17/2011				
Daily S. Hill	25,000			$ 4.64	12/4/2012				
Daily S. Hill	9,322			$ 5.29	12/11/2013				
Daily S. Hill	15,000			$ 3.75	12/27/2014				
Daily S. Hill						93,619	$ 400,688		

	Option Awards					Stock Award			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Yet Vested (#)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards; Market or Payout Value of Unearned Shares, Units or Other Rights That have Not Vested ($)
Michael Presz	30,000			$ 10.25	11/30/2010				
Michael Presz	20,000			$ 5.04	4/17/2011				
Michael Presz	12,000			$ 9.39	9/17/2011				
Michael Presz	18,000			$ 4.64	12/4/2012				
Michael Presz	4,000			$ 3.75	12/27/2014				
Michael Presz						87,661	$ 375,189		

OPTION EXERCISES AND STOCK VESTED IN 2009

The following table discloses information for each of our named executive officers regarding the exercise of stock option awards and the vesting of certain stock awards as of the end of our 2009 fiscal year.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)(2)
John C.C. Fan			222,489	$ 905,994
Richard A. Sneider			28,017	$ 98,689
Boryeu Tsaur			77,957	$ 286,636
Daily S. Hill	15,000	$ 19,200	30,000	$ 127,700
Michael Presz			26,638	$ 83,692

(1) Value realized equals number of shares sold from options exercised multiplied by the difference between the sales price and the stock option exercise price.

(2) Value realized equals number of shares vested multiplied by the closing price of our common stock on the NASDAQ Global Market on the day the shares vested.

Equity Compensation Plan Information

The following table sets forth information as of December 26, 2009 about shares of our common stock outstanding and available for issuance under our existing equity compensation plans.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders(1)	3,660,334	$ 11.00	546,051(3)
Equity compensation plans not approved by security holders(2)	677,568	$ 8.61	246,038
Total	4,337,902	$ 10.90	792,089

(1) Consists of the 1992 Stock Option Plan and 2001 Equity Incentive Plan.
(2) Consists solely of the 2001 Supplemental Equity Incentive Plan, which did not require the approval of, and was not approved by, our stockholders.
(3) Options available under the 2001 Equity Incentive Plan.

The 2001 Supplemental Equity Incentive Plan

The Supplemental Plan was adopted by the board in March 2001. The Supplemental Plan is a non-stockholder approved plan (as permitted under NASD rules and regulations applicable at the time of adoption by the board). The Supplemental Plan is intended to be a broadly based plan within the meaning of NASD rules and regulations applicable at the time of adoption by the board. The Supplemental Plan is not intended to be an incentive stock option plan within the meaning of Section 422 of the Code. The Supplemental Plan allows for the issuance of up to 1,300,000 options to acquire our stock or shares of restricted stock or stock grants. The purpose of the Supplemental Plan is to encourage ownership of our common stock by our employees, consultants, advisors and directors and our affiliates and to provide additional incentive for them to promote the success of our business. The Supplemental Plan provides for the grant of non-qualified stock options or restricted stock awards or stock grants to employees (including officers, directors, advisors and consultants). The Supplemental Plan will expire on April 18, 2011, unless earlier terminated by the board.

Director Compensation

Our board approved compensation for outside directors of an annual retainer of $15,000 and $2,000 per meeting attended, including any special meeting not held on the same day as a regularly scheduled meeting of the board. Each non-employee Director is also entitled to receive an initial restricted stock award for 10,000 shares of our common stock on the date of his or her initial election to the board and a subsequent annual restricted stock award grant for 10,000 shares of our common stock. We also pay expenses for attendance at meetings of the board and committees thereof.

The following table sets forth certain information regarding the compensation earned by or awards to each non-employee director who served on our board of directors in the 2008 fiscal year. Dr. Fan, who is an employee of Kopin, is not compensated for his services as a director.

Director Summary Compensation Table for 2009

DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash	Stock Awards(1)	Option Awards(2)	Non-Equity Incentive Compensation(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(3)	All Other Compensation(3)	Total
James K. Brewington(4)	$ 27,000	$ 25,800					$ 52,800
David E. Brook(5)	$ 27,000	$ 25,800					$ 52,800
Andrew H. Chapman(5)	$ 27,000	$ 25,800					$ 52,800
Morton Collins(5)	$ 25,000	$ 25,800					