

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

Current Report

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

Date of Report (date of earliest event reported): **January 8, 2016**

ALLIED MOTION TECHNOLOGIES INC.

(Exact Name of Registrant as Specified in its Charter)

Colorado
(State or Other Jurisdiction
of Incorporation)

0-04041
(Commission File Number)

84-0518115
(IRS Employer
Identification No.)

**495 Commerce Drive, Suite 3
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):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On January 8, 2016, Allied Motion Technologies Inc. and certain subsidiaries (the "Company"), entered into a First Amendment and Consent (the "Amendment") to the Amended and Restated Credit Agreement with Bank of America, N.A., as administrative agent, and the lenders party thereto (the "Credit Agreement"). Pursuant to the Amendment, the administrative agent and lenders consented to the Company's acquisition of Heidrive GmbH, described in Item 2.01 below, and that such acquisition would not reduce the acquisition basket under the Credit Agreement. The Amendment also amends the Credit Agreement to increase the revolving credit facility from \$15 million to \$30 million and the foreign revolving sublimit from \$10 million to \$25 million.

On January 8, 2016, the Company entered into a Consent and Amendment No. 3 (the "Note Amendment") to the Note Agreement with Prudential Capital Partners IV, L.P. and its affiliates (the "Note Agreement"). Pursuant to the Note Amendment, the note holders consented to the Company's acquisition of Heidrive GmbH and that such acquisition would not reduce the acquisition basket under the Note Agreement.

The above description does not purport to be complete and is qualified in its entirety by reference to the Amendment and Note Amendment, which are filed as Exhibits 10.1 and 10.2 to this Current Report on Form 8-K.

Item 2.01 Completion of Acquisition or Disposition of Assets

As previously disclosed, the Company, through its wholly-owned subsidiary, Allied Motion Technologies B.V., entered into a Share Purchase Agreement (the "Purchase Agreement") to purchase all of the outstanding equity interests of Heidrive GmbH, a German limited liability company ("Heidrive") from palero fünf S.à r.l. A copy of the Purchase Agreement was filed as Exhibit 2.1 to the Company's Current Report on Form 8-K filed on December 30, 2015.

On January 12, 2016, the Company completed the acquisition for €20 million (approximately US\$22 million), which includes certain management performance bonuses to be paid after closing.

Item 7.01 Regulation FD Disclosure

The Company issued a press release on January 12, 2016 regarding the completion of the acquisition of Heidrive, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01, including the information attached hereto as Exhibit 99.1, is being furnished, not filed, pursuant to Regulation FD. Accordingly, such information will not be incorporated by reference into any registration statement filed by Allied Motion Technologies Inc. under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Item 9.01 Financial Statements and Exhibits

(a) *Financial Statements of Businesses Acquired*

No financial statements are required to be filed pursuant to Regulation S-X.

(b) *Pro Forma Financial Information*

No pro forma financial information is required to be filed pursuant to Regulation S-X.

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(c) *Shell Company Transactions*

None

(d) *Exhibits*

- 10.1 First Amendment to Amended and Restated Credit Agreement and Consent, dated as of January 8, 2016, among Allied Motion Technologies Inc. and Allied Motion Technologies B.V., as borrowers, Bank of America, N.A., as administrative agent, and the lenders party thereto.
- 10.2 Consent and Amendment No. 3 to Note Agreement dated as of January 8, 2016, among Allied Motion Technologies Inc. and the purchasers of the notes party thereto.
- 99.1 Press Release issued by Allied Motion Technologies Inc. on January 12, 2016.

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 14, 2016

ALLIED MOTION TECHNOLOGIES INC.

By: /s/ Michael R. Leach
Michael R. Leach
Chief Financial Officer

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**FIRST AMENDMENT TO
AMENDED AND RESTATED
CREDIT AGREEMENT AND CONSENT**

This First Amendment to Credit Agreement and Consent ("Amendment"), dated as of January 8, 2016, is made by and among **BANK OF AMERICA, N.A.**, as Administrative Agent (in such capacity, "Administrative Agent"), the Lenders (as defined in the Credit Agreement), and **ALLIED MOTION TECHNOLOGIES INC.** ("Allied Inc.") and **ALLIED MOTION TECHNOLOGIES B.V.** ("Allied B.V." and collectively with Allied Inc., the "Borrowers").

Statement of the Premises

The Administrative Agent, the Lenders and the Borrowers have previously entered into an Amended and Restated Credit Agreement dated as of April 29, 2015 (as amended, the "Credit Agreement"). All capitalized terms not otherwise defined in this Amendment have the meanings given them in the Credit Agreement.

The Borrowers have advised the Administrative Agent that Allied B.V. has entered into a letter of intent to acquire all of the capital stock of Heidrive GmbH for a purchase price of approximately Twenty-Three Million Euro (€23,000,000) (the "Acquisition").

Borrowers have requested the consent of the Administrative Agent and the Lenders to the Acquisition, and requested that the Lenders increase the Aggregate Revolving Loan Commitments to Thirty Million Dollars (\$30,000,000) to fund a portion of the purchase price of the Acquisition.

The Borrowers have also requested that the Administrative Agent and the Lenders agree to amend certain other terms set forth in the Credit Agreement.

The Administrative Agent and the Lenders have agreed to (a) consent to the Acquisition, (b) increase the Aggregate Revolving Loan Commitments and (c) amend certain other provisions of the Credit Agreement, each on the terms and conditions set forth herein.

Accordingly, for good and valuable consideration, the Administrative Agent, the Borrowers and the Lenders agree as follows:

Agreement

1. **Defined Terms.** Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Credit Agreement.

2. **Consent.**

(a) Effective upon the satisfaction of all conditions specified in Section 2(b) and Section 5 hereof, the Administrative Agent and the Lenders hereby consent to the Acquisition ("Consent"), as follows:

(i) **Limitation on Consent.** The foregoing consent is only applicable and shall only be effective in the specific instance and for the specific purpose for which made, is expressly limited to the facts and circumstances referred to herein, and shall not operate as (i) a waiver of, or consent to noncompliance with any other provision of the Credit Agreement or any other Loan Document, (ii) a waiver of any right, power or remedy of the Administrative Agent or any Lender under the Credit Agreement or any Loan Document, or (iii) a waiver of or consent to any Event of Default or Default under the Credit Agreement or any Loan Document.

(ii) **Acquisition Basket.** The Administrative Agent, the Borrowers and the Lenders acknowledge that the aggregate consideration paid for the Acquisition shall not reduce the \$10,000,000 maximum aggregate consideration which the Borrowers may pay for acquisitions during the term of the Credit Agreement permitted under Section 7.02(e)(v) of the Credit Agreement, as amended by this Amendment.

(b) The effectiveness of this Consent shall be conditioned upon the satisfaction of the following conditions precedent:

(i) **Acquisition Documents.** The Borrowers shall have delivered to the Administrative Agent a true, complete and correct copy of the stock purchase agreement executed in connection with the Acquisition (including the Exhibits and Schedules thereto) and any other documents relating to the Acquisition as the Administrative Agent shall request, which requested documents shall be in form and substance satisfactory to the Administrative Agent.

(ii) **No Events of Default.** There is, as of the date of consummation of the Acquisition, no event or condition which constitutes an Event of Default under any of the Loan Documents or which, with notice and/or the passage of time, would constitute an Event of Default.

(iii) **Representations and Warranties.** The representations and warranties of each Borrower set forth in Article 5 of the Credit Agreement are true and correct on and as of the date of consummation of the Acquisition with the same force and effect as if made on and as of such date, except that Borrower had advised the Administrative Agent that certain changes will be needed to Schedules 5.17, 5.18 and 5.21 to the Credit Agreement, Borrower will notify the Administrative Agent in writing of such changes within thirty (30) days of the date of this Amendment.

3. **Amendments.** Effective upon the satisfaction of all conditions specified in Section 2(b) and Section 5 hereof, the Credit Agreement is hereby amended as follows:

(a) Section 1.1 of the Credit Agreement (entitled "Defined Terms") is amended to add the following new definitions in the appropriate alphabetical order:

"Heidrive" - Heidrive GmbH, a German corporation.

(b) Section 1.1 of the Credit Agreement (entitled “Defined Terms”) is further amended so that the following terms are amended and restated as follows:

“Aggregate Revolving Loan Commitments” means the Revolving Loan Commitments of the Lenders which shall be in the amount of \$30,000,000 or the Alternative Currency Equivalent thereof.

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“Foreign Revolving Sublimit” means \$25,000,000 or the Alternative Currency Equivalent thereof, as may be adjusted from time to time at the discretion of the Administrative Agent, upon request of the Borrowers.

“Pledge Agreements” means collectively, the pledge agreements between the Loan Parties (or any of them) and the Administrative Agent pursuant to which any Loan Party pledges any stock, other equity interests or intercompany notes held by it, including, without limitation, those certain Pledge Agreements dated as of October 18, 2013 by the Company and Allied B.V. to the Administrative Agent, and the Pledge Agreement to be provided by Allied B.V. to Lender on or before March 31, 2016, as any of the foregoing may be amended, restated, replaced or assigned from time to time.

(c) Section 7.01 of the Credit Agreement (entitled “Liens”) is amended so that subsection (j) thereof is deleted.

(d) Section 6.11 of the Credit Agreement (entitled “Use of Proceeds”) is amended and restated to read as follows:

6.11 Use of Proceeds. Use the proceeds of the Credit Extensions for general corporate purposes, including working capital, capital expenditures and other lawful corporate purposes, and for Allied B.V. to acquire all of the shares of capital stock of Heidrive.

(e) Section 7.03 of the Credit Agreement (entitled “Indebtedness”) is amended by (i) deleting the word “and” at the end of subsection (h), (ii) replacing the period at the end of subsection (i) with “and”, and (iii) adding the following new subsection (j):

(j) Indebtedness consisting of bank guarantees or letters of credit issued by one or more Lenders for the account of a Foreign Subsidiary of a Loan Party in an aggregate amount not to exceed \$500,000 at any one time.

(f) Section 8.01 of the Credit Agreement (entitled “Events of Default”) is amended so that the following new subsection (n) is added thereto:

(n) Heidrive Pledge. Allied B.V. fails to deliver to the Administrative Agent, for the benefit of the Lenders on or before April 10, 2016, a first ranking share pledge agreement (or comparable agreement sufficient under the laws of Germany) over all shares of capital stock of

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Heidrive, together with (i) original share certificates of Heidrive duly endorsed in blank if delivery of such share certificates is required to perfect the Lenders’ pledge and security interest on the shares of Heidrive and (ii) an opinion of counsel in form satisfactory to the Administrative Agent with respect to the enforceability of such share pledge agreement.

(g) Schedule 2.1 to the Credit Agreement (entitled “Commitments/Applicable Percentages”) is deleted and replaced with Schedule 2.1 to this Amendment.

(h) Schedule 5.13 to the Credit Agreement (entitled “Subsidiaries; Other Equity Investments”) is deleted and replaced with Schedule 5.13 to this Amendment.

4. **Representations and Warranties.** Each Borrower makes the following representations and warranties to the Administrative Agent and the Lenders which shall be deemed to be continuing representations and warranties so long as any Obligations, including indebtedness of either Borrower to Administrative Agent or the Lenders arising under the Credit Agreement or any Loan Documents, remain unpaid:

(a) Authorization. Each Borrower has full power and authority to execute, deliver and perform this Amendment, which has been duly authorized by all proper and necessary action. The execution and delivery of this Amendment by each Borrower will not violate the provisions of, or cause a default under, either Borrower’s Organizational Documents or any agreement to which such Borrower is a party or by which it or its assets are bound.

(b) Binding Effect. This Amendment has been duly executed and delivered by each Borrower and constitutes the legal, valid and binding obligation of each Borrower enforceable in accordance with its terms, except as enforceability may be limited by applicable Debtor Relief Laws and laws affecting Creditor’s rights generally.

(c) Consents; Governmental Approvals. No consent, approval or authorization of, or registration, declaration or filing with, any governmental body or authority or any other party is required in connection with the valid execution, delivery or performance of this Amendment or any other document executed and delivered herewith or in connection with any other transactions contemplated hereby.

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(d) **No Events of Default.** There is, on the date hereof, no event or condition which constitutes an Event of Default under any of the Loan Documents or which, with notice and/or the passage of time, would constitute an Event of Default.

(e) **No Material Misstatements.** Neither this Amendment nor any document delivered to the Administrative Agent or the Lenders by or on behalf of either Borrower to induce the Administrative Agent and the Lenders to enter into this Amendment or otherwise in connection with this Amendment contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements herein or therein not misleading in light of the circumstances in which they were made.

(f) **Credit Agreement.** The representations and warranties of each Borrower set forth in Article 5 of the Credit Agreement are true and correct on and as of the date hereof with the same force and effect as if made on and as of such date, subject, however to the exceptions set forth in Section 4.02(a) of the Credit Agreement.

5. **Conditions of Effectiveness.** This Amendment shall become effective when and only when the Administrative Agent shall have received counterparts of this Amendment executed by the Borrowers, the Administrative Agent and the Lenders and the following conditions shall have been fulfilled:

(a) **Authorization.** Each Borrower shall have taken appropriate action to authorize the execution and delivery of this Amendment, and the taking of all action called for by this Amendment.

(b) **Senior Subordinated Note Purchase Agreement.** The Borrowers shall have entered into an amendment to the Senior Subordinated Note Purchase Agreement in form and substance satisfactory to the Administrative Agent, pursuant to which the Senior Subordinated Note Holders consent to the Acquisition and the increase in the Aggregate Revolving Loan Commitments.

(c) **Subordination Agreement.** The Senior Subordinated Note Holders, the Administrative Agent and the Borrower shall have entered into an amendment to the Subordination Agreement in form and content satisfactory to the Administrative Agent.

(d) **Upfront Fee.** Borrowers shall have paid to the Administrative Agent, for the ratable benefit of the Lenders, an upfront fee of \$22,500.

6. **Reference to and Effect on Loan Documents.**

(a) Upon the effectiveness hereof, each reference in the Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein,” or words of like import, and each reference in the Loan Documents to the Credit Agreement shall mean and be a reference to the Credit Agreement as amended by this Amendment.

(b) The Credit Agreement, as amended by this Amendment, represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof. This Amendment supersedes all prior negotiations and any course of dealing between

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the parties with respect to the subject matter hereof. This Amendment shall be binding upon each Borrower and its successors and assigns, and shall inure to the benefit of, and be enforceable by, the Administrative Agent, the Lenders and each of their successors and assigns. The Credit Agreement, as amended hereby, is in full force and effect and, as so amended, is hereby ratified and reaffirmed in its entirety. Each Borrower acknowledges and agrees that the Credit Agreement (as amended by this Amendment) and all other Loan Documents to which such Borrower is a party are in full force and effect, that such Borrower’s obligations thereunder and under this Amendment are its legal, valid and binding obligations, enforceable against it in accordance with the terms thereof and hereof, and that such Borrower has no defense, whether legal or equitable, setoff or counterclaim to the payment and performance of such obligations.

(c) Each Guarantor signing below acknowledges and agrees that each Security Document to which it is a party is in full force and effect, that such Guarantor’s obligations under such Security Documents are its legal, valid and binding obligations, enforceable against it in accordance with the terms thereof, that such Guarantor has no defense, whether legal or equitable, setoff or counterclaim to the payment and performance of such obligations and that all Obligations, guaranteed or secured, thereby include, without limitation, the Revolving Loans, as increased pursuant to this Amendment.

(d) Except as specifically set forth in this Amendment, the execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Administrative Agent or the Lenders under the Credit Agreement, nor constitute a waiver of any provision of the Credit Agreement.

7. **Costs and Expenses.** Borrowers agree to pay on demand all costs and expenses of the Administrative Agent and the Lenders in connection with the preparation, execution and delivery of this Amendment, including the fees and out-of-pocket expenses of counsel for the Administrative Agent and the Lenders.

8. **Governing Law.** This Amendment shall be governed and construed in accordance with the laws of the State of New York without regard to any conflicts-of-laws rules which would require the application of the laws of any other jurisdiction.

9. **Headings.** Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

10. **Execution in Counterparts.** This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute but one and the same document.

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective representatives thereunto duly authorized, as of the date first above written.

ALLIED MOTION TECHNOLOGIES INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Chief Financial Officer

ALLIED MOTION TECHNOLOGIES B.V.

By: /s/ Harry Cloos
Name: Harry Cloos
Title: Director

Accepted and Agreed to by each of the following
Guarantors as of this 8th day of January, 2016

ALLIED MOTION DORDRECHT B.V. (formerly
known as Precision Motor Technology B.V.)

By: /s/ Harry Cloos
Name: Harry Cloos
Title: Director, Allied Motion Technologies B.V.

ALLIED MOTION STOCKHOLM AB

By: /s/ Susan M. Chiarmonte
Name: Susan M. Chiarmonte
Title: Authorized Person

**GLOBE MOTORS PORTUGAL MATERIAL
ELÉCTRICO PARA A INDÚSTRIA
AUTOMÓVEL, LDA.**

By: /s/ Steven McHenry
Name: Steven McHenry
Title: Manager

[Signature Page to First Amendment to
Amended and Restated Credit Agreement and Consent]

EMOTEQ CORPORATION

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

MOTOR PRODUCTS CORPORATION

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

AMOT I, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

AMOT II, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

AMOT III, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

STATURE ELECTRIC, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

[Signature Page to First Amendment to
Amended and Restated Credit Agreement and Consent]

GLOBE MOTORS, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

ALLIED MOTION CONTROL CORPORATION

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

[Signature Page to First Amendment to
Amended and Restated Credit Agreement and Consent]

ADMINISTRATIVE AGENT:

**BANK OF AMERICA, N.A., AS
ADMINISTRATIVE AGENT**

By: /s/ Thomas C. Strassenburgh
Name: Thomas C. Strassenburgh
Title: Senior Vice President

[Signature Page to First Amendment to
Amended and Restated Credit Agreement and Consent]

LENDERS:

**BANK OF AMERICA, N.A., AS A LENDER,
L/C ISSUER**

By: /s/ Thomas C. Strassenburgh
Name: Thomas C. Strassenburgh
Title: Senior Vice President

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Amended and Restated Credit Agreement and Consent]

MANUFACTURERS AND TRADERS TRUST COMPANY

By: /s/ Ross Comarratta
Name: Ross Comarratta
Title: VP

HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/ Shaun Mallen
Name: Shaun Mallen
Title: Vice President

[Signature Page to First Amendment to
Amended and Restated Credit Agreement and Consent]

Section 2.01

Commitments/Applicable Percentages

Institution	Revolver (USD)		Term Loan (USD)	
	Holdings	% Holdings	Holdings	% Holdings
Bank of America	12,000,000.00	40.00	14,107,500.00	38.00
HSBC Bank USA, National Association	12,000,000.00	40.00	17,820,000.00	48.00
Manufacturers and Traders Trust Company	6,000,000.00	20.00	5,197,500.00	14.00
	30,000,000.00	100.00	37,125,000.00	100.00

Schedule 5.13

Subsidiaries; Other Equity Investments

Name	Percentage Equity	Record Owner
Allied Motion Industrial Automation, Inc.	100%	Allied Motion Systems Corporation
Allied Motion Systems Corporation	100%	Allied Motion Technologies Inc.
Allied Motion Process Instrumentation Corporation	100%	Allied Motion Technologies Inc.
Computer Optical Products, Inc.	100%	Allied Motion Control Corporation
Emoteq Corporation	100%	Allied Motion Control Corporation
Motor Products Corporation	100%	Allied Motion Control Corporation
Motor Products Ohio Corporation	100%	Allied Motion Control Corporation
Allied Motion Control Corporation	100%	Allied Motion Technologies Inc.
Allied Motion Canada Inc.	100%	Allied Motion Technologies Inc.
Östergrens Elmotor GmbH	100%	Allied Motion Stockholm AB
Allied Motion Ferndown Limited	100%	Allied Motion Stockholm AB
Allied Motion Stockholm AB	100%	Allied Motion Technologies B.V.
Allied Motion Technologies B.V.	100%	Allied Motion Technologies Inc.
Allied Motion Changzhou Motor Company Ltd	100%	Allied Motion Asia Holdings Limited
Allied Motion Changzhou Trading Company Ltd	100%	Allied Motion Asia Holdings Limited
Allied Motion Asia Holdings Limited	100%	Allied Motion Dordrecht B.V.
Allied Motion Dordrecht B.V.	100%	Allied Motion Technologies B.V.
Globe Motors de Mexico, SA de C.V.	99.98%	Globe Motors, Inc.
Globe Motors de Mexico, SA de C.V.	.02%	Allied Motion Control Corporation
Globe Motors Portugal Material Electrico, Lda.	99.989%	Allied Motion Dordrecht B.V.
Globe Motors Portugal Material Electrico, Lda.	.011%	Allied Motion Control Corporation
Stature Electric, Inc.	50%	AMOT II, Inc.

Name	Percentage Equity	Record Owner
Statute Electric, Inc.	50%	AMOT III, Inc.
AMOT II, Inc.	100%	AMOT I, Inc.
AMOT III, Inc.	100%	AMOT I, Inc.
AMOT I, Inc.	100%	Allied Motion Technologies Inc.
Globe Motors Inc.	100%	Allied Motion Technologies Inc.
As of the date of the acquisition thereof		
Heidrive GmbH	100%	Allied Motion Technologies B.V.

January 8, 2016

Allied Motion Technologies Inc.
495 Commerce Drive Suite 3
Amherst, NY 14228

Re: Consent and Amendment No. 3 to Note Agreement

Ladies and Gentlemen:

Reference is made to that certain Note Agreement, dated as of October 18, 2013 (as amended by Amendment No. 1 to Note Agreement dated October 20, 2014 and Amendment No. 2 to Note Agreement dated as of June 22, 2015, the "**Note Agreement**"), among Allied Motion Technologies Inc., a Colorado corporation (the "**Company**"), and the purchasers named in the Purchaser Schedule attached thereto. Capitalized terms used and not otherwise defined herein shall have the meanings assigned to such terms in the Note Agreement.

The Company has requested that the Required Holder(s): (a) consent to the proposed acquisition by Allied B.V. of the capital stock of Heidrive GmbH for a purchase price of approximately €23,000,000 (the "**Acquisition**"); and (b) agree to modify the Note Agreement as set forth below. Subject to the terms and conditions hereof, and provided that the Company agrees to the modifications of the Note Agreement set forth below, the Required Holder(s) are willing to agree to the Company's requests.

Accordingly, and in accordance with the provisions of paragraph 12C of the Note Agreement, the parties hereto agree as follows:

SECTION 1. Acquisition.

1.1 Consent. Effective upon the Effective Date (as defined in Section 3 hereof) and subject to satisfaction of all conditions specified in Section 1.2 hereof, the Required Holder(s) hereby consent to the Acquisition (this "**Consent**"), as follows:

(a) **Limitation on Consent.** This Consent is only applicable and shall only be effective in the specific instance and for the specific purpose for which made, is expressly limited to the facts and circumstances referred to herein, and shall not operate as (i) a waiver of, or consent to noncompliance with any other provision of the Note Agreement or any other Transaction Document, (ii) a waiver of any right, power or remedy of any holder of a Subordinated Note under the Note Agreement or any Transaction Document, or (iii) a waiver of or consent to any Event of Default or Default under the Note Agreement or any Transaction Document.

(b) **Acquisition Basket.** The Required Holder(s), the Company and (by their execution and delivery of the attached Guarantor Acknowledgment and Agreement) acknowledge that the aggregate consideration paid for the Acquisition shall not reduce the \$10,000,000 maximum aggregate consideration which the Borrowers may pay for acquisitions during the term of the Note Agreement permitted under paragraph 6B(v) of the Note Agreement.

1.2 Conditions. The effectiveness of this Consent shall be conditioned upon the satisfaction of the following conditions precedent:

(a) **Acquisition Documents.** The Company shall have delivered to the holders of the Subordinated Notes a true, complete and correct copy of the stock purchase agreement executed in connection with the Acquisition (including the Exhibits and Schedules thereto) and any other documents relating to the Acquisition as any holder of a Subordinated Note shall request, which requested documents shall be in form and substance satisfactory to the Required Holder(s).

(b) **Compliance with Note Agreement; No Events of Default.** The Company shall comply with the requirements set forth in clauses (a) through (d) of paragraph 6B(v) of the Note Agreement with respect to the Acquisition, and there shall be, as of the date of consummation of the Acquisition, no event or condition which constitutes an Event of Default under any of the Transaction Documents or which, with notice and/or the passage of time, would constitute an Event of Default.

(c) **Representations and Warranties.** The representations and warranties of contained in paragraph 8 of the Note Agreement shall be true and correct on and as of the date of consummation of the Acquisition with the same force and effect as if made on and as of such date.

SECTION 2. Amendments. Effective on the Effective Date, paragraph 6C of the Note Agreement is amended by (a) deleting the word "and" at the end of clause (viii) thereof, (b) replacing the period at the end of clause (ix) thereof with "; and" and (c) adding the following new clause (x) in proper sequence::

"(x) Indebtedness consisting of bank guarantees or letters of credit issued by one or more Banks for the account of a Foreign Subsidiary of an Obligor in an aggregate amount not to exceed \$500,000 at any one time outstanding."

SECTION 3. Conditions Precedent. This letter shall become effective as of the date (the "**Effective Date**") upon which each of the following conditions is satisfied:

3.1. Documents. Each holder of a Subordinated Note shall have received original counterparts or, if satisfactory to such holder, certified or other copies of all of the following, each duly executed and delivered by the party or parties thereto, in form and substance satisfactory to such holder, dated the date hereof unless otherwise indicated, and on such date in full force and effect:

- (a) a copy of this letter, duly executed by the Company and the Required Holder(s);
- (b) a copy of the attached Guarantor Acknowledgment and Agreement, duly executed by the Subsidiary Guarantors; and
- (c) an executed copy of an amendment to the Subordination Agreement executed by each holder of a Subordinated Note, the Company, the Guarantors and the Bank Agent.

3.2. Credit Agreement. Each holder of a Subordinated Note shall have received a copy of an executed amendment to the Credit Agreement in form and substance satisfactory to the Required Holder(s) containing, among other things, a consent consistent with the Consent.

3.3. Fees and Expenses. The Company shall have paid the fees and expenses of special counsel to the holders of the Subordinated Notes that have been presented to the Company as of the Effective Date.

3.4. Representations and Warranties. The representations and warranties of the Company in Section 4 hereof shall be true and correct on the Effective Date.

3.5. Proceedings. All corporate and other proceedings taken or to be taken in connection with the transactions contemplated hereby and all documents incident thereto shall be satisfactory in substance and form to counsel to the holders of the Subordinated Notes, and each holder of the Subordinated Notes shall have received all such counterpart originals or certified or other copies of such documents as it may reasonably request.

SECTION 4. Representations and Warranties. To induce the holders of the Subordinated Notes to execute and deliver this letter, the Company hereby represents, warrants and covenants that (1) the execution and delivery of this letter have been duly authorized by all necessary corporate action on behalf of the Company and each Subsidiary Guarantor and this letter has been executed and delivered by a duly authorized officer of the Company and each Subsidiary Guarantor, and all necessary or required consents to this letter have been obtained and are in full force and effect, (2) this letter constitutes the legal, valid and binding obligation of the Company and each Subsidiary Guarantor enforceable in accordance with its terms, except as enforceability may be limited by (i) bankruptcy, insolvency, reorganization or other similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), (3) after giving effect to Sections 1 and 2 hereof, the representations and warranties contained in paragraph 8 of the Note Agreement are true on and as of the Effective Date, (4) after giving effect to Sections 1 and 2 hereof, there shall not exist on the Effective Date any Event of Default or Default, and (5) neither the Company nor any Subsidiary Guarantor has paid or agreed to pay, and neither the Company nor any Subsidiary Guarantor will pay or agree to pay, any fees or other consideration to any Person in connection with the amendment referenced in Section 3.2 hereof, other than out-of-pocket fees and expenses of legal counsel to the lenders under the Credit Agreement and out-of-pocket fees and expenses of legal counsel to the Company and the Subsidiary Guarantors.

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SECTION 5. Reference to and Effect on Note Agreement and other Transaction Documents. Upon the effectiveness of the amendments in this letter, each reference to the Note Agreement in any other document, instrument or agreement shall mean and be a reference to the Note Agreement as modified by this letter. Except as specifically set forth in Sections 1 and 2 of this letter, the Note Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. Except as specifically set forth in Sections 1 and 2 of this letter, the execution, delivery and effectiveness of this letter shall not (a) amend the Note Agreement, any Subordinated Note or any other Transaction Document, (b) operate as a waiver of any right, power or remedy of the holder of any Subordinated Note, or (c) constitute a waiver of, or consent to any departure from, any provision of the Note Agreement, any Subordinated Note or any other Transaction Document at any time. The Company acknowledges and agrees that it has no defense, whether legal or equitable, setoff or counterclaim to the payment and performance of its obligations under the Note Agreement or any other Transaction Document. The execution, delivery and effectiveness of this letter shall not be construed as a course of dealing or other implication that the holders of Subordinated Notes have agreed to or are prepared to grant any amendment, waiver or consent under the Note Agreement or any other Transaction Document in the future, whether or not under similar circumstances.

SECTION 6. Expenses. The Company hereby confirms its obligations under the Note Agreement, whether or not the transactions hereby contemplated are consummated, to pay, promptly after request by any holder of a Subordinated Note, all reasonable out-of-pocket costs and expenses, including attorneys' fees and expenses, incurred by the holders of the Subordinated Notes in connection with this letter or the transactions contemplated hereby, in enforcing any rights under this letter, or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this letter or the transactions contemplated hereby. The obligations of the Company under this Section 6 shall survive transfer by any holder of any Subordinated Note and payment of any Subordinated Note.

SECTION 7. Governing Law. **THIS LETTER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, AND THE RIGHTS OF THE PARTIES SHALL BE GOVERNED BY, THE LAW OF THE STATE OF NEW YORK (EXCLUDING ANY CONFLICTS OF LAW RULES WHICH WOULD OTHERWISE CAUSE THIS AGREEMENT TO BE CONSTRUED OR ENFORCED IN ACCORDANCE WITH, OR THE RIGHTS OF THE PARTIES TO BE GOVERNED BY, THE LAWS OF ANY OTHER JURISDICTION).**

SECTION 8. Counterparts; Facsimile Signature Pages; Section Titles. This letter may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this letter by facsimile or electronic transmission shall be effective as delivery of a manually executed counterpart of this letter. The section titles contained in this letter are and shall be without substance, meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

[signature pages follow]

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Very truly yours,

PRUDENTIAL CAPITAL PARTNERS IV, L.P.

By: Lake Street Partners IV, L.P. (its General Partner)

By: /s/ Stephen F. Szejner
Vice President

**PRUDENTIAL CAPITAL PARTNERS
MANAGEMENT FUND IV, L.P.**

By: Market Street Holdings IV, LLC (its General Partner)

By: Prudential Investment Management, Inc. (its Managing Member)

By: /s/ Stephen F. Szejner
Vice President

**PRUDENTIAL CAPITAL PARTNERS
(PARALLEL FUND) IV, L.P.**

By: Lake Street Partners IV, L.P. (its General Partner)

By: /s/ Stephen F. Szejner
Vice President

Consent and Amendment No. 3 to Note Agreement

Agreed and accepted:

ALLIED MOTION TECHNOLOGIES INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Chief Financial Officer

Consent and Amendment No. 3 to Note Agreement

GUARANTOR ACKNOWLEDGMENT AND AGREEMENT

The undersigned consent and agree to and acknowledge the terms of the foregoing Amendment No. 3 to Note Agreement dated as of January , 2016 (the “**Amendment**”). The undersigned further agree that the obligations of the undersigned pursuant to the Guaranty Agreement dated as of October 18, 2013 (the “**Subsidiary Guaranty**”) executed by the undersigned are hereby ratified and shall remain in full force and effect and be unaffected hereby.

Each of the undersigned acknowledges and agrees that it has no defense, whether legal or equitable, setoff or counterclaim to the payment and performance of its obligations under the Subsidiary Guaranty.

ALLIED MOTION CONTROL CORPORATION

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

EMOTEQ CORPORATION

By: /s/ Michael R. Leach

Name: Michael R. Leach
Title: Vice President

MOTOR PRODUCTS CORPORATION

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

AMOT I, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

Guarantor Acknowledgment and Agreement

AMOT II, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

AMOT III, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

STATURE ELECTRIC, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

GLOBE MOTORS, INC.

By: /s/ Michael R. Leach
Name: Michael R. Leach
Title: Vice President

Guarantor Acknowledgment and Agreement



Allied Motion Technologies Inc.
 495 Commerce Dr., Suite 3
 Amherst, NY 14228
 Phone: 716-242-8634
 Fax: 716-242-8638

NEWS RELEASE

FOR IMMEDIATE RELEASE

ALLIED MOTION TECHNOLOGIES COMPLETES ACQUISITION OF HEIDRIVE

*Expands Allied Motion's product offerings, geographic reach,
 technical sales and systems engineering capabilities*

AMHERST, NEW YORK, January 12, 2016 — Allied Motion Technologies Inc. (NASDAQ: AMOT), a global designer and manufacturer of motion control products, announced today that it has completed the acquisition of Heidrive GmbH, a drive technology and engineering company for €20 million (approximately US\$22 million). Allied Motion announced on December 23, 2015 that it had signed an agreement to purchase Heidrive.

Headquartered in Kelheim, Germany, Heidrive designs and manufactures customized, innovative synchronous motion systems for highly demanding applications from medical technology and robotics to cargo aviation and building technologies, as well as various commercial applications. Its products include a variety of motors, gears and electronic controls. Heidrive has approximately 220 employees with manufacturing facilities in Kelheim and Mrakov, Czech Republic. Heidrive expects 2015 revenue of approximately €29 million (US\$32 million), up about 8% from the prior year, and total assets at December 31, 2015 are anticipated to be approximately €10 million (US\$11 million). The acquisition is expected to be immediately accretive to Allied Motion.

“This acquisition brings us a well-managed, focused organization that is strategically aligned with Allied Motion and will provide us with many opportunities to advance our growth strategy through new markets, customers, products and capabilities,” commented Richard S. Warzala, Allied Motion’s Chairman and Chief Executive Officer. “Heidrive brings complementary product lines and additional technical competencies in customized motor and system solutions while expanding our sales footprint and customer base in the German market. Heidrive also provides an efficient operational presence in Germany and the Czech Republic that will further enhance our global production capabilities. We further expect to leverage the products and capabilities of the combined company to enhance revenue growth through our *One Team* sales network around the world.”

About Allied Motion Technologies Inc.

Headquartered in Amherst, NY, Allied Motion designs, manufactures and sells motion control products into applications that serve many industry sectors. Allied Motion is a leading supplier of precision and specialty motion control components and systems to a broad spectrum of customers throughout the world. The Company routinely posts news and other important information on its website at <http://alliedmotion.com>.

Safe Harbor Statement

Allied Motion makes forward-looking statements in this news release that represent its expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “may” and other similar expressions. In addition, any statements that refer to expectations, prospects, projections or other characterizations of future events or circumstances are forward-looking statements. Forward-looking statements made in this news release, include, but are not limited to, statements concerning: Heidrive’s business complementing and expanding Allied Motion’s existing operations; growth prospects; other potential benefits and synergies of the transaction. Forward-looking statements involve known and unknown risks and uncertainties that may cause actual results of the Company to differ materially from the forward-looking statements.

You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future events and involve risks, uncertainties and other known and unknown factors that may cause actual results and performance to be materially different from any future results or performance expressed or implied by such forward-looking statements, including, but not limited to, general

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economic conditions and conditions affecting the industries in which Allied Motion and Heidrive operate; Allied Motion’s ability to successfully integrate Heidrive’s operations and employees with Allied Motion’s existing business; the ability to realize anticipated growth, synergies and cost savings; and Heidrive’s performance and maintenance of important business relationships.

Allied Motion makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statement.

Company Contact:

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 Allied Motion Technologies Inc.
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 Email: sue.chiarmonte@alliedmotion.com

Investor Contact:

Deborah K. Pawlowski
 Kei Advisors LLC
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 Email: dpawlowski@keiadvisors.com

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