

**U.S. Open
Enrollment**

Benefits Guide



**maxim
integrated™**

2019



Letter from the CHRO

The 2019 U.S. Benefits Open Enrollment period begins October 30 and continues through November 19. All active U.S. employees who wish to have benefit coverage for 2019, must review and elect plan options.

This Open Enrollment requires an “active” election on your part. This means that your 2018 medical, dental, and vision plan elections and your named dependents will not automatically roll over to 2019. Although your 2018 information will be pre-populated for you in Workday, you must confirm your elections by November 19, 2018 to have benefit coverage for the 2019 calendar year.

Because your health benefit choices can have a big impact on your health care experience and expenses, it is important that you consider your options carefully, discuss with your household and make selections to fit your personal needs for the coming year.

While certain premiums and out-of-pocket costs remain the same as in 2018, below is a summary of changes for 2019:

- Blue Cross Blue Shield (BCBS) Medical Plans:
 - For employees who elect the Consumer Directed Health Plan (CDHP), Maxim will contribute \$500 for employee only or \$1,000 for employee plus 1/family directly into a Health Savings Account (HSA) with Fidelity, which is new for 2019. The CDHP premium will increase by ~ 6% (all less than \$1 per pay period), and there will be an increase to out-of-pocket maximums.
 - The BCBS Value Plus Plan premiums will increase by ~ 7%, ranging from about \$3 to \$12 per pay period, as well as an increase to out-of-pocket maximums.
 - Premiums for the BCBS Value Plan will increase ~ 5.5%, ranging from about \$1.50 to \$5 per pay period.
- Kaiser Oregon Plan premiums will increase by ~ 6%, ranging from about \$2 to \$6 per pay period.
- The Cigna Dental Choice PPO Plan will no longer be part of our benefit plan offering. Maxim will continue to offer the Cigna Dental PPO and the Cigna Dental HMO. When compared with the Choice Plan, the Cigna Dental PPO Plan premiums are 30-50% lower, depending on whether you elect employee only or employee plus 1/family. The Cigna Dental PPO Plan 2019 premiums will increase slightly by ~ \$1 or less per pay period over 2018.

What's Next

When Open Enrollment kicks off on October 30, that announcement will include information on where to access updated benefit plan summaries for 2019 in the U.S. Benefits section on the HR intranet site.

Please plan to attend any of our upcoming webinar sessions in early November to answer any benefit questions you may have.

We know that your health care needs are unique to you and your family. Maxim's health benefit portfolio provides support for employee well-being and preventive care, comprehensive coverage to meet a range of medical situations, and solid protection against the cost of serious injury or illness.

Cheers to your health!

Laura

Benefit Basics

Welcome to 2019 U.S. Benefits Open Enrollment. Over the past few years, we've asked you to become educated about your health care and make informed decisions regarding your coverage. In short, we want you to think about purchasing health care just like you would any other product or service.

WHAT YOU NEED TO KNOW AND DO FOR 2019

- Beginning October 30, you can select your benefits coverage for 2019. Log into Workday via Single Sign-On and open your Open Enrollment Event from your Inbox to begin your making your selections.
- **This year requires active enrollment. You must select your benefit options and click "submit", or you will not have benefit coverage after December 31, 2018.**
- Once your elections are complete, print a copy of your selections. You will receive a side by side comparison of your 2018 choices versus your new 2019 elections. Review to ensure your selections are accurate; if not, log back in to Workday before November 19 to make any necessary changes.

ELIGIBILITY

You are eligible for benefits if you work at least 24 hours per week. Dependents can also be enrolled for coverage, including your:

- Legal spouse, domestic partner, or common law spouse provided the relationship meets the laws of the jurisdiction in which it was entered
- Natural, legally adopted and step children up to age 26
- Children who have been granted permanent legal guardianship by the court of law up to age 26
- Disabled children dependent upon you

Your benefits will take effect on January 1, 2019 and will remain in effect through December 31, 2019. Remember that you may only change coverage if you experience a qualifying life event, as described here.



**Open Enrollment is
Oct. 30 – Nov. 19, 2018**

QUALIFYING LIFE EVENTS

Generally, you may only make or change your existing benefit elections during the open enrollment window. However, you may change your benefit elections per IRS section 125 guidelines during the year if you experience a life event such as:

- Marriage
- Divorce or legal separation
- Birth of your child
- Death of your spouse, domestic partner, common law spouse or dependent child
- Adoption of or placement for adoption of your child
- Change in employment status of employee, spouse/domestic partner/common law spouse or dependent child
- Qualification by the Plan Administrator of a child support order for medical coverage
- New entitlement to Medicare or Medicaid
- Relocation to a state where the plan is no longer available

You must enter your qualifying event in Workday within 31 days of the life event. Depending on the type of event, you may need to provide proof of the event, such as a marriage license. Human Resources will let you know what documentation you should provide. If you do not enter your qualifying event in Workday within 31 days of the qualified event, you will have to wait until the next open enrollment window to make changes (unless you experience another qualifying life event).

Your Blue Cross Blue Shield Medical Coverage Options

VALUE PLUS PPO AND VALUE PPO

The Value Plus PPO and Value PPO options provide coverage for preventive and routine care, medical, surgical and hospitalization expenses. There is no primary care physician (PCP) requirement, and you may see any provider you choose without a referral, either in-network or out-of-network. However, if you choose to use an out-of-network provider, your out-of-pocket costs will be higher. The Value Plus PPO and Value PPO options also include coverage for prescription drugs under the CVS/Caremark Managed Pharmacy Program.

CONSUMER DIRECTED HEALTH PLAN (CDHP, FORMERLY CALLED HDHP)

The Consumer Directed Health Plan with HSA option provides coverage for preventive and routine care, medical, surgical and hospitalization expenses and prescription drugs. There is no primary care physician (PCP) requirement, and you may see any eligible provider you choose without a referral, either in-network or out-of-network. However, if you choose to use a provider who does not participate in the network, your out-of-pocket costs will be higher. You must meet the deductible before the plan cost sharing will begin.

Please note that the deductible and out-of-pocket maximum work differently than the PPO plan options when more than one person is enrolled. Two or more family members' expenses accrue together to meet the deductible and out-of-pocket max. Once met, the plan pays applicable benefits for all family members. This is called a "true family" deductible. The family deductible must be met before any family member is eligible to receive a benefit, and the family out-of-pocket maximum must be met before the Plan will pay 100% of the cost of eligible covered services for any covered family members.

The Consumer Directed Health Plan with HSA option includes coverage for prescription drugs under the CVS/Caremark Managed Pharmacy Program.

HEALTH SAVINGS ACCOUNT (HSA)

You must be enrolled in the Consumer Directed Health Plan to be eligible for the HSA, which allows you to contribute to a tax-advantaged Health Savings Account (HSA). The HSA provides a savings mechanism for both current and future health care needs, as unused contributions accumulate over time and can be used for future medical expenses. The HSA is your personal account and unused balances remaining at the end of the plan year remain in your account. You own your HSA and you take it with you if you leave the company or retire.

The IRS sets the limits on the amount you can contribute to your HSA each year. For 2019, it's

- \$3,500 if you have employee-only coverage (less the \$500 company contribution)
- \$7,000 if you cover yourself and any family members (less the \$1000 company contribution)
- If you will be age 55 or older in 2019, you can make an additional contribution of \$1,000.

NEW! In 2019 Maxim Integrated will be contributing \$500/individual or \$1000/family to your HSA account. If you open an HSA, you cannot have a Traditional Flexible Spending Account (FSA) in the same plan year, per IRS regulations. However, you can have a Limited Purpose Flexible Spending Account for your Dental and Vision expenses ONLY.

The HSA is optional, but it's a great way to budget for the plan's higher deductible, save money on taxes, and save for future health care expenses.

Triple Tax Advantages of the HSA

1. You don't pay federal taxes on the money going into your HSA.
2. You don't pay federal taxes on the interest your balance earns over time.
3. You don't pay federal taxes when you withdraw money from your HSA to pay qualified health care expenses, such as medical, prescription drug, dental, and vision.

Blue Cross Blue Shield Medical Plan Comparison

Here's how the plans compare.

| Coverage | PPO Value Plus Plan | | PPO Value Plan | | CDHP | |
|--|----------------------------------|--------------------------------------|----------------------------------|--------------------------------------|---|--------------------------------------|
| | In-Network Individual/ Family | Out-of-Network Individual/ Family | In-Network Individual/ Family | Out-of-Network Individual/ Family | In-Network Individual/ Family | Out-of-Network Individual/ Family |
| Maxim HSA Contribution | N/A | | N/A | | \$500/\$1,000 | |
| Deductible | \$250/\$750 | \$500/\$1,500 | \$500/\$1,500 | \$1,000/\$3,000 | \$1,500/\$4,500 | \$3,000/\$9,000 |
| Deductible note | Family constitutes three or more | | Family constitutes three or more | | Family deductible constitutes two or more | |
| Co-insurance | 10% | 40% | 20% | 50% | 20% | 50% |
| Out-of-Pocket Max Medical | \$2,500/ \$7,500 | \$7,000/ \$21,000 | \$3,500/ \$10,500 | \$7,000/ \$21,000 | \$2,250/ \$6,500 | \$4,250/ \$12,500 |
| Out-of-Pocket Max Pharmacy (via Caremark) | \$500/\$1,000 | N/A | \$500/\$1,000 | N/A | Combined with medical maximum | Combined with medical maximum |
| Preventive Care | Covered 100%, no deductible | 40% after deductible | Covered 100%, no deductible | 50% after deductible | Covered 100%, no deductible | 50% after deductible |
| Primary Physician Visit | \$20 co-pay | 40% after deductible | \$20 co-pay | 50% after deductible | 20% after deductible | 50% after deductible |
| Specialty Physician Visit | \$40 co-pay | 40% after deductible | \$40 co-pay | 50% after deductible | 20% after deductible | 50% after deductible |

YOUR 2019 BI-WEEKLY PAYROLL DEDUCTIONS

| Coverage | PPO Value Plus Plan | PPO Value Plan | CDHP |
|------------------------------|---------------------|----------------|---------|
| Employee Only | \$54.60 | \$27.64 | \$6.28 |
| Employee + Spouse | \$125.41 | \$61.55 | \$12.56 |
| Employee + Child(ren) | \$110.65 | \$55.26 | \$10.05 |
| Employee + Family | \$178.52 | \$91.69 | \$16.32 |

Crossover Health Near Site Clinics (Northern California Employees Only)

If you enroll in a Blue Cross Blue Shield medical plan, you also have access to a near site health clinic called Crossover Health, which provides members-only access to employees from participating companies. Crossover has four locations in the South Bay, including one less than a mile from Maxim's headquarters in San Jose.

Crossover offers you a comprehensive set of medical services, all available under one roof at half of the co-pays or co-insurance listed under your BCBS PPO or PPO Value Plus health plan options:

- Physician-led primary and urgent care
- Physical therapy
- Chiropractic and acupuncture services
- Lab and prepackaged prescription drug services
- Behavioral health services
- Vision
- Health coaching
- Pre-travel consultation and immunizations

Crossover Near Site Clinics

Crossover is a private group of health centers that employees on any Maxim-provided BCBS plan can access. At Crossover Health you can schedule primary care office visits, urgent care, physical medicine, behavioral health, preventative immunizations, travel vaccines, and health coaching appointments all in one location.

To make this excellent health benefit even more accessible, **Maxim will pick up 50% of certain Crossover co-pays* for 2019.** With this, many services can be accessed at low or even no cost to employees, depending on your BCBS plan.

Great health care. Close by.

- ✓ Same or next-day appointments with no waiting.
- ✓ Many primary care services all under one roof.
- ✓ Schedule appointments online.
- ✓ Only blocks from Maxim's Headquarters!

CrossoverHealth.com



We're just 3
minutes away!

145 Nicholson Lane
San Jose, CA 95134
408.495.5850

Or visit one of our other
Bay Area locations:

2371 Owen Street
Santa Clara, CA 95054
408.708.0204

323 Soquel Way
Sunnyvale, CA 94085
408.665.3728

1080A La Avenida St.
Mountain View, CA 94043
650.772.6131

*Preventative care is always provided at no cost. Covered co-pays include sick care, PT, acupuncture and chiro for BCBS PPO plan participants. High deductible plans are not eligible for the 50% co-pay due to the IRS regulations for the plan, but are still eligible to utilize the services at Crossover Health.

Prescription Drug Coverage

If you enroll in a Blue Cross Blue Shield medical plan, pharmacy benefits will be provided by CVS/Caremark (and you will be automatically enrolled in the pharmacy plan). For Blue Cross Blue Shield CDHP participants, the copays and coinsurance apply after you have met your deductible. You will receive a pharmacy card for prescription drug benefits that will be separate from your medical card. As shown below, CVS/Caremark utilizes a standard formulary with exclusions and is reviewed by CVS/Caremark on a quarterly basis. Changes in the formulary are planned for Jan 1, 2019. For more information, contact CVS/Caremark at 877-906-6864 or visit www.caremark.com.

PHARMACY BENEFITS

| | |
|----------------------------------|--|
| Generic Drugs | \$5 co-pay retail/ \$10 co-pay mail order |
| Preferred Brand Drugs | \$25 co-pay retail/ \$50 co-pay mail order |
| Non-preferred Brand Drugs | \$50 co-pay retail/ \$100 co-pay mail order |
| Lifestyle Drugs | 50% co-insurance |
| Out-of-Pocket Maximum | \$500 individual/\$1,000 family; applies to Value Plus and Value plans only |

Co-pays cover up to a 30-day supply when you purchase medication at a retail pharmacy. For prescription drug benefits, the out-of-pocket maximum operates separately from the out-of-pocket maximum for the medical plan.

There are a variety of CVS/Caremark programs designed to encourage drug compliance and cost savings.

| CVS Pharmacy Programs | |
|--|---|
| Maintenance Choice | Members can fill a 90-day supply of their maintenance medications by mail or pick them up at a CVS/pharmacy for the same copay. To avoid paying a penalty, members will need to transition their maintenance medication to a CVS/pharmacy or mail order. |
| Generic Step Therapy | Generic Step Therapy is a generic strategy that requires a member to use a cost-effective generic first before targeted single-source brands are covered. This program targets highly utilized therapeutic classes with a high percentage of brand spend despite multiple generic options. |
| Dispense as Written Penalties | When member elects' brand and a generic is available, the member will pay the brand copay plus the cost difference between the brand and generic. When the physician elects brand only and a generic is available, the member will pay 2 times the applicable brand copay at retail ONLY. |
| Specialty Preferred Plan Design | Helps reduce cost without compromising quality of care for certain specialty therapies. This strategy encourages utilization of clinically appropriate and lowest net-cost specialty medications within select therapeutic categories. Prescriptions may be picked up at a CVS retail store or delivered through specialty mail delivery. |
| Advance Control Specialty | Expands the management of medications to focus on preferred specialty brands through a Specialty Formulary. |
| Drug Savings Review | For prescriptions filed at mail and retail, reviews claim for optimal dose, duplicate therapies, optimal duration, etc. looking for drug efficiencies and appropriate use. |
| Standard Formulary | Drugs are covered or not covered based on Medical Review. Drugs not covered can be appealed for review to cover if medically necessary. |

Kaiser Medical Plan Options

HOW THE PLANS WORK

Both Kaiser plans offer unique HMO networks in California and Oregon. Pharmacy benefits are included with these plans. But remember, you must receive your care through Kaiser. Care received from non-network providers is not covered by these plans.

The Kaiser HMO is available only in California and Oregon:

| Coverage | Kaiser (Northern CA only) | Kaiser (Oregon only) |
|---------------------------------------|------------------------------|-----------------------------|
| Deductible | None | None |
| Out-of-Pocket Max (Individual/Family) | \$1,500/\$3,000 | \$2,000/\$4,000 |
| Preventive Care | Covered 100% | Covered 100% |
| Primary Care Physician Visit | \$20 co-pay | \$20 co-pay |
| Specialty Care Physician Visit | \$20 co-pay | \$40 co-pay |
| ER Co-pay | \$100 | \$100 |
| Pharmacy (30-day supply) | \$15 (generic)/\$30 (brand) | \$15 (generic)/\$30 (brand) |
| Mail Order Pharmacy (100-day supply) | \$30 (generic)/\$60 (brand) | \$30 (generic)/\$60 (brand) |

YOUR 2019 BI-WEEKLY PAYROLL DEDUCTIONS

| Coverage | Kaiser (Northern CA only) | Kaiser (Oregon only) |
|-----------------------|---------------------------|----------------------|
| Employee Only | \$39.85 | \$39.89 |
| Employee + Spouse | \$87.65 | \$85.91 |
| Employee + Child(ren) | \$71.71 | \$70.58 |
| Employee + Family | \$116.13 | \$110.45 |

Your Cigna Dental Plan

CIGNA DENTAL PPO PLAN

This plan allows you to see any dental provider you choose. The plan offers both in- and out-of-network coverage.

CIGNA DHMO PLAN

You must select a network general dentist. This plan does not offer out-of-network coverage.

| Coverage | Cigna Dental PPO Plan | | Cigna DHMO Plan |
|---------------------------------------|---|--|--|
| | In-Network Coverage | Out-of-Network Coverage | In-Network Coverage Only |
| Maximum Calendar Year Benefits | \$2,000 | \$2,000 | Please refer to the Patient Charge Schedule for all coverage amounts, procedures covered by the plan, and the amount you would pay for care. |
| Annual Deductible | \$50/Individual \$150/Family | \$50/Individual \$150/Family | |
| Preventive Care | Covered at 100% | Covered at 100% | |
| Basic Care | Covered at 100% | Covered at 100% | |
| Major Care | You pay 40% after deductible | You pay 40% after deductible | |
| Orthodontia | Covered at 50%, up to \$1,500 lifetime maximum | Covered at 50%, up to \$1,500 lifetime maximum | |
| What You Need to Know | For services provided by an out-of-network dentist, Cigna will reimburse according to Reasonable and Customary Allowances, but the dentist may balance bill up to their usual fees. | | |

YOUR 2019 BI-WEEKLY PAYROLL DEDUCTIONS

| Coverage | Cigna Dental Plan | Cigna DHMO Plan |
|--------------------------|-------------------|-----------------|
| Employee Only | \$4.17 | \$1.38 |
| Employee + One | \$7.59 | \$3.23 |
| Employee + Family | \$11.67 | \$4.62 |

Your EyeMed Vision Plan

Vision coverage is provided by EyeMed Vision Care and is available in all states. The plan offers both in- and out-of- network coverage, making it easier for you to choose the right provider for you and your family.

Go to www.eyemedvisioncare.com for more information on the vision plan and to find a provider.

| Benefit | In-Network | Out-of-Network |
|---|---|--|
| Exam | \$10 copay | Up to \$49 |
| Frequency <ul style="list-style-type: none">• Exam• Lenses• Frames | Every 24 months | Every 24 months |
| Frames | \$0 copay, plus 80% of balance over \$130 | Up to \$65 |
| Lenses <ul style="list-style-type: none">• Single vision lenses• Bifocal lenses• Trifocal lenses | \$25 copay \$25 copay \$25 copay | Up to \$35 Up to \$49 Up to \$74 |
| Medically necessary contact lenses | \$0 copay, paid in full | Up to \$200 |
| Contact lenses, Conventional | \$0 copay, plus 85% of balance over \$150 | Up to \$120 |

YOUR 2019 BI-WEEKLY PAYROLL DEDUCTIONS

| Coverage | EyeMed Vision Care |
|--------------------------|--------------------|
| Employee Only | \$2.77 |
| Employee + One | \$4.15 |
| Employee + Family | \$5.54 |

Flexible Spending Accounts

A Flexible Spending Account (FSA) is a program that helps you pay for health care and dependent care costs using tax free dollars. Your contribution is deducted from your paycheck on a pretax basis and is put into the Health Care FSA, the Dependent Care FSA, or both. When you incur expenses, you can access the funds in your account to pay for eligible health care or dependent care expenses.

If you participate in the CDHP plan you can utilize a Limited Purpose FSA account for vision and dental expenses only.

Maxim offers two Section 132 reimbursement accounts. These plans allow you to use pre-tax dollars to pay for mass transit and public parking expenses. The chart shows the eligible expenses for each FSA and how much you can contribute to each FSA each year.

Health Care FSA

Most medical, dental and vision care expenses that are not covered by your health plan (such as copayments, coinsurance, deductibles, eyeglasses and doctor-prescribed over the counter medications)

- **Annual Contribution Limit:** Maximum contribution is \$2,650 per year
- **Benefit:** Saves on eligible expenses not covered by insurance; reduces your taxable income

Dependent Care FSA

Dependent care expenses (such as day care, after school programs or elder care programs) so you and your spouse can work or attend school full-time

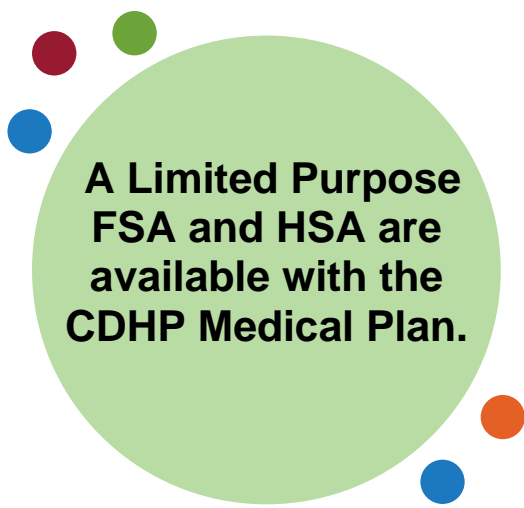
- **Annual Contribution Limit:** Maximum contribution is \$5,000 per year
- **Benefit:** Reduces your taxable income

Mass Transit Expenses

- **Annual Contribution Limit:** Monthly Limit \$260
- **Benefit:** Reduces your taxable income

Public Parking Expenses

- **Annual Contribution Limit:** Monthly Limit \$260
- **Benefit:** Reduces your taxable income



A Limited Purpose FSA and HSA are available with the CDHP Medical Plan.

Limited Purpose FSA

- If you participate in the CDHP plan you can utilize a Limited Purpose FSA account for vision and dental expenses only.
- **Annual Contribution Limit:** Maximum contribution is \$2,650 per year
- **Benefit:** Saves on eligible expenses not covered by Dental and Vision insurance; reduces your taxable income

IMPORTANT INFORMATION ABOUT FSAs

Your FSA elections are effective from January 1st through December 31st. Claims incurred through to March 15th for reimbursement must be submitted by March 31st of the following year. Please plan your contributions carefully. Any money remaining in your account as of March 31st will be forfeited. This is known as the “use it or lose it” rule and it is governed by Internal Revenue Service regulations. Note that FSA elections do not automatically continue from year to year; you must actively enroll each year.

Note: If you plan to participate in an HSA for 2019, you cannot start participating until your 2018 Health Flexible Spending Account is depleted.

Your Life and Accidental Death & Dismemberment (AD&D) Insurance

LIFE INSURANCE

Life insurance is an important part of your financial security, especially if you support a family.

Maxim provides employees with basic term life and AD&D insurance equal to two times their annual base salary – up to a maximum of \$500,000 – at no cost to the employees.


In addition, you can also purchase additional life and AD&D coverage. You pay the full cost of this coverage through payroll deductions. Under the Optional Life Plan, you can purchase from one to five times your base pay to cover yourself; you can also get coverage up to \$50,000 for your spouse and up to \$10,000 for each eligible dependent if you are enrolled in the Optional Life Plan.

Please note you will be required to complete the evidence of insurability process with Liberty Mutual if you choose to add Optional Life insurance for you or Spousal Life Insurance for your spouse, domestic partner or common law spouse.

AD&D INSURANCE

Accidental Death & Dismemberment (AD&D) insurance is designed to provide a benefit in the event of accidental death or dismemberment.

Maxim provides employees with AD&D insurance equal to two times their annual base salary – up to a maximum of \$500,000 – at no cost to the employees. Coverage is automatic. You do not need to enroll. In addition, you can elect Supplemental AD&D insurance at discounted group rates, up to a maximum benefit of \$500,000.



Maxim offers employees a choice of additional insurance coverage.

SHORT-TERM DISABILITY INSURANCE COVERAGE

Disability insurance provides income replacement should you become disabled and unable to work due to a non-work-related illness or injury. Maxim provides disability insurance for all eligible employees at no cost. Short-Term Disability (STD) provides pay protection for up to 90 days while you are on an approved medical leave of absence (LOA).

Your pay is determined by the Length of Service schedule as follows:

| Length of Service | % of Short-Term Disability Coverage |
|-------------------|-------------------------------------|
| 90 days – 1 year | 60% |
| 1 year – 5 years | 80% |
| 5 years + | 100% |

LONG-TERM DISABILITY INSURANCE COVERAGE

Long-Term Disability (LTD) provides pay protection if you are out on your own approved medical leave beyond 90 days. It provides 60% of your base pay.

| Coverage | Benefit |
|----------------------|--|
| Long-Term Disability | <ul style="list-style-type: none">Covers 60% of your base annual earnings, up to a \$20,000 per month maximumBenefit begins after 90 days of disability |

Additional Benefits

INTEGRATED WELLNESS

Your health and well-being is important. Maxim's Wellness Program offers a variety of tools that will help you learn how to make healthier life-style choices!

- Sponsored Foot and Cycle Races
- Flu Shots
- Wellness Screenings – Free to employees and their spouses. Maxim provides all employees a biometric screening and a Health Risk Assessment to help detect any possible health issues as early as possible.
- Disease Management, Smoking Cessation, Nutritional Counseling

PAID TIME OFF – TIME TO RELAX!

TimeBank and Holidays

Maxim provides paid time off (PTO) to all active, regular employees in the form of TimeBank hours (accrued hours per pay period). TimeBank accruals are capped at 300 hours. Accruals are based on the employee's length of service, using the anniversary of the employee's date of hire or his/her adjusted date of hire:


| Years of Service | TimeBank Hours Accrued per Year | Days Equivalent |
|------------------|---------------------------------|-----------------|
| 0 to 4.99 | 136 | 17 |
| 5 to 9.99 | 168 | 21 |
| 10 to 14.99 | 200 | 25 |
| 15+ | 224 | 28 |

Non-Exempt employees receive 8 less hours of timebank per year but receive 40 hours of paid time off for sick time.

Maxim recognizes 7 fixed holidays each year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, the Day after Thanksgiving, and Christmas.

COMPANY ACTIVITIES & EVENTS

Maxim places great emphasis on being healthy, both physically and mentally. The Company organizes a variety of social, sporting, and recreational events for your enjoyment, including: an annual Company party, service award and dinner award programs, tickets to selected sporting events, the Employee Discount Program, and much more.



Maxim values your health and well-being

EDUCATIONAL ASSISTANCE

Maxim offers an Educational Assistance Program that allows you to take advantage of educational and/or training opportunities. These opportunities must benefit both you and the Company by improving skills in your current position or helping to prepare you for a promotion or transfer to another position within the Company. The program provides reimbursement of tuition, registration fees, and textbooks. Maxim will reimburse the employee upon successful completion of a course, up to the following amounts per calendar year:

- Up to \$2,500 for Associate-level course work and continuing education course work
- Up to \$5,250 for Undergraduate-level course work
- Up to \$7,500 for Graduate-level course work

Courses must be approved in advance. Talk to your manager or HR if you are interested.

YOUR EMPLOYEE ASSISTANCE PROGRAM

If you find yourself in need of some professional support to deal with personal, work, financial or family issues, your Employee Assistance Program (EAP) can help. You and your immediate family (spouse, domestic partner, or common law spouse and dependent children) can use the EAP for help with:

- Marriage and family problems
- Job-related issues
- Stress, anxiety and depression
- Parent and child relationships
- Legal and financial counseling
- Identity theft counseling
- Financial planning
- Various other related issues

If you need help or guidance, call a My Liberty Assist counselor at 877-695-2789 or visit workhealthlife.com under organization type in: **Maxim Integrated Products**

401(k) Retirement Savings Plan

Maxim's 401(k) Retirement Savings Plan gives you an easy way to save for your future through payroll deductions. You can make changes to the 401(k) Plan any time – not just during open enrollment. But now, while you're making other benefit decisions, it's a great time to review your 401(k) Plan benefits and options, too. The 401(k) Plan allows you to save for retirement using pre-tax or post-tax contributions or a combination of both. You can choose from several investment funds, depending on your investment strategy. There is also a Self-Directed Brokerage option.

ELIGIBILITY

You are eligible to participate in the plan if you are on as of the first of the month following completion of one month of service with the company.

EMPLOYEE CONTRIBUTIONS

Contributions from your pay are made on a pretax basis—up to the IRS annual limit. If you are 50 years of age or older, (or if you will reach age 50 by the end of the year), you may make a catch-up contribution in addition to the normal IRS annual limit. Participation in the plan is easy, since your contributions are automatically deducted from your paychecks. You can contribute up to 30% of your earnings. In fact, it's a good idea to save more than 3% of your pay. Many financial advisers recommend you save at least 10% for your future needs. And you need to contribute at least 5% to take full advantage of the Company match.

EMPLOYER CONTRIBUTIONS

Maxim helps you save for your future by providing a Company 401(k) match. To receive the match, you must contribute to the 401(k) or Roth 401(k) plans through paycheck contributions. The match formula is as follows: -
- 100% matching for the first 3% of eligible earnings (per paycheck) and a 50% match for the next 2% of eligible earnings. This adds up to a total match of 4% if you contribute at least 5% of your own money. Take charge and consider contributing more today...and watch your 401(k) funds grow!

There are annual limits to how much you can contribute: for 2019, the most you can contribute is \$19,000, plus another \$6,000 if you are eligible for catch-up contributions (catch-up contributions are not match eligible). For more information and to access your 401(k) account to view your balances, review your investments, or make changes, go to **www.401k.com**.

Estimate of Where You Should Be:

In your 20's >1x
annual salary

In your 50's >6x
annual salary

BALLPARK ESTIMATES OF WHERE YOU SHOULD BE...

Use the following tips to have an idea of how much money should be in your 401(k) Plan: when you're in your 20's, you should have 1x your annual pay saved up for retirement. By the time you reach 50, you should have 6x your annual pay saved up. Remember, it's never too early or too late to take advantage of saving for your retirement!

MORE INFORMATION

For additional details about the 401(k) Retirement Savings Plan or to enroll or change your contribution rates or investment elections, please refer to Fidelity Investments at 800-890-4015 or online at **www.401k.com**

Contact Information

| Plan | Contact | Website | Customer Service |
|-----------------------------------|--|--|------------------|
| Medical Plan | Blue Cross/Blue Shield of TX See insurance card for Group # | www.bcbstx.com | 800-521-2227 |
| Pharmacy Plan (BCBS Participants) | CVS/Caremark | www.caremark.com | 877-906-6864 |
| Medical Plan | Kaiser Permanente of CA | www.kp.org | 800-464-4000 |
| Medical Plan | Kaiser Permanente of OR | www.kp.org | 800-813-2000 |
| Dental Plan | Cigna Dental Group | www.cigna.com | 800-244-6224 |
| Vision Plan | EyeMed Vision Care | www.eyemedvisioncare.com | 866-723-0513 |
| Flexible Spending Accounts | TaxSaver Plan | www.taxesaverplan.com | 800-328-4337 |
| Health Savings Account | Fidelity Investments | www.401k.com | 800-890-4015 |
| Life & AD&D | Liberty Mutual | www.mylibertyconnection.com | 800-431-2958 |
| Maxim 401(k) Plan | Fidelity Investments Plan # 42333 | www.401k.com | 800-890-4015 |
| Stock RSU Plan | Morgan Stanley | www.stockplanconnect.com | 866-669-8835 |
| Parking/Transit Plans | TaxSaver Plan | www.taxesaverplan.com | 800-328-4337 |
| Employee Assistance Program | Liberty Mutual | www.workhealthlife.com Under Organization: Maxim Integrated Products | 877-695-2789 |

Glossary of Terms

Accidental Death & Dismemberment Insurance: A policy that pays benefits to the beneficiary if the cause of death is an accident. Dismemberment includes the loss, or the loss of use, of body parts or functions (e.g., limbs, speech, eyesight, or hearing).

Beneficiary: The person or entity entitled to receive the claim amount and other benefits upon the death of the benefactor

COBRA: A law that allows an individual to temporarily keep health coverage if he or she has experienced a qualifying life event. However, the COBRA member will have to pay the full amount of the premiums, as the employer will no longer contribute to these expenses.

Coinsurance: A percentage of a health care cost—such as 20 percent—that the covered employee pays after meeting the deductible.

Commuter (Public Parking and Mass Transit) Expenses: Eligible pre-tax expenses include: public transportation, vanpools, commuter highway vehicles, and parking at or near the employee's workplace. In addition, parking at a location from which an employee commutes to work, (via public transit, vanpool or carpool), is also a qualified expense.

Consumer Directed Health Plan (CDHP): Under these plans, you have more control over your health care dollars. Health Savings Accounts (HSAs) can be used in conjunction with this plan to help pay for certain health expenses tax-free.

Copayment (Copay): A flat dollar amount you pay for medical or prescription drug services regardless of the actual amount charged by your doctor or health care provider.

Deductible: The annual amount you and your family must pay each year before the plan pays benefits.

Dental Basic Care: Basic Restorations, Periodontics, Endodontics, Oral Surgery, and Prosthodontic Maintenance

Dental Health Maintenance Organization (HMO): Networks of dentists under contract with the dental insurance company that offer dental services to insured members at pre-determined rates.

Dental Major Care: - Major Restorations, Dentures and Bridgework

Dependent Care FSA: Covers child care expenses for your children under the age of 13 or expenses for the care of a disabled spouse or dependent.

Generic Drugs: Generic drugs are usually less expensive versions of brand name drugs that have the same intended use, dosage, effects, risks, safety and strength. The strength and purity of generic medications are strictly regulated by the Federal Food and Drug Administration.

Health Care FSA: Covers out of pocket medical, dental, vision and prescription drug expenses for you, your spouse and your legal tax dependents.

Health Maintenance Organization (HMO): An HMO is a comprehensive one-stop-shop for all your healthcare needs. It has the most structure and regulation of any other plan, so you'll have to stay within your HMO network for all your services. Through an HMO, you will have one primary care physician (PCP) to see for all your appointments. To see a specialist, you must see your PCP first to receive a referral. Also, this plan offers the least amount of freedom to choose providers. You must stay within your network for all charges—from physicians to pharmacies, and everything in between.

Health Savings Account (HSA): A tax free fund you can use to help pay for eligible medical costs not covered by your CDHP medical plan. Both employers and employees may contribute to this fund; employees do so through pre-tax payroll deductions.

In-Network: Use of a health care provider that participates in the plan's network. When you use providers in the network, you lower your out-of-pocket expenses because the plan pays a higher percentage of covered expenses.

Inpatient: Services provided to an individual during an overnight hospital stay.

Life Insurance: Payment to named beneficiaries upon the death of the insured.

Life-Style Drugs: A drug that is a choice because it might improve your life, function or appearance, as opposed to a drug you might take because you need to cure something or manage an illness.

Limited Purpose FSA: A Limited Purpose FSA is offered when a Health Savings Account (HSA) is elected. The Limited FSA can only reimburse out of pocket dental and vision and some preventive expenses incurred during the plan year

Long Term Disability: Provides percentage of pay protection if you are out on your own approved medical leave beyond 90 days.

Mail Order Pharmacy: Mail order pharmacies generally provide a 90-day supply of a prescription medication for the same cost as a 60-day supply at a retail pharmacy. Plus, mail order pharmacies offer the convenience of shipping directly to your door.

Non-Preferred Brand Drugs: These are brand-name drugs that are not included on the plan's formulary (list of preferred prescription drugs). Non-preferred brand-name drugs have higher coinsurance than preferred brand-name drugs

Out-of-Network: Use of a health care provider that does not participate in a plan's network.

Out-of-Pocket Maximum: The maximum amount you and your family must pay for eligible expenses each plan year. Once your expenses reach the out-of-pocket maximum, the plan pays benefits at 100% of eligible expenses for the remainder of the year, except for prescriptions under all medical plans except the HSA Plan.

Outpatient: Services provided to an individual at a hospital facility without an overnight hospital stay,

Orthodontia: Treatment for the correction of irregularly aligned teeth, usually involving braces and sometimes oral surgery.

Preferred Brand Drugs: A generic option is not available. However, these drugs have been on the market for a while; they cost more than generic drugs but less than non-preferred brand-named drugs.

Preferred Provider Organization (PPO): A dental or health plan that offers both in-network and out-of-network benefits. Members must choose one of the in-network providers or facilities to receive the highest level of benefits. There is no referral necessary to see a specialist.

Premium: The amount that must be paid for a health insurance plan by covered employee.

Preventative Care: Routine health care that includes screenings, check-ups, and patient counseling to prevent illnesses, disease, or other health problems.

Primary Care Physician (PCP): Physician (generally a family practitioner, internist or pediatrician) who provides ongoing medical care. A primary care physician treats a wide variety of health-related conditions and refers patients to specialists as necessary.

Short Term Disability: Pays a percentage of your salary if you become temporarily disabled, which means that you are not able to work for a short period of time (up to 90 days) due to sickness or injury not related to your job.

Specialist: A physician who has specialized training in a branch of medicine (e.g., a surgeon, gastroenterologist or neurologist).

Form 1095-C

Frequently Asked Questions

WHAT IS A FORM 1095-C

The Affordable Care Act requires that most Americans have qualifying health care coverage or potentially face a fine. This is called the “individual mandate.”

The Form 1095-C contains information about your health care coverage that maybe required when completing your 2018 tax return. Think of the form as your “proof of insurance” for the IRS.

If you were a full-time employee or were enrolled under one of Maxim's health care plans at any time in 2018, you will receive a Form 1095-C. You may need this form to complete your tax return for the 2018 tax year.

WHEN WILL I GET MY FORM 1095-C?

If you were eligible to receive a Form 1095-C, Maxim will post the form in Workday and mail your Form 1095-C for the 2018 tax year. This will be mailed to your home address in Workday so please make sure your address is up to date in the system and open all your mail.

WHAT SHOULD I DO WITH MY FORM 1095-C?

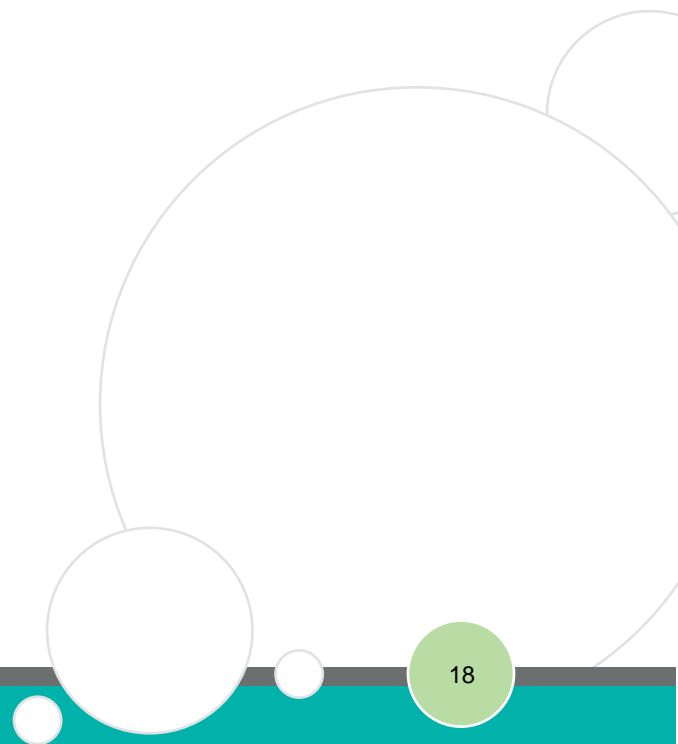
Keep a copy of it for your records.

For more information, please contact your tax advisor or go to **www.irs.gov**.

ABOUT THIS GUIDE

This benefit summary provides selected highlights of the Maxim Integrated employee benefits program. It is not a legal document and shall not be construed as a guarantee of benefits nor of continued employment at the company. All benefit plans are governed by master policies, contracts and plan documents. Any discrepancies between any information provided through this summary and the actual terms of such policies, contracts and plan documents shall be governed by the terms of such policies, contracts and plan documents. Maxim Integrated reserves the right to amend, suspend or terminate any benefit plan, in whole or in part, at any time. The authority to make such changes rests with the Plan Administrator.

Notes:



Maxim Integrated 2019 Benefits Guide