



TO: Maxim's Valued Customers

DATE: January 16, 2012

SUBJECT: "Conflict Free" Minerals

The issue of conflict minerals used in the semiconductor, as well as other industries, is complex.

On July 21, 2010 President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act (Wall Street Reform Act). Section 1502 of the Wall Street Reform Act requires publicly traded companies to disclose the extent to which their products contain so-called conflict minerals sourced from mines in the Democratic Republic of the Congo (DRC) or adjoining countries, in order to prevent the sale and profit of such minerals from fueling human right atrocities in the DRC region. Conflict minerals include tantalum, tin, tungsten, gold which are integral to the manufacture of semiconductor products.

Certain products manufactured and sold by Maxim do contain metals listed in the legislation as conflict minerals. The minerals listed in the legislation have common uses including:

- Wafer fabrication processes commonly use tantalum, tungsten and gold in the metal interconnect.
- Gold is also commonly used in assembly manufacturing (i.e. wire bonding).
- Tin is commonly used in assembly manufacturing for solder bumps and external lead finish to comply with ROHS requirements.

Maxim is committed to ensuring materials used throughout our supply chain are procured in a responsible and ethical manner. However, the lack of global mechanisms to support the legislation have not been fully developed and deployed. Issues include, but are not limited to:

- Finalization of the SEC regulations, due diligence process and reporting requirements.
- Identification by the US State Department of legitimate mining sources as required by the legislation. The US Dept of State was to provide a map of conflicted mines in the DRC. This has not been done. Furthermore, the Dept of State and the DRC government(s) acknowledge the problems and difficulties in completing this task. In the absence of this task being done, it is not possible to determine if minerals procured by any company originate from conflict mines or not.
- Traceability and certification schemes to track ore to legitimate mining sources in the DRC.

Maxim is closely monitoring the status of conflict minerals with the full intent of complying with the legislation and supporting our customers when it becomes feasible to do so. Governmental and non-governmental agencies are working in cooperation to address the above and other concerns which have prevented companies for achieving the intent of the Conflict Minerals initiative. Maxim believes direction and solutions to the various conflict mineral issues will be forthcoming through the involvement and participation of industry, governmental and non-governmental agencies. We will continue to monitor these developments, and implement due diligence and compliant processes once the required infrastructure and regulations become available.

Regards,

A handwritten signature in black ink, appearing to read "Bryan Preeshl".

Bryan Preeshl
Vice President,
Quality and
Environmental Management