



## **CHARTER OF THE AUDIT COMMITTEE OF MAXIM INTEGRATED PRODUCTS, INC.**

**(Adopted June 8, 2000,  
Amended September 10, 2002,  
September 17, 2004 and April 6, 2007)**

### **PURPOSE AND POLICY; FUNDING**

The Audit Committee of the Board of Directors (the “Committee”) shall oversee the accounting and financial reporting processes of the Company and audits of the financial statements of the Company and provide assistance to the Board of Directors of the Company in fulfilling its responsibilities to the Company’s stockholders with respect to the Company’s outside auditor and the corporate accounting and reporting practices as well as the quality and integrity of the Company’s financial statements and reports.

The policy of the Committee in discharging these functions shall be to maintain and foster an open avenue of communication between and among the Committee, the independent auditor, the Company’s financial management and its internal auditor.

The Company shall provide the Committee with appropriate funding, as determined by the Committee in its capacity as a committee of the Board of Directors, for the payments of: (1) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (2) compensation to any independent advisors retained by the Committee in carrying out its duties; and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

### **COMPOSITION AND ORGANIZATION**

The Committee shall consist of three (3) members of the Board of Directors. Each member of the Committee shall be an independent director within the meaning of the rules of the SEC and Applicable Listing Association. For purposes hereof, an “independent director” shall be one:

1. who accepts no consulting, advisory or other compensatory fee from the Company or any subsidiary other than in his or her capacity as a member of the Board of Directors, the Committee, or any other committee of the Board of Directors or is not otherwise an affiliated person of the Company or any subsidiary, and
2. who is not an officer or employee of the Company or any subsidiary and who is free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment in carrying out the responsibilities of a director of the Company, and

3. who satisfies any other independence requirements of the Applicable Listing Association.

Each member of the Committee shall be able to read and understand fundamental financial statements in accordance with the rules of the Applicable Listing Association and the SEC as to audit committees. At least one member shall have past employment experience in finance or accounting, a professional certification in accounting or other comparable experience or background that results in the individual's possessing the requisite financial sophistication, including a current or past position as a chief executive or financial officer or other senior officer with financial oversight responsibilities.

## **ACCOUNTABILITY**

The outside auditor of the Company is ultimately responsible to the Board of Directors and the Committee, as representatives of the stockholders of the Company. The Committee has the ultimate authority and responsibility to select, evaluate, and where appropriate, replace the outside auditor (or nominate the outside auditor to be proposed for stockholder ratification in any proxy statement.).

## **PREAPPROVAL OF AUDITOR SERVICES**

The Committee is exclusively authorized and directed to consider and, in its discretion, approve in advance, any services proposed to be carried out for the Company by its then current independent auditors or by any firm of independent auditors proposed to be engaged by the Company as its independent auditors. Such consideration shall entail determining:

1. whether the services are permissible services under applicable law and regulation,
2. whether the proposed service provider meets the independence and other requirements of applicable law and regulation,
3. whether the proposed services are reasonably necessary or advisable for the benefit of the Company,
4. whether the proposed fees for the services are reasonable, and
5. whether, in the discretion of the Committee, such services shall be approved and on what terms and conditions.

The Committee is authorized by vote of any two (2) members to delegate to a single independent member of the Committee all authority of the Committee to make all determinations and grant all approvals contemplated by this section of this Charter; *provided* that all decisions so made must be subsequently reported to the full Committee at its next-scheduled meeting.

All approvals of non-audit services to be performed by the independent financial auditor will be disclosed in the Company's applicable periodic reports to the extent such disclosure is required or desired.

## **ADDITIONAL RESPONSIBILITIES**

In fulfilling its responsibilities, the Committee believes that its functions and procedures should remain flexible in order to address changing conditions most effectively. To implement the purposes of this charter, the Committee shall have the following functions:

1. To review the policies and procedures adopted by the Company to fulfill its responsibilities regarding the fair and accurate presentation of financial statements in accordance with generally accepted accounting principles and applicable rules and regulations of the SEC and the Applicable Listing Association.
2. To confer with the independent auditor and with the senior management of the Company regarding the scope, adequacy and effectiveness of internal accounting and financial reporting controls in effect.
3. To appoint, determine the compensation of, and oversee the work of any registered public accounting firm engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; provided also that each such registered public accounting firm shall report directly to the Committee.
4. To review the engagement of the independent auditor, including the scope, extent and procedures of the audit and the compensation to be paid therefor, and all other matters the Committee deems appropriate.
5. To evaluate the performance of the independent auditor and, if so determined by the Committee, to recommend that the Board of Directors replace the independent auditor.
6. To recommend annually to the stockholders of the Company ratification of the selection of the firm of certified public accountants to be employed by the Company as its independent auditor for the ensuing year.
7. To review major changes to the Company's auditing and accounting principles and practices as suggested by the Company's independent auditor, internal auditors or management.

8. To receive formal written statements from the independent auditor delineating all relationships between the auditor and the Company, consistent with Independence Standards Board Standard No. 1, to actively engage in a dialogue with the auditor with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditor and to take, or recommend that the full Board of Directors take, appropriate action to oversee and ensure the independence of the auditor.
9. To establish clear policies regarding the hiring of employees and former employees of the Company's independent auditor.
10. To review, upon completion of the audit, the financial statements and related notes and the Management's Discussion and Analysis proposed to be included in the Company's Annual Report on Form 10-K, to discuss those financial statements and related notes and Management's Discussion and Analysis with the Company's management and the independent auditor and to make a recommendation to the Board of Directors whether such financial statements should be included in the Company's Annual Report on Form 10-K.
11. To discuss with the independent auditor the results of the annual audit, including, without limitation, their report and all matters required to be communicated to the Committee by the independent auditor in accordance with SAS 61.
12. To evaluate the cooperation received by the independent auditor during their audit examination, including any restrictions on the scope of their activities or access to required records, data and information.
13. To confer with the independent auditor, and senior management in separate executive sessions to discuss any matters that the Committee, the independent auditor, or senior management believe should be discussed privately with the Committee.
14. To consider the independent auditors' communications regarding critical accounting policies and practices, alternative treatments of financial information and other material written communications between the independent auditors and management (such as any management letter or schedule of unadjusted differences), the treatment preferred by the independent auditor and the effect or potential effect of any regulatory regime, accounting initiatives or off-balance sheet structures on the Company's financial statements.
15. To recommend to the full Board of Directors, if appropriate, further investigation of any matter brought to the attention of the Committee within the scope of its duties.

16. To review and address any concerns regarding potentially illegal actions raised by the Company's independent auditor pursuant to Section 10A(b) of the Act.
17. To obtain from the Company's independent auditor assurance that it has complied with Section 10A of the Act.
18. To prepare any reports required by the rules of the SEC to be included in the Company's annual proxy statement.
19. To establish procedures for (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (b) the confidential, anonymous submission by the Company's employees of concerns regarding questionable accounting or auditing matters.
20. To review and monitor the Company's Code of Business Conduct and Ethics.
21. To review all related party transactions for potential conflict of interest situations on an ongoing basis and approve all such transactions (if such transactions are not approved by another independent body of the Board of Directors).
22. To review and reassess the adequacy of this charter annually and recommend any proposed changes to the Board of Directors for approval.

## **MEETINGS**

The Committee will meet at least once per quarter and have the authority to hold additional meetings as its members shall deem necessary or appropriate. Minutes of each meeting of the Committee shall be prepared and distributed to each member of the Committee for approval after each meeting and distributed to all other directors of the Company. Approved Committee meeting minutes shall be maintained in the Minute Book of the Company with the minutes of the meetings of the Board of Directors and other committees thereof. The Committee may designate a Chair of the Committee by majority vote of the full Committee. The operation of the Committee shall be subject to the Bylaws of the Company as in effect from time to time and Section 141 of the Delaware General Corporation Law.

## **POWERS**

The Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities. The Committee shall be empowered to engage independent counsel and other advisers, as it determines necessary to carry out its duties. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Those tasks are the

responsibility of management and the independent auditor. The Board of Directors and the Committee are in place to represent the Company's stockholders. Accordingly, the independent auditor is ultimately accountable to the Board of Directors and the Committee.