

MAXIM INTEGRATED PRODUCTS INC
Form DEF 14A
September 29, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a party other than the Registrant

Check the appropriate box:

Preliminary proxy statement

Definitive proxy statement

Definitive additional materials

Soliciting material pursuant to §240-14a-12

Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Maxim Integrated Products, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

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(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(1) Amount previously paid:

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

(3) Filing Party:

(4) Date Filed:

MAXIM INTEGRATED PRODUCTS, INC.

120 San Gabriel Drive

Sunnyvale, CA 94086

(408) 737-7600

September 29, 2010

Dear Stockholders:

We are pleased to invite you to attend Maxim Integrated Products, Inc.'s (Maxim, we or our) 2010 annual meeting of stockholders to be held on Tuesday, November 9, 2010 at 10:00 a.m. Pacific Time, at our Event Center at 433 N. Mathilda Avenue, Sunnyvale, California 94086.

Details regarding admission to the meeting and the business to be conducted are described in this proxy statement, as well as in the Notice of Internet Availability of Proxy Materials (the Notice) to be mailed to you on or about September 30, 2010. We have also made available a copy of our 2010 Annual Report on Form 10-K with this proxy statement. We encourage you to read our 2010 Annual Report as it includes our audited financial statements and provides information about our business and products.

As we did last year, we have elected to provide access to our proxy materials for the 2010 annual meeting over the Internet under the notice and access rules of the Securities and Exchange Commission (SEC). We believe that this process expedites stockholders' receipt of proxy materials, lowers the costs of our annual meeting, and helps to conserve natural resources. The Notice you will receive in the mail contains instructions on how to access this proxy statement and 2010 Annual Report and vote online. The Notice also includes instructions on how to request a paper copy of the annual meeting materials, should you wish to do so.

Of particular importance is our proposal to increase the number of shares reserved for issuance under our 1996 Stock Incentive Plan (the 1996 Equity Plan). With this letter, I am seeking your support of the addition of 7 million shares to the 1996 Equity Plan, which represents approximately 2.36% of the total number of shares currently outstanding. In order to achieve our long-range plan, our goal of being recognized by our employees, customers, and investors as the leading company in the analog and mixed-signal semiconductor industry, and to maximize stockholder value, management and the board of directors believe it is imperative that stockholders approve our request for the addition of 7 million shares to the 1996 Equity Plan.

Your vote is important. Please review the instructions on each of your voting options described in this proxy statement as well as in the Notice.

Also, please let us know if you plan to attend our annual meeting when you vote by telephone or over the Internet by indicating your plans when prompted or, if you requested to receive printed proxy materials, by marking the appropriate box on the enclosed proxy card.

Thank you for your ongoing support of Maxim. We look forward to seeing you at our annual meeting.

Sincerely,

Tunc Doluca
President and Chief Executive Officer

MAXIM INTEGRATED PRODUCTS, INC.

120 San Gabriel Drive

Sunnyvale, CA 94086

(408) 737-7600

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

Time and Date

10:00 a.m., Pacific Time, on Tuesday, November 9, 2010 (the meeting date).

Place

Event Center, 433 N. Mathilda Avenue, Sunnyvale, California 94086.

Items of Business

(1) To elect seven members of the board of directors to hold office until the next annual meeting of stockholders or until their respective successors have been elected and qualified.

(2) To ratify the appointment of Deloitte & Touche LLP as Maxim's independent registered public accounting firm for the fiscal year ending June 25, 2011.

(3) To ratify and approve amendments to Maxim's 2008 Employee Stock Purchase Plan (the 2008 ESP Plan) to increase the number of shares available for issuance thereunder by 2,000,000 shares.

(4) To ratify and approve an amendment to Maxim's Amended and Restated 1996 Stock Incentive Plan (the 1996 Equity Plan) to increase the number of shares available for issuance thereunder by 7,000,000 shares.

(5) To consider such other business as may properly come before the meeting.

Adjournments and Postponements

Any action on the items of business described above may be considered at the annual meeting at the time and on the date specified above or at any time and date to which the annual meeting may be properly adjourned or postponed.

Record Date

You are entitled to vote only if you were a Maxim stockholder as of the close of business on September 13, 2010 (the record date).

Meeting Admission

You are entitled to attend the annual meeting **only if you were a Maxim stockholder as of the close of business on the record date or hold a valid proxy to vote at the annual meeting**. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. You should be prepared to present photo identification for admittance. If you are not a stockholder of record but hold shares through a brokerage firm, bank, broker-dealer, trustee or nominee (i.e., in street name), you should provide proof of beneficial ownership as of the record date, such as your most recent account statement prior to the record date, a copy of the voting instruction card provided by your brokerage firm, bank, broker-dealer, trustee or nominee, or similar

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evidence of ownership. If you do not provide photo identification or comply with the other procedures outlined above, you will not be admitted to the annual meeting. Cameras and other video or audio recording devices will not be permitted at the meeting.

Please let us know if you plan to attend the meeting by marking the appropriate box on the enclosed proxy card, if you requested to receive printed proxy materials, or, if you vote by telephone or over the Internet, by indicating your plans when prompted.

The annual meeting will begin promptly on the meeting date at 10:00 a.m., Pacific Time. Check-in will begin at 9:30 a.m., Pacific Time, and you should allow ample time for the check-in procedures.

Your vote is very important. Whether or not you plan to attend the annual meeting, we encourage you to read this proxy statement and submit your proxy or voting instructions as soon as possible. For specific instructions on how to vote your shares, please refer to the instructions on the Notice of Internet Availability of Proxy Materials you will receive in the mail, the Questions and Answers section in this proxy statement or, if you requested to receive printed proxy materials, your enclosed proxy card.

By order of the board of directors,

Tunc Doluca
President and Chief Executive Officer

This proxy statement and form of proxy will be filed with the SEC on September 29, 2010. The Notice containing instructions on how to access this proxy statement online or receive a paper or email copy will be mailed to the stockholders on or about September 30, 2010.

MAXIM INTEGRATED PRODUCTS, INC.

120 San Gabriel Drive

Sunnyvale, California 94086

Proxy Statement for Annual Meeting of Stockholders

NOVEMBER 9, 2010

QUESTIONS AND ANSWERS ABOUT THE PROXY MATERIALS AND THE ANNUAL MEETING

Q: Why am I receiving these materials?

A: Our board of directors is making these materials available to you on the Internet, or, upon your request, is delivering printed proxy materials to you, in connection with the solicitation of proxies for use at Maxim's 2010 annual meeting of stockholders, which will take place on November 9, 2010 at 10 a.m. Pacific Time, at our Event Center located at 433 N. Mathilda Avenue, Sunnyvale, California 94086. As a stockholder holding shares of our common stock on September 13, 2010 (the record date), you are invited to attend the annual meeting and requested to vote on the proposals described in this proxy statement.

As of the record date, 296,980,830 shares of Maxim's common stock were issued and outstanding.

Q: What information is contained in this proxy statement?

A: The information in this proxy statement relates to the proposals to be voted on at the annual meeting, the voting process, the compensation of our directors and most highly paid executive officers, and certain other information required to be provided by the rules and regulations of the Securities and Exchange Commission (the SEC).

Q: Why did I receive a notice in the mail regarding the Internet availability of proxy materials instead of a full set of printed proxy materials?

A: Under the applicable rules of the SEC, we may furnish proxy materials, including this proxy statement and our 2010 Annual Report, to our stockholders by providing access to such documents on the Internet instead of mailing printed copies. Providing access to proxy materials over the Internet would help us lower the cost of holding our annual meeting and save natural resources. On or about September 30, 2010, we are mailing the notice of the Internet Availability of Proxy Materials (the Notice) to our stockholders (except those stockholders who previously requested electronic or paper delivery of proxy materials), which includes instructions as to how stockholders may access and review all of the proxy materials on the Internet. The Notice also instructs you as to how you may submit your proxy on the Internet. If you would like to receive a paper or email copy of our proxy materials, you should follow the instructions for requesting such materials

provided in the Notice.

Q: How do I get electronic access to the proxy materials?

A: The Notice will provide you with instructions regarding how to:

View our proxy materials for the annual meeting on the Internet and vote online; and

If desired, instruct us to send our future proxy materials to you electronically by email or by mail.

Q: I share an address with another stockholder and we only received one copy of the Notice and/or other proxy materials. How may I obtain a separate copy?

A: Under the procedure approved by the SEC called householding, if you have the same address and last name as another stockholder and do not participate in electronic delivery of proxy materials, you may receive only one copy of the Notice, or, if applicable, one copy of any other proxy materials, unless you instruct us otherwise. Please note that you will still be able to access the proxy materials on the Internet and

vote your shares separately. If you received a single copy of the Notice or other proxy materials as a result of householding and you would like to have separate copies of such materials mailed to you, please submit your request either by calling the number provided below or mailing a written request to the address provided below:

Corporate Secretary

Maxim Integrated Products, Inc.

120 San Gabriel Drive

Sunnyvale, CA 94086

(408) 470-5606

We will promptly mail a separate copy of this proxy statement upon our receipt of such request. Please note that if you want to receive a paper copy of this proxy statement or other proxy materials, you should follow the instructions included in the Notice.

Q: What items of business will be voted on at the annual meeting?

A: The items of business scheduled to be voted on at the annual meeting are:

the election of seven directors;

the ratification of the appointment of Deloitte & Touche LLP as Maxim's independent registered public accounting firm for the fiscal year ending June 25, 2011;

the ratification and approval of an amendment to Maxim's 2008 ESP Plan to increase the number of shares available for issuance thereunder by 2,000,000 shares; and

the ratification and approval of an amendment to Maxim's 1996 Equity Plan to increase the number of shares available for issuance thereunder by 7,000,000 shares.

In addition, we will consider any other items of business that properly come before the annual meeting.

Q: What are the requirements for admission to the meeting?

A: Only stockholders holding shares of Maxim's common stock as of the record date or their proxy holders and Maxim's guests may attend the meeting. Since seating is limited, admission to the meeting will be on a first-come, first-served basis. Registration and seating will begin at 9:30 a.m. (Pacific Time). Cameras and other video or audio recording devices will not be permitted at the meeting.

If you attend, please note that you may be asked to present valid picture identification, such as a driver's license or passport. If you hold your shares as a beneficial owner through a brokerage firm, bank, broker-dealer, trustee or nominee, you will need to ask your brokerage firm, bank, broker-dealer, trustee or nominee for an admission card in the form of a legal proxy. You will need to bring the legal proxy with you to the meeting. If you do not receive the legal proxy in time, bring your most recent brokerage statement (reflecting your share ownership as of September 13, 2010, the record date) with you to the meeting. We can use that to verify your ownership of shares of our

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common stock and admit you to the meeting. However, as discussed more fully under the heading "What is the difference between holding shares as a stockholder of record and as a beneficial owner?", beneficial owners will not be able to vote their shares at the annual meeting without a legal proxy.

Q: How does the board of directors recommend that I vote?

A: Our board of directors recommends that you vote your shares (1) FOR the election of each of the nominees to the board of directors, (2) FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 25, 2011, (3) FOR the ratification and approval of an amendment to Maxim's 2008 ESP Plan to increase the number of shares available for issuance thereunder by 2,000,000 shares, and (4) FOR the ratification and approval of an amendment to Maxim's 1996 Equity Plan to increase the number of shares available for issuance thereunder by 7,000,000 shares.

Q: *How many votes do I have?*

A: For each proposal to be voted on, you have one vote for each share of Maxim's common stock you own as of the record date.

Q: *What is the difference between holding shares as a stockholder of record and as a beneficial owner?*

A: Many Maxim stockholders hold their shares through a broker or other nominees rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially.

Stockholder of Record: If your shares are registered directly in your name with our transfer agent, Computershare, as of the record date, you are considered, with respect to those shares, the *stockholder of record*, and the Notice was sent directly to you by Maxim. As the *stockholder of record*, you have the right to grant your voting proxy directly to Maxim or to vote in person at the annual meeting. If you requested to receive printed proxy materials, Maxim has enclosed or sent a proxy card for you to use. You may also vote on the Internet or by telephone, as described in the Notice and below under the heading *How can I vote my shares without attending the annual meeting?*, or by completing and mailing the proxy card if you requested a printed copy of the proxy materials.

Beneficial Owner: If your shares are held in an account at a brokerage firm, bank, broker-dealer, trust or other similar organization, like the vast majority of our stockholders, you are considered the *beneficial owner* of shares held in *street name*, and the Notice was forwarded to you by that organization. As the beneficial owner, you have the right to direct your brokerage firm, bank, broker-dealer or trustee how to vote your shares, and you are also invited to attend the annual meeting. Since a *beneficial owner* is not the *stockholder of record*, you may not vote your shares in person at the annual meeting unless you obtain a legal proxy from the brokerage firm, bank, broker-dealer, trust or other similar organization that holds your shares giving you the right to vote the shares at the meeting. If you do not wish to vote in person or you will not be attending the annual meeting, you may vote by proxy. You may vote by proxy over the Internet or by telephone, as described in the Notice and below under the heading *How can I vote my shares without attending the annual meeting?*

Q: *How can I vote my shares in person at the annual meeting?*

A: Shares held in your name as the stockholder of record may be voted by you in person at the annual meeting. Shares held beneficially in street name may be voted by you in person at the annual meeting only if you obtain a legal proxy from the brokerage firm, bank, broker-dealer, trustee or nominee that holds your shares giving you the right to vote the shares.

Even if you plan to attend the annual meeting, we recommend that you also submit your proxy or voting instructions as described below so that your vote will be counted if you later decide not to attend the meeting.

Q: *How can I vote my shares without attending the annual meeting?*

A: Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the annual meeting. If you are a stockholder of record, you may vote by proxy. You may vote by proxy over the Internet or by telephone by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you may also vote by mail pursuant to instructions provided on the proxy card. If you hold shares beneficially in street name, you may also vote by proxy over the Internet or by telephone by following the instructions provided in the Notice, or, if you requested to receive printed proxy materials, you may also vote by mail by following the voting instruction card provided to you by your brokerage firm, bank, broker-dealer, trustee or nominee.

Q: *Can I change my vote?*

A: You may change your vote at any time prior to the taking of the vote at the annual meeting. If you are a stockholder of record, you may change your vote by (1) delivering to Maxim's Corporate Secretary at 120 San Gabriel Drive, Sunnyvale, California 94086 a written notice of revocation or a duly executed proxy bearing a date subsequent to your original proxy prior to the date of the annual meeting, or (2) attending the annual meeting and voting in person. Attendance at the meeting will not cause your previously granted proxy to be revoked unless you specifically so request. For shares you hold beneficially in street name, you may change your vote by submitting new voting instructions to your brokerage firm, bank, broker-dealer, trustee or nominee following the instructions they provided, or, if you have obtained a legal proxy from your brokerage firm, bank, broker-dealer, trustee or nominee giving you the right to vote your shares, by attending the annual meeting and voting in person.

Q: *What happens if I deliver a signed proxy without specifying how my shares should be voted?*

A: If you sign and deliver your proxy without instructions and do not later revoke the proxy, the proxy will be voted **FOR** the slate of nominees to the board of directors described in this proxy statement and **FOR** Proposals No. 2, No. 3 and No. 4. As to any other matter that may properly come before the annual meeting, the proxy will be voted according to the judgment of the proxy holders.

Q: *Is my vote confidential?*

A: Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. An independent tabulator, not Maxim, will count the votes, and your vote will not be disclosed either within Maxim or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the results and (3) to facilitate a successful proxy solicitation. Occasionally, stockholders provide on their proxy card written comments, which are then forwarded to Maxim management.

Q: *How many shares must be present or represented to conduct business at the annual meeting?*

A: The quorum requirement for holding the annual meeting and transacting business is that holders of a majority of the voting power of the issued and outstanding common stock of Maxim as of the record date must be present in person or represented by proxy. Both abstentions and broker non-votes (described below) are counted for the purpose of determining the presence of a quorum.

Q: *What is the voting requirement to approve each of the proposals?*

A: In the election of directors, the seven nominees receiving the highest number of affirmative **FOR** votes at the annual meeting will be elected.

The affirmative **FOR** vote of a majority of the votes cast on the proposal is required to approve (1) the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 25, 2011, (2) the ratification and approval of an amendment to Maxim's 2008 ESP Plan to increase the number of shares available for issuance thereunder by 2,000,000 shares, and (3) the ratification and approval of an amendments to Maxim's 1996 Equity Plan to increase the number of shares available for issuance thereunder by 7,000,000 shares.

Q: *What are my voting choices?*

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- A:** In the election of directors, you may vote **FOR** or **WITHHOLD** with regards to all or some of the nominees. Votes **WITHHOLD** with respect to the election of directors will be counted for purposes of determining the presence or absence of a quorum at the annual meeting but will have no other legal effect upon election of directors, as the election of a director only requires a plurality of affirmative **FOR** votes.

For the other items of business, you may vote FOR, AGAINST or ABSTAIN. If you elect to ABSTAIN, the abstention has the same effect as a vote AGAINST.

Q: *What is the effect of broker non-votes and abstentions?*

A: If you hold shares beneficially in street name and do not provide your broker with voting instructions, your shares may constitute broker non-votes. Generally, broker non-votes occur on a matter when a broker is not permitted to vote on that matter without instructions from the beneficial owner and instructions are not given. In tabulating the voting result for any particular proposal, shares that constitute broker non-votes are not considered votes cast on that proposal. Therefore, broker non-votes will not affect the outcome of any matter being voted on at the meeting, assuming that a quorum is obtained.

Abstentions are considered votes cast and thus have the same effect as votes against the matter. However, in the election of directors, the vote WITHHOLD will have no effect on the outcome as such election only requires a plurality of affirmative FOR votes.

Q: *Is cumulative voting permitted for the election of directors?*

A: Yes. You may cumulate your votes for the election of directors. You are entitled to as many votes as equals the number of directors to be elected multiplied by the number of shares held by you, and you may cast all such votes for a single director or distribute such votes among as many candidates who have been properly nominated as you see fit. Please note that the proxy holders may exercise discretionary authority to cumulate votes and to allocate such votes among the seven nominees recommended by the board of directors.

Q: *What happens if additional matters are presented at the annual meeting?*

A: Other than the four specific items of business described in this proxy statement, we are not aware of any other business to be acted upon at the annual meeting. If you grant a proxy, the persons named as proxy holders, Mark Casper and Bruce Kiddoo, or either of them, will have the discretion to vote your shares on any additional matters properly presented for a vote at the meeting. If for any reason any of the nominees described in this proxy statement is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by the board of directors.

Q: *Who will serve as inspector of elections?*

A: The inspector of elections will be a representative from Broadridge Financial Services. Broadridge Financial Services will tabulate the votes in connection with the annual meeting.

Q: *Who will bear the cost of soliciting votes for the annual meeting?*

A: Maxim will pay the entire cost of preparing, assembling, printing, mailing and distributing these proxy materials and soliciting votes. If you choose to access the proxy materials and/or vote over the Internet, you are responsible for Internet access charges you may incur. If you choose to vote by telephone, you are responsible for telephone charges you may incur. In addition to the mailing of these proxy materials, the solicitation of proxies or votes may be made in person, by telephone or electronic communication by our directors, officers and employees, who will not receive any additional compensation for such solicitation activities. We will, upon request, reimburse brokerage firms and others for their reasonable expenses in forwarding solicitation material to the beneficial owners of our common stock.

Q: *Where can I find the voting results of the annual meeting?*

A: We intend to announce preliminary voting results at the annual meeting and publish final results in our current report on Form 8-K within four business days of the annual meeting date.

Q: *What is the deadline for submission of stockholder proposals for consideration at the 2011 annual meeting?*

A: **For proposals other than nomination of director candidates:** Pursuant to the SEC Rule 14a-8(e) promulgated under the Securities Exchange Act of 1934, as amended (the Exchange Act), a stockholder proposal will be considered for inclusion in our proxy materials for the 2011 annual meeting only if the Corporate Secretary of Maxim receives the proposal by no later than June 2, 2011.

Pursuant to the SEC Rule 14a-4 and 14a-5 promulgated under the Exchange Act, a stockholder proposal for consideration before the 2011 annual meeting that is not intended to be included in our proxy materials for the 2011 annual meeting will be considered timely only if the Corporate Secretary of Maxim receives notice of such stockholder proposal by no later than August 16, 2011. If the Corporate Secretary is not notified of such proposal on or before August 16, 2011, then Maxim's proxy holders will be permitted to use their discretionary voting authority to vote on such proposal if such proposal is raised at the 2011 annual meeting.

Proposals should be addressed to:

Corporate Secretary

Maxim Integrated Products, Inc.

120 San Gabriel Drive

Sunnyvale, CA 94086

Our bylaws also establish an advance notice procedure for stockholders who wish to present a proposal before an annual meeting of stockholders but do not intend for the proposal to be included in our proxy statement.

Our bylaws provide that the only business that may be conducted at an annual meeting is business that is (1) pursuant to Maxim's proxy materials with respect to such meeting, (2) brought by, or at the direction of, our board of directors, or (3) brought by a stockholder of Maxim who is a stockholder of record entitled to vote at the annual meeting who has timely delivered written notice to our Corporate Secretary, which notice must contain the information specified in our bylaws. To be timely for our 2011 annual meeting of stockholders, our Corporate Secretary must receive the written notice, prepared in accordance with our bylaws, at our principal executive offices:

not later than the close of business on August 16, 2011; and

not earlier than the close of business on July 15, 2011.

In the event that we hold our 2011 annual meeting of stockholders more than 30 days before or 60 days after the one-year anniversary date of the 2010 annual meeting, then notice of a stockholder proposal that is not intended to be included in our proxy statement must be received not later than the close of business on the earlier of the following two dates:

the 90th day prior to the 2011 annual meeting; or

the 10th day following the day on which public announcement of the meeting date is made (either in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by Maxim with the SEC).

If a stockholder who has notified us of his or her intention to present a proposal at an annual meeting takes any action contrary to the representations made in his or her notice to Maxim's Corporate Secretary, or if such representations contain an untrue statement of a material fact or omit a material fact, we are not required to present the proposal for a vote at such meeting.

For nomination of director candidates: Stockholders may propose nominees to be eligible for election as directors at the 2011 annual meeting in accordance with the provisions of our bylaws. To properly nominate

such a candidate, a stockholder must deliver written notice, prepared in accordance with our bylaws, to Maxim's Corporate Secretary prior to the deadlines set forth above for stockholder proposals. Prior to submitting a nomination, stockholders should take care to note all deadlines under the SEC Rules and Maxim bylaws described above.

Nominations should be addressed to:

Corporate Secretary
Maxim Integrated Products, Inc.
120 San Gabriel Drive
Sunnyvale, CA 94086

If a stockholder who has notified us of his or her intention to nominate a director candidate at an annual meeting takes any action contrary to the representations made in his or her notice to Maxim Corporate Secretary, or if such representations contain an untrue statement of a material fact or omit a material fact, we are not required to present the nomination at such meeting. For further information on requirements for director nominations by stockholders, please see our bylaws and the section entitled "Nominations of Director Candidates by Stockholders" in this proxy statement.

Copy of Bylaw Provisions: A copy of our bylaws can be found in the Corporate Governance section of Maxim's corporate website at <http://www.maxim-ic.com/company/investor/governance>. You may also contact our Corporate Secretary at the address given above for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

* * *

CORPORATE GOVERNANCE AND BOARD OF DIRECTORS MATTERS
Board of Directors

The names, ages and qualifications of each of our directors as of September 29, 2010 are as set forth in the table below. Except as described below, each of the nominees has been engaged in his principal occupation during the past five years. There are no family relationships among any of our directors or executive officers.

Name	Age	Principal Occupation and Business Experience
B. Kipling Hagopian	68	Mr. Hagopian has served as a director of Maxim since 1997 and has been the Chairman of the board of directors since January 2007. Mr. Hagopian is a founder of Brentwood Associates, a venture capital investment company, and was a General Partner of Brentwood until 1996 and a General Partner of all of the funds established by Brentwood from inception in 1972 until 1989. He has been a Special Limited Partner of each of the five Brentwood venture funds established since 1989 and is a Special Advisory Partner to Redpoint Ventures I, which is a successor to Brentwood's information technology funds. Mr. Hagopian is also Chairman and President of Segue Productions, a feature film production company, and a Managing Member of Apple Oaks Partners LLC, a private investment company. From January 2006 to July 2010, Mr. Hagopian served on the board of directors of Thomas Weisel Partners Group, Inc.
Tunc Doluca	52	Mr. Doluca has served as a director of Maxim, as well as the President and Chief Executive Officer, since January 2007. He joined Maxim in October 1984 and served as Vice President between 1994 and 2005. He was promoted to Senior Vice President in 2004 and Group President in May 2005. Prior to 1994, he served in a number of integrated circuit development positions.
James R. Bergman	68	Mr. Bergman has served as a director of Maxim since 1988. Mr. Bergman was a founder and has been a General Partner of DSV Associates since 1974 and a founder and General Partner of its successors, DSV Partners III and DSV Partners IV. These firms provide venture capital and management assistance to emerging companies, primarily in high technology. Since July 1997, he has also served as a Special Limited Partner of Cardinal Health Partners and Cardinal Partners II, which are private venture capital funds.
Joseph R. Bronson	62	Mr. Bronson has served as a director of Maxim since November 2007. Mr. Bronson is Principal and Chief Executive Officer of the Bronson Group, LLC, which provides financial and operational consulting services. Mr. Bronson served as the Chief Executive Officer of Silicon Valley Technology Company, a private company that provides technical services to the semiconductor and solar industries, from 2009 to March 2010, and he also served on Silicon Valley Technology Company's board of directors. Mr. Bronson served as President and Chief Operating Officer of Sanmina-SCI Corporation, a worldwide contract manufacturer, between August 2007 and October 2008, and he also served on Sanmina-SCI's board of directors between August 2007 and January 2009. Before joining Sanmina-SCI, Mr. Bronson served as President, Co-Chief Executive Officer and a director of FormFactor, Inc., a manufacturer of advanced semiconductor wafer probe cards, between 2004 and 2007.

Name	Age	Principal Occupation and Business Experience
		<p>Prior to 2004, Mr. Bronson spent 20 years at Applied Materials in senior level operations management, concluding with the position of Executive Vice President and Chief Financial Officer. In addition to Maxim, Mr. Bronson currently serves on the boards of directors of Jacobs Engineering Group Inc. and SDC Materials.</p>
Robert E. Grady	52	<p>Mr. Grady has served as a director of Maxim since August 2008. Since October 2009, Mr. Grady has been a Managing Director at the Cheyenne Capital Fund, a private equity investment firm. Mr. Grady was appointed as Chairman of New Jersey's Council of Economic Advisors by Governor Chris Christie in January 2010, became a member of the New Jersey State Investment Council (which oversees the state's \$68 billion pension fund) in June 2010, and was elected Chairman of the New Jersey State Investment Council in September 2010. Mr. Grady was a Managing Director at The Carlyle Group, a global private equity firm, from 2000 to 2009, where he served as a member of the firm's Management Committee; Chairman and Fund Head of Carlyle's U.S. venture and growth capital group, Carlyle Venture Partners (CVP); on the investment committees of CVP, Carlyle Asia Growth Partners, and Carlyle Europe Technology Partners; and as a director of multiple Carlyle portfolio companies. Between 1993 and 2000, he was a Partner and Member of the Management Committee at Robertson Stephens & Company, an emerging growth-focused investment banking firm. Previously, Mr. Grady served in the White House as Deputy Assistant to the President of the United States of America, as Executive Associate Director of the Office of Management and Budget (OMB), and as Associate Director of OMB for Natural Resources, Energy and Science. Mr. Grady is a former director of the National Venture Capital Association, and he served as Chairman of the National Venture Capital Association in 2006 and 2007. From 1993 to 2004, Mr. Grady served on the faculty of the Stanford Graduate School of Business as a Lecturer in Public Management. In addition to Maxim, Mr. Grady currently serves on the board of directors of Stifel Financial Corp., a financial services firm focused on investment banking and asset management, and of several privately-held companies. From July 2004 to June 2010, Mr. Grady also served on the board of directors of AuthenTec, Inc., a maker of fingerprint identification semiconductors, and from September 2009 to July 2010, Mr. Grady served on the board of directors of Thomas Weisel Partners Group, Inc., which was acquired by Stifel Financial Corp.</p>
William D. Watkins	57	<p>Mr. Watkins has served as a director of Maxim since August 2008. Mr. Watkins is the Chief Executive Officer and a member of the board of directors of Bridgelux, Inc., a leading light emitting diode (LED) developer. Mr. Watkins was Seagate Technology's Chief Executive Officer between July 2004 and January 2009 and was a member of its board of directors between 2000 and January 2009. Previously, Mr. Watkins was Seagate's President and Chief Operating Officer, a position he had held since 2000, and in this capacity was responsible for the company's global hard disc drive operations. Mr. Watkins joined Seagate in 1996 as part of the company's merger with Conner Peripherals. In addition to Maxim, Mr. Watkins currently serves on the board of directors of Flextronics International Ltd.</p>

Name	Age	Principal Occupation and Business Experience
A. R. Frank Wazzan	74	Dr. Wazzan has served as a director of Maxim since 1990. Dr. Wazzan is Distinguished Professor and Dean Emeritus of the School of Engineering, University of California, Los Angeles. Dr. Wazzan has served as consultant to Douglas Aircraft, Hughes Electrodynamics, North American Rockwell, the U.S. Atomic Energy Commission, Westinghouse Oceanics Division, Honeywell, and the Department of Defense while at Rand Corporation, where he was granted secret, top secret, and critical nuclear weapon design and information clearances to work on the design of underwater weapon systems, the effect of nuclear radiation on the performance of electronic materials and communication satellites, and methods of hardening boosters and satellites to laser and microwave weapons. Dr. Wazzan is a member of the American Institute of Aeronautics and Astronautics, a Guggenheim Fellow, and a Fellow of the American Nuclear Society. He is recipient of the Gold Medal Award at the First International Meeting on Nuclear Power Plants in Commercial Operations.

Board of Directors Leadership Structure and Committee Composition

Currently, there are seven members of the board of directors, consisting of B. Kipling Hagopian, Tunc Doluca, James R. Bergman, Joseph R. Bronson, Robert E. Grady, William D. Watkins and A. R. Frank Wazzan. Mr. Hagopian, an independent director, is the Chairman of the board of directors. The Company has no fixed policy on whether the roles of Chairman and chief executive officer should be separate or combined. This decision is based on the best interests of the Company and its stockholders under the circumstances existing at the time. The board currently believes that it is most appropriate to separate the roles of Chairman and chief executive officer in recognition of the qualitative differences between the two roles as set forth below. The chief executive officer is primarily responsible for setting the strategic direction for the Company and the day to day leadership of the Company, while the Chairman presides over meetings of the full board and ensures that the board of director's time and attention are focused on the matters most critical to the Company.

Our board of directors has the following three standing committees: (1) an Audit Committee, (2) a Compensation Committee (including its sub-committee, the Equity Grant Sub-Committee), and (3) a Nominating and Governance Committee. Each of the committees operates under a written charter adopted by the board of directors. All of the committee charters are available in our Corporate Governance section of our website at <http://www.maxim-ic.com/company/investor/governance>. During fiscal year 2010, the board of directors held 16 meetings and acted by written consent 9 times. During fiscal year 2010, each director attended at least 75% of all meetings of the board of directors and applicable committee meetings. While not mandatory, we strongly encourage our directors to attend our annual meeting of stockholders. All of our directors attended the 2009 annual meeting of stockholders.

Independence of the Board of Directors

Our board of directors has determined that, with the exception of Mr. Doluca, Maxim's Chief Executive Officer, all of its members during fiscal year 2010 were, and currently are, independent directors as that term is defined in the Marketplace Rules of The NASDAQ Stock Market (NASDAQ), including for the purposes of the Audit Committee composition requirements. Such independence definition includes a series of objective tests, including that the director not be an employee of Maxim and not be engaged in certain types of business transactions or dealings with Maxim. In addition, as further required by the NASDAQ rules, the board of directors has made a subjective determination that no relationships exist between Maxim and each director which, in the opinion of the board of directors, would interfere with the exercise of independent judgment in carrying out his responsibilities as director. The independent directors meet regularly in executive session, without members of management present.

The Board's Role in Risk Oversight

It is management's responsibility to identify, assess and manage the material risks that the Company faces, and the board oversees management in this effort. Specifically, the board's role in the Company's risk oversight process includes receiving periodic reports at regularly scheduled board meetings from members of senior management on areas of material risk to the Company as they arise, including financial, operational, legal and regulatory, and strategic and reputational risks. The full board (or the appropriate Committee in the case of risks that are under the purview of a particular Committee) receives these reports from a member of senior management to enable it to understand our risk identification, risk management and risk mitigation strategies. Upon receiving such reports, the board provides such guidance as it deems necessary.

In general, the entire board has oversight responsibility for the Company's strategic and operational risks, such as mergers and acquisitions and manufacturing, as well as reputational risks. The Audit Committee has oversight responsibility for financial and related legal risks (such as accounting, asset management, tax strategy and internal controls). Oversight for regulatory and compliance risks are generally shared among board committees. For example, the Nominating and Governance Committee oversees compliance with the Company's corporate governance guidelines and governance related laws, the Audit Committee oversees compliance with the Company's code of business conduct and ethics and the Compensation Committee oversees compliance with the company's compensation plans and related laws and policies.

In fiscal year 2010, management and the board established a more formalized process for risk identification and risk management by charging the Chairman of the Nominating and Governance Committee to work on behalf of the board with the Company's Senior Legal Counsel and Managing Director of Internal Audit to help identify, document and assess material risks that the Company faces, with periodic reports to be made to the entire board. As part of this effort, management recently established an enterprise risk committee (ERC) comprised of executives from key functional areas of the Company, including business units, manufacturing, finance and legal. Each such executive will be responsible for identifying and documenting their respective areas of risk, and the ERC will then seek to ensure that appropriate strategies are in place to manage and mitigate identified material risks.

Risk considerations in our Compensation Policies and Practices

Company management reviewed our compensation policies and programs in effect during fiscal year 2010 for all employees, including officers, to determine if those policies and programs create or encourage unreasonable or inappropriate risk taking. As part of the risk assessment, management, including the Chief Executive Officer, Chief Financial Officer, Vice President of Human Resources, General Counsel and Associate General Counsel, held meetings to discuss: (1) the key components and features of the Company's policies and programs, (2) a methodology to determine if those policies and programs created a material adverse risk to the Company and (3) their conclusions. Based on this assessment, management concluded that the Company's compensation policies and practices for its employees, including all officers, are not reasonably likely to have a material adverse effect on the Company for the following reasons:

The Company structures its compensation program to consist of both fixed and variable components. The fixed portion (base salary) of compensation program is designed to provide steady income regardless of the Company's stock price performance so that executives and employees of the Company will not focus exclusively on stock price performance to the detriment of other important business metrics. The variable (cash bonus and equity) components of compensation are designed to reward both short and long-term individual and company performance, which we believe discourages employees from taking actions that focus only on the short-term success of the Company. For short-term performance, annual cash performance bonuses are generally awarded (1) for non-officer employees, based on individual performance to quarterly goals and Company operating income (excluding the effect of special expense items), and (2) for officers, based on operating income (excluding the effect of special expense items), year-over-year growth in operating income (excluding

the effect of special expense items), year-over-year relative stock price performance as compared to our five closest peers, and individual performance. For long-term performance, the Company grants various types of equity-based awards that are designed to promote the sustained success of the Company. We attempt to structure equity awards to ensure that employees have equity awards that adequately vest in future years. Stock option awards generally vest in the third and fourth year after grant and are only valuable if our stock price increases over time, and restricted stock units generally vest in quarterly installments over a period of two to four years and provide some value irrespective of our stock price. The Company believes that these variable elements of compensation are a sufficient percentage of overall compensation to motivate our employees and officers to achieve superior short and long-term corporate results, while the fixed element is also sufficiently high to discourage the taking of unnecessary or excessive risks in pursuing such results.

Officers and non-officer employees are encouraged to take a balanced approach that focuses on corporate profitability, rather than on such other measures as revenue targets, which may incentivize management to drive sales without regard to costs, as operating income is a key performance measure for determining annual performance bonuses. If the Company's profit is lower, then payouts under the applicable bonus programs will be smaller.

The Company has established substantially the same compensation programs, policies and targets for officers as a group as well as non-officer employees as a group. The Company believes this encourages consistent behavior and focus across the Company.

The Company has imposed both a floor and a cap on the amount of its annual cash performance bonus pool payable to officers at 1% and 3% of operating income (excluding the effect of special expense items), respectively, which the Company believes mitigates excessive risk taking. Even if the Company greatly exceeds its operating income growth targets and its stock price greatly outperforms, the annual cash bonus payable is limited by the pre-determined bonus pool cap, and the floor ensures (subject to Compensation Committee approval) some level of bonuses if performance metrics are not achieved (largely because of market economic conditions, rather than due to poor performance by the Company).

We have strict internal controls over the measurement and calculation of operating income (excluding the effect of special expense items) and relative stock price performance (year-over-year measured from April 1-June 30), designed to keep these items from being susceptible to manipulation by any employee, including our officers. As part of our internal controls, our finance department oversees and reviews the calculations used by management to determine the total size of the annual bonus pool payable to officers. In addition, all of our employees are required to be familiar with, and our executives are required to sign a certification that they have read and are bound by, our code of business conduct and ethics, which covers, among other items, accuracy and integrity of books and records.

Under the Company's Insider Trading Policy, all employees are strongly discouraged from engaging in short-sales involving the Company's stock to avoid insulating themselves from the effects of poor stock price performance.

After reaching this conclusion, management presented its analysis and determination to the Compensation Committee.

Audit Committee and Audit Committee Financial Expert

The Audit Committee, which has been established in accordance with Section 3(a)(58)(A) of the Exchange Act, is currently comprised of Messrs. Bergman, Bronson and Watkins, each of whom is independent within the meaning of the NASDAQ director independence standards, as currently in effect. Since October 2008, Mr. Bronson has been the Chairman of the Audit Committee. Prior to Mr. Bronson's appointment as Chairman of

the Audit Committee, Mr. Bergman served as Chairman of the Audit Committee beginning March 1, 2007. The board of directors has determined that Mr. Bronson is an audit committee financial expert as defined under the rules of the SEC. The Audit Committee has a written charter adopted on June 8, 2000 and most recently amended on April 6, 2007 and on August 24, 2009. The Audit Committee held nine meetings during fiscal year 2010, and each member of the Audit Committee attended at least 75% of these meetings.

The Audit Committee oversees the accounting, financial reporting, and audit processes of Maxim's financial statements. In accordance with the Audit Committee Charter, the Audit Committee appoints Maxim's independent registered public accounting firm and is primarily responsible for approving the services performed by Maxim's independent auditors and for reviewing and evaluating Maxim's accounting principles and its system of internal controls.

Compensation Committee and Equity Grant Subcommittee

The Compensation Committee is currently comprised of Messrs. Bergman, Grady and Wazzan, each of whom is independent within the meaning of the NASDAQ director independence standards, as currently in effect. Since March 2007, Mr. Wazzan has been the Chairman of the Compensation Committee. Among other tasks, the Compensation Committee: (1) annually reviews and approves corporate goals and objectives relevant to the compensation of the Chief Executive Officer and annually reviews and evaluates Maxim's Chief Executive Officer against such approved goals and objectives, (2) in consultation with the Chief Executive Officer, reviews and approves the compensation of our officers, (3) administers the 1996 Equity Plan and 2008 ESP Plan, (4) makes recommendations to the board of directors with respect to compensation of our directors and committee members, (5) oversees the preparation of the Compensation Discussion and Analysis and issues the Compensation Committee Report in accordance with the regulations of the SEC to be included in Maxim's proxy statement or annual report on Form 10-K, and (6) performs such functions regarding compensation as the board of directors may delegate. With respect to its review of the compensation of the Chief Executive Officer and of other officers of the Company, and to its oversight of the 1996 Equity Plan and ESP plan, the Committee retains an independent consultant, Compensia, Inc., to review both the effectiveness of such programs in retaining employees and their comparability to plans offered by other companies in the semiconductor industry and the technology industry broadly. The Compensation Committee, including its two-person Equity Grant Sub-Committee, held 13 meetings, and the Compensation Committee acted by written consent four times during fiscal year 2010 and each member of the Compensation Committee attended at least 75% of these meetings.

Pursuant to its charter, on June 30, 2007, the Compensation Committee established a two-person sub-committee that is comprised of two directors on the Compensation Committee, which sub-committee is referred to as the Equity Grant Sub-Committee. The Equity Grant Sub-Committee's purpose is to make equity awards under Maxim's Equity Award Grant Policy. The Equity Grant Sub-Committee meets the first Tuesday of each month to consider and approve equity awards to employees.

Nominating and Governance Committee

The Nominating and Corporate Governance Committee (the Governance Committee) is currently comprised of Messrs. Grady and Hagopian, each of whom is independent within the meaning of the NASDAQ director independence standards, as currently in effect. Since October 2008, Mr. Grady has been the Chairman of the Governance Committee. Among other tasks, the Governance Committee assists the board of directors by identifying and recommending prospective director candidates, developing and recommending to the board of directors the governance principles applicable to Maxim and overseeing the evaluation of the board of directors and the board of directors' evaluation of management. In fiscal year 2010, the Governance Committee also assisted in the review and implementation of a new Code of Business Conduct and Ethics for the Company, the development of a process for enterprise risk management, the annual review of the performance of the board of directors, and the development of appropriate processes for response to reports received on employee and whistleblower hotlines.

The Governance Committee is responsible for regularly assessing the appropriate size of the board of directors and whether any vacancies on the board of directors are expected, due to retirement or otherwise. In the event of any anticipated vacancy, the Governance Committee has the policy of considering all bona fide candidates from all relevant sources, including the contacts of current directors, professional search firms, stockholders, and other persons. The Governance Committee held one formal meeting during fiscal year 2010 and each member of the Governance Committee attended such meeting. The Governance Committee also held several ad hoc meetings throughout the year to discuss governance matters, and the Governance Committee Chair generally provides an update to the full board of directors on governance related matters during each regular board meeting.

Criteria and Diversity

In evaluating potential candidates for the board of directors, the Governance Committee will apply the criteria set forth in the Company's Corporate Governance Guidelines. These criteria include the candidate's experience in the technology industry, the general business or other experience of the candidate, diversity of experience, the needs of Maxim for an additional or replacement director, the personality and character of the candidate, diversity, and the candidate's interest in the business of Maxim, other commitments, as well as numerous other subjective criteria. The Governance Committee does not assign any particular weighting or priority to these factors. While the board has not established specific minimum qualifications for director candidates, the board of directors believes that such candidates must contribute to the goal of maintaining a board that is (1) independent, (2) of high integrity, (3) composed of directors with qualifications that increase the effectiveness of the board of directors and (4) compliant with the requirements of applicable rules of NASDAQ and the SEC.

Nominations of Director Candidates by Stockholders

Maxim stockholders may nominate a director candidate (1) at any annual meeting of stockholders in accordance with our bylaws, the procedure for which is more fully set forth in the Questions and Answers section of this proxy statement under the heading "What is the deadline for submission of stockholder proposals for consideration at the 2011 annual meeting?", (2) at any special meeting of stockholders in accordance with our bylaws, and (3) by submitting their recommendations to the Governance Committee in accordance with our Corporate Governance Guidelines.

Maxim's Corporate Governance Guidelines, together with Maxim's Certificate of Incorporation, bylaws and charters of committees of the board of directors, form the framework for the corporate governance of Maxim. Maxim's Corporate Governance Guidelines are available in the Corporate Governance section of Maxim's website at <http://www.maxim-ic.com/company/investor/governance>. Pursuant to our Corporate Governance Guidelines, our board of directors will consider all bona fide director candidates nominated by stockholders of Maxim.

More specifically, the board of directors has established the following procedures by which stockholders may submit nominations of director candidates for consideration by the Governance Committee and the board of directors:

To nominate a director candidate for consideration by the Governance Committee, a stockholder must have held at least 100,000 shares of Maxim for at least twelve (12) consecutive months leading up to the date of the recommendation and must notify the Governance Committee by writing to the General Counsel of Maxim.

The nominating stockholder's notice shall set forth the following information:

(1) To the extent reasonably available, information relating to such director nominee as would be required to be disclosed in a proxy statement pursuant to Regulation 14A under the Exchange Act, in which such individual is a candidate for election to the board of directors;

(2) The director nominee's written consent to (a) if selected by the Governance Committee as a director candidate, be named in Maxim's proxy statement and proxy, and (b) if elected, serve on the board of directors; and

(3) Any other information that such stockholder believes is relevant in considering the director nominee.

Stockholder recommendations to the Governance Committee or the board of directors should be sent to:

General Counsel
Maxim Integrated Products, Inc.
120 San Gabriel Drive
Sunnyvale, CA 94086

For purposes of nominating a director candidate to be considered at an annual meeting, it is unnecessary to send recommendations to the board of directors or the Governance Committee. Instead, a stockholder wishing to nominate a director candidate at an annual meeting must follow the procedures set forth in our bylaws, including providing written notice prepared in accordance with our bylaws to Maxim's Corporate Secretary. For more detailed information on nomination requirements at an annual meeting, please see the Questions and Answers section of this proxy statement under the heading "What is the deadline for submission of stockholder proposals for consideration at the 2010 annual meeting?"

Equity Grant Date Policy

The board of directors has adopted a specific procedure in the granting of equity awards to our officers, directors and employees, as set for in the Company's Equity Award Grant Policy effective June 4, 2007 (the "Equity Policy"). The Equity Policy can be located on the Company's Website at <http://www.maximic.com/company/investor/governance>. Under the Equity Policy, equity awards may only be granted by our board of directors or the Compensation Committee of the board of directors, as well as a two-person subcommittee of the Compensation Committee (the "Equity Grant Subcommittee"), at a duly noticed meeting. Equity awards may not be granted by action by unanimous written consent in lieu of a meeting. In addition, while not required, it is the Company's practice to invite its Chief Executive Officer, its Vice President of Human Resources and the Company's independent registered public accounting firm (the "Auditors") to each meeting of the board of directors or Compensation Committee (or Equity Grant Subcommittee) at which equity awards are granted. In fiscal year 2010, our Corporate Secretary and the Auditors, in the capacity as an independent observer, attended every meeting of the Compensation Committee (or Equity Grant Subcommittee) at which equity awards were granted. The grant date for an equity award is the date on which any of the above-listed granting bodies meets and approves the equity award. The exercise price for all stock options will be no less than the closing sales price of Maxim common stock as reported by the Nasdaq Global Select Market on the grant date.

We follow the following specific procedures with respect to the grant of equity awards that are contained in the Equity Policy:

New Hire Grants; Special Recognition/Promotional Equity Grants: Equity awards to newly hired non-officer employees or awards for special recognition to existing non-officer employees are made on the first Tuesday of the month (or the succeeding month) after the date on which the individual commences employment with us or following the special recognition event. Equity awards to newly hired officers or awards for special recognition are made on the first Tuesday of the month (or a succeeding month) after the date on which the individual commences employment with us or following the special recognition event that is during an open trading window under our Insider Trading Policy.

Annual Equity Grants: Annual equity grants to employees and officers are made during an open trading window under our Insider Trading Policy.

Equity Awards to Directors: Equity awards are made to incumbent non-employee directors upon their re-election to the board of directors at the annual meeting of stockholders. Equity awards to newly appointed non-employee directors are made on the first Tuesday of the month (or a succeeding month) after the date on which the individual is appointed to the board of directors that is during an open trading window under our Insider Trading Policy.

Compensation Committee Interlocks and Insider Participation

No member of Maxim's Compensation Committee is, or ever has been, an executive officer or employee of Maxim or any of its subsidiaries. No interlocking relationship exists, or during fiscal year 2010 existed, between Maxim's board of directors or Compensation Committee and the board of directors or compensation committee of any other company.

Outside Advisors

Our board of directors and each of its committees may retain outside advisors and consultants of their choosing at Maxim's expense. The board of directors need not obtain management's consent to retain outside advisors.

Board Effectiveness

Our board of directors performs an annual self-assessment to evaluate its effectiveness in fulfilling its obligations. For fiscal year 2010, this assessment was held in February 2010 and September 2010.

Communication between Stockholders and Directors

Maxim's board of directors currently does not have a formal process for stockholders to send communications to the board of directors. Nevertheless, steps are taken to ensure that the views of stockholders are heard by the board of directors or individual directors, as applicable, and that appropriate responses are provided to stockholders on a timely basis. Stockholders may send communications directly to B. Kipling Hagopian, Chairman of the board of directors, c/o Maxim Integrated Products, Inc., 120 San Gabriel Drive, Sunnyvale, California 94086. The board of directors does not recommend that formal communication procedures be adopted at this time because it believes that informal communications are sufficient to communicate questions, comments and observations that could be useful to the board of directors.

Common Stock

Maxim common stock is currently traded on the NASDAQ Global Select Market under the symbol MXIM.

Headquarters Information

Our headquarters are located at 120 San Gabriel Drive, Sunnyvale, California 94086 and the telephone number at that location is (408) 737-7600.

Code of Business Conduct and Ethics

We have a Code of Business Conduct and Ethics (the "Code of Ethics"), which applies to all directors and employees, including but not limited to our principal executive officer, principal financial officer and principal accounting officer. The Code of Ethics is designed to promote: (1) honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest arising from personal and professional relationships, (2) full, fair, accurate, timely, and understandable disclosure in reports and documents that we are required to file

with the SEC and in other public communications, (3) compliance with applicable governmental laws, rules and regulations, (4) the prompt internal reporting of violations of the Code of Ethics to an appropriate person or entity, and (5) accountability for adherence to the Code of Ethics. A copy of Code of Ethics is available on our website at <http://www.maxim-ic.com/company/policy>. A hard copy of the Code of Ethics will be sent free of charge upon request.

Director Compensation

The following table shows certain information regarding non-employee director compensation for the fiscal year ended June 26, 2010 (except as otherwise noted):

Director Compensation for Fiscal Year 2010

Name	Fees earned or paid in cash (\$)	Restricted Stock Unit Awards (\$)(1)	Option Awards (\$)(2)	All other compensation (\$)	Total (\$)
James R. Bergman	67,500	74,680	57,375	146,241(3)(4)	345,796
Joseph R. Bronson	70,000	74,680	57,375		202,055
Robert E. Grady	67,500	60,715	57,375		185,590
B. Kipling Hagopian	77,500	74,680	57,375	101,727(4)	311,282
William D. Watkins	60,000	60,715	57,375		178,090
A.R. Frank Wazzan	65,000	74,680	57,375	101,727(4)	298,782

- (1) Represents the aggregate grant date fair value of grants of restricted stock units made during fiscal year 2010, computed in accordance with FASB ASC Topic 718. Each of Messrs. Grady and Watkins was awarded 3,252 restricted stock units on December 10, 2009 in connection with his service on the board of directors, and the aggregate grant date fair value of each of these awards was \$60,715. Each of Messrs. Bergman, Bronson, Hagopian, and Wazzan was awarded 4,000 restricted stock units on December 10, 2009 in connection with his service on the board of directors, and the aggregate grant date fair value of each of these awards was \$74,680. In each case, the aggregate grant date fair value disregards an estimate of forfeitures. The assumptions used in the valuation of these awards are set forth in Note 6, *Stock-Based Compensation* of the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended June 26, 2010.
- (2) Represents the aggregate grant date fair value of grants of stock options made during fiscal year 2010, computed in accordance with FASB ASC Topic 718. On December 10, 2009, each non-employee director was awarded 12,824 stock options with an aggregate grant date fair value of \$57,375 per award in connection with his service on the board of directors. The exercise price was \$18.97 for all stock options granted to the non-employee directors on December 10, 2009. In each case, the aggregate grant date fair value disregards an estimate of forfeitures. The assumptions used in the valuation of these awards are set forth in Note 6, *Stock-Based Compensation* of the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended June 26, 2010.
- (3) Reflects \$44,514 premium for medical insurance coverage, for Mr. Bergman, which was also available to each member of the board of directors in fiscal 2010 in connection with their board service. Mr. Bergman voluntarily terminated this medical insurance on June 30, 2010.
- (4) Reflects \$101,727 paid to such directors to reimburse them for federal and state taxes imposed on deemed income pursuant to Internal Revenue Code Section 409A, and a corresponding tax gross-up, as a result of receiving stock options that had an actual grant date that was different from their measurement date under applicable accounting principles. These stock options were granted by Maxim's former Chief Executive Officer in 2002 without any involvement by the board of directors and were never exercised by Messrs. Bergman, Hagopian, and Wazzan.

The type and aggregate number of outstanding equity awards held by each of the directors serving on June 26, 2010 are as follows:

Mr. Bergman	117,074 stock options and 2,000 unvested restricted stock units
Mr. Bronson	82,574 stock options and 2,000 unvested restricted stock units
Mr. Grady	73,574 stock options and 1,876 unvested restricted stock units
Mr. Hagopian	117,074 stock options and 2,000 unvested restricted stock units
Mr. Watkins	73,574 stock options and 1,876 unvested restricted stock units
Dr. Wazzan	117,074 stock options and 2,000 unvested restricted stock units

Cash Compensation

Each non-employee member of the board of directors is paid an annual retainer of \$50,000. The Chairman of the board of directors is paid an additional \$25,000 annual cash retainer fee, the Chairman of the Audit Committee is paid an additional \$20,000 annual cash retainer fee, the Chairman of the Compensation Committee is paid an additional \$15,000 annual cash retainer fee, and the Chairman of the Nominating and Governance Committee is paid an additional \$10,000 annual cash retainer fee. Each member of the (1) Audit Committee (excluding the Chairman) is paid an additional \$10,000 annual cash retainer fee, (2) Compensation Committee (excluding the Chairman) is paid an additional \$7,500 annual cash retainer fee, and (3) Nominating and Governance Committee (excluding the Chairman) is paid an additional \$5,000 annual cash retainer fee. All retainer fees are paid quarterly in arrears. Maxim reimburses each director for reasonable expenses incurred in attend meetings of the board of directors or its committees. In addition, Maxim makes medical insurance coverage available to each non-employee director in connection with each individual's service as a director of Maxim (please refer to footnote 3 in the table above).

Equity Compensation

Non-employee directors participate in the 1996 Equity Plan. Effective December 10, 2009, the board of directors, based upon the recommendation of the Compensation Committee, determined that each non-employee director should be awarded and vest in stock options exercisable for 12,824 shares of our common stock per calendar year and 4,000 restricted stock units per calendar year. Stock options are generally awarded such that each non-employee director has four full years of vesting to occur in the future immediately following the grant of the option. Restricted stock units are generally awarded on an annual basis. Stock options and restricted stock units vest in quarterly installments. Equity awards to non-employee directors are generally made at the first meeting of the first board of directors or Compensation Committee following re-election to the board of directors that occurs during an open trading window under Maxim's Insider Trading Policy.

* * *

PROPOSAL NO. 1

ELECTION OF DIRECTORS

The Nominating and Corporate Governance Committee (the Governance Committee) recommended, and the board of directors nominated, B. Kipling Hagopian, Tunc Doluca, James R. Bergman, Joseph R. Bronson, Robert E. Grady, William D. Watkins, and A. R. Frank Wazzan as nominees for election as members of our board of directors at the 2010 annual meeting. Except as set forth below, unless otherwise instructed, the persons appointed as proxy holders in the accompanying form of proxy will vote the proxies received by them for such nominees, who are all presently directors of Maxim. All of these nominees were elected directors by a vote of the stockholders at the last annual meeting of stockholders which was held on December 10, 2009.

In the event that any nominee becomes unavailable or unwilling to serve as a member of our board of directors, the proxy holders will vote in their discretion for a substitute nominee. The term of office of each person elected as a director will continue until the next annual meeting or until a successor has been elected and qualified, or until the director's earlier death, resignation, or removal.

Each stockholder voting in person or by proxy in the election of directors is entitled to cumulate such stockholder's votes. Each stockholder who elects to cumulate votes shall be entitled to as many votes as equals the number of directors to be elected multiplied by the number of shares held by such stockholder, and the stockholder may cast all such votes for a single director or distribute such votes among as many candidates who have been properly placed in nomination as the stockholder may see fit. The proxy holders may exercise discretionary authority to cumulate votes and to allocate such votes among the seven nominees recommended by the board of directors.

The following paragraphs provide information as of September 29, 2010 about each nominee. Such information includes the age, position, principal occupation, and business experience for at least the past five years, and the names of other publicly-held companies of which the nominee currently serves as a director or has served as a director during the past five years. In addition, we are providing a description of each nominee's specific experience, qualifications, attributes and skills that led the board to conclude that such nominee should serve as a director. There are no family relationships among any directors or executive officers of Maxim.

Name	Age	Director Since
B. Kipling Hagopian	68	1997
Tunc Doluca	52	2007
James R. Bergman	68	1988
Joseph R. Bronson	62	2007
Robert E. Grady	52	2008
William D. Watkins	57	2008
A. R. Frank Wazzan	74	1990

Mr. Hagopian has served as a director of Maxim since 1997 and as the Chairman of the board of directors since January 2007. Mr. Hagopian is a founder of Brentwood Associates, a venture capital investment company, and was a General Partner Brentwood until 1996 and a General Partner of all of the funds established by Brentwood from inception in 1972 until 1989. He has been a Special Limited Partner of each of the five Brentwood venture funds established since 1989 and is a Special Advisory Partner to Redpoint Ventures I, which is a successor to Brentwood's information technology funds. Mr. Hagopian is also Chairman and President of Segue Productions, a feature film production company, and a Managing Member of Apple Oaks Partners LLC, a private investment company. Mr. Hagopian serves as Chairman of Maxim's board of directors. From January 2006 to July 2010, Mr. Hagopian served on the board of directors of Thomas Weisel Partners Group, Inc.

In nominating Mr. Hagopian to serve on the board, the Governance Committee considered as important factors, among other items, Mr. Hagopian's extensive experience in the private equity industry, his leadership

skills, his expertise with financial statements and disclosures, and his long-standing years of service on Maxim's board of directors, as well as being an early investor in Maxim.

Mr. Doluca has served as a director of Maxim, as well as the President and Chief Executive Officer, since January 2007. He joined Maxim in October 1984 and served as Vice President between 1994 and 2005. He was promoted to Senior Vice President in 2004 and Group President in May 2005. Prior to 1994, he served in a number of integrated circuit development positions.

In nominating Mr. Doluca to serve on the board, the Governance Committee considered as important factors, among other items, Mr. Doluca's experience in the semiconductor industry and 26 years of service at Maxim, including 16 years as an officer of the Company, including his current position as the Chief Executive Officer, his technical expertise, and his executive leadership and management skills.

Mr. Bergman has served as a director of Maxim since 1988. Mr. Bergman was a founder and has been General Partner of DSV Associates since 1974 and a founder and General Partner of its successors, DSV Partners III and DSV Partners IV. These firms provide venture capital and management assistance to emerging companies, primarily in high technology. Since July 1997, he has also served as a Special Limited Partner of Cardinal Health Partners and Cardinal Partners II, which are private venture capital funds.

In nominating Mr. Bergman, the Governance Committee considered as important factors, among other items, Mr. Bergman's experience as a venture capitalist in technology companies, his experience and familiarity with financial statements, and his deep and fundamental understanding of Maxim's culture, employees and products as a result of service on the board for over two decades.

Mr. Bronson has served as a director of Maxim since November 2007. Mr. Bronson is Principal and Chief Executive Officer of the Bronson Group, LLC, which provides financial and operational consulting services. Mr. Bronson served as the Chief Executive Officer of Silicon Valley Technology Company, a private company that provides technical services to the semiconductor and solar industries, from 2009 to March 2010, and he also served on Silicon Valley Technology Company's board of directors. Mr. Bronson served as President and Chief Operating Officer of Sanmina-SCI, a worldwide contract manufacturer, between August 2007 and October 2008, and he also served on Sanmina-SCI's board of directors between August 2007 and January 2009. Before joining Sanmina-SCI, Mr. Bronson served as President, Co-Chief Executive Officer and a director of FormFactor, Inc., a manufacturer of advanced semiconductor wafer probe cards, between 2004 and 2007. Prior to 2004, Mr. Bronson spent 20 years at Applied Materials in senior level operations management, concluding with the positions of Executive Vice President and Chief Financial Officer. In addition to Maxim, Mr. Bronson currently serves on the boards of directors of Jacobs Engineering Group Inc. and SDC Materials.

In nominating Mr. Bronson, the Governance Committee considered as important factors, among other items, Mr. Bronson's expertise and familiarity with financial statements, financial disclosures, auditing and internal controls, his senior management level experience at large publicly traded companies and understanding of board best practices.

Mr. Grady has served as a director of Maxim since August 2008. Since October 2009, Mr. Grady has been a Managing Director at the Cheyenne Capital Fund, a private equity investment firm. Mr. Grady was appointed as Chairman of New Jersey's Council of Economic Advisors by Governor Chris Christie in January 2010, became a member of the New Jersey State Investment Council (which oversees the state's \$68 billion pension fund) in June 2010, and was elected Chairman of the New Jersey State Investment Council in September 2010. Mr. Grady was a Managing Director at The Carlyle Group, a global private equity firm, from 2000 to 2009, where he served as a member of the firm's Management Committee; Chairman and Fund Head of Carlyle's U.S. venture and growth capital group, Carlyle Venture Partners (CVP); on the investment committees of CVP, Carlyle Asia Growth Partners, and Carlyle Europe Technology Partners; and as a director of multiple Carlyle portfolio companies. Between 1993 and 2000, he was a Partner and Member of the Management Committee at Robertson

Stephens & Company, an emerging growth-focused investment banking firm. Previously, Mr. Grady served in the White House as Deputy Assistant to the President of the United States of America, as Executive Associate Director of the Office of Management and Budget (OMB), and as Associate Director of OMB for Natural Resources, Energy and Science. Mr. Grady is a former director of the National Venture Capital Association, and he served as Chairman of the National Venture Capital Association in 2006 and 2007. From 1993 to 2004, Mr. Grady served on the faculty of the Stanford Graduate School of Business as a Lecturer in Public Management. In addition to Maxim, Mr. Grady currently serves on the board of directors of Stifel Financial Corp., a financial services firm focused on investment banking and asset management, and of several privately-held companies. From July 2004 to June 2010, Mr. Grady also served on the board of directors of AuthenTec, Inc., a maker of fingerprint identification semiconductors, and from September 2009 to July 2010, Mr. Grady served on the board of directors of Thomas Weisel Partners Group, Inc., which was acquired by Stifel Financial Corp.

In nominating Mr. Grady to serve on the board, the Governance Committee considered as important factors, among other items, Mr. Grady's extensive experience in the financial services industry, including his leadership roles at several large financial services firms, his expertise with strategic business combinations and corporate strategy development, and his corporate governance experience as the chairman of a large public pension fund, and his experience as a director.

Mr. Watkins has served as a director of Maxim since August 2008. Mr. Watkins is the Chief Executive Officer and a member of the board of directors of Bridgelux, Inc., a leading light emitting diode (LED) developer. Mr. Watkins was Seagate Technology's Chief Executive Officer between July 2004 and January 2009 and was a member of its board of directors between 2000 and January 2009. Previously, Mr. Watkins was Seagate's President and Chief Operating Officer, a position he had held since 2000, and in this capacity was responsible for the company's global hard disc drive operations. Mr. Watkins joined Seagate in 1996 as part of the company's merger with Conner Peripherals. In addition to Maxim, Mr. Watkins currently serves on the board of directors of Flextronics International Ltd.

In nominating Mr. Watkins to serve on the board, the Governance Committee considered as important factors, among other items, Mr. Watkins' operational and management experience, his experience as Chief Executive Officer, President and Chief Operating Officer of Seagate, his understanding of the electronics and semiconductor industries, as well as his expertise and familiarity with financial statements.

Dr. Wazzan has served as a director of Maxim since 1990. Dr. Wazzan is Distinguished Professor and Dean Emeritus of the School of Engineering, University of California, Los Angeles. Dr. Wazzan has served as consultant to Douglas Aircraft, Hughes ElectroDynamics, North American Rockwell, the U.S. Atomic Energy Commission, Westinghouse Oceanics Division, Honeywell, and the Department of Defense while at Rand Corporation, where he was granted secret, top secret, and critical nuclear weapon design and information clearances to work on the design of underwater weapon systems, the effect of nuclear radiation on the performance of electronic materials and communication satellites, and methods of hardening boosters and satellites to laser and microwave weapons. Dr. Wazzan is a member of the American Institute of Aeronautics and Astronautics, a Guggenheim Fellow, and a Fellow of the American Nuclear Society. He is recipient of the Gold Medal Award at the First International Meeting on Nuclear Power Plants in Commercial Operations.

In nominating Dr. Wazzan to serve on the board, the Governance Committee considered as important factors, among other items, Dr. Wazzan's relevant academic experience, including his experience as Distinguished Professor and Dean Emeritus of a major university's engineering department, his long-standing service on Maxim's board and his expertise and familiarity with executive compensation matters.

Required Vote

The seven nominees receiving the highest number of affirmative FOR votes shall be elected as directors. Unless marked to the contrary, proxies received will be voted FOR these nominees.

Recommendation

Our board of directors recommends a vote FOR the election to the board of directors of each of the foregoing nominees.

* * *

PROPOSAL NO. 2

RATIFICATION OF APPOINTMENT OF INDEPENDENT

REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the board of directors has appointed Deloitte & Touche LLP as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending June 25, 2011. During fiscal year 2010, Deloitte & Touche LLP served as our independent registered public accounting firm and also provided certain tax and audit-related services. See the information provided in this proxy statement under the heading Independent Public Accountants. Notwithstanding its selection, the Audit Committee, in its discretion, may appoint another independent registered public accounting firm at any time during fiscal year 2011 if the Audit Committee believes that such a change would be in the best interests of Maxim and its stockholders. If the appointment is not ratified by our stockholders, the Audit Committee may consider whether it should appoint another independent registered public accounting firm. Representatives of Deloitte & Touche LLP are expected to attend the annual meeting, where they will be available to respond to appropriate questions and, if they desire, to make a statement.

Required Vote

Ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 25, 2011 requires the affirmative FOR vote of a majority of the votes cast on the proposal. Unless marked to the contrary, proxies received will be voted FOR ratification of the appointment of Deloitte & Touche LLP.

Recommendation

Our board of directors recommends a vote FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending June 25, 2011.

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PROPOSAL NO. 3

RATIFICATION AND APPROVAL OF AMENDMENTS TO MAXIM S 2008 EMPLOYEE STOCK PURCHASE PLAN TO INCREASE THE NUMBER OF SHARES AVAILABLE FOR ISSUANCE BY 2,000,000 SHARES

At the 2010 annual meeting, stockholders will be asked to ratify and approve an amendment to the 2008 ESP Plan to increase the maximum number of shares of Maxim common stock that may be purchased under the ESP Plan by an additional 2,000,000 shares. The 2008 ESP Plan was originally approved by the board of directors in October 2008 and then ratified by stockholders on December 15, 2008, and was amended in 2009 to increase the shares reserved for issuance thereunder by 2,000,000 shares. The amendment to the 2008 ESP Plan to increase the maximum number of shares that may be purchased by 2,000,000 shares was approved by Maxim s board of directors in September 2010.

Prior to the effectiveness of the proposed amendment, a total of 6,000,000 shares of Maxim common stock had been reserved for issuance under the 2008 ESP Plan. As of October 1, 2010, approximately 3,697,707 shares were available for purchase under the 2008 ESP Plan. Maxim anticipates that approximately 2,000,000 shares will be purchased by employees under the 2008 ESP during fiscal year 2011 based upon current assumptions regarding employee participation levels, and is therefore seeking to increase the number of shares reserved for issuance under the 2008 ESP Plan by 2,000,000 shares.

The board of directors has approved, subject to stockholder ratification and approval, amendments to increase the maximum number of shares of Maxim Common Stock reserved under the 2008 ESP Plan by 2,000,000 shares to a total of 8,000,000 shares.

The closing price of Maxim s common stock on September 1, 2010 was \$16.36 per share.

Maxim believes that substantial equity participation by employees is important in creating an environment in which employees will be motivated to remain employed and be productive for long periods of time. Maxim further believes that the attraction, retention and motivation of highly qualified personnel are essential to Maxim s continued growth and success and that incentive plans, such as the 2008 ESP Plan, are necessary for Maxim to remain competitive in its compensation practices. In addition, Maxim believes that the 2008 ESP Plan (and other equity incentive programs) are an effective way to assure alignment of employees and stockholders interests and believe all such equity incentives are in the best interest of the stockholders.

The benefits to be received by Maxim s employees and officers pursuant to the 2008 ESP Plan are not determinable at this time.

Required Vote

Ratification and approval of the amendments to increase the number of shares reserved under the 2008 ESP Plan and to make other administrative changes requires the approval of a majority of the shares represented in person or by proxy and voting at the annual meeting. A general description of the principal terms of the 2008 ESP Plan approved by the board of directors and the purpose of the 2008 ESP Plan is set forth below. Unless otherwise marked, all properly signed and returned proxies will be voted FOR Proposal No. 3.

Recommendation

Our board of directors recommends a vote FOR the ratification and approval of the amendments to Maxim s 2008 Employee Stock Purchase Plan.

The following summary of certain provisions of the 2008 ESP Plan is qualified in its entirety by reference to the 2008 ESP Plan, a copy of which is attached as Appendix A to this Proxy Statement. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the 2008 ESP Plan.

Summary of Material Features of the 2008 ESP Plan

Eligible Employees

All employees of Maxim and its subsidiaries designated by the committee appointed by the board of directors to administer the 2008 ESP Plan (the Committee) will be eligible to participate in the 2008 ESP Plan. However, the Committee may exclude from participation (1) a group of certain highly compensated employees, (2) employees who have been employed by Maxim or any subsidiary for less than two years, (3) employees whose customary employment is for not more than five months in any calendar year, and (4) employees who customarily work 20 hours per week or less.

Notwithstanding the foregoing, no employee shall be eligible for participation under the 2008 ESP Plan if, immediately after such grant, that employee would own stock possessing 5% or more of the total combined voting power or value of all classes of stock of Maxim or of any affiliate of Maxim (including any stock which such employee may purchase under all outstanding rights and options). In addition, no employee will be permitted to purchase stock under all employee stock participation plans, including the 2008 ESP Plan, of Maxim and its affiliates (1) at a rate which in the aggregate exceeds \$25,000 of the fair market value of such stock (determined under Section 423 of the Code at the time the right is granted) for any calendar year in which the right is outstanding at any time or (2) 1,600 shares of stock in an offering period, whichever is less.

Participation

The Committee has the power from time to time to grant or provide for the grant of rights to purchase stock of Maxim under the 2008 ESP Plan to eligible employees (an Offer) on a date or dates (the Offer Date(s)) identified in the 2008 ESP Plan. Each Offer will be in such form and will contain such terms and conditions as the Committee deems appropriate, except that each Offer must include the substance of the required provisions of the 2008 ESP Plan, which are described below. Each Offer will be outstanding for approximately 12 months (the Offer Period) and there will be overlapping Offer Periods.

An eligible employee becomes a participant in an Offer by delivering written enrollment form to Maxim, within the time specified in each Offer, authorizing payroll deductions of up to a maximum percentage of 25% of his or her Eligible Compensation (as defined in the 2008 ESP Plan) during the Offer Period. All payroll deductions made for a participant are credited to his or her account under the 2008 ESP Plan and are deposited with the general funds of Maxim. The purchase price of the shares is accumulated by payroll deductions (or direct payments, if permitted) over the Offer Period. At any time during the Offer Period, a participant may terminate his or her payroll deductions, but a participant may not increase, reduce or begin such payroll deductions after the beginning of any Offer Period.

Purchase of Stock

The purchase dates will occur on the last business day immediately preceding the last Saturday in May and November (each a Purchase Date). On each Purchase Date, the balance in each participant's account will be applied to the purchase of whole shares of stock of Maxim. No fractional shares shall be issued upon the exercise of rights granted under the 2008 ESP Plan. The amount remaining in each participant's account after the purchase of shares that is less than the amount required to purchase one share of stock on the last Purchase Date of a Offer Period shall be held in each such participant's account for the purchase of shares during the next Offer Period under the 2008 ESP Plan, unless such participant withdraws from the next Offer or is no longer eligible to be granted rights under the 2008 ESP Plan, in which case such amount is distributed to the participant after the Purchase Date, without interest.

Purchase Price

The purchase price per share of stock acquired pursuant to the 2008 ESP Plan will be the lesser of: (1) 85% of the fair market value per share of such stock on the Offer Date and (2) 85% of the fair market value per share of such stock on the Purchase Date.

Withdrawal

A participant may withdraw from an Offer by terminating his or her payroll deductions and by delivering to Maxim a written notice of withdrawal from the Offer. Such withdrawal may be elected within a certain period of time prior to the end of the applicable Offer Period. Upon any withdrawal from an Offer by the employee, Maxim will distribute to the employee his or her accumulated payroll deductions (reduced for prior purchases) without interest, and such employee's interest in the Offer will be automatically terminated. Upon such withdrawal from an Offer, the employee is not entitled to participate again in such Offer and the employee may not be able to participate in the 2008 ESP Plan for such period of time as determined by the Committee. Any such employee participating in a new Offer after his or her withdrawal from an Offer will be required to timely submit a new enrollment form.

Termination of Employment

Rights granted pursuant to any Offer under the 2008 ESP Plan shall terminate immediately upon cessation of an employee's employment for any reason, and Maxim shall promptly distribute to such employee all of his or her accumulated payroll deductions (reduced for prior purchases), without interest.

No transferability

Rights granted under the 2008 ESP Plan are not transferable by a participating employee other than by will or the laws of descent and distribution and are exercisable during such participating employee's lifetime only by him or her.

Adjustments upon Changes in Stock or Change in Control

If (1) Maxim shall at any time be involved in a merger, consolidation, dissolution, liquidation, reorganization, exchange of shares, sale of all or substantially all of the assets or stock of Maxim or its subsidiaries or a transaction similar thereto, (2) any stock dividend, stock split, reverse stock split, stock combination, reclassification, recapitalization or other similar change in the capital structure of Maxim, or any distribution to holders of Maxim common stock other than cash dividends, shall occur or (3) any other event shall occur which in the judgment of the Committee necessitates action by way of adjusting the number or kind of shares, or both, which thereafter may be sold under the 2008 ESP Plan, then the Committee may take any necessary actions to preserve to the participating employees' rights substantially proportionate to the rights existing prior to such event. Such actions may include, without limitation, adjustments in the number and kind of shares subject to the 2008 ESP Plan and the purchase price of such shares under the 2008 ESP Plan.

Notwithstanding any other provision of the 2008 ESP Plan, if Maxim's common stock ceases to be listed or traded, as applicable, on a national stock exchange or over-the-counter market (the Triggering Event), then, in the discretion of the Committee, (1) the balance in the participating employee's payroll account not yet invested may be refunded to the participating employee, and such participating employee will have no further rights or benefits under the 2008 ESP Plan, (2) an amount equal to the product of the fair market value of a share on the date of the Triggering Event multiplied by the number of shares such participating employee would have been able to purchase with the balance of his or her payroll account on the date of such Triggering Event may be paid to the Participating Employee, and such Participating Employee shall have no further rights or benefits under the 2008 ESP Plan, or (3) the 2008 ESP Plan may be continued.

Amendment, Suspension and Termination of the 2008 ESP Plan

The board of directors may at any time and for any reason amend, suspend or terminate the 2008 ESP Plan. However, any amendment of the 2008 ESP Plan shall require stockholder approval if such approval would be required under applicable law or regulation.

Federal Income Tax Consequences

The following summarizes only the federal income tax consequences of participation under the 2008 ESP Plan based upon federal income tax laws in effect on the date of this proxy statement. This summary does not purport to be complete, and does not discuss any non-U.S., state or local tax consequences. In addition, the discussion does not address tax consequences which may vary with, or are contingent on, a participant's individual circumstances. Each participant in the 2008 ESP Plan is strongly urged to consult with his or her tax advisor regarding participation in the 2008 ESP Plan.

The 2008 ESP Plan, and the right of participants to make purchases thereunder, is intended to qualify under the provisions of Sections 421 and 423 of the Code (except to comply with applicable foreign or local law). Under these provisions, no income will be taxable to a participant at the time of grant of the option or purchase of shares. Amounts deducted from a participant's pay under the 2008 ESP Plan are part of the employee's regular compensation and remain subject to federal, state and local income and employment withholding taxes.

Upon disposition of the shares, the participant will generally be subject to tax, the amount of which will depend upon the participant's holding period. If the participant disposes of his or her shares more than two years after the date of option grant and more than one year after the purchase of the shares, the lesser of (1) 15% of the fair market value of the shares on the date the option was granted or (2) the excess (or zero if there is no excess) of the fair market value of the shares on the date of the disposition of the shares over the purchase price will be treated as ordinary income, and any further gain will be treated as long-term capital gain. If the participant disposes of the shares before the expiration of these holding periods, the excess of the fair market value of the shares on the exercise date over the purchase price will be treated as ordinary income, and any further gain or loss on such disposition will be long-term or short-term capital gain or loss, depending on the holding period.

There currently is no income tax withholding required upon the purchase or disposition of the shares by a participant. However, in the future, a participant may be subject to employment tax withholding (e.g., Social Security and Medicare) at the time of purchase. The United States Internal Revenue Service issued proposed regulations which, if adopted, would subject a participant to withholding for Social Security and Medicare (not including income tax) at the time of purchase based upon the difference between the fair market value of the shares on the date of purchase and the purchase price of the shares. These proposed regulations, if adopted, would be effective only for purchases made under the 2008 ESP Plan two years after the regulations are issued in final form.

Maxim is not entitled to a deduction for amounts taxed as ordinary income or capital gain to a participant except to the extent of ordinary income reported by participants upon disposition of shares within two years from date of grant or within one tax year of the date of purchase. Maxim is required to report to the United States Internal Revenue Service any ordinary income recognized by a participant as a result of a disposition if such information is available to Maxim. In the future, Maxim may be required to withhold (from a participant's salary) the amount due as taxes on such ordinary income.

* * *

PROPOSAL NO. 4

RATIFICATION AND APPROVAL OF AN AMENDMENT TO MAXIM'S AMENDED AND RESTATED 1996 STOCK INCENTIVE PLAN TO INCREASE THE NUMBER OF SHARES AVAILABLE FOR ISSUANCE BY 7,000,000 SHARES

At the 2010 annual meeting, stockholders will be asked to ratify and approve an amendment to Maxim's 1996 Equity Plan to increase the maximum number of shares of Maxim common stock that may be purchased under the 1996 Equity Plan by an additional 7,000,000 shares, equivalent to approximately 2.36% of the Company's outstanding shares. The amendment to the 1996 Equity Plan to increase the number of shares that may be purchased by 7,000,000 shares was approved by the board of directors in September 2010.

Prior to the effectiveness of the proposed amendment, a total of 106,100,000 shares of Maxim common stock had been reserved for issuance under the 1996 Equity Plan. As of September 10, 2010, approximately 7,770,713 shares were available for purchase under the 1996 Equity Plan, and there were 31,759,251 outstanding stock options with a weighted average exercise price of \$25.95 and a weighted average remaining contractual term of 4.22 years, and 12,353,868 outstanding RSUs.

Maxim is seeking to increase the number of shares under the 1996 Equity Plan by 7,000,000 shares in order to have a sufficient number of shares to award to its employees as part of the Company's annual focal award in September 2011, which is made in conjunction with employee performance reviews, salary adjustments and cash bonus determinations, as well as to support awards to new employees, awards to employees in connection with acquisitions and promotional awards. These awards will likely be a combination of stock options and restricted stock units. As required by our 1996 Equity Plan, each restricted stock unit (granted with an exercise price less than the fair market value of our common stock) is counted against the share reserve as two shares for every one share subject to such award. By way of an example, if we grant 1,000 restricted stock units with an exercise price of zero, this will result in 2,000 shares being deducted from the share reserve under the 1996 Equity Plan. A 7,000,000 increase in the shares available for issuance would result in 3,500,000 restricted stock units being available for grant, assuming these are granted with a zero exercise price. Thus, given that we expect to grant a combination of stock options and restricted stock units, the number of shares which will ultimately be issued will be less than the requested increase in shares available for issuance.

To continue to manage and control the amount of our common stock used for equity compensation, we have adopted a burn rate policy for fiscal years 2011 through 2013 to be effective if our stockholders approve this proposal. During this three year period, our burn rate policy will require us to limit the number of shares that we grant subject to stock awards over the three year period to no more than an annual average of 5.27% of our outstanding common stock (which is equal to the median burn rate plus one standard deviation for the 2009 and 2010 calendar years average for Russell 3000 companies in the Global Industry Classification Standards Peer Group (Semiconductors & Semiconductor Equipment), as published by RiskMetrics Group in 2009), unless otherwise approved by board of directors and stockholders. Our annual burn rate will be calculated as the number of shares subject to stock awards (including stock options, stock appreciation rights, restricted stock, restricted stock units, and other stock awards) granted during our fiscal year (although for purposes of this analysis the number of shares subject to performance units and performance shares will be counted in the fiscal year that they are earned instead of the fiscal year in which they are granted) divided by our weighted average common stock outstanding for each fiscal year, both as reported in our periodic filings with the SEC. Awards that are settled in cash, awards that are granted pursuant to stockholder approved option exchange programs, awards sold under our employee stock purchase plan and awards issued, assumed or substituted in connection with acquisitions will be excluded from our burn rate calculation. For purposes of our calculation, each share subject to a full value award (i.e., restricted stock, restricted stock units, performance shares, and any other award that does not have an exercise price per share equal to the per share fair market value of our common stock on the grant date) will be counted as 2.5 shares (because our annual common stock price volatility was 31.39% on June 1, 2010).

The board of directors has approved, subject to stockholder ratification and approval, an amendment to increase the maximum number of shares of Maxim common stock reserved under the 1996 Equity Plan by 7,000,000 shares to a total of 113,100,000 shares.

The closing price of Maxim's common stock on September 1, 2010 was \$16.36 per share.

Maxim believes that substantial equity participation by employees is important in creating an environment in which employees will be motivated to remain employed and be productive for long periods of time. Maxim further believes that the attraction, retention and motivation of highly qualified personnel is essential to Maxim's continued growth and success and that incentive plans, such as the 1996 Equity Plan, are necessary for Maxim to remain competitive in its compensation practices. In addition, Maxim believes that the 1996 Equity Plan (and other equity incentive programs) is an effective way to assure alignment of employees' and stockholders' interests and believe all such equity incentives are in the best interest of the stockholders.

The benefits to be received by Maxim's employees and officers pursuant to the 1996 Equity Plan are not determinable at this time.

Required Vote

Ratification and approval of the amendment to increase the number of shares reserved under the 1996 Equity Plan requires the approval of a majority of the shares represented in person or by proxy and voting at the annual meeting. A general description of the principal terms of the 1996 Equity Plan approved by the board of directors and the purpose of the 1996 Equity Plan is set forth below. Unless otherwise marked, all properly signed and returned proxies will be voted FOR Proposal No. 4.

Recommendation

Our board of directors recommends a vote FOR the amendment to of Maxim's 1996 Stock Incentive Plan as described herein.

The following summary of certain provisions of the 1996 Equity Plan is qualified in its entirety by reference to the 1996 Equity Plan, a copy of which is attached as Appendix B to this Proxy Statement. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the 1996 Equity Plan.

Summary of Material Features of the 1996 Equity Plan

The following paragraphs provide a summary of the principal features of the 1996 Equity Plan and its operation. The following summary is qualified in its entirety by reference to the 1996 Equity Plan as set forth in *Appendix B*. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the 1996 Equity Plan.

Purpose. The purpose of the 1996 Equity Plan is to increase stockholder value. We believe that our employees, including highly talented analog engineers, which are scarce, are the main driver of stockholder value. The Company needs to have competitive compensation programs to recruit, retain and motivate our employees, and the Company's equity programs are a key component of its compensation structure. We also believe that employee ownership aligns employee interests with those of the stockholders and has contributed to Maxim's success.

Types of Awards. The 1996 Equity Plan provides for the grant of the following types of incentive awards: (1) stock options; (2) restricted stock units, and (3) restricted stock, which are hereinafter referred to individually as an Award. Those who will be eligible for Awards under the 1996 Equity Plan include employees, directors and consultants who provide services to the Company and its parent and subsidiary companies.

Number of Shares of Common Stock Available Under the 1996 Equity Plan. If stockholders approve Proposal 4, a total of 113,100,000 shares of the Company's common stock will be reserved for issuance under the 1996 Equity Plan. Any shares subject to awards of restricted stock units and restricted stock granted with an exercise price less than the fair market value on the date of grant will be counted against the share reserve as two (2) shares for every one (1) share subject to such award. Further, to the extent that a share that was subject to an award that counted as two (2) shares against the 1996 Equity Plan reserve pursuant to the preceding sentence is recycled back into the 1996 Equity Plan, the 1996 Equity Plan will be credited with two (2) shares that will thereafter be available for issuance under the 1996 Equity Plan.

If we experience a stock split, reverse stock split, stock dividend, spin-off, combination, or reclassification of our shares, or any other change or increase or decrease in the number of issued shares effected without our receipt of consideration (except for certain conversions of convertible securities) appropriate adjustments will be made, subject to any required action by the Company's stockholders, to the number of shares available for issuance under the 1996 Equity Plan, the number of shares covered by each outstanding Award, the price per share covered by each outstanding Award, and the numerical per-person share limits for each type of Award, as appropriate to reflect the stock dividend or other change.

Maxim common stock covered by the 1996 Equity Plan may be either authorized but unissued shares or treasury shares. If there is a lapse, expiration, termination, or cancellation of any Award granted under the 1996 Equity Plan without the issuance of shares or payment of cash thereunder, or if shares are issued under any Award under the 1996 Equity Plan and thereafter are reacquired by the Company pursuant to rights reserved upon the issuance thereof, the shares subject to or reserved for such Award, or so retained or reacquired, may again be used for new Awards under the 1996 Equity Plan. Notwithstanding the foregoing, any shares of common stock of the Company tendered to or withheld by the Company (a) in connection with the exercise of options under the 1996 Equity Plan (or any other equity plans of the Company) or (b) for the payment of tax withholding on any option, restricted stock unit award or restricted stock award shall not, in each case, be available for future issuance under the 1996 Equity Plan (or any other equity plans of the Company). In addition, the Company will be required to seek prior stockholder approval in order to conduct any award-for-award exchange offer or cash tender offer with respect to outstanding awards under the 1996 Equity Plan (or any other equity plans of the Company).

Administration. The 1996 Equity Plan provides that the grant of Awards and other determinations under the 1996 Equity Plan shall be made by (1) the board of directors or (2) a Committee designated by the board of directors (the Administrator) which, in case of grants of Awards to employees who are officers of the Company, is constituted in a manner to permit the grants and related transactions under the 1996 Equity Plan to be exempt from Section 16(b) of the Exchange Act in accordance with Rule 16b-3 of the Exchange Act and which, in the case of grants to covered employees, is intended to constitute performance-based compensation, is made up solely of two or more outside directors as such terms are defined under Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code). The Administrator has the authority to select employees, directors, and consultants to whom Awards may be granted; to determine the number of shares to be covered by each Award; and to determine the terms and conditions of any Award granted under the 1996 Equity Plan.

Performance Based Compensation. Section 162(m) of the Code limits the annual deduction a public corporation may claim for compensation paid to the Company's Chief Executive Officer and to each of its three most highly compensated executive officers (other than the Chief Financial Officer) to \$1 million, except in limited circumstances. One such exception is for performance-based compensation, which is defined as compensation paid solely on account of the attainment of one or more performance goals, but only (1) if the goals are determined by a compensation committee of the board of directors comprised of two or more outside directors, (2) the performance goals are disclosed to stockholders and approved by a majority vote before the remuneration is paid, (3) before the remuneration is paid, the compensation committee certifies that the performance goals and any other material terms were in fact satisfied, and (4) setting limits on the number of

Awards that any individual may receive. The 1996 Equity Plan has been designed to permit the Administrator to grant Awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m), thereby permitting the Company to continue to receive a federal income tax deduction in connection with such Awards.

The 1996 Equity Plan limits the number of shares with respect to which incentive stock options and non-qualified stock options may be granted in any one fiscal year of the Company to any one participant to 4,000,000 shares and limits the number of shares with respect to which restricted stock units and restricted stock may be granted in any fiscal year of the Company to any one participant to 2,000,000 shares.

Eligibility. Selected employees, directors, service providers, advisors and independent contractors of the Company and any parent or subsidiaries will be eligible to receive Awards under the 1996 Equity Plan. Awards may be granted to eligible persons residing in foreign jurisdictions under additional terms and conditions to accommodate local laws and to provide such eligible persons favorable treatment under local laws, provided that no such terms are inconsistent with the 1996 Equity Plan.

Duration. The 1996 Equity Plan will continue in effect until August 11, 2015, unless terminated earlier by the board of directors.

Corporate Transactions/Changes in Control/Subsidiary Dispositions. The Administrator shall have the authority, exercisable either in advance of any actual or anticipated or at the time of an actual corporate transaction, change in control or subsidiary disposition and exercisable at the time of the grant of an Award under the 1996 Equity Plan or any time while an Award remains outstanding, to provide for the full automatic vesting and exercisability of one or more outstanding unvested Awards under the 1996 Equity Plan and the release from restrictions on transfer and repurchase or forfeiture rights of such Awards in connection with a corporate transaction, change in control or subsidiary disposition, on such terms and conditions as the Administrator may specify. The Administrator also shall have the authority to condition any such Award vesting and exercisability or release from such limitations upon the subsequent termination of the continuous status as an employee or service of the participant within a specified period following the effective date of the change in control or subsidiary disposition. The Administrator may provide that any Awards so vested or released from such limitations in connection with a change in control or subsidiary disposition, shall remain fully exercisable until the expiration or sooner termination of the Award. Effective upon the consummation of a corporate transaction, all outstanding Awards under the 1996 Equity Plan shall terminate unless assumed by the successor company or its parent.

Options. The 1996 Equity Plan provides that the purchase price of any stock option shall be at least 100% of the fair market value of the Company common stock at the time the option is granted. The Administrator may provide for the payment of the purchase price in cash, by delivery of other common stock of the Company having a market value equal to the purchase price of such shares, or by any other method, including by delivery of an exercise notice accompanied by a copy of irrevocable instructions to a broker to deliver promptly to the Company proceeds to pay the purchase price.

The Administrator may permit or require a participant to pay all or a portion of the federal, state and local taxes, including FICA and Medicare withholding tax, arising in connection with the exercise of an option, by having the Company withhold shares or by delivering shares received in connection with the option or previously acquired, having a fair market value approximating the amount to be withheld.

The maximum term of any option will be ten (10) years from the date it is granted, except that with respect to any participant who owns 10% of the voting power of all classes of the Company's outstanding capital stock, the term of an incentive stock option may not exceed five (5) years. Options are generally exercisable for a period of 90 days after termination or retirement, 365 days after termination due to disability or 547 days after termination due to death.

Restricted Stock Units. The Administrator is able to grant Awards of restricted stock units. Awards of restricted stock units vest in accordance with the terms and conditions established by the Administrator in its sole discretion. For example, the Administrator may set restrictions based on the achievement of specific performance goals or based upon continued service. There are no minimum vesting requirements for restricted stock units. Upon satisfying the applicable vesting criteria, a participant is entitled to the payout specified in the Award agreement. The Administrator may pay earned restricted stock units in cash, shares or a combination of both. Awards of restricted stock units may be issued either alone, in addition to, or in tandem with other Awards granted under the 1996 Equity Plan and/or cash awards made outside of the 1996 Equity Plan. The Administrator will determine the number of units granted pursuant to an Award of restricted stock units, but no participant will be granted more than 2,000,000 units during any fiscal year.

Restricted Stock. The Administrator is able to grant Awards of restricted stock. Awards of restricted stock are rights to acquire or purchase shares of Company common stock. Restricted stock vests in accordance with the terms and conditions established by the Administrator in its sole discretion. For example, the Administrator may set restrictions based on the achievement of specific performance goals or based upon continued service. There are no minimum vesting requirements for Awards of restricted stock. Awards of restricted stock may be issued either alone, in addition to, or in tandem with other Awards granted under the 1996 Equity Plan and/or cash awards made outside of the 1996 Equity Plan. The Award agreement will generally grant the Company a right to repurchase or reacquire the shares upon the termination of the participant's service with the Company for any reason (including death or disability). The Committee will determine the number of shares granted pursuant to an Award of restricted stock, but no participant will be granted a restricted stock Award to purchase or acquire more than 2,000,000 shares of common stock during any fiscal year.

Performance Goals. As determined by the Administrator, the performance goals applicable to an Award may provide for a targeted level or levels of achievement using one or more of the following measures: cash flow; cash position; earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; earnings per Share; economic profit; economic value added; equity or stockholder's equity; free cash flow, free cash flow per Share and market share; net income; net profit; net sales; operating earnings; operating income; profit before tax; ratio of debt to debt plus equity; ratio of operating earnings to capital spending; return on net assets; sales growth; share price; or total return to stockholders. The performance goals may differ from participant to participant and from Award to Award and may be stated in absolute terms or relative to comparison companies or indices to be achieved during a period of time.

Amendments and Discontinuance. The 1996 Equity Plan is subject to amendment or termination by the Administrator without stockholder approval as deemed in the best interests of the Company. However, no such amendment shall, without the consent of the award holder, reduce the amount of any Award or adversely change the terms and conditions thereof.

The terms and conditions applicable to any Awards granted and outstanding may at any time be amended or modified in any lawful way or canceled by mutual agreement between the Administrator and the participant, so long as any amendment or modification does not increase the number of shares of Maxim common stock issuable under the 1996 Equity Plan and subject to the provisions regarding repricing described below.

Repricing Options; Exchange Transactions. The Administrator does not have the authority to reprice any outstanding option. For these purposes, to reprice an outstanding option means to amend any outstanding option to reduce the exercise price. In addition, the Administrator will be required to seek prior stockholder approval for conducting any award-for-award exchange offer or cash tender offer with respect to outstanding awards under the 1996 Equity Plan (or any other equity plans of the Company).

Number of Awards Granted to Employees, Consultants, and Directors. The number of Awards that an employee, director or consultant may receive under the Plan is in the discretion of the Administrator and therefore cannot be determined in advance. To date, only stock options and restricted stock units have been granted under the 1996 Equity Plan. The following table sets forth (1) the aggregate number of shares subject to options granted under the 1996 Equity Plan during the fiscal year ended June 26, 2010, (2) the average per share exercise price of such options, and (3) the aggregate number of restricted stock units granted under the 1996 Equity Plan during the fiscal year ended June 26, 2010, where each unit represents a right to acquire one share of common stock.

Name of Individual or Group	Number of Options Granted	Per Share Exercise Price (\$)	Number of Restricted Stock Units Granted
Tunc Doluca	229,860	18.11	64,580
Bruce Kiddoo	72,280	18.11	28,520
Vivek Jain	206,854	16.23(1)	30,548
Pirooz Parvarandeh	86,400	18.11	39,096
Vijay Ullal	99,000	18.11	45,124
All executive officers, as a group	1,202,510	17.82(1)	551,394
All directors who are not executive officers, as a group	76,944	18.97	22,504
All employees who are not executive officers, as a group	2,392,005	18.18(1)	3,685,858

(1) Weighted average per share exercise price.

Federal Income Tax Consequences. *Non-qualified Stock Options.* Under existing law and regulations, the grant of non-qualified stock options with an exercise price equal to the fair market value of the underlying stock on the date of grant will not result in income taxable to the participant. However, the exercise of such a non-qualified stock option results in taxable income to the holder and may be subject to withholding for federal income and employment tax purposes. The Company is entitled to an income tax deduction in the amount of the income recognized by the optionee, subject to possible limitations imposed by Section 162(m) of the Code and so long as the Company withholds the appropriate taxes with respect to such income (if required). At the time of the exercise of a non-qualified stock option, the amount so taxable and so deductible will be the difference between the fair market value of the shares purchased and the exercise price. Any gain or loss on the optionee's subsequent disposition of the shares of Maxim common stock will receive long or short-term capital gain or loss treatment, depending on whether the shares are held for more than one year following exercise. The Company does not receive a tax deduction for any such gain.

Incentive Stock Options. An optionee recognizes no income when an incentive stock option is granted or exercised. However, the difference between the fair market value of the shares on the date of exercise and the option price is classified as an item of adjustment in the year of exercise for purposes of the participant's alternative minimum tax.

If the participant does not dispose of the shares received on exercise of an incentive stock option prior to two years from the date of grant and one year from the date of exercise of the stock option, any gain realized by the holder on the disposition of the stock will be accorded long-term capital gain treatment, and no deduction will be allowed to the Company. If either holding period requirement is not satisfied, the participant will recognize ordinary income at the time of such disqualifying disposition equal to the lesser of (1) the gain realized on the disposition, or (2) the difference between the option price and the fair market value of the shares on the date of exercise. Any additional gain or loss on the disqualifying disposition not reflected above would be long-term or short-term capital gain, depending on whether the shares are held for more than one year following exercise. The Company will be entitled to an income tax deduction equal to the amount of ordinary income recognized by the participant, subject to possible limitations imposed by Section 162 of the Code.

Restricted Stock and Restricted Stock Units. A participant generally will not have taxable income at the time an Award of restricted stock and restricted stock units are granted. Instead, he or she will recognize ordinary income in the first taxable year in which his or her interest in the shares underlying the Award becomes either (1) freely transferable or (2) no longer subject to substantial risk of forfeiture. However, the recipient of a restricted stock Award may elect to recognize income at the time he or she receives the Award of restricted stock in an amount equal to the fair market value of the shares underlying the Award (less any cash paid for the shares) on the date the Award is granted. The Company generally will be entitled to a tax deduction in connection with an Award under the 1996 Equity Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income, subject to possible limitations imposed by Section 162 of the Code.

Tax Effect for the Company. The Company generally will be entitled to a tax deduction in connection with an Award under the 1996 Equity Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income (for example, upon the exercise of a nonqualified stock option). Special rules limit the deductibility of compensation paid to the Company's Chief Executive Officer and to each of its three most highly compensated other executive officers other than the Chief Financial Officer. In general under Section 162(m) of the Internal Revenue Code, the annual compensation paid to any of these executives is deductible only to the extent that it does not exceed \$1,000,000. The Company can, however, preserve the deductibility of certain compensation in excess of \$1,000,000 under the 1996 Equity Plan if the conditions of Section 162(m) are met. These conditions include stockholder approval of the 1996 Equity Plan, setting limits on the number of Awards that any individual may receive, and, for Awards other than certain types of stock options, establishing performance criteria that must be met before the Award actually vests or is paid. The 1996 Equity Plan has been designed to permit the Administrator to grant Awards that qualify as performance-based for purposes of satisfying the conditions of Section 162(m), thereby permitting the Company to continue to receive a federal income tax deduction in connection with those Awards.

The foregoing discussion of the federal income tax aspects of Awards under the 1996 Equity Plan is based upon federal income tax laws in effect on the date of this Proxy Statement. The foregoing discussion is not a complete description of the federal income tax aspects of options under the 1996 Equity Plan. In addition, administrative and judicial interpretations of the application of the federal income tax laws are subject to change. Furthermore, no information is given with respect to state or local taxes that may be applicable to any options. Participants in the 1996 Equity Plan who are residents of or are employed in a country other than the United States may be subject to taxation in accordance with the tax laws of that particular country in addition to or in lieu of United States federal income taxes.

* * *

Security Ownership of Certain Beneficial Owners, Directors and Management

The following table sets forth certain information regarding the ownership of Maxim's common stock as of June 26, 2010, the last day of fiscal year 2010, by: (i) each current director; (ii) each current named executive officer; (iii) all executive officers and directors as a group; and (iv) all those known by Maxim to be beneficial owners of more than five percent of its common stock. The number of shares beneficially owned is determined under the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose.

Beneficial Owner	Beneficial Ownership(1)	
	Number of Shares	Percent of Total
Wellington Management Company, LLP(2)	41,625,283	13.8%
Dodge & Cox(3)	40,816,750	13.6%
Capital World Investors(4)	37,037,000	12.3%
James R. Bergman, Director(5)	216,000	*
Joseph Bronson, Director(6)	48,300	*
Robert E. Grady, Director(7)	35,939	*
B. Kipling Hagopian, Director(8)	140,360	*
William D. Watkins, Director(7)	35,939	*
A. R. Frank Wazzan, Director(9)	156,800	*
Tunc Doluca, President, Chief Executive Officer and Director(10)	1,359,249	*
Bruce Kiddoo, Senior Vice President and Chief Financial Officer(11)	203,531	*
Vivek Jain, Senior Vice President, Manufacturing(12)	114,515	*
Pirooz Parvarandeh, Group President, High Performance Analog Division(13)	453,386	*
Vijay Ullal, Group President, Handheld Consumer Division(14)	421,179	*
All executive officers and directors as a group (17 persons)(15)	4,158,415	1.4%

* Less than one percent

- (1) This table is based upon information supplied by officers, directors, principal stockholders and Maxim's transfer agent, and contained in Schedules 13G filed with the SEC. Unless otherwise indicated, the address of each person or entity listed is c/o Maxim Integrated Products, Inc., 120 San Gabriel Drive, Sunnyvale, California 94086. Unless otherwise indicated in the footnotes to this table and subject to community property laws where applicable, each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 300,848,000 shares outstanding on June 26, 2010 adjusted as required under rules promulgated by the SEC.
- (2) Based solely on information supplied by Wellington Management Company, LLP (WMR) in a Schedule 13G/A filed with the SEC on February 12, 2010. The address of WMR is 75 State Street, Boston, MA 02109.
- (3) Based solely on information supplied by Dodge & Cox in a Schedule 13G/A filed with the SEC on February 12, 2010. The address of Dodge & Cox is 555 California Street, 40th Floor, San Francisco, CA 94104.
- (4) Based solely on information provided by Capital World Investors (CWI), a division of Capital Research and Management Company (CRMC) in a Schedule 13G/A filed with the SEC on July 9, 2010. CWI does not own any shares of Maxim for its own account; the shares reported are owned by accounts under the discretionary management of CWI. CWI has no voting power and sole dispositive power over all shares shown. The address of CWI is 333 South Hope Street, Los Angeles, CA 90071.
- (5) Includes (i) 69,000 shares subject to options exercisable within 60 days of June 26, 2010, (ii) 1,000 restricted stock units that vest within 60 days of June 26, 2010 and (iii) 37,000 shares held by the Bergman Family Foundation for which Mr. Bergman disclaims beneficial ownership.

- (6) Includes (i) 37,500 shares subject to options exercisable within 60 days of June 26, 2010, (ii) 1,000 restricted stock units that vest within 60 days of June 26, 2010 and (iii) 400 shares held in custodian accounts.

- (7) Includes (i) 28,500 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 1,063 restricted stock units that vest within 60 days of June 26, 2010.

- (8) Includes (i) 69,000 shares subject to options exercisable within 60 days of June 26, 2010, (ii) 1,000 restricted stock units that vest within 60 days of June 26, 2010, (iii) 2,000 shares held by a family foundation for which Mr. Hagopian disclaims beneficial ownership and (iv) 62,360 shares held by trust.
- (9) Includes (i) 69,000 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 1,000 restricted stock units that vest within 60 days of June 26, 2010.
- (10) Includes (i) 438,902 shares subject to options exercisable within 60 days of June 26, 2010, (ii) 11,718 restricted stock units that vest within 60 days of June 26, 2010 and (iii) 2,700 shares owned by Mr. Doluca's daughter.
- (11) Includes (i) 168,971 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 5,440 restricted stock units that vest within 60 days of June 26, 2010.
- (12) Includes (i) 90,000 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 2,151 restricted stock units that vest within 60 days of June 26, 2010.
- (13) Includes (i) 313,432 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 13,777 restricted stock units that vest within 60 days of June 26, 2010.
- (14) Includes (i) 119,705 shares subject to options exercisable within 60 days of June 26, 2010, (ii) 16,311 restricted stock units that vest within 60 days of June 26, 2010 (iii) 125,000 shares held in two Grant Retained Annuity Trusts of which Vijay and Jayshree Ullal each own 62,500 shares.
- (15) Includes (i) 2,207,297 shares subject to options exercisable within 60 days of June 26, 2010 and (ii) 81,954 restricted stock units that vest within 60 days of June 26, 2010.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors and officers, and persons who own more than ten percent (10%) of a registered class of Maxim's equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of common stock and other equity securities of Maxim. Officers, directors, and greater than ten percent (10%) stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file.

To the best of our knowledge, based solely on a review of the copies of such reports furnished to Maxim and written representations that no other reports were required, during the fiscal year ended June 26, 2010, all Section 16(a) filing requirements applicable to its officers, directors, and greater than ten percent (10%) beneficial owners were complied with.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related Transactions

During the fiscal year ended June 26, 2010, the Company sold approximately \$77 million in products to Flextronics International Ltd., a contract manufacturer, in the ordinary course of its business. William D. Watkins, a member of our board of directors, is also a member of the board of directors of Flextronics International Ltd. Other than in his capacity as a member of the board of directors of Flextronics, Mr. Watkins had no other interest in the transaction.

The Company employs Robert Bergman, the son of James R. Bergman, a member of our board of directors. In fiscal year 2010, Robert Bergman received approximately \$194,000 in cash compensation and was granted options to purchase 3,304 shares of the Company's Common Stock at an exercise price of \$18.11 per share and awarded 1,100 restricted stock units.

The Company employs Jennifer Caron, sister of David A. Caron, our principal accounting officer. In fiscal year 2010, Jennifer Caron received approximately \$131,000 in cash compensation and was awarded 1,012 restricted stock units.

Maxim has entered into indemnification agreements with its directors and certain of its officers. More specifically, we have separate written indemnification agreements with our current and former executive officers and directors. The indemnification agreements provide, among other things, that Maxim will indemnify each of its directors and officers, under the circumstances and to the extent provided therein, for expenses, damages, judgments, fines, and settlements each may be required to pay in actions or proceedings to which he or she may be made a party by reason of his or her position or positions as a director, officer or other agent of Maxim, and otherwise to the fullest extent permitted under Delaware law and Maxim's bylaws.

Review, Approval or Ratification of Related Party Transactions

The Audit Committee Charter provides for the Audit Committee to review and approve all related party transactions for potential conflicts of interest on an ongoing basis (if such transactions are not approved by another independent body of the board of directors). Related party transactions include, for purposes of the Audit Committee review, without limitation, transactions involving Maxim and any director, executive officer, beneficial owner of more than 5% of Maxim common stock, any immediate family member of any such person, or any firm, corporation, partnership, or other entity in which any such person is employed or any such person has a 5% or greater beneficial ownership interest. In determining whether to approve or ratify a transaction with a related party, the Audit Committee will take into account all relevant facts and circumstances it deems relevant, including, without limitation, the nature of the related party's interest in the transaction, the benefits to Maxim of the transaction, whether the transaction would impair the judgment of a director or executive officer to act in the best interests of Maxim and its stockholders, the potential impact of such transaction on a director's independence, and whether the transaction is on terms no less favorable than terms that may be available in a transaction with an unaffiliated third party under the same or similar circumstances.

Any member of the Audit Committee who is a related party with respect to a transaction under review may not participate in the deliberations or vote on the approval of the transaction. Maxim will disclose the terms of related person transactions in its filings with the SEC to the extent required.

The terms of the sale of products and the employment of the individual described above under the heading "Related Transactions" were not specifically approved by the Audit Committee because such terms (including compensation terms) were, and continue to be, consistent and commensurate with those of other similarly situated customers and employees of Maxim.

EXECUTIVE COMPENSATION
Executive Officers of the Registrant

The following is information regarding our executive officers, including their positions and their ages as September 29, 2010.

Name	Age	Position
Tunc Doluca	52	President and Chief Executive Officer
David A. Caron	50	Vice President, Principal Accounting Officer
Vivek Jain	50	Senior Vice President, Manufacturing Operations
Bruce E. Kiddoo	49	Senior Vice President and Chief Financial Officer
Edwin B. Medlin	53	Vice President, General Counsel
Matthew J. Murphy	37	Vice President, Worldwide Sales
Christopher J. Neil	44	Division Vice President
Pirooz Parvarandeh	50	Group President and Chief Technical Officer
Charles G. Rigg	66	Senior Vice President
Vijay Ullal	51	Group President
Steve Yamasaki	56	Vice President, Human Resources

Mr. Doluca Please see Mr. Doluca's biography under Proposal No. 1 contained in this proxy statement.

Mr. Caron joined Maxim in December 1998 as Director of Accounting and has served as Maxim's Corporate Controller since July 2003. In August 2010, Mr. Caron was promoted to Vice President and Principal Accounting Officer. Mr. Caron is a Certified Public Accountant in the state of California and holds a Bachelor of Science in Accounting from San Jose State University.

Mr. Jain joined Maxim in April 2007 as Vice President of Wafer Fab Operations. In June 2009, Mr. Jain was promoted to Senior Vice President, Manufacturing Operations, responsible for all of Maxim's manufacturing operations, including wafer fab, test and assembly operations. Prior to joining Maxim, Mr. Jain was with Intel Corporation as Plant Manager for Technology Development and Manufacturing Facility in Santa Clara, California since 2000.

Mr. Kiddoo joined Maxim in September 2007 as Vice President of Finance. On October 1, 2008, Mr. Kiddoo was appointed Chief Financial Officer and Principal Accounting Officer of Maxim and served as Principal Accounting Officer until August 2010. In September 2009, Mr. Kiddoo was also named a Senior Vice President. Prior to joining Maxim, Mr. Kiddoo held various positions at Broadcom Corporation, a global semiconductor company, beginning in December 1999. Mr. Kiddoo served as Broadcom's Corporate Controller and Principal Accounting Officer from July 2002 and served as Vice President from January 2003. He also served as Broadcom's Acting Chief Financial Officer between September 2006 and March 2007.

Mr. Medlin joined Maxim in November 1999 as Director and Associate General Counsel. He was promoted to Vice President and Senior Counsel in April 2006 and was appointed General Counsel in September 2010. Prior to joining Maxim, he was with the law firm of Ropers, Majeski, Kohn and Bentley between 1987 and 1994 where he held various positions, including director. Between 1994 and 1997, he held the positions of General Counsel, and later, General Manager, at Fox Factory, Inc., a privately held manufacturing company. Between 1997 and 1999 he held the positions of General Counsel and later, Vice President of Global Sales and Marketing at RockShox, Inc., a publicly traded corporation.

Mr. Murphy joined Maxim in July 1994 and was promoted to Vice President in November 2006. Prior to November 2006, he served in a number of business unit and executive management positions.

Mr. Neil joined Maxim in September 1990 and was promoted to Vice President in April 2006 and was named Division Vice President in September 2009. Prior to 2006, he held several engineering and executive management positions.

Mr. Parvarandeh joined Maxim in July 1987 and served as Vice President between 1997 and 2005. He was promoted to Senior Vice President in 2004 and Group President in May 2005. In September 2010, Mr. Parvarandeh was also appointed Chief Technical Officer. Prior to 1997, he served in a number of integrated circuit development positions.

Mr. Rigg joined Maxim in August 1996 as Managing Director and General Counsel. He was promoted to Vice President in April 1999 and Senior Vice President in January 2007. Prior to joining Maxim, he was with the law firm of Ropers, Majeski, Kohn and Bentley between 1970 and 1996 where he held various positions, including director.

Mr. Ullal joined Maxim in December 1989 and served as Vice President between 1996 and 2004. He was promoted to Senior Vice President in 2004 and Group President in January 2007. Prior to 2004, he served in a number of wafer fabrication operation and management positions.

Mr. Yamasaki joined Maxim in April 2010 as Vice President of Human Resources. Prior to joining Maxim, he was Corporate Vice President of Human Resources of Applied Materials from 2008 to 2010, and was Executive Vice President of Human Resources of YRC Worldwide from 2004 to 2008. Before joining YRC Worldwide, Mr. Yamasaki was Vice President of Human Resources at ConAgra Foods Inc. and Honeywell International.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides a review of our executive compensation philosophy, policies and practices with respect to the following executive officers of Maxim: the Chief Executive Officer, the Chief Financial Officer, and the other three most highly compensated executive officers during fiscal year 2010 (the Named Executive Officers).

Executive Compensation Philosophy and Components

The objectives of our executive compensation program are as follows:

to attract, retain, motivate, and reward the best and brightest executives who have the talent and experience required to achieve our goals;

to align the short-term and long-term interests and objectives of our executive officers with stockholders and customers;

to create a high-performance culture by linking total rewards to company performance, including performance relative to our peers;

to recognize executives for their contributions to our success by rewarding individual performance; and

ensure that executive compensation programs are easily understood by program participants.

We accomplish these objectives by providing our executives with compensation components that are specifically linked to either short-term or long-term corporate and executive performance. The majority of executive compensation is short-term or long-term variable compensation. The principal components of our executive compensation are:

base salary;

cash performance bonuses;

stock options and restricted stock units; and

benefits.

Each of these components is intended to achieve one or more of our compensation objectives. The Compensation Committee relies on its judgment in determining the appropriate mix of cash and equity compensation for our officers. In general, in order to encourage a high-performance culture and to align the interests of our executive officers with those of our stockholders, the Compensation Committee makes a significant portion of each executive officer's compensation performance-based with cash performance bonuses and equity awards, while keeping base salaries below competitive levels. Our variable cash and equity programs are designed to reward recent performance with cash compensation and to motivate long-term performance and retention through equity awards. Both programs are also designed to reward our executives both for individual and overall corporate performance. Such a structure allows the Compensation Committee flexibility to reward outstanding individual performance and to recognize the contributions of our executive officers to the overall success of Maxim.

Governance of Executive Officer Compensation Program

Role and Members of the Compensation Committee

The members of our Compensation Committee are appointed by our board of directors. The Compensation Committee is responsible for determining executive officer compensation. As of the record date, the Committee was comprised of three members of the board of directors, Messrs. James R. Bergman, Robert E. Grady and A. R. Frank Wazzan, each of whom is an independent, non-employee director. Since March 1, 2007, Dr. Wazzan has, and continues to, serve as Chairman of the Compensation Committee.

The primary purpose of the Compensation Committee is to:

review and approve corporate goals and objectives relevant to the compensation of Maxim's Chief Executive Officer (the CEO) and other officers, evaluate CEO performance, and determine CEO compensation based on this evaluation;

approve and oversee, in consultation with our CEO, the total compensation package for our officers including their base salaries, bonus, equity-based compensation, severance benefits and change-in-control benefits (if any);

review the CEO's performance evaluation of all officers and approve compensation decisions;

review periodically and make recommendations to the board of directors regarding any equity or long-term compensation plans, and administer these plans; and

make recommendations to the board of directors with respect to compensation for members of the board of directors and its committees.

The Compensation Committee operates according to a charter that details its specific duties and responsibilities. The Compensation Committee periodically reviews the charter and recommends proposed changes to the board of directors for approval. The Compensation Committee Charter is available on our website in the Corporate Governance section at <http://www.maxim-ic.com/company/investor/governance>. The charter sets forth the membership requirements, authority and duties of the Compensation Committee, which shall consist of no fewer than two members, all of whom (1) meet the independence requirements of the NASDAQ Marketplace Rules, (2) are non-employee directors under the definition of Rule 16b-3 promulgated under Section 16 of the Exchange Act, and (3) are outside directors for purposes of the regulations promulgated under Section 162(m) of the Internal Revenue Code. During fiscal year 2010, and currently, all members of the Compensation Committee met these criteria.

Process for Evaluating Executive Officer Performance and Compensation

The Compensation Committee generally holds at least two scheduled meetings during the year and holds additional meetings periodically to review and discuss executive compensation issues. The Compensation Committee Chairman will also provide an update to the board of directors during a regularly scheduled meeting regarding Compensation Committee matters when appropriate. In addition, certain members of the Compensation Committee generally communicate on an informal basis concerning Compensation Committee matters throughout the fiscal year. The Compensation Committee may also consider and take certain actions by unanimous written consent. In fiscal year 2010, the Compensation Committee, including its two person Equity Grant Sub-Committee, held 13 meetings and acted by unanimous written consent four times.

Our Vice President of Human Resources and our Corporate Secretary support the Compensation Committee in its work. The Compensation Committee also has the authority to engage the services of outside advisors, experts and others for assistance.

Outside Compensation Consultant

In fiscal year 2010, the Compensation Committee engaged an independent, third party compensation consulting firm, Compensia, Inc., to advise the Compensation Committee and the board of directors on executive cash and equity compensation matters, including Maxim's new officer compensation plan for fiscal year 2010, as well as the change-in-control benefits that employees are eligible to receive in the event of termination of employment in connection with a change-in-control of Maxim. Compensia reports directly to the Compensation Committee, and the Compensation Committee has sole authority to hire, terminate and direct the work of Compensia.

Role of Management in Executive Compensation Process

The Compensation Committee seeks input from our Chief Executive Officer and/or other senior executives, to obtain recommendations with respect to our compensation programs, practices and packages for executives and other employees. Our Chief Executive Officer's role in the compensation-setting process consists of (1) evaluating executive and employee performance; (2) assisting in the establishment of business performance targets and objectives; and (3) recommending salary levels and equity awards. While the Compensation Committee may discuss our CEO's compensation package with him, it meets in executive session in his absence to determine his compensation.

Executive Compensation Benchmark

In September 2009, based on the recommendations of Compensia, and in consultation with Maxim's Chief Executive Officer and Chief Financial Officer, the Committee, approved a compensation peer group to be used for benchmarking and for setting executive compensation for fiscal year 2010. In determining the appropriate compensation peer group, the Compensation Committee considered companies within the semiconductor industry that have revenue, number of employees and operations similar to our corresponding components. Most of the companies in this peer group compete with us for executive talent. Periodically, the Compensation Committee will review and update the compensation peer group as appropriate.

The compensation peer group for fiscal year 2010 are as follows:

Altera Corporation	Linear Technology Corporation
Analog Devices, Inc.	LSI Corporation
Atmel Corporation	Marvell Technology Group Ltd.
Broadcom Corporation	National Semiconductor Corporation
Cypress Semiconductor Corporation	NVIDIA Corporation
Fairchild Semiconductor	ON Semiconductor Corp.
International Rectifier Corporation	Xilinx, Inc.

The Compensation Committee also included Texas Instruments, a much larger company, in the peer group for reference purposes only because Texas Instruments is a competitor and competes with us for executive talent.

Total compensation targets for our Named Executive Officers are at the 75th percentile for total compensation paid to similarly situated executives in the compensation peer group companies, as long as superior performance metrics are satisfied. The targets for individual compensation components are as follows: 25th to 50th percentile for base salary, 50th to 75th percentile for total cash compensation and 50th to 75th percentile for equity awards (taking into consideration dilution constraints). We set our target compensation level higher than the median compensation level of executives in the compensation peer group because we believe that providing above-average compensation, payable only upon the achievement of superior performance metrics, will allow us to retain and attract talented and motivated executives in the highly competitive semiconductor industry. The benchmark data are one of many factors that the Compensation Committee considers in making compensation decisions. The Compensation Committee also considers company performance, the executive's level of responsibilities and individual performance, any special retention issues, and compensation relative to the other officers at Maxim when setting the compensation level of our officers.

Evaluation of Named Executive Officer Compensation

Base Salary

Base salaries are used to attract, motivate, and retain highly qualified executives. Base salary is the primary fixed component of compensation in the executive compensation program and is determined by:

level of responsibility;

pay levels of similar positions in our peer group;

expertise and experience of the executive; and

competitive conditions in the industry.

Annual base salary increases, if any, are a reflection of:

the individual's performance for the preceding year;

the individual's pay level relative to similar positions in our peer group;

anticipated future contributions of the executive; and

competitive conditions in the industry.

For Named Executive Officers, base salaries are generally targeted at the 25th to 50th percentile of the base salaries paid to similarly situated executives in the compensation peer group companies.

Fiscal 2010 Base Salary Actions

The Compensation Committee, after a review of individual and overall company performance, as well as market practices for executive compensation, did not approve base salary increases for our Named Executive Officers for fiscal year 2010 from fiscal year 2009 base salary levels. The table below sets forth each Named Executive Officer's base salary for fiscal year 2010:

Named Executive		Annualized	% Increase
Officer	Title	2010 Base Salary	from 2009
Tunc Doluca	President and Chief Executive Officer	\$ 500,000	0
Bruce Kiddoo	Senior Vice President and Chief Financial Officer	\$ 350,000	0
Vivek Jain	Senior Vice President, Manufacturing Operations	\$ 330,000	0
Pirooz Parvarandeh	Group President and Chief Technical Officer	\$ 360,000(1)	0
Vijay Ullal	Group President	\$ 400,000	0

(1) Reflects a voluntary 10% reduction from his \$400,000 base salary
2010 Compensation Plan

At the October 6, 2009 meeting of the Compensation Committee, the Chief Executive Officer recommended to the Compensation Committee that a new compensation plan for Maxim's officers, including the Named Executive Officers, be adopted to replace the then existing Compensation Plan and offered suggestions on what the new compensation plan should encompass (the 2010 Compensation Plan). After receiving feedback from the Compensation Committee, the Chief Executive Officer, together with the Compensation Committee Chairman, developed a proposed compensation plan for officers, including the Named Executive Officers, for fiscal year 2010 that was presented to and approved by the Compensation Committee, at a meeting held on October 21, 2009. An additional refinement was made to the 2010 Compensation Plan shortly following the October 21, 2009 Compensation Committee meeting.

Cash Incentive Compensation under 2010 Compensation Plan

Under the 2010 Compensation Plan, the determination of the cash bonus is performance-based. The aggregate annual target cash bonus pool is 2% of our operating income as determined under U.S. General Accepted Accounting Principles (GAAP), excluding the effect of special expense items, which correlates to a \$5 million total bonus pool for every \$250 million in operating income. This target annual bonus pool is subject to potential upward adjustment to 3% of our operating income or downward adjustment to 1% of our operating income, in each case, determined based on the following company-wide performance metrics: (1) year-over-year operating income growth (excluding the effect of special expense items) and (2) the year-over-year stock price performance relative to a six peer company group (which includes Analog Devices, Inc., Intersil Corporation, Linear Technology Corporation, Maxim Integrated Products, Inc., National Semiconductor Corporation and Texas Instruments) by using the average closing prices from April 1, 2009 through June 30, 2009 as compared to the average closing prices from April 1, 2010 through June 30, 2010.

The target year-over-year operating income growth of 10% correlates to the bonus pool size of 1% of fiscal year 2010 operating income, and the target year-over-year stock performance of 50th percentile among the peer group companies correlates to the bonus pool size of 1% of fiscal year 2010 operating income. Therefore, achieving the overall target bonus pool of 2% of fiscal year 2010 operating income would require a sizable growth in operating income as well as maintaining stock performance in line with our five closest peers. The maximum cash bonus pool for Maxim's operating income performance and stock performance, in each case, is 1.5% of fiscal year 2010 operating income, for a combined total of 3%. In order to achieve the maximum cash bonus pool, at least a 20% year-over-year growth in operating income and the best year-over-year stock performance among the six company peer group would be required. In the event of 0% growth in operating income and the worst year-over-year stock performance among the six company peer group, the cash bonus pool would be reduced to a total of 1% of fiscal year 2010 operating income.

The chart below depicts how the percentage of the aggregate bonus pool to be distributed to all officers is calculated:

We selected operating income as the primary program metric (as a basis to determine the overall size of the cash bonus pool and to scale the year-over-year growth) because we deem it to be an objective and clear measure of our operating performance, it demonstrates efficiency of company performance and aligns financial reporting with compensation calculations and cannot be easily manipulated. We selected relative stock price growth as a program metric because we believe that our stock price is an overall indicator of our success and financial health. Furthermore, it aligns bonus payouts with Maxim's Manifesto, our plan of action to fulfill, among others, our goal of being recognized by our employees, customers, and investors as the leading company in the analog/mixed signal industry. We decided to measure our success by comparing our stock price appreciation relative to the stock prices of our peer group of six companies by the year 2014. We selected this peer company group to measure relative stock price performance because we consider this group to be comprised of our closest competitors for not only the sale of analog and mixed-signal semiconductor products but also key talent.

Each officer's share of the bonus pool is dependent upon his or her position points, which are initially determined at the beginning of the fiscal year and subject to adjustment at the end of the fiscal year by taking into account the officer's level of responsibility and relative value of the officer's performance to Maxim as compared to the other executives for the fiscal year, and then scaled by their individual performance which is expressed as a percentage. Each participant's share of the bonus pool equaled the product of (a) the percentage determined by taking his or her total position points, as approved by the Compensation Committee at the end of the fiscal year, and dividing them by the total number of position points allocated to all officers, (b) their individual performance percentage, which is measured as a percentage and was in the range between 87% to 112% for each participant and (c) the bonus pool calculated as described above.

Actual Results for Fiscal Year 2010 under Cash Bonus Pool and Bonus Payouts to the Named Executive Officers

In fiscal year 2010, actual operating income (excluding the effect of special expense items) was approximately \$492 million compared to \$233 million in fiscal year 2009, which was a 111.2% increase. The total amount of special expense items not included in GAAP operating income totaled \$199.6 million in fiscal year 2010 as compared to \$216 million in fiscal year 2009. Our year-over-year stock price performance during the measurement period was up 25.3%, which was fourth in the six company peer group as the stock prices of three companies in the peer group increased by a greater amount during the measurement period. Accordingly, the aggregate amount of the bonus pool under the 2010 Compensation Plan payable to all officers for fiscal year 2010, including the Named Executive Officers, was determined to be approximately \$11.8 million, or 2.4% of \$492 million, our GAAP operating income (excluding the effect of special expense items). However, as a result of how the total bonus pool was earned due to individual performance, \$11.55 million was distributed to all officers for performance in fiscal year 2010.

The table below describes each Named Executive Officer's performance bonus that was approved by the Compensation Committee for fiscal 2010 performance, which was paid from the aggregate \$11.55 million bonus pool distributed to all officers.

Named Executive Officer	Amount of FY10 Performance Bonus
Tunc Doluca	\$ 1,400,000
Bruce Kiddoo	\$ 745,197
Vivek Jain	\$ 807,951
Pirooz Parvarandeh	\$ 834,098
Vijay Ullal	\$ 1,153,094

Equity Compensation

We believe equity compensation is an effective way to align the interests of our executive officers with those of our stockholders in order to achieve long-term stock price growth. In designing the equity compensation program, we take into account stockholder concerns about stock usage and dilution. Equity awards are granted by the Compensation Committee or its Equity Grant Sub-Committee, and the grant price of stock option awards are equal to the closing price of Maxim's common stock based on the date of grant. We utilize a mix of stock options and restricted stock units to compensate our executive officers. We believe that stock options align our executive officers' interests with our stockholders, as the executive officers only benefit from future stock price appreciation, while restricted stock units promote strong current retention incentives for Maxim's executive officers.

Equity Compensation under 2010 Compensation Plan

The 2010 Compensation Plan also contains an equity compensation component that is comprised of mixture of stock options and restricted stock units. In fiscal year 2010, the aggregate target number of stock options to be awarded to all officers was 1,271,000 shares (vesting per year), and the aggregate target number of restricted stock units to be awarded to all officers was up to 350,000 (vesting per year).

Equity Awards for Fiscal Year 2010 Performance under 2010 Compensation Plan

Pursuant to the 2010 Compensation Plan, an aggregate award of 1,018,656 stock options was made on December 1, 2009 to all officers, including the Named Executive Officers. These options vest quarterly primarily during calendar 2013, in each case subject to continued employment on the applicable vesting date. In addition, all officers, including the Named Executive Officers were granted an aggregate of 489,060 restricted stock units on December 1, 2009. These restricted stock units vest over six quarters starting in August 2010 and ending in

November 2011, in each case subject to continued employment on the applicable vesting date. Although we believe that long-term equity incentives are an important part of our compensation program and that they align our executives with our stockholders, we also recognize the importance of limiting the shareholder dilution associated with our equity compensation programs. The foregoing awards were a result of balancing these two competing objectives and resulted, on average, in our named executive officers (including our CEO) receiving equity awards for fiscal 2010 having values that were below median competitive practices.

Employee Stock Purchase Plan

Our stockholders approved the 2008 Employee Stock Purchase Plan at the 2008 annual meeting of stockholders and approved amendments to the 2008 Employee Stock Purchase Plan at the 2009 annual meeting of the stockholders, pursuant to which employees and officers who meet certain eligibility qualifications are able to purchase Maxim's common stock at a discount of up to 15% from the market price. Employee contributions are made through payroll deductions.

Benefits and Perquisites

Maxim's philosophy regarding benefits for our employees, including executives, is that they should be competitive with the market in order to attract and retain a high quality workforce, meet the needs of our employees, encourage employee well-being, and provide protection from catastrophic events. We provide medical, dental and vision insurance coverage to executives that are generally available to other full-time employees, including basic group life insurance and disability insurance. For all management employees, including our officers, we pay the premiums for executive life insurance, executive disability and umbrella liability insurance plans. We also offer a tax qualified 401(k) plan in which all U.S. based employees, including officers, are eligible to participate. All of our Named Executive Officers participated in our 401(k) plan during fiscal year 2010. Starting on January 1, 2008, employees were eligible to receive a matching contribution from Maxim equal to 100% of the before-tax contributions made by the employee up to 3% of total cash compensation. However, during fiscal year 2010, all 401(k) matching contributions from Maxim were suspended and as of October 1, 2010, they remain suspended. Under certain limited circumstances we have provided reimbursement of expenses for tax preparation for certain executives.

The Compensation Committee reviews the perquisites provided to executive officers as part of its overall review of executive compensation. The Compensation Committee has determined the type and amount paid in perquisites to be within the appropriate range of competitive compensation practices. Details about the named executive officer's perquisites, including fiscal year 2010 cost to Maxim, are shown in the Summary Compensation Table under the "All Other Compensation" column and the accompanying narrative.

Employment Agreements

Several years ago, we entered into at-will employment agreements with each of Messrs. Doluca, Parvarandeh, and Ullal that contain substantially similar terms. The agreements do not grant the executive officers any right to be retained by us, and we may terminate the employment of each executive officer either with or without cause at any time. In the event of any termination of employment by Maxim, all compensation and benefits, except benefits provided by law (e.g., COBRA health insurance continuation benefits) immediately cease to accrue. However, in the event of termination of employment by Maxim without cause, severance payments are to be made in accordance with our normal policy then in effect, if any, or as otherwise mutually agreed between Maxim and the executive officer.

These agreements provide that if the executive officer terminates his full-time employment with us and his written notice of termination provides that he is willing to provide certain consulting services to us, we will make health insurance coverage available to the executive officer and his family during the period of provision of such services (or willingness to provide services) by the executive officer. The terms of his service, unless otherwise

agreed, will provide for part-time services (up to one day per month) and annual compensation equal to at least 5% of the executive officer's base salary at the time of termination, provided that services are rendered. Health insurance coverage will be similar to that under the group health plan we maintain for our employees.

During the ten-year period following the notice of termination, the former executive officer pays the same amount for health coverage as a similarly situated full-time employee is required to pay for coverage under our group health plan. After the ten-year period, the former executive officer pays us what the cost of the coverage would be if it were being provided pursuant to COBRA health insurance continuation benefits. In the event of the former executive officer's death while receiving health insurance coverage, the former executive officer's spouse is eligible for health insurance coverage until her death so long as she pays for the coverage in an amount equal to the cost for an employee with identical coverage. In the event the former executive officer becomes disabled while receiving health insurance coverage, he is deemed to have met his service obligations to us during the disability period. Upon reaching age sixty-five (65), Medicare becomes the primary payer of medical expenses incurred by the former executive. All of such continued health insurance coverage terminates upon the occurrence of certain disqualifying events, including but not limited to, if the former executive officer competes with Maxim or becomes eligible for health insurance coverage elsewhere.

Post-Employment Obligations

The at-will employment agreements with Messrs. Doluca, Parvarandeh, and Ullal provide that in the event of termination of employment by Maxim without cause, severance payments are to be made in accordance with our normal policy then in effect, if any, or as otherwise mutually agreed between Maxim and the individual. Maxim does not have any normal policy with respect to severance payments of former executives.

Reasonableness of Compensation

The Compensation Committee believes it is fulfilling our compensation objectives and in particular, rewarding executive officers in a manner that supports our strong pay-for-performance philosophy. Executive compensation is tied to our performance and is structured to ensure that there is an appropriate balance between our long-term and short-term performance, and also a balance between our operational performance and stockholder return. The Compensation Committee believes the average target pay position relative to market and pay mix are reasonable and appropriate.

Other Considerations

Tax Considerations

Section 162(m) of the Internal Revenue Code states that public companies cannot deduct compensation paid to certain of its top executive officers in excess of \$1 million per officer per year. We believe it is in our best interest, to the extent practical, to have executive officer compensation be fully deductible under Section 162(m). However, the Compensation Committee also retains the discretion, for competitive reasons, to provide compensation that may not be fully deductible. In a few instances, a portion of our annual bonus payments to certain of our executive officers does not currently qualify as deductible under Section 162(m). The Compensation Committee will continue to evaluate whether it is in Maxim's best interest to qualify future incentive awards under Section 162(m). Our 1996 Stock Incentive Plan has been structured with the intention that stock options and performance shares granted under the plan be qualified as performance-based compensation not subject to Section 162(m); however, improperly accounted for options and performance shares granted under this plan may not qualify as performance-based compensation.

Stock Ownership Guidelines

We do not currently have any stock ownership guidelines for our executive officers or members of our board of directors.

COMPENSATION COMMITTEE REPORT

Our Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, our Compensation Committee recommended to the board of directors that the Compensation Discussion and Analysis be included in this proxy statement and in our Annual Report on Form 10-K for the fiscal year ended June 26, 2010.

Compensation Committee

A.R. Frank Wazzan, Chairman

James R. Bergman

Robert E. Grady

Summary Compensation Table

The compensation for Maxim's Chief Executive Officer, Chief Financial Officer, and the three other most highly compensated executive officers (together, "Named Executive Officers") for all services rendered in all capacities to Maxim and its subsidiaries during the fiscal year ended June 26, 2010 is set forth below.

Fiscal Year 2010 Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Restricted Stock Unit Awards (\$)(1)	Option Awards (\$)(2)	Non-Equity Incentive Plan Compensation (\$)(3)	All Other Compensation (\$)	Total (\$)
Tunc Doluca President and CEO	2010	500,000		1,117,409	971,664	1,400,000	14,013(4)	4,003,086
	2009	480,769		598,258	2,331,823	321,429	24,842(5)	3,757,121
	2008	498,077			1,334,483	716,418	17,269(6)	2,566,247
Bruce Kiddoo* Senior Vice President and CFO	2010	350,000		492,965	308,383	745,197	51,892(7)	1,948,437
	2009	336,538		51,280	1,030,169	175,622	68,210(8)	1,661,819
Vivek Jain** Senior Vice President, Manufacturing Operations	2010	330,000		524,749	746,510	807,951	6,394(9)	2,415,604