UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

Current Report
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): **October 18, 2013**

ALLIED MOTION TECHNOLOGIES INC.
(Exact Name of Registrant as Specified in its Charter)

Colorado	**0-04041**	**84-0518115**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

455 Commerce Drive, Suite 4
Amherst, New York 14228
(Address of Principal Executive Offices, including zip code)

(716) 242-8634
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Explanatory Note

This Amendment No. 1 on Form 8-K/A amends and supplements the Current Report on Form 8-K of Allied Motion Technologies Inc. (the "Company"), filed with the Securities and Exchange Commission on October 24, 2013 (the "Initial Form 8-K") to include financial statements and pro forma financial information permitted pursuant to Item 9.01 of Form 8-K to be excluded from the Initial Form 8-K and filed by amendment to the Initial Form 8-K no later than 71 days after the date on which the Initial Form 8-K was required to be filed. As previously reported in the Initial Form 8-K, effective as of October 18, 2013 the Company completed the acquisition of Globe Motors, Inc. pursuant to a Stock Purchase Agreement dated as of August 22, 2013.

Item 9.01 Financial Statements and Exhibits

(a) Financial Statements of Businesses Acquired.

Audited financial statements of Globe Motors, Inc. for the nine month period ended September 30, 2013 and the year ended December 31, 2012 and the related Independent Auditors Report thereon are included as Exhibit 99.1 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma consolidated statements of operations for the nine month period ended September 30, 2013and the year ended December 31, 2012 and the unaudited pro forma consolidated balance sheet as of September 30, 2013 together with related explanatory notes, showing the pro forma effect on the Company's financial statements of the Company's acquisition of Globe Motors, Inc. and other related pro forma events are included as Exhibit 99.2 hereto and are incorporated herein by reference.

(d) Exhibits.

23.1 Consent of EKS&H LLLP

99.1 Audited financial statements of Globe Motors, Inc. for the nine month period ended September 30, 2013 and the year ended December 31, 2012

99.2 Unaudited pro forma consolidated financial statements for the nine months ended September 30, 2013 and for the year ended December 31, 2012

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 3, 2014

ALLIED MOTION TECHNOLOGIES INC.

By: /s/ Robert P. Maida
Robert P. Maida
Chief Financial Officer

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors and Stockholders of
Allied Motion Technologies Inc.:

We hereby consent to the incorporation by reference in the Registration Statements (Nos. 333-149279, 333-155889, 333-170563 and 333-187369) on Form S-8 and in the registration statement (No.333-119090) on Form S-3 of Allied Motion Technologies Inc. of our report dated January 3, 2014, with respect to the financial statements of Globe Motors, Inc. as of September 30, 2013 and for the nine month period ended September 30, 2013 and the year ended December 31, 2012, which report appears in this current report on Form 8-K filed with the Securities and Exchange Commission on January 3, 2014

/s/ EKS&H LLLP

January 3, 2014
Denver, Colorado

Exhibit 99.1

GLOBE MOTORS, INC.

Consolidated Financial Statements
and
Independent Auditors' Report
September 30, 2013 and December 31, 2012

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Stockholders
Allied Motion Technologies Inc.
Amherst, New York

We have audited the accompanying consolidated financial statements of Globe Motors, Inc., which are comprised of the consolidated balance sheets as of September 30, 2013 and December 31, 2012, and the related consolidated statements of operations and comprehensive income, changes in stockholder's equity, and cash flows for the nine month and twelve month periods then ended, and the related notes to the consolidated financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Globe Motors, Inc. as of September 30, 2013 and December 31, 2012, and the results of its operations and its cash flows for the nine month and twelve month periods then ended, in accordance with accounting principles generally accepted in the United States of America.

EKS&H LLLP

January 3, 2014

GLOBE MOTORS, INC.
CONSOLIDATED BALANCE SHEETS
(in thousands)

	September 30, 2013	December 31, 2012
Assets		
Current Assets:		
Cash and cash equivalents	$ 648	$ 371
Due from Affiliates, net	3,364	5,844
Trade receivables, net of allowance for doubtful accounts of $270 and $324 at September 30, 2013 and December 31, 2012, respectively	19,490	10,836
Inventories, net	9,703	7,654
Deferred tax asset	1,581	1,746
Prepaid expenses and other assets	2,333	1,483
Total Current Assets	37,119	27,934
Property, plant and equipment, net	17,128	16,895
Goodwill	44,692	44,692
Deferred tax asset	1,698	2,065
Total Assets	$ 100,637	$ 91,586
Liabilities and Stockholder’s Equity		
Current Liabilities:		
Accounts payable	11,562	6,575
Accrued liabilities	4,230	4,426
Total Current Liabilities	15,792	11,001
Deferred tax liability	653	751
Total Liabilities	16,445	11,752
Commitments and Contingencies		
Stockholder’s Equity:		
Common stock, $1.00 par value, authorized 1,000 shares; 1,000 shares issued and outstanding at September 30, 2013 and December 31, 2012.	1	1
Paid in Capital	66,397	66,397
Retained earnings	13,396	9,202
Accumulated other comprehensive income	4,398	4,234
Total Stockholder’s Equity	84,192	79,834
Total Liabilities and Stockholder’s Equity	$ 100,637	$ 91,586

See accompanying notes to consolidated financial statements.

GLOBE MOTORS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(in thousands)

	For the nine months ended September 30, 2013	For the twelve months ended December 31, 2012
Revenues	$ 89,260	$ 106,479
Cost of products sold	66,803	77,436
Gross margin	22,457	29,043
Operating costs and expenses:		
Selling	2,661	3,491
General and administrative	8,759	8,352
Engineering and development	4,476	5,904
Total operating costs and expenses	15,896	17,747
Operating income	6,561	11,296
Other income (expense), net:		
Interest expense	(238)	(147)
Other (expense) income, net	623	1,467
Total other (expense) income, net	385	1,320
Income before income taxes	6,946	12,616
Provision for income taxes	(2,588)	(4,409)
Net income	$ 4,358	$ 8,207

Foreign currency translation adjustment		164		63
Comprehensive income	$	4,522	$	8,270

See accompanying notes to consolidated financial statements.

GLOBE MOTORS, INC.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY
(in thousands)

	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Stockholder's Equity
	Shares	Amount				
Balances, December 31, 2011	1,000	$ 1	$ 66,397	$ 8,093	$ 4,171	$ 78,662
Foreign currency translation adjustment	—	—	—	(63)	63	—
Net income	—	—	—	8,207	—	8,207
Dividends to Stockholder	—	—	—	(7,035)	—	(7,035)
Balances, December 31, 2012	1,000	$ 1	$ 66,397	$ 9,202	$ 4,234	$ 79,834
Foreign currency translation adjustment	—	—	—	(164)	164	—
Net income	—	—	—	4,358	—	4,358
Balances, September 30, 2013	1,000	$ 1	$ 66,397	$ 13,396	$ 4,398	$ 84,192

See accompanying notes to consolidated financial statements.

GLOBE MOTORS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the nine months ended September 30, 2013	For the twelve months ended December 31, 2012
Cash Flows From Operating Activities:		
Net income	$ 4,358	$ 8,207
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,503	2,631
Deferred Taxes	434	(1,361)
Other	(218)	14
Changes in assets and liabilities:		
Trade receivables, net	(8,654)	(1,562)
Inventories, net	(2,049)	393
Prepaid expenses and other assets	(850)	(626)
Accounts payable	4,987	195
Accrued liabilities, net	2,284	3,005
Net cash provided by operating activities	2,795	10,896
Cash Flows From Investing Activities:		
Purchase of property and equipment	(2,518)	(3,956)
Net cash used in investing activities	(2,518)	(3,956)
Cash Flows From Financing Activities:		
Dividend paid to stockholder	—	(7,035)
Net cash provided by (used in) financing activities	—	(7,035)
Effect of foreign exchange rate changes on cash	—	—
Net increase (decrease) in cash and cash equivalents	277	(95)
Cash and cash equivalents at beginning of period	371	466
Cash and cash equivalents at end of period	$ 648	$ 371

See accompanying notes to consolidated financial statements.

During the nine months ended September 30, 2013 and the twelve months ended December 31, 2012, the Company paid cash for interest of $238 and $101, respectively.

During the nine months ended September 30, 2013 and the twelve months ended December 31, 2012, the Company paid cash for income taxes of $3,464 and $5,743, respectively.

GLOBE MOTORS, INC.
Notes to the Consolidated Financial Statements

Note 1 - Description of Business and Summary of Significant Accounting Policies

Business

Founded in 1940, Globe Motors, Inc. (Globe Motors or the Company) employs more than 500 employees worldwide and is headquartered in Dayton, Ohio with additional operations in Dothan, Alabama, Reynosa, Mexico and Porto, Portugal. The Company is a provider of customized and innovative motion solutions to meet the needs of its customers in selected target market segments.

The Company's sole shareholder is Safran USA, Inc. ("Safran"). The Company has receivables and payables at September 30, 2013 and December 31, 2012 with Safran and other entities related to Safran which are classified as due from affiliates, net in the consolidated balance sheets.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, listed below:

Globe Motors de Mexico, S.A. de C.V. ("Globe Motors Mexico") was formed in 2000, and is located in Reynosa, Mexico. Globe Motors Mexico is a manufacturer of Brush DC and Gear Motors for the military and aerospace and automotive markets and actuators for sale in the military and aerospace, automotive, and industrial and commercial markets.

Globe Motors Portugal — Material Electrico Industria Automovel, LDA ("Globe Motors Portugal") was formed in 2001 and is located in Porto, Portugal. Globe Motors Portugal is a manufacturer of Electric Power Steering and Brushless Motor products primarily for sale in the European automotive market.

All significant inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make certain estimates and assumptions. Such estimates and assumptions affect the reported amounts of assets and liabilities as well as disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include instruments which are readily convertible into cash (original maturities of three months or less) and which are not subject to significant risk of changes in interest rates. Cash flows from foreign currency transactions are translated using an average rate. As of the balance sheet dates, and periodically throughout the year, the Company has maintained balances in various operating accounts in excess of federally insured limits.

Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount and do not bear interest. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable; however, changes in circumstances relating to accounts receivable may result in a requirement for additional allowances in the future.

Activity in the allowance for doubtful accounts for the nine months ended September 30, 2013 and year ended December 31, 2012 was as follows (in thousands):

GLOBE MOTORS, INC.
Notes to the Consolidated Financial Statements

Accounts Receivable (continued)

	September 30, 2013	December 31, 2012
Beginning balance	$ 324	$ 413
Decrease in reserves	(54)	(89)
Write-offs	—	—
Ending balance	$ 270	$ 324

Goodwill

Goodwill represents the excess of the purchase price over the fair value of identifiable net tangible and intangible assets acquired in a business combination.

The Company adheres to guidance from FASB Accounting Standards Update ("ASU") No. 2011-08, "Intangibles—Goodwill and Other (ASC 350): Testing Goodwill for Impairment", which specifies that an entity has the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. Under this guidance, the Company assesses qualitative factors at least annually, or more frequently, if events or changes in circumstances indicate that the carrying value of the reporting unit is less than its carrying amount.

Based on the qualitative assessment, if the Company determines it is more likely than not that the fair value of the reporting unit is less than its carrying amount, the Company will calculate the fair value of the reporting unit. The Company estimates the fair value of the goodwill based on a discounted cash flow model using business plans and projections as the basis for expected future cash flows. The fair value estimate is based upon level three inputs from ASC Topic "Fair Value Measurements and Disclosures", as unobservable inputs in which there is little or no market data, which required the Company to develop its own assumptions.

The Company did not record any such impairment for the nine months ended September 30, 2013 and the twelve months ended December 31, 2012.

Long-lived assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recovered. The Company looks primarily to the undiscounted future cash flows in its assessment of whether or not long-lived assets have been impaired. The Company did not record any such impairment for the nine months ended September 30, 2013 and the twelve months ended December 31, 2012.

Warranty

The Company offers warranty coverage for its products. The length of the warranty period for its products varies significantly based on the product being sold. The Company estimates the costs of repairing products under warranty based on the historical average cost of the repairs. The assumptions used to estimate warranty accruals are reevaluated periodically in light of actual experience and, when appropriate, the accruals are adjusted. Estimated warranty costs are recorded at the time of sale of the related product, and are considered a cost of sale.

Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	September 30, 2013	December 31, 2012
Compensation and fringe benefits	$ 2,290	$ 1,957
Warranty reserve	429	429
Other accrued expenses	1,511	2,040
	$ 4,230	$ 4,426

Foreign Currency Translation

The assets and liabilities of the Company's foreign subsidiaries are translated using end of period exchange rates. Changes in reported amounts of assets and liabilities of foreign subsidiaries that occur as a result of changes in exchange rates between foreign subsidiaries functional currencies and the US dollar are included in foreign currency translation adjustment. Foreign currency translation adjustment is included in other comprehensive income, a component of stockholder's investment in the accompanying consolidated statement of stockholder's equity and comprehensive income. Revenue and expense transactions use an average rate prevailing during the month of the related transaction. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency are included in the results of operations as incurred.

Engineering and Development Costs

Engineering and development costs are expensed as incurred.

Revenue Recognition

The Company recognizes revenue when products are shipped or delivered (shipping terms may be either FOB shipping point or destination) and title has passed to the customer, persuasive evidence of an arrangement exists, the selling price is fixed or determinable, and collectability is reasonably assured.

Comprehensive Income

Comprehensive income is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. It includes all changes in equity during a period except those resulting from investments by and distributions to stockholders. Comprehensive income (loss) includes net income (loss) and foreign currency translation adjustments.

Income Taxes

The Company accounts for income taxes in accordance with ASC Topic 740 "Income Taxes." Consistent with guidance in "Income Taxes", the current provision for income taxes represents actual or estimated amounts payable or refundable on tax return filings for each year. Deferred tax assets and liabilities are recorded for the estimated future tax effects of temporary differences between the tax basis of assets and liabilities and amounts reported in the accompanying consolidated balance sheet. The change in deferred tax assets and liabilities for the period measures the deferred tax provision or benefit for the period.

The guidance in "Income Taxes" requires that realization of an uncertain income tax position must have a "more likely than not" probability of being sustained based on technical merits before it can be recognized in the financial statements, assuming a review by tax authorities having all relevant information and applying current conventions. The Company does not have significant unrecognized tax benefits and does not anticipate a significant increase or decrease in unrecognized tax benefits within the next twelve months. Interest and penalties associated with tax positions are recorded in the period assessed as general and administrative expenses. No interest or penalties have been assessed as of September 30, 2013.

The Company files income tax returns in various U.S. and foreign taxing jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal and state tax examinations in its major tax jurisdictions for periods before 2009. The Company is no longer subject to tax examinations in Portugal for periods before 2009.

Concentration of Credit Risk

Trade receivables subject the Company to the potential for credit risk. To reduce this risk, the Company performs evaluations of its customers' financial condition and creditworthiness at the time of sale, and updates those evaluations when necessary.

During the nine months ended September 30, 2013 and the twelve months ended December 31, 2012, one and two customers accounted for 33% and 39%, respectively, of revenues. At September 30, 2013 and December 31, 2012, three and two customers accounted for 72% and 45%, respectively, of accounts receivable.

Note 2 — Inventories

Inventories include costs of materials, direct labor and manufacturing overhead, and are stated at the lower of cost (first-in, first-out basis) or market, as follows (in thousands):

	September 30, 2013	December 31, 2012
Parts and raw materials	$ 9,749	$ 7,563
Work-in-process	1,150	1,081
Finished goods	795	822
	11,694	9,466
Less reserves	(1,991)	(1,812)
Ending balance	$ 9,703	$ 7,654

The Company recorded provisions for excess and obsolete inventories of approximately $474,000 and $373,000 for the nine and twelve months ended September 30, 2013 and December 31, 2012, respectively.

Note 3 — Property, Plant and Equipment

Property, plant and equipment is classified as follows (in thousands):

	Useful lives	September 30, 2013	December 31, 2012
Land		$ 1,437	$ 1,414
Building and improvements	10 - 20 years	12,086	11,959
Machinery, equipment, tools and dies	3 - 7 years	71,704	66,845
Furniture, fixtures and other	3 - 7 years	5,276	5,289
Construction work in process		1,165	3,191
		91,668	88,698
Less accumulated depreciation		(74,540)	(71,803)
Property, plant and equipment, net		$ 17,128	$ 16,895

Depreciation expense is provided using the straight-line method over the estimated useful lives of the assets. Amortization of building improvements is provided using the straight-line method over the life of the lease term or the life of the assets, whichever is shorter. Maintenance and repair costs are charged to operations as incurred. Major additions and improvements are capitalized. The cost and related accumulated depreciation of retired or sold property are removed from the accounts and the resulting gain or loss, if any, is reflected in earnings.

Depreciation expense was approximately $2,503,000 and $2,631,000 for the nine and twelve months ended September 30, 2013 and December 31, 2012, respectively.

Note 4 — Warranty

The Company offers warranty coverage for its products. The length of the warranty period for its products varies significantly based on the product being sold. The Company estimates the costs of repairing products under warranty based on the historical average cost of the repairs. The assumptions used to estimate warranty accruals are reevaluated periodically in light of actual experience and, when appropriate, the accruals are adjusted. Estimated warranty costs are recorded at the time of sale of the related product, and are considered a cost of sale.

Changes in the Company's reserve for product warranty claims were as follows (in thousands):

	September 30, 2013	December 31, 2012
Warranty reserve at beginning of the year	$ 429	$ 949
Provision	—	(520)
Warranty expenditures	—	—
Warranty reserve at end of year	$ 429	$ 429

During the year ended December 31, 2010, the Company established a provision to cover the expected costs of replacing certain products in the field due to an incorrect component supplied by one of the Company's sub-contract suppliers. During the year ended December 31, 2012, the Company determined, based on historical experience, the provision should be reduced by $520,000.

Note 5 — Lease Commitments and Contingencies

Operating Leases

At September 30, 2013, the Company maintains leases for certain facilities and equipment. The total amount of rental payments due over the lease term is being charged to rent expense on the straight-line method over the term of the lease.

Minimum future rental commitments under all non-cancelable operating leases are as follows (in thousands):

Three months ending December 31,	Total
2013	$ 122

Years ending December 31,	Total
2014	$ 438
2015	33
2016	6
	$ 477

Rental expense was approximately $368 and $476 for the nine and twelve months ended September 30, 2013 and December 31, 2012, respectively.

Note 6 — Foreign Operations

The Company's wholly owned foreign subsidiaries, located in Porto, Portugal, and Reynosa, Mexico, are included in the accompanying consolidated financial statements. The Reynosa subsidiary revenues are immaterial to the consolidated financial statements. Financial information related to the Porto, Portugal and Reynosa, Mexico subsidiaries are summarized below (in thousands):

	September 30, 2013	December 31, 2012
Revenues derived from foreign subsidiary, net	$ 16,443	$ 9,153
Net long-lived assets as of the end of the period	$ 10,428	$ 10,676

Note 7 — Income Taxes

The provision for income taxes is based on income before income taxes as follows (in thousands):

	September 30, 2013	December 31, 2012
Domestic	$ 7,031	$ 17,773
Foreign	(85)	(5,157)
Income before income taxes	$ 6,946	$ 12,616

The income tax provision consists of the following (in thousands):

	September 30, 2013	December 31, 2012
Current provision		
Domestic	$ 2,075	$ 6,136
Foreign	79	(1,114)
Total current provision	2,154	5,022
Deferred provision		
Domestic	67	(613)
Foreign	367	—
Total deferred provision	434	(613)
Provision for income taxes	$ 2,588	$ 4,409

The reconciliation of the statutory federal income tax rate and the effective rate, for continuing operations, is as follows:

	Nine months ended September 30, 2013	Year ended December 31, 2012
Tax provision at statutory rate	35.0%	35.0%
State income taxes, net of federal income tax benefit	1.1%	1.6%
Dividends from subsidiaries, net of foreign tax credits	(2.6)%	(1.1)%
Effect of foreign tax rate differences	0.9%	5.5%
Change in valuation allowance	5.9%	0.0%
Other	(3.0)%	(6.0)%
Effective tax rate, continuing operations	37.3%	34.9%

For the nine months ended September 30, 2013, the difference between the statutory federal rate and the reported amount of income tax expense attributable to continuing operations is primarily due to the increase in the valuation allowance related to net operating losses generated in a foreign jurisdiction, partially offset by tax provision to tax return true-up adjustments for a prior year. For the year ended December 31, 2012, the difference between the statutory federal rate and the effective rate is primarily due to adjustments related to prior years.

The components of the Company's net deferred tax assets and liabilities are as follows (in thousands):

	September 30, 2013	December 31, 2012
Current deferred tax asset:		
Accruals and reserves, net	$ 872	$ 1,030
Tax credits	396	288
Other	313	428
Total current deferred tax assets	$ 1,581	$ 1,746
Noncurrent deferred tax asset:		
Net operating loss carryforwards	3,389	3,343
Valuation allowance	(1,691)	(1,278)
Net noncurrent deferred tax assets	$ 1,698	$ 2,065
Noncurrent deferred tax liability:		
Property, plant and equipment	$ 653	$ 751
Total noncurrent deferred tax liabilities	$ 653	$ 751
Net deferred taxes	$ 2,626	$ 3,060

Deferred tax assets are assessed each reporting period to determine whether, on a more likely than not basis, the asset will be realized. Management assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. A valuation allowance is recorded if under a more likely than not basis that a portion of the deferred tax asset will not be realized. A portion of the Company's deferred tax asset relates to net operating losses generated in a foreign jurisdiction. The losses can be carried forward and utilized to offset future taxable income in that jurisdiction. The carryforward periods vary from 4-6 years depending on the year the loss was generated, and consequently the losses will expire, if not utilized, during years 2014 — 2017. Based on management's evaluation and consideration of all evidence available, a valuation allowance was recorded in a previous period for the portion of the deferred tax asset that, on a more likely than not basis, will not be realized.

At September 30, 2013, management concluded that an additional valuation allowance should be recorded in relation to the possible expiration of the net operating losses. The amount of deferred tax assets considered realizable is subject to adjustment in future periods if estimates of future taxable income are changed.

Note 8 — Related Party Transactions

The Company receives services in exchange for a management fee from its former parent company. For the nine months ended September 30, 2013 and year ended December 31, 2012, expenses related to these services totaled $1,508,000 and $1,014,000, respectively. These expenses are included in general and administrative expenses in the accompanying consolidated statements of operations and comprehensive income. As of September 30, 2013 and December 31, 2012, the Company has net amounts due from affiliates of $3,364,000 and $5,844,000, respectively.

Note 9 - Employee Benefit Plan

The Company has retirement plans (the "Plans") covering all employees who meet the Plan's eligibility requirements. The amount of the Company's annual contribution is limited to the lesser of the maximum contribution allowed by the IRS or the maximum amount allowed under the plan. During the nine months ended September 30, 2013 and the twelve months ended December 31, 2012, the Company contributed $746,878 and $938,000, respectively, to this Plan.

Note 10 — Commitments and Contingencies

Severance Agreements

The Company has entered into agreements with seven key employees which, among other things, provide inducement to the employees to continue to work for the Company during and after any period of a potential change in control of the Company. The agreements provide the employees with specified benefits upon the subsequent severance of employment in the event of change in control of the Company. The amount of severance payments that could be required to be paid under these contracts, if such events occur, would be approximately $2,740,000.

Litigation

In the normal course of business, the Company is party to litigation from time to time. The Company maintains insurance to cover certain actions and believes that resolution of such litigation will not have a material adverse effect on the Company.

In June 2011, the Company initiated a legal action against one of its customers alleging breach of contract, and misrepresentation (the "Litigation"). The ultimate outcome of the Litigation cannot be determined and no amount has been recognized for possible collection of any claims asserted in the Litigation. See Note 11, Subsequent Events, for additional information.

Environmental

In September 2013, the Ohio Environmental Protection Agency (OEPA) issued a proposed Findings and Consent Order (FCO) naming the Company, as well as other parties, as a potentially responsible party regarding the real property at a former location. The proposed FCO requires the potentially responsible parties to conduct an investigation as to the extent of groundwater and soil contamination; develop a remediation plan that is acceptable to the OEPA relative to the findings of such investigation and to remediate any such contamination in accordance with such remediation plan. The Company has met with the OEPA and discussions are currently in process to determine responsible parties. At this time the Company does not know and cannot reasonably estimate the impact of any remedies the OEPA might seek. See Note 11, Subsequent Events, for additional information.

Note 11 - Subsequent Events

Closing of Stock Purchase Agreement

Pursuant to a stock purchase agreement dated August 22, 2013 between Allied Motion Technologies Inc., a Colorado Corporation ("Allied Motion") and Safran USA, Inc., a Delaware corporation ("Seller"), on October 18, 2013 Allied Motion acquired all of the outstanding equity interests of the Company for approximately $90 million in cash. The purchase price paid will be subject to adjustment to reflect, among other things, the working capital and cash on hand of the Company at the time of closing.

In connection with the closing of the stock purchase agreement, the Company and its subsidiaries assigned all of its respective rights title and interest in and to the Litigation to Seller.

Under the stock purchase agreement, Seller agreed, subject to certain limitations, to indemnify Allied Motion and the Company with respect to certain representations and warranties regarding the Company, including certain environmental special indemnities and other matters.

The Company has evaluated all subsequent events through the auditors' report date, which is the date the consolidated financial statements were available for issuance. There were no material subsequent events that required recognition or disclosure in the financial statements other than those discussed above.

UNAUDITED PROFORMA COMBINED CONSOLIDATED FINANCIAL STATEMENTS

On August 22, 2013, Allied Motion Technologies Inc. ("Allied Motion") entered into a Stock Purchase Agreement (the "Purchase Agreement") to purchase all of the outstanding equity interests of Globe Motors, Inc., a Delaware corporation ("Globe Motors") from Safran USA, Inc. (the "Seller"), for approximately $90 million in cash. The purchase price paid will be subject to adjustment to reflect, among other things, the working capital and cash on hand of Globe Motors at the time of closing. The acquisition of Globe Motors closed on October 18, 2013 and the post-closing adjustment of the purchase price is expected to be completed during the first quarter of 2014.

The unaudited pro forma combined consolidated balance sheet is presented to show how Allied Motion might have looked had the acquisition occurred as of that date. The unaudited pro forma combined consolidated statements of operations and comprehensive income for the year ended December 31, 2012 and the nine months ended September 30, 2013 are presented to show how Allied Motion might have looked had the acquisition occurred as of January 1, 2012, the beginning of the earliest period presented.

This pro forma information is based on, and should be read in conjunction with, the following:

- The historical audited financial statements of Allied Motion as of and for the fiscal year ended December 31, 2012, included in a Form 10-K filed on March 11, 2013;
- The historical unaudited financial statements of Allied Motion as of and for the nine months ended September 30, 2013, included in a Form 10-Q filed on November 14, 2013;
- The historical audited financial statements of Globe Motors as of and for the fiscal year ended December 31, 2012, included in this Form 8-K/A;
- The historical audited financial statements of Globe Motors for the nine months ended September 30, 2013, included in this Form 8-K/A.

The unaudited pro forma combined consolidated financial information was prepared, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The unaudited pro forma adjustments reflecting the acquisition have been prepared in accordance with the business combination accounting guidance and reflect the preliminary allocation of the purchase price to the acquired assets and liabilities based upon the estimate of fair values, using the assumptions set forth in the notes to the unaudited pro forma combined consolidated financial information. The detailed assumptions used to prepare the unaudited pro forma combined consolidated financial information are contained in the notes hereto and such assumptions should be reviewed in their entirety.

The unaudited pro forma combined consolidated financial information is provided for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the acquisition had been completed as of the dates set forth above, nor is it indicative of the future results or financial position of the combined company. In connection with the unaudited pro forma combined consolidated financial information, the total purchase consideration was allocated based on the best estimates of fair value. The allocation is dependent upon certain valuations and other analysis that are not yet final. Accordingly, the pro forma acquisition price adjustments are subject to further adjustments as additional information becomes available and as additional analyses are performed. There can be no assurances that the final valuations will not result in material changes to the estimated purchase price allocation. The unaudited pro forma combined financial information also does not give effect to the potential impact of current financial conditions, any anticipated synergies, operating efficiencies or cost savings that may result from the transaction or any integration costs. Furthermore, the unaudited pro forma combined consolidated statements of operations and comprehensive income do not include certain nonrecurring charges which resulted directly from the acquisition as described in the accompanying notes.

Unaudited Pro Forma Combined Consolidated Balance Sheet

As of September 30, 2013
(In thousands, except per share data)

	Historical Results						
	Allied Motion Technologies Inc.	Globe Motors, Inc.	Combined Subtotal	Pro Forma Adjustments		Unaudited Pro Forma Combined
Assets						
Current Assets:						
Cash and cash equivalents	$ 11,654	$ 648	$ 12,302	$ (775)	**A, B**	**$ 11,527**
Due from affiliates	—	3,364	3,364	(3,364)	**H**	**—**
Trade receivables, net of allowance for doubtful accounts	13,429	19,490	32,919	—		**32,919**
Inventories, net	15,167	9,703	24,870	500	**C**	**25,370**
Deferred income taxes	731	1,581	2,312	(1,581)	**B**	**731**
Prepaid expenses and other assets	1,431	2,333	3,764	—		**3,764**
Total Current Assets	42,412	37,119	79,531	(5,220)		**74,311**
Property, plant and equipment, net	9,649	17,128	26,777	13,176	**E, F**	**39,953**
Deferred income taxes	4,115	1,698	5,813	—		**5,813**
Intangible assets, net	2,227	—	2,227	34,000	**G**	**36,227**
Other long-term assets, net	2,672	—	2,672	1,921	**D**	**4,593**
Goodwill	5,916	44,692	50,608	(34,619)	**B, E, F, G, H**	**15,989**
Total Assets	$ 66,991	$ 100,637	$ 167,628	$ 9,258		**$ 176,886**
Liabilities and Stockholders' Equity						
Current Liabilities:						

Line of credit	$ —	$ —	$ —	$ 9,225	A	**$ 9,225**
Current maturities of long-term debt	1,141	—	1,141	—		**1,141**
Accounts payable	7,628	11,562	19,190	—		**19,190**
Accrued liabilities	5,485	4,230	9,715	961	D	**10,676**
Total Current Liabilities	14,254	15,792	30,046	10,186		**40,232**
Long-term debt	—	—	—	80,000	A	**80,000**
Deferred income taxes	885	653	1,538	2,304	E	**3,842**
Deferred compensation arrangements	2,692	—	2,692	—		**2,692**
Pension and post-retirement obligations	3,694	—	3,694	—		**3,694**
Total Liabilities	21,525	16,445	37,970	92,490		**130,460**
Commitments and Contingencies	—	—	—	—		**—**
Stockholders' Equity:						
Common stock, no par value	23,543	1	23,544	(1)	H	**23,543**
Preferred stock, par value $1.00 per share	—	—	—	—		**—**
Additional paid-in capital	—	66,397	66,397	(66,397)	H	**—**
Retained earnings	22,494	13,396	35,890	(12,436)	D, H	**23,454**
Accumulated other comprehensive (loss) income	(571)	4,398	3,827	(4,398)	H	**(571)**
Total Stockholders' Equity	45,466	84,192	129,658	(83,232)		**46,426**
Total Liabilities and Stockholders' Equity	$ 66,991	$ 100,637	$ 167,628	$ 9,258		**$ 176,886**

The accompanying notes are an integral part of these unaudited pro forma combined consolidated financial statements.
The pro forma adjustments are explained in Notes 3 and 4.

Unaudited Pro Forma Combined Consolidated Statement of Operations and Comprehensive Income

For the Nine Months Ended September 30, 2013
(In thousands, except per share data)

	Historical Results					
	Allied Motion Technologies Inc.	**Globe Motors, Inc.**	**Combined Subtotal**	**Pro Forma Adjustments**		**Unaudited Pro Forma Combined**
Revenues	$ 75,371	$ 89,260	$ 164,631	$ —		**$ 164,631**
Cost of products sold	53,075	66,803	119,878	—		**119,878**
Gross margin	22,296	22,457	44,753	—		**44,753**
Operating costs and expenses:						
Selling	3,640	2,661	6,301	—		**6,301**
General and administrative	8,098	8,759	16,857	(2,789)	J, K, O, P	**14,068**
Engineering and development	5,123	4,476	9,599	—		**9,599**
Business development costs	1,235	—	1,235	(1,235)	I	**—**
Relocation costs	234	—	234	—		**234**
Amortization of intangible assets	252	—	252	1,800	M	**2,052**
Total operating costs and expenses	18,582	15,896	34,478	(2,224)		**32,254**
Operating income	3,714	6,561	10,275	2,224		**12,499**
Other income (expense), net						
Interest expense	(30)	(238)	(268)	(4,698)	L, N	**(4,966)**
Other income (expense)	58	623	681	—		**681**
Total other income (expense), net	28	385	413	(4,698)		**(4,285)**
Income before income taxes	3,742	6,946	10,688	(2,474)		**8,214**
Provision for income taxes	1,130	2,588	3,718	(965)	Q	**2,753**
Net income	$ 2,612	$ 4,358	$ 6,970	$ (1,509)		**$ 5,461**
Foreign currency translation adjustment	352	164	516	—		**516**
Comprehensive income	$ 2,964	$ 4,522	$ 7,425	$ (1,509)		**$ 5,916**
Basic net income per share:						
Net income per share	$ 0.30					**$ 0.60**
Basic weighted average common shares	8,778					**9,026**
Diluted net income per share:						
Net income per share	$ 0.30					**$ 0.60**
Diluted weighted average common shares	8,778					**9,026**

The accompanying notes are an integral part of these unaudited pro forma combined consolidated financial statements.
The pro forma adjustments are explained in Notes 3 and 4.

Unaudited Pro Forma Combined Consolidated Statement of Operations and Comprehensive Income

For the Year Ended December 31, 2012
(In thousands, except per share data)

	Audited Historical Results					
	Allied Motion Technologies Inc.	Globe Motors, Inc.	Combined Subtotal	Pro Forma Adjustments		Unaudited Pro Forma Combined
Revenues	$ 101,968	$ 106,479	$ 208,447	$ —		**$ 208,447**
Cost of products sold	72,328	77, 436	149,764	—		**149,764**
Gross margin	29,640	29,043	58,683	—		**58,683**
Operating costs and expenses:						
Selling	5,093	3,491	8,584	—		**8,584**
General and administrative	10,811	8,352	19,163	(390)	**I, J, K, O, P**	**18,773**
Engineering and development	6,060	5,904	11,964	—		**11,964**
Business development costs	—	—	—	—		**—**
Relocation costs	—	—	—	—		**—**
Amortization of intangible assets	548	—	548	2,400	**M**	**2,948**
Total operating costs and expenses	22,512	17,747	40,259	2,010		**42,269**
Operating income	7,128	11,296	18,424	(2,010)		**16,414**
Other income (expense), net						
Interest expense	(13)	(147)	(160)	(6,503)	**L, N**	**(6,663)**
Other income	383	1,467	1,850	—		**1,850**
Total other income, net	370	1,320	1,690	(6,503)		**(4,813)**
Income before income taxes	7,498	12,616	20,114	(8,513)		**11,601**
Provision for income taxes	2,101	4,409	6,510	(3,320)	**Q**	**3,190**
Net income	$ 5,397	$ 8,207	$ 13,604	$ (5,193)		**$ 8,411**
Foreign currency translation adjustment	624	63	687	—		**687**
Pension adjustment	(331)	—	(331)	—		**(331)**
Comprehensive income	$ 5,690	$ 8,270	$ 13,960	$ (5,193)		**$ 8,767**
Basic net income per share:						
Net income per share	$ 0.63					**$ 0.95**
Basic weighted average common shares	8,616					**8,864**
Diluted net income per share:						
Net income per share	$ 0.63					**$ 0.95**
Diluted weighted average common shares	8,616					**8,864**

The accompanying notes are an integral part of these unaudited pro forma combined consolidated financial statements.
The pro forma adjustments are explained in Notes 3 and 4.

ALLIED MOTION TECHNOLOGIES INC.

NOTES TO UNAUDITED PRO FORMA COMBINED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRO FORMA PRESENTATION

On August 22, 2013, Allied Motion Technologies Inc. ("Allied Motion") entered into a Stock Purchase Agreement (the "Purchase Agreement") to purchase all of the outstanding equity interests of Globe Motors, Inc., a Delaware corporation ("Globe Motors") from Safran USA, Inc. (the "Seller"), for approximately $90 million in cash. The purchase price paid will be subject to adjustment to reflect, among other things, the working capital and cash on hand of Globe Motors at the time of closing. The acquisition of Globe Motors closed on October 18, 2013 and the post-closing adjustment of the purchase price is expected to be completed during the first quarter of 2014.

The unaudited pro forma combined consolidated balance sheet as of September 30, 2013 is based on historical financial statements of Allied Motion and the historical financial statements of Globe Motors after giving effect to the acquisition adjustments. The unaudited pro forma combined consolidated balance sheet as of September 30, 2013 is presented as if the acquisition had occurred on September 30, 2013.

The unaudited pro forma combined consolidated statements of operations and comprehensive income for the year ended December 31, 2012 and for the nine months ended September 30, 2013 is based on the historical financial statements of Allied Motion and Globe Motors for the respective periods then ended after giving effect to the acquisition adjustments. The unaudited pro forma combined consolidated statements of operations and comprehensive income are presented as if the acquisition had occurred on January 1, 2012.

The historical financial information has been adjusted to give pro forma effect to events that are (i) directly attributable to the transaction, (ii) factually supportable, and (iii) with respect to the unaudited pro forma combined consolidated statements of operations and comprehensive income, expected to have a continuing impact on the combined results. The pro forma adjustments are preliminary and based on estimated of the fair value and useful lives of the assets acquired and liabilities assumed and have been prepared to illustrate the estimated effect of the transaction and certain other adjustments.

Under the acquisition method, acquisition-related transaction costs (e.g. advisory, legal, valuation and other professional fees) are not included as consideration transferred but are accounted for as expenses in the periods in which the costs are incurred. These costs are not presented in the unaudited pro forma combined consolidated statements of operations and comprehensive income because they will not have a continuing impact on the combined results.

2. PURCHASE PRICE ALLOCATION

The purchase price was approximately $90 million in cash payments.

The allocation of the purchase price paid for Globe Motors is based on estimated fair values of the assets acquired and liabilities assumed of Globe Motors as of September 30, 2013. The allocation of the purchase price is preliminary as the valuation of both the tangible and identifiable intangible assets is being finalized. While the final amounts allocated to assets and liabilities could change from the information presented in the unaudited pro forma combined condensed financial statements, the Company does not expect changes to be material. Cost and fees incurred by Allied Motion associated with the acquisition of Globe Motors are estimated to be approximately $4.1 million.

The preliminary allocation of purchase price based on estimated fair values (in thousands):

Net tangible assets				
Working capital	$	18,580		
Property, plant and equipment		30,304		
Deferred income tax liabilities		(2,957)	$	45,927
Identifiable purchased intangible assets:				
Trade name		4,000		
Customer relationships		30,000		34,000
Goodwill				10,073
Total purchase price			$	90,000

Intangible assets

The fair value of identifiable intangible assets of $34.0 million has been allocated to the following asset categories (in thousands):

		Preliminary Value		First 12 Months Amortization	Amortization Method	Estimated Useful Life
Trade name	$	4,000	$	400	Straight Line	10 Years
Customer relationships		30,000		2,000	Straight Line	15 Years
	$	34,000	$	2,400		

3. UNAUDITED PRO FORMA ADJUSTMENTS

The unaudited pro forma combined consolidated balance sheet as of September 30, 2013 and unaudited pro forma combined consolidated statements of operations and comprehensive income for the nine months ended September 30, 2013 and for the year ended December 31, 2012 gives effect to the following adjustments (in thousands):

A- To reflect the issuance of both term loan and senior subordinated notes, and borrowings on revolving line of credit facility, related to the acquisition.

B- To reflect the fair value of the purchased cash, intangible assets and goodwill resulting from the acquisition and the related deferred taxes.

C- To reflect the estimated purchase accounting adjustment for capitalization of estimated manufacturing profit in inventory acquired. (Note: The unaudited pro forma combined consolidated statement of operations and comprehensive income does not reflect the impact of the one-time adjustment to costs of products sold during the periods when this inventory will be sold.)

D- To reflect accrued transaction costs and debt issuance costs related to the acquisition and the incurrence of related debt. This adjustment reflects the accrual of expected transaction costs as of September 30, 2013.

E- To reflect the fair value of property, plant and equipment acquired in business combination and the related deferred taxes attributed to the difference in the tax and book basis for the foreign assets.

F- To reflect the removal of Globe Motors' intangible assets ($100) and goodwill ($44,692) at the date of purchase.

G- To reflect the fair value of the purchased intangible assets and goodwill resulting from the acquisition and the related deferred taxes attributed to the difference in the tax and book basis for the foreign assets.

H- To reflect the removal of Globe Motors' historical equity ($36,036) at the date of purchase and the due from affiliates ($3,364) that is not being assumed as part of the Purchase Agreement.

I- To reflect the removal of Allied Motion's transaction costs ($1,235 and $24, respectively) incurred that were directly attributable to the acquisition.

J- To reflect the removal of Globe Motors' litigation costs ($2,429 and $986, respectively) for which Allied Motion is being indemnified by the Seller.

K- To reflect the removal of Globe Motors' corporate allocation charges from the Seller ($1,107 and $402, respectively) that will not be replaced and the removal of contributions to a supplemental retirement plan for employees ($424 and $539, respectively) which plan will be terminated in connection with the acquisition. .

L- To reflect the interest expense ($4,410 and $6,119, respectively) on the new acquisition debt calculated using the following interest rates: (1) $50 million five-year term loan - $25 million using a floating Libor based interest rate of 2.67% and $25 million using a fixed hedged interest rate of 3.62%; (2) Senior Subordinated Notes at the stated interest rate of 14.50%; (3) revolving line of credit - 60% using a Libor based floating interest rate of 2.7% and 40% using a Prime based floating interest rate of 4.75%. The effect on income of a 1/8 % increase or decrease in the floating interest rates would result in an increase or decrease in interest expense for the nine months ended September 30, 2013 and year ended December 31, 2012 of $23 and $37, respectively.

M- To reflect the amortization expense of finite lived purchased intangible assets, which lives are ten years for trade names and fifteen years for customer relationships.

N- To reflect the amortization of new debt issuance costs as interest expense ($288 and $384, respectively), which amortization period is five years.

O- To reflect the depreciation expense ($864 and $1,152, respectively) of purchased property, plant and equipment, which depreciable lives are ten years for machinery and equipment and thirty years for real property.

P- To reflect the stock based compensation expense ($307 and $409, respectively) for 248 thousand restricted stock awards issued in relation to the acquisition of Globe Motors.

Q- To reflect the recognition of income taxes at a 39% effective rate, on the combined income before income taxes as adjusted for the income statement pro forma adjustments.

4. UNAUDITED PRO FORMA COMBINED CONSOLIDATED NET INCOME PER SHARE

The pro forma basic and diluted net income per share amounts presented are based upon the weighted average number of common shares outstanding during the periods presented. The basic and diluted earnings per share and the information of the number of shares used to compute basic and diluted earnings per share.

5. VARIABLE RATE DEBT

Revolving Credit Facility and Term Loan

In connection with the funding of the acquisition of Globe Motors, Allied Motion entered into a Credit Agreement (the "Credit Agreement") dated as of October 18, 2013. The Credit Agreement provides for a $15 million five-year revolving credit facility (the "Revolver") and a $50 million five-year term loan (the "Term Loan" and together with the Revolver, the "Senior Credit Facilities").

Borrowings under the Senior Credit Facilities will bear interest at the Base Rate (as defined in the Credit Agreement) plus a margin of 0.25% to 2.00% or the Eurocurrency Rate (as defined in the Credit Agreement) plus a margin of 1.25% to 3.00%, in each case depending on Allied Motion's ratio of total funded indebtedness (as defined in the Credit Agreement) to Consolidated EBITDA (the "Total Leverage Ratio"). The Senior Credit Facility initially bears interest at 4.75% at October 18, 2013. Subsequently, the interest rates changed to a floating rate based on both the Prime and Libor rates and a hedged fixed rate on a portion of the term debt as more fully described under item "L" in Footnote 3 "Unaudited Pro Forma Adjustments". In addition, Allied Motion is required to pay a commitment fee of between 0.125% and 0.30% quarterly (currently 0.25%) on the unused portion of the Revolver, also based on Allied Motion's Total Leverage Ratio. Principal installments are payable on the Term Loan in varying percentages quarterly through September 30, 2018 with a balloon payment at maturity and with mandatory prepayments being required in certain circumstances. The Senior Credit Facilities are secured by substantially all of Allied Motion's assets and are fully and unconditionally guaranteed by certain of the Allied Motion's subsidiaries.