



Related-Person Transaction Policy

Policy

This Related-Person Transaction Policy provides guidelines for the disclosure, review, ratification and approval of Related-Person Transactions between Semtech Corporation and its Directors, Executive Officers, 5% shareholders and their Immediate Family Members. Related-Person Transactions must be terminated unless approved or ratified by the Audit Committee in accordance with the terms of this Policy.

This Policy has been approved by the Audit Committee of the Board of Directors. The Audit Committee will review and recommend to the Board of Directors, from time to time, any amendments to this Policy. This Policy is not intended to replace or supersede the Company's other policies or procedures that may be applicable to Transactions with Related-Persons, including the Company's Code of Conduct.

Definitions

Company – Semtech Corporation and its consolidated subsidiaries.

Director – any member of the Company's Board of Directors or Director nominee.

Executive Officer – the chief executive officer, president and chief operating officer, any vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy-making functions for Semtech Corporation, in each case as determined from time to time by the Board of Directors or a committee thereof. Officers of subsidiaries of the Company may be deemed Executive Officers of the Company if they perform such policy-making functions for the Company. A list of the names of the Company's Executive Officers is maintained by the General Counsel and the Company's Executive Officers and Directors are together sometimes referred to as the "Section 16 Group", as these individuals are subject to Section 16 of the Securities Act of 1934.

Immediate Family Member – a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and any person (other than a tenant or employee) sharing the household of any Related-Person.

Related-Person– includes any person who:

1. at any time since the beginning of the last fiscal year was a Director or Executive Officer, or an Immediate Family Member of such a person (even if the person was not a Director or Executive Officer, or an Immediate Family Member of such a person, at the time of the Transaction);
2. at the time the Transaction in question occurred or existed, was known to be a 5% percent or more shareholder (or beneficial owner) of the Company's voting securities or an Immediate Family Member of such a person; or
3. is an entity in which any of the persons identified in (1) and (2) of this definition acts as an officer or general partner of or otherwise controls such entity or in which such person, together with any other persons identified in clauses (1) and (2) above, holds an aggregate ownership interest of at least 10%.

Related-Person Transaction – any Transaction or proposed Transaction that occurred since the beginning of the Company's most recent fiscal year in which:

- the Company was or is to be a party or participant;
- the amount involved exceeds or reasonably can be expected to exceed \$120,000; and
- a Related-Person had or will have a direct or indirect material interest.

Transaction – includes, but is not limited to, any financial transaction, arrangement or relationship (including any indebtedness or guarantee of indebtedness) or any series of similar transactions, arrangements or relationships.

Amount Involved – means the dollar value of the Transaction or series of similar Transactions and includes, in the case of any lease or other Transaction providing for periodic payments or installments, the aggregate amount of all periodic payments

or installments due on or after the beginning of the Company's last fiscal year, including any required or optional payments due (or in the case of indebtedness, the largest aggregate amount of all indebtedness outstanding since the beginning of the Company's last fiscal year, including all amounts of interest payable on it during the last fiscal year). The dollar value of the Related-Person's interest in the Transaction shall be computed without regard to the amount of profit or loss.

Approval Procedures

- Directors and Executive Officers shall complete an annual questionnaire and disclose all potential Related-Person Transactions involving themselves and their Immediate Family Members that are known to them.
- Throughout the year, Directors and Executive Officers shall notify the General Counsel of any potential or actual Related-Person Transactions and disclose all material facts with respect to such Related-Person Transactions as soon as they become aware of any such transaction.
- The General Counsel shall inform the Audit Committee of any Related-Person Transaction of which each such officer is aware.
- The Audit Committee shall consider all relevant factors and material facts it deems significant when determining whether to approve or ratify a Related-Person Transaction. Among other relevant factors, the Audit Committee shall consider the following:
 - - the size and materiality of the Transaction and the amount of consideration payable to a Related-Person;
 - - the nature of the interest of the applicable Related-Person;
 - - whether the Transaction may involve a conflict of interest;
 - - whether the Transaction involves the provision of goods or services to the Company that are readily available from unaffiliated third parties upon better terms;
 - - whether there are business reasons to enter into the Transaction; and
 - - whether the Transaction is fair to the Company.
- As necessary upon amendment or revision, the Audit Committee shall review previously approved Related-Person Transactions that remain ongoing on a periodic basis throughout the duration of the Transaction to ensure that the Transaction continues to be fair to the Company.
- In the event that any Executive Officer or the General Counsel become aware of a Related-Person Transaction that has not been approved under the Policy prior to consummation, the Related-Person Transaction shall be submitted to the Audit Committee promptly for review:
 - - if the Related-Person Transaction is pending or ongoing, the Audit Committee will review the Transaction and decide whether to ratify, amend and approve, or terminate the Transaction;
 - - if the Related-Person Transaction is completed, the Audit Committee will review the Transaction and determine whether to ratify or amend and approve the Transaction.
- The Audit Committee may, in its discretion, engage outside counsel to review certain Related-Person Transactions. In addition, the Audit Committee may request that the full Board of Directors consider the approval or ratification of any Related-Person Transaction if it deems such to be advisable.
- The Company shall make disclosures regarding Related-Person Transactions, to the extent required by the rules of the Securities and Exchange Commission ("SEC"). Consideration and approval or ratification of any particular transaction by the Audit Committee shall not be dispositive in determining whether such Transaction requires disclosure under such rules.
- The Audit Committee may pre-approve categories of Transactions, in its sole discretion.
- No member of the Audit Committee (or the Board of Directors, if applicable) who has an interest in the Transaction shall participate in any discussion or approval of a Related-Person Transaction, except that such member may provide information regarding the Transaction to the Audit Committee (of the Board of Directors, if applicable.)

Standing Pre-Approval for Certain Related-Person Transactions

The following Related-Person Transactions are deemed pre-approved by the Audit Committee even if the aggregate amount exceeds \$120,000:

- Any employment by the Company or a transaction with an Executive Officer of the Company if:
 - - the related compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements; or
 - - if Executive Officer is a "named executive officer (as defined under applicable SEC requirements), the Executive Officer is not an Immediate Family Member of another Executive Officer or Director of the Company, the related compensation would be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements, and the Company's Compensation Committee approved (or recommended that the Board approve) such compensation.
- Any compensation paid to a Director if the related compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements.

- Any Transaction where the person's interest arises solely from such Related-Person's ownership of a class of equity securities of the Company and all holders of that class of equity securities of the Company received the same benefit on a pro rata basis.

Transactions that are not Related-Person Transactions:

- For an Executive Officer who is not a "named executive officer", any compensation and benefit arrangements (including the exercise of any rights or sale of instruments received in connection with compensation plans) approved by the Compensation Committee (or the Board, if applicable).
- Director compensation arrangements approved by the Board of Directors or the Compensation Committee.
- Ordinary course business travel and expenses, advances and reimbursements.
- Indemnification payments and payments under directors and officers indemnification insurance policies made pursuant to the Certificate of Incorporation or By-Laws or pursuant to any policy, agreement or other instrument.
- Transactions meeting the requirements of any category of Transactions pre-approved by the Audit Committee.
- Any transaction between the Company and any entity in which a Related-Person has a relationship solely as a director, a less than 5% equity holder, or an employee (other than an Executive Officer) or all of these relationships.
- Products and services provided to Related-Persons in the ordinary course of the Company's business and on substantially the same terms as those prevailing at the time for comparable products and services provided to unrelated third parties or to the Company's employees under generally applicable policies.

Hiring Immediate Family Members

- The Audit Committee shall review the compensation paid to Immediate Family Members of Directors and Executive Officers (excluding Immediate Family Members who are also Directors or Executive Officers) on an annual basis.
- If a person becomes a Director or Executive Officer and such person's Immediate Family Member is a current employee of the Company, the relationship shall be reported to, and reviewed by the Audit Committee.

Adopted by the Audit Committee on this 3rd day of May 2007
Adopted by the Board of Directors on May 4, 2007.