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January 26, 2011

Via Electronic Submission

Securities and Exchange Commission
Rule-comments@sec.gov

RE: File Number S7-40-10

TriQuint Semiconductor, Inc. appreciates the opportunity to comment on the Securities and Exchange Commission's (SEC) proposed regulations for the Conflict Minerals requirements in the Dodd-Frank Wall Street Reform and Consumer Protection Act (hereafter referred to as proposed regulation).

TriQuint supports the underlying goal of the proposed rule which is to implement the measure described in Section 1502 of the Dodd-Frank Act, which is to prevent the atrocities occurring in the Congo. We understand that those perpetrating the atrocities are obtaining funding from the minerals trade and that the aim of Section 1502 is to cut off this funding. The electronics industry is actively involved in a number of initiatives that seek to improve control and transparency in the mining and refinement of conflict minerals.

TriQuint encourages the SEC to implement the requirements of Section 1502 in a manner that supports the goals of the statute without unduly burdening U.S. manufacturing industries or causing unnecessary disruptions of the minerals trade, which is vital to the livelihood of the people of the Democratic Republic of Congo (DRC). TriQuint recommends that the SEC allow companies the flexibility to develop appropriate due diligence measures, recognize ongoing efforts to improve the transparency of the supply chain, address the need to phase in requirements, and provide the necessary time to implement these measures. It is important that the regulations acknowledge the realities of the situation on the ground in the DRC, the complexities of the international minerals trade, and the broad and diverse global electronics supply chain.

Finally, TriQuint believes the SEC's analysis on the impact of the regulation significantly underestimates the impact and cost to U.S. manufacturers. TriQuint estimates that it will require approximately 1400 hours in 2011 (approximately 700 hours per year afterward) working with suppliers to get this information. This is calculated by 450 different materials that have to be researched, and estimating 3 hours per material on working with our supply chain. This does not take into account the days and weeks that will be required to write any required reports and work with auditors. It is likely that an entire person will be required to work only on Conflict Minerals. As we are a relatively small company, these costs will be multiplied many times throughout the entire economy. We encourage careful review by the Office of Management and Budget (OMB) in light of President Obama's recently announced regulatory review policy.

Also, TriQuint would like to point out that this is a relatively short time to review some very extensive requirements. We did not have sufficient time to adequately respond to all of the questions in the way we would have preferred to.

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General Comments

Supply chains in the electronics industry are an extremely complex, multi-layered network of trading companies and suppliers where products are sourced and consolidated from multiple countries and multiple manufacturers. Typically, companies who purchase products that may contain conflict metals only have direct contact with the first tier supplier or company immediately upstream from themselves.

Due to the complexity of the supply chain, there are major challenges for downstream users attempting to establish a chain of custody from the mine to the product: 1) tracing conflict minerals from finished products back through complicated supply chains to the smelter, 2*)* tracing ores from the smelter back to the mines of origin; and 3) identifying which mines are conflict mines—that is, mines whose output is controlled by or taxed by warring factions.

Companies' attempts to gather data regarding the use of the six substances restricted under the European Union Restriction on Hazardous Substances (RoHS) Directive illuminates the difficulties involved in working with highly complex supply chains. It took several years for the supply chain to develop knowledge and information regarding the presence of just six substances. The difficulty in gathering information regarding the use of conflict metals is expected to be similar.

The problems associated with minerals originate significantly upstream from the companies that are subject to the new legislation. Before the actions of downstream companies can have any effect, a reasonable period time is necessary to allow further development of industry-led efforts to work with refiners and smelters to create a process for validating the source of minerals to downstream users.

Currently, it is nearly impossible for downstream users to certify with any level of credibility that their products are conflict free without withdrawing from the region entirely. Withdrawal from the region would impose real financial hardship the thousands of legitimate miners, traders, comptoirs and negociants in the region that depend on the minerals trade.

We strongly recommend that the SEC adopt a phased approach to implementation of these regulations to maximize the benefit of the proposed regulations without causing unnecessary damage to the legitimate minerals trade. Without addressing the issues of timing and transition, the regulation could have a substantial negative impact on the health of the U.S. economy, jobs, manufacturing, and exports while negatively impacting the welfare of the very people the regulations are intended to assist.

Preliminary Data

It is useful in the following comments to know how the metals of interest (Conflict Minerals and their derivatives) are used. The following data is from the USGS website (with URLs shown).

Gold Usage (from http://minerals.usgs.gov/minerals/pubs/commodity/gold/myb1-2008-gold.pdf)

- 72% - Jewelry and Arts
- 11% - Medical and Dental

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- 7% - Electronics
- 10% - Other

Tin Usage (from http://minerals.usgs.gov/minerals/pubs/commodity/tin/myb1-2008-tin.pdf)

- 29% - Solders
- 21% - Metal containers
- 11% - Construction
- 14% - Transportation
- 25% - Other

Tantalum Usage (from http://minerals.usgs.gov/minerals/pubs/commodity/niobium/mcs-2010-tanta.pdf)

- Leading use of tantalum is electronic capacitors (~60%)

Niobium (aka Columbium) Usage (from http://minerals.usgs.gov/minerals/pubs/commodity/niobium/mcs-2010-niobi.pdf)

- 76% - Steels
- 24% - Superalloys

Tungsten Usage (See Table 5 in http://minerals.usgs.gov/minerals/pubs/commodity/tungsten/myb1-2008-tungs.pdf)

- 56% - Cemented carbides (tungsten carbide materials)
- 2.4% - Steels
- 0.7% - Chemical Uses
- Remainder of usages are withheld to avoid disclosing company proprietary data.

Specific Comments

The comments submitted below follow the order of quoting the question in the proposed regulation, followed by TriQuint's response.

1. Should our reporting standards, as proposed, apply to all conflict minerals equally?

TriQuint Response:

If there is any reason for distinguishing between the various conflict minerals, it might be to focus more on gold in the initial effort. Gold is the largest potential contributor to the problem.

According to the USGS, jewelry and the arts accounts for 72% of the gold usage[1]. Dental and medical usages account for 11% more, leaving 17% of the gold usage spread among the electronics industry (7%) and other (10%). The dental and medical usages (and probably the "other" category) are going to be difficult to capture. Therefore if the Commission exempts the gold industry as requested by the Jewelers Vigilance Committee, the bulk of this problem is going to fall on the smallest using segment – the electronics industry at 7%. Clearly, this is an unfair burden on the electronics industry if these disclosure rules are not enforced on the jewelry and arts, and the dental and medical industries.

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In the above referenced document[1], the USGS estimates that the DRC and adjoining countries accounted for 50,630 kg in 2008 (the most recent year that we have production numbers). Estimating an average 2008 price of $900 per troy ounce, this was equivalent to $1.205 billion dollars in 2008.[2]

When we look at the other conflict metals, the value of the metals exported from the DRC/Adjoining countries in 2008 are:

Metal	DRC/Adj. Country Production, 2008	Global productions, 2008	Price, 2008	Total Value of DRC/Adj. Country Production, 2008
Niobium (Columbium)	247 m. tonnes[3]	62,900 m. tonnes[3]	$34,398 per m. tonne	$8,496,000
Tantalum	209 m. tonnes[3]	1170 m. tonnes[3]	$39 per pound Ta_2O_5[4]	$21,896,000[5]
Tungsten	1584 m. tonnes[6]	55,900 m. tonnes[6]	$184 per metric ton unit WO_3[7]	$36,754,000[8]
Tin	12,923 m. tonnes[9]	299,000 m. Tonnes[9]	$8.65 per pound[10]	$245,925,000[11]
Gold	50,630 kg	2,280,000 kg	$900/troy oz.	$1,205,500,000[12]

Therefore gold was almost 80% of the value of conflict minerals coming from the DRC/Adjoining countries in 2008 (most recent year for which we have production data). Even the 11% of gold that is used in dental and medical usages is more than half the value of the tin, and more than twice the value of the niobium, tantalum, and tungsten combined. Since 2008, the prices of these metals have increased significantly, with tantalum tripling, tungsten doubling, niobium up 23%, and tin up 37% in the last twelve months. This does not change the above statements significantly.

Metal	DRC/Adj. Country Production, 2008	Global productions, 2008	Price, 2010	Total Value of DRC/Adj. Country Production, 2010
Niobium (Columbium)	247 m. tonnes	62,900 m. tonnes	$42.5 per kg	$10,497,500
Tantalum	209 m. tonnes	1170 m. tonnes	$125 per pound Ta_2O_5	$70,179,000
Tungsten	1584 m. tonnes	55,900 m. tonnes	$335 per metric ton unit WO_3	$66,916,000
Tin	12,923 m. tonnes	299,000 m. Tonnes	$26,000 per m. tonne	$336,000,000
Gold	50,630 kg	2,280,000 kg	$1350/troy oz.	$1,808,250,000

For those who say that the gold supply chain is “clean” and that there is no potential for gold to support the militarized factions, TriQuint refers them to the recent publication in the European Union Official Journal of the Council Decision 2010/788/CFSP of 20 December 2010 concerning restrictive measures

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against the Democratic Republic of the Congo and repealing Common Position 2008/369/CFSP.[13] In this document the EU Council lists several persons and companies that they are imposing restrictive measures against. Among the companies cited are the Congocom Trading House (a gold trading house in Butembo), Machanga Ltd (a gold exporting house in Kampala), and the Uganda Commercial Impex (UCI) Ltd (a gold exporting company in Kampala). There are not any non-gold associated companies listed in this document.

Therefore if we were to prioritize any of the conflict minerals over the others, gold is the primary conflict mineral we should be focusing on. It is 80% of the problem. It would be prudent to start with gold, learn the lessons we need to from gold and then apply those lessons to the other metals.

2. Should our rules, as proposed, apply to all issuers that file reports under Sections 13(a) and 15(d) of the Exchange Act? If not, to what issuers or other persons should our rules apply? Should we require an issuer that has a class of securities exempt from Exchange Act registration pursuant to Exchange Act Rule 12g3-2(b) to provide the disclosure and reporting requirements in its home country annual report or in a report on EDGAR? Would such an approach be consistent with the Act?

TriQuint Response:

Although TriQuint believes these reporting requirements to unfairly burden companies who report to the SEC, it appears to be the intent of the drafters of this law that these requirements apply only to persons who are required to file reports with the SEC pursuant with section 13(p)(1)(A) of the Securities Exchange Act of 1934. TriQuint has come to this conclusion by considering section (d)(2)(C)(i) and (ii) of the law where prior to July 2012 and annually thereafter, the Comptroller General of the US is required to submit a report that contains a general review of **persons who are not required to file reports with the SEC pursuant with section 13(p)(1)(A) of the Securities Exchange Act of 1934** [emphasis added] and conflict minerals are necessary to the functionality or production of a product manufactured by such person, and whether information is publicly available about whether these persons use conflict minerals and whether those conflict minerals originate in the DRC or an adjoining country.

However, in section (c)(1)(B)(iii) of the law, within 180 days of the enactment of this law, the US Secretary of State is to submit a strategy that includes

> "a description of punitive measures that could be taken against **individuals** [emphasis added] or entities whose commercial activities are supporting armed groups and human rights violations in the Democratic Republic of the Congo."

Therefore, it seems that the SEC and the Secretary of State have been given regulatory authority over two different communities.

3. Should we have an alternative interpretation of a "person described?"

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This would be helpful. The language used in section 1502 is poorly written and is self-referencing. In paragraph (2) the person described is defined as

- The person is required to file reports with the Commission pursuant [or according] to paragraph (1)(A), and
- Conflict metals are necessary to the functionality or production of a product manufactured by such person.

In paragraph (1)(A), the person described by (2) needs to file a report with the Commission. The definition of a "person described" is therefore circular. TriQuint would agree with the comment by Stuart P. Siedel, Esq. that this definition of a "person described" is a very broad definition. This definition does not restrict the definition of "person described" to only companies that file regular reports with the Commission. What it says is that if Conflict Metals are necessary to your parts, you have to file a report with the Commission. And if you file a report with the Commission, then you are a "person described". No where in this definition is the word "company", so there is no need for any discussion about a small, medium, or large company.

However, if one accepts the language of section (d)(2)(C)(i) and (ii), it appears that the "person described" is meant as "persons who are required to file reports with the SEC pursuant with section 13(p)(1)(A) of the Securities Exchange Act of 1934."

A caveat should be applied that this definition may change in the future to include persons who do not report to the SEC. It is presumed that if the report required of the Comptroller General of the US by July 2012 in section (d)(2) does not show adequate progress, and that lack of progress is related to persons who do not report to the SEC, there could possibly be changes to the scope of who is required to report. However, it is unknown as to where the authority would be given to regulate those persons.

4. Should our rules apply to foreign private issuers, as proposed? Should we exempt such issuers and, if so, why and on what basis? Should the rules otherwise be adjusted in some fashion for foreign private issuers?

TriQuint Response:

Domestic reporting companies would be at a severe disadvantage, and would be in danger of non-compliance if foreign companies were exempted. It must be realized that much of the supply chain for American industry is not in the United States, and the persons described will have to work these new requirements through many foreign supply chains.

5. Would our proposed rules present undue costs to smaller reporting companies? If so, how could we mitigate those costs? Also, if our proposed rules present undue costs to smaller reporting companies, do the benefits of making their conflict minerals information publicly available justify these costs? Should our rules provide an exemption for smaller reporting companies? Alternatively, should our rules provide more limited disclosure and reporting obligations for smaller reporting companies? If so, what should these limited requirements entail? For example, should our rules require smaller reporting companies to disclose, if

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true, that conflict minerals are necessary to the functionality or production of their products but not require those issuers to disclose whether those conflict minerals originated in the DRC countries or to furnish a Conflict Minerals Report? Should our rules provide for a delayed implementation date for smaller reporting companies in order to provide them additional time to prepare for the requirement and the benefit of observing how larger companies comply?

TriQuint Response:

Many larger companies use smaller companies as suppliers. If these smaller companies are exempt or their compliance deadlines are extended, it will become impossible for the larger companies to get the information required to comply.

6. Should we require that all individuals and entities, regardless of whether they are reporting issuers, private companies, or individuals who manufacture products for which conflict minerals are necessary to the functionality or production of the products, provide the conflict minerals disclosure and, if necessary, a Conflict Minerals Report? If so, how would we oversee such a broad reporting system?

TriQuint Response:

If we are to realize the goals of this law, this is what would be required. As shown in TriQuint's response to Questions #1, it is probable that much of the economic benefit to the armed groups will come from gold. It is also probable that as 93% of the gold usage is from the Jewelry & Arts, Medical & Dental, and Other usages, that most of the gold is used by persons who do not report to the SEC.

TriQuint suggests that the Commission could estimate the amount of economic activity that would occur among persons that do not report to the Commission or are registered with the Commission. This can be a gross calculation, such as the total US GDP compared to the GDP of the persons that report to the Commission + those persons who are registered with the Commission. If the difference is significant (greater than ~20%), the Commission should work with other agencies to identify and require reporting from these persons. The FDIC and FSLIC could require banks to ask for conflict minerals disclosure before making business loans. As most of these banks do report to the Commission, all of these financial institutions could be required to ask for such conflict minerals disclosure for all business loans. Venture capital funds/persons could also be required to require conflict minerals disclosure from the persons they are funding. All companies/persons seeking to do an IPO should be required to make conflict minerals disclosure for their products. Other organizations or agencies could be integrated to bring in other persons who do not report to the Commission, such as dentists and medical devices.

7. Would requiring compliance with our proposed rules only by issuers filing reports under the Exchange Act unfairly burden those issuers and place them at a significant competitive disadvantage compared to companies that do not file reports with us? If so, how can we lessen that impact?

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TriQuint Response:

Yes, it would. All persons who report to the Commission in any way, or are registered with the Commission in any way should provide the appropriate conflict minerals disclosure, and if necessary, a Conflict Minerals Report.

8. General Instruction I to Form 10-K contains special provisions for the omission of certain information by wholly-owned subsidiaries. General Instruction J to Form 10-K contains special provisions for the omission of certain information by asset-backed issuers. Should either or both of these types of registrants be permitted to omit the proposed conflict minerals disclosure in the annual reports on Form 10-K?

TriQuint Response:

No. There should be no allowances for the omissions for these requirements. To allow omissions would put other companies at a disadvantage.

9. Should we define the term "manufacture?" If so, how should we define the term?

TriQuint Response:

Yes. If activities at the beginning of the supply chain are not included in the definition of "manufacture", then it becomes exponentially more difficult for those manufacturers at the other end of the supply chain to fulfill their responsibilities. The term manufacture should be defined in the broadest possible terms. In addition the regulations should state that this definition is not exclusive and is meant to cover any activity where the production, preparation, assembling, combination, compounding, or processing of ingredients, materials, components, and/or processes such that the final product has a name, character, and use, distinct from the original ingredients, materials, components, and/or processes. This definition should include all activities such as mining, processing, refining, alloying, fabricating, importing, exporting or sale for all conflict minerals, including jewelry manufacture.

The repair and/or refurbishment of jewelry should be treated much like recycled conflict minerals are, as long as no additional conflict minerals are added to the jewelry during the repair and/or refurbishment. If additional conflict minerals or their derivatives are added during the repair and/or refurbishment, the conflict minerals disclosure regulations apply unless those minerals are also recycled.

10. Should our rules, as proposed, apply both to issuers that manufacture and issuers that contract to manufacture products in which conflict minerals are necessary to the functionality or production of those products?

TriQuint Response:

Yes.

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11. Should we require a minimum level of influence, involvement, or control over the manufacturing process before an issuer must comply with our proposed rules? If so, how should we articulate the minimum amount? Should we require issuers to have nominal, minimal, substantial, total, or another level of control over the manufacturing process before those issuers become subject to our rules? How would those amounts be measured? Should we require that issuers must, at minimum, mandate that the product be manufactured according to particular specifications?

TriQuint Response:

Activities that should require adherence to conflict minerals disclosure rules:

- Issuer contracting the manufacturing for products that the issuer has designed
- Issuer contracting the manufacturing for products where the issuer controls the approved material list or the approved vendor list
- Issuer contracting the manufacturing for products that will bear the issuer's name
- Examples:
    - Company X contracts to Company Y to build Widget A, which Company X has designed – Company X is required to disclose conflict minerals
    - Company X contracts with Company Y to build Widget B, which is a standard widget that Company Y builds for many other companies. However, Company X wants Company Y to use certain suppliers or materials for their version of Widget B – Company X is required to disclose conflict minerals.
    - Company X contracts to Company Y to build Widget C, which will bear the Company X logo – Company X is required to disclose conflict minerals.

Activities that should not require adherence to conflict minerals disclosure rules:

- Retail companies that sell products manufactured by others, with no involvement in the manufacturing process for the retailer, that do not carry the retailer's name.
- Examples:
    - Company Z is a retailer for refrigerators, and stocks many different types (Brand A, Brand B, Brand C). These stocks of refrigerators are standard issue and bear the name of the design/mfg company (Brand A, Brand B, Brand C). Company Z is not responsible to disclose conflict minerals, but Brand A/Brand B/Brand C would be responsible.

12. Is it appropriate to consider issuers who sell generic products under their own labels or labels that they establish to be contracting the manufacture of those products as long as those issuers have contracted with other parties to have the products manufactured specifically for them? If not, what would be a more appropriate approach?

TriQuint Response:

Yes, as stated above, if a product is sold under your own label, you are responsible for conflict minerals disclosure.

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13. Is it appropriate for our rules, as proposed, to consider reporting issuers that are mining companies as "persons described" under Section 1502? Does the extraction of conflict minerals from a mine constitute "manufacturing" or "contracting to manufacture" a "product" such that mining issuers should be subject to our rules?

TriQuint Response:

Yes, mining companies are the beginning of the supply chain that the rest of industry has to depend on. If mining companies do not disclose conflict minerals information, then the rest of industry is going to have a hard time meeting disclosure rules.

Mining companies are transforming natural resources into ores. This is the beginning of the manufacturing process that leads to final consumer products.

14. Alternatively, should a mining issuer not be viewed as manufacturing a product under our rules unless it engages in additional processes to refine and concentrate the extracted minerals into salable commodities or otherwise changes the basic composition of the extracted minerals?

TriQuint Response:

No.

15. If so, what transformative processes, if any, should mining issuers be permitted to perform on conflict minerals before our proposed rules should consider them to be manufacturing products to which conflict minerals are necessary?

TriQuint Response:

None.

16. Should our rules define the phrase "necessary to the functionality or production of a product," or is that phrase sufficiently clear without a definition? If our rules should define the phrase, how should it be defined?

17. If we were to define this phrase, should we delineate it to mean that a conflict mineral would be necessary to a product's functionality only if the conflict mineral is necessary to the product's basic function? If so, should we define the term "basic function" and, if so, how should we define that term? Should we define the term to include components of a product if those components are necessary to the product's basic function such that a conflict mineral would be considered necessary to the functionality of a product if the conflict mineral is necessary to the functionality of any of the product's components that are required for that product's basic function? For example, if the only conflict minerals in an automobile are contained in the automobile's radio, should our proposed rules consider

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those conflict minerals necessary to the automobile's functionality even if the automobile's basic function is for transportation? If that radio is marketed and sold with the automobile, should our proposed rules consider the conflict minerals that are isolated in the radio necessary to the functionality of the automobile? Alternatively, should such a definition consider only conflict minerals isolated in an automobile component required specifically for the automobile's basic function as necessary for the functionality of the automobile?

18. If we were to define the phrase "necessary to the functionality," should we delineate it to mean that a conflict mineral would be necessary to a product's functionality if the conflict mineral is included in a product for any reason because that conflict mineral would be contributing to the product's economic utility? Does the fact that, if a conflict mineral is not "necessary" it, axiomatically, could be excluded from the product or the manufacturing process support such a broad reading?

19. Should we define the phrase to indicate that, as one letter suggested, a conflict mineral should be considered necessary when "[t]he conflict mineral is intentionally added to the product; or [t]he conflict mineral is used by the [issuer] for the production of a product and such mineral is purchased in mineral form by the [issuer] and used by the [issuer] in the production of the final product but does not appear in the final product; and [t]he conflict mineral is essential to the product's use or purpose; or [t]he conflict mineral is required for the marketability of the product?"

TriQuint Response:

The following answer covers Questions 16 – 19.

The phrase "necessary to the functionality or production of a product" is a little confusing. It could be interpreted as "My product has tin in it. However, the tin is not necessary to the function or production of my product. I could use nickel or palladium or copper. So tin is not exactly necessary to the function of the product, so I do not need to report."

We should probably use the phrase "intentionally added" AND "unintentionally added if the concentration exceeds 1000 ppm per homogeneous material". This phrasing would capture those additions of a few ppm that are intentional, but allow unintentional impurities below a certain level. However, it would prevent unintentional additions that are beyond the impurity level. This would be to prevent persons from saying that their part has tin in it, but it was purely unintentional that the tin was there.

If the phrase "homogeneous material" is used, the definitions from the EU RoHS Directive should be used.

20. Should we delineate the phrase "necessary to the production" to mean that a conflict mineral would be necessary to a product's production only if the conflict mineral is intentionally included in a product's production process even if that conflict mineral is not

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ultimately included in the final product because it was removed or washed away prior to the completion of the production process? Should we consider conflict minerals necessary to the production of a product if they are not contained in the product but they are necessary to the functionality or production of a physical tool or machine used to produce a product? Should we consider such conflict minerals necessary to the production of a product if the tool or machine used to produce the product was manufactured for the purpose of producing the product? Would such an approach cover too broad a group of tools or machines? Should we limit such an approach to certain kinds of tools or machines, and if so, which ones? Should we be more specific and provide, as a letter recommended, that a conflict mineral is necessary to a product's production only if it is "used by [an issuer] for the production of a product and such mineral is purchased in mineral form by the [issuer] and used by the [issuer] in the production of the final product but does not appear in the final product?"

21. Should we delineate the phrase "necessary to the production" so that our rules would not consider conflict minerals occurring naturally in a product or conflict minerals that are purely an unintentional byproduct of the product as necessary to the production of that product?

TriQuint Response:

The following answer covers Questions 20 and 21.

Production equipment is often very long-lived in manufacturing facilities, sometimes decades. It isn't practical to require existing production equipment to be subject to conflict minerals disclosure rules. It may be practical to require this of new equipment purchased after these disclosure rules go into effect, beginning with affected persons fiscal year start. Replacement and repair components may also be handled in this way. However, due to the complexity of this particular situation, it may make sense to phase this requirement in over a period of some years.

Tools used to repair and maintain production equipment would also need to be considered, although many of these tools have extended lifetimes (how long does a hammer or a wrench last?). This requirement may also need to be phased in for new tools.

However, if a material is consumed in the manufacturing process, such as lithography materials, masks, stencils, solvents, lubricants, other equipment maintenance materials, solders, welding materials, adhesives, etc. – these would be classified as "necessary to production."

It is possible that the same definition of "necessary to the function" would work – using the phrase "intentionally added" AND "unintentionally added if the concentration exceeds 1000 ppm per homogeneous material". This phrasing would capture those additions of a few ppm that are intentional, but allow unintentional impurities below a certain level. If the phrase "homogeneous material" is used, the definitions from the EU RoHS Directive should be used.

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22. Should we require issuers to provide the conflict minerals disclosure and reporting requirements mandated under Section 13(p) in its Exchange Act annual report, as proposed? Should we require, or permit, the conflict minerals disclosure to be included in a new, separate form furnished annually on EDGAR, rather than adding it to Form 10-K, Form 20-F, and Form 40-F? Would requiring issuers to disclose the information in a separate annual report be consistent with Section 13(p)? Should we develop a separate annual report to be filed on EDGAR that includes all of the specialized disclosures mandated by the Dodd-Frank Act? What would be the benefits or burdens of such a form for investors or issuers with necessary conflict minerals?

23. Should we require some brief disclosure in the body of the annual report, as proposed?

24. Should our rules provide that, rather than be included in the body of the annual report, all required information would be set forth in the Conflict Minerals Report that would be furnished as an exhibit to the annual report?

25. Instead, should all required information, including the Conflict Minerals Report, be included in the body of the annual report?

TriQuint Response:

The following answer covers Questions 22 – 25.

There are pros and cons to each method of reporting. Inclusion in the annual report will ensure that everyone who gets the annual report will also get this information. However, it is possible that this information would be buried in the tons of other information in the annual report.

Having a separate report for conflict minerals disclosure would highlight this information, but this report may not be seen by other persons who are not specifically requesting this new report.

Possibly the best compromise solution is to have a brief disclosure in the annual report with directions (URLs to website) and to a separate report for more detail.

26. Should issuers with necessary conflict minerals that did not originate in the DRC countries be required to disclose any information other than as proposed? For example, should we require such an issuer to disclose the countries from which its conflict minerals originated?

TriQuint Response:

TriQuint does not believe any such disclosure requirement is supported by the legislation.

27. Should we, as proposed, require issuers to describe the reasonable country of origin inquiry they used in making their determination that their conflict minerals did not

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originate in the DRC countries? Is a separately captioned section in the body of the annual report the appropriate place for this disclosure?

TriQuint Response:

TriQuint does believe that a description of the "reasonable country of origin" inquiry that companies have used should be included. This will help set standards throughout the reporting persons for this regulation. A separately captioned section of the annual report would be appropriate.

28. Should we require, as proposed, that an issuer maintain reviewable business records if it determines that its conflict minerals did not originate in the DRC countries? Are there other means of verifying an issuer's determination that its minerals did not originate in the DRC countries? Should we specify for how long issuers would be required to maintain these records? For example, should we require issuers to maintain records for one year, five years, 10 years, or another period of time?

TriQuint Response:

Yes, reviewable business records should be maintained for a minimum of 10 years after the product was last sold on the public market. Companies will be depending on these records for ensuring their compliance, and will need access to them throughout the lifecycle of the products.

29. Should we require the disclosure in an issuer's annual report to be provided in an interactive data format? Why or why not? Would investors find interactive data to be a useful tool to easily find the information provided? If so, what format would be most appropriate for providing standardized data disclosure? For example, should the format be eXtensible Business Reporting Language (XBRL), as one letter recommended, or should the format be eXtensible Markup Language (XML)?

TriQuint Response:

In order to use an interactive data format like XML, you have to create the XML Schema first to define the various elements and their attributes. From TriQuint's participation in XML Schema development task groups in the past, this is not a quick process. As of now, we don't know what data will be required to be reported. We are still waiting for the State Department to define

> "a plan to provide guidance to commercial entities seeking to exercise due diligence on and formalize the origin and chain of custody of conflict minerals used in their products and on their suppliers to ensure that conflict minerals used in the products of such suppliers do not directly or indirectly finance armed conflict or result in labor or human rights violations."

Until we know what due diligence activities are involved, and what elements need to be in a chain of custody, and then how an auditor would audit an entities' due diligence activities, we do not know how to develop a schema for XML or any other data format.

Therefore, at this time we should not require disclosure in an interactive data format.

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30. Should we require issuers to briefly disclose in the body of their annual reports the contents of the Conflict Minerals Report? If so, how much of the information in the Conflict Minerals Report should we require issuers to disclose?

TriQuint Response:

Yes, a brief disclosure in the body of the annual reports would be useful. The disclosure should cover:

- Whether Conflict minerals or their derivatives were used in the issuer's products
- Whether those Conflict minerals or their derivatives originated in the DRC or adjoining countries, or if the issuer was unable to ascertain whether or not Conflict Minerals from this area were used
- What methods were used to ascertain this information

This information can be presented on a more global basis, possible by product lines or business units rather than products or even product families. However, the detailed data that is presented on an issuer's website or in a more detailed report should include enough detail on the product identification for the customer to positively determine whether a product that was bought several years after its manufacture contains Conflict Minerals or their derivatives from the DRC or Adjoining countries.

31. Should we require an issuer to post its audit report on its Internet website, as proposed?

TriQuint Response:

Yes.

32. Should we require, as proposed, that an issuer post its Conflict Minerals Report and its audit report on its Internet website at least until it files its subsequent annual report? If not, how long should an issuer keep this information posted on its Internet website?:

TriQuint Response:

Yes, Conflict Minerals Reports should be posted on the issuer's website but should remain there for 10 years after the issuer's products were last sold on the open market. The customers of the issuer will need access to this information for years, even after the product has been discontinued.

Previous years' reports must be accessible as a customer may purchase a product that was manufactured in previous years. The customer would not be able to use the most recent report, as the issuer may have changed his/her supply chain since the product was originally manufactured.

33. Is a reasonable country of origin inquiry standard an appropriate standard for determining whether an issuer's conflict minerals originated in the DRC countries for purposes of our rules implementing the Conflict Minerals Provision? If not, what other standard would be appropriate? Rather than requiring a reasonable country of origin inquiry as proposed, should our rules mandate that the standard for making the supply

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chain determinations, as set forth in Exchange Act Sections 13(p)(1)(A)(i) and (ii) (and described below), also applies to the determination as to whether an issuer's conflict minerals originated in the DRC countries? Should we provide additional guidance about what would constitute a reasonable country of origin inquiry in determining whether conflict minerals originated in the DRC countries?

TriQuint Response:

At this time, a reasonable country of origin inquiry may be all that can be accomplished. As the persons and companies affected by this law work their way through the process, it may become clearer what types of due diligence are more appropriate.

As to guidance, it appears that this is properly the duty of the US Secretary of State, in consultation with the Administrator of the United States Agency for International Development. These persons, by January 17, 2011 or thereabouts, should have published:

> "a plan to provide guidance to commercial entities seeking to exercise due diligence on and formalize the origin and chain of custody of conflict minerals used in their products and on their suppliers to ensure that conflict minerals used in the products of such suppliers do not directly or indirectly finance armed conflict or result in labor or human rights violations"

and

> "a description of punitive measures that could be taken against individuals or entities whose commercial activities are supporting armed groups and human rights violations in the Democratic Republic of the Congo"

and

> "a map of mineral-rich zones, trade routes, and areas under control of armed groups in the Democratic Republic of the Congo and adjoining countries…"

TriQuint sees nothing in the law that gives the SEC the authority to develop guidance. However, it is the responsibility of the Commission to work with the Comptroller General and the Secretary of State to establish rules that govern what due diligence processes are reliable – see (p)(1)(C). If a due diligence process has been determined to be unreliable, then the report submitted using that process does not satisfy the requirements.

34. Should we not require any type of inquiry? For example, would it be appropriate and consistent with the Conflict Minerals Provision to permit an issuer to make no inquiry, so long as it disclosed that fact?

TriQuint Response:

The law requires the "persons described" to report and to disclose the measures taken to exercise due diligence. The Commission has the authority to declare whether a due diligence process is reliable or not. It does not appear to make sense that the Commission would determine that making no inquiry is a reliable method of exercising due diligence.

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35. Should issuers be able to rely on reasonably reliable representations from their processing facilities, either directly or indirectly through their suppliers, to satisfy the reasonable country of origin inquiry standard? If so, should we provide additional guidance regarding what would constitute reasonably reliable representations and what type of guidance should we provide? If not, what would be a more appropriate requirement?

TriQuint Response:

Emphatically YES. At this time, this will be about all we can do. As various industry, NGO, and governmental initiatives get under way and become more developed, it may be that the Commission determines that proper due diligence should include more than these supplier representations. At that time, the Commission can make the necessary changes to the definition of reliable due diligence practices.

36. Should any qualifying or explanatory language be allowed in addition to or instead of the reasonable country of origin inquiry standard, as proposed, regarding whether issuers' conflict minerals originated in the DRC countries? For example, should issuers be able to state that none of their conflict minerals originated in the DRC countries "to the best of their knowledge" or that "they are not aware" that any conflict minerals originated in the DRC countries?

TriQuint Response:

No, if the issuer is declaring a product to be "DRC Conflict Free". Having sent out many requests to our suppliers for this type of information, we have received many such answers. We have received answers such as:

- "to the best of our knowledge" and "we are not aware"
- Rationalizations ranging from those based on almost no data to very detailed data analyses such as those in the above answer to Question #1, showing that since the vast majority of these metals are sourced from outside the DRC or adjoining countries, it is not likely that the supplier's metals come from the DRC or adjoining countries.
- Copies of company policies stating that they do not use "dirty gold", etc.

None of these responses give us the confidence to state in our reports to the Commission that our products are "DRC Conflict Free". Issuers need to understand that these determinations will be used by other issuers in their determinations. We are all going to build on our supply chain's determination, as we do not know who our suppliers' suppliers' suppliers, etc. are.

Therefore, qualifying language negates the usefulness of a determination of "DRC Conflict Free".

However, if the issuer is not declaring products to be "DRC Conflict Free", then it may be appropriate for the supplier to use qualifying language, along with a description of the due diligence processes the issuer is engaged in to be able to make this determination without the use of qualifying language.

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37. Should our rules, as proposed, require issuers that are unable to determine the origin of their conflict minerals to label their products that contain such minerals as not "DRC conflict free"? Is this approach consistent with the Conflict Minerals Provision"? Would it be more appropriate to allow such issuers to label such products differently, such as "May Not Be DRC Conflict Free"? Would having a separate category for products that contain such unknown origin minerals be consistent with the Conflict Minerals Provision? Would the proposed approach be confusing for readers, or can issuers sufficiently address any confusion by including supplemental disclosure for those products that contain minerals of unknown origin?

TriQuint Response:

SEC rules should not require issuers that are unable to determine the origin of their conflict minerals to label their products that contain such minerals as not "DRC conflict free" as the status of the materials in regard to DRC conflict has not been determined. It would it be more accurate to allow such issuers to label such products differently, such as "May Not Be DRC Conflict Free." We believe this approach is particularly necessary in the early years of the rule as there is currently insufficient infrastructure for companies to determine if the conflict minerals in their products are or are not "DRC conflict free." At a minimum, we recommend that the SEC allow companies to label their products as "May Not Be DRC Conflict Free" until such a time when it is expected that companies will be able to purchase processed conflict minerals from smelters that have been validated as "DRC conflict free."

38. Should our rules, as proposed, permit issuers to describe their products that contain conflict minerals that do not qualify as being DRC conflict free or that may not qualify as being DRC conflict free based on their individual facts and circumstances? If not, how should we require issuers to describe their products that contain conflict minerals that do not qualify as being DRC conflict free? If an issuer had hundreds or thousands of products that were not DRC conflict free, would the report provide overwhelming information? Would it be unduly expensive to produce?

TriQuint Response:

The SEC should permit issuers to describe their products that contain conflict minerals that do not qualify as being DRC conflict free or that may not qualify as being DRC conflict free based on their individual facts and circumstances. Given the broad applicability of this rule, it would be very difficult for the SEC to prescribe the most appropriate, useful, and efficient way of describing products that contain conflict minerals that do not qualify as being DRC conflict free. In attempting to specify the manner in which issuers describe their products that contain conflict minerals that do not qualify as being DRC conflict free, the SEC risks requiring a report that is difficult to read and overly burdensome to produce.

39. Should our rules, as proposed, require issuers to disclose the facilities, countries of origin, and efforts to find the mine or location of origin only for its conflict minerals that do not qualify as DRC conflict free, and not for all of its conflict minerals? Alternatively, should

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we require issuers to disclose the facilities, countries of origin, and efforts to find the mine or location of origin for all of its conflict minerals regardless of whether those conflict minerals do not qualify as DRC conflict free?

TriQuint Response:

It seems that the reporting requirement is for cases where an issuer has determined that their conflict minerals did originate in the DRC or adjoining countries. If a "person described" has been unsuccessful in determining whether or not their conflict minerals came from the DRC or adjoining countries, this is not the same as saying that these products contain conflict minerals from the DRC or adjoining countries.

Such a "person described" may not be able to classify his/her products as "DRC Conflict Free". However, they have not determined that their conflict minerals DID originate in the DRC or adjoining countries, and therefore are not required to submit a report which describes the measures taken for due diligence purposes.

Therefore, unless a "person described" has made a positive determination that its conflict minerals did originate in the DRC or adjoining countries, it should not have to disclose the facilities, countries of origin, and efforts to find the mine or location of origin for any of its conflict minerals.

40. Should our rules require issuers to disclose the mine or location of origin of their conflict minerals with the greatest possible specificity in addition to requiring issuers, as proposed, to describe the efforts to determine the mine or location of origin with the greatest possible specificity? If so, how should we prescribe how the location is described?

TriQuint Response:

No. This law and these questions are asked as if supply chains are really chains – one supplier leads to only one supplier and never to another. In no way does this reflect modern supply chains, where materials are purchased globally from many qualified suppliers.

Realistically, there is no chance of an issuer learning this information in the required timeframe, and the information remaining current. The probable level of "greatest possible specificity" that most issuers are going to be able to determine is "Somewhere from far back in my supply chain, a response has been fed back to me stating that the smelter or mine that my products came from is in Japan/Australia/Russia/Canada, etc." The issuer will not know who the individual respondents are that provided this information, nor even how many supplier levels are between the issuer and this smelter or mine. At any rate, even if this information were obtainable, it would be obsolete as soon as it became known. Everyone in industry has qualified multiple suppliers for exactly the same materials/components/products. Depending on day-to-day cost changes, currency exchange fluctuation, or specific occurrences at each supplier (e.g., capacity issues, shutdowns, etc.), the supply chain switches and now the material flows from a different company and country.

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41. As suggested in a submission, should our rules require issuers to include information on the capacity of each mine they source from along with the weights and dates of individual mineral shipments?

TriQuint Response:

Emphatically NO! The SEC should not require issuers to include information on the capacity of each mine they source from along with the weights and dates of individual mineral shipments. In addition to being far beyond the requirements of the legislation, this suggested requirement would be extremely burdensome. As discussed previously, the electronics industry supply chain is extremely long and complex. Once minerals are processed at the smelter, or consolidated prior to smelting, it is impossible to identify individual shipments. As most issuers do not own dedicated smelters, minerals being brought into the smelter cannot be assigned to processed minerals sold to individual issuers. Requiring such reports from issuers is impractical and absurd.

Summary

Unfortunately, this represents all of the answers that TriQuint had time to respond to. As noted at the beginning of these comments, there was not sufficient time to review these proposed regulations and supply all the comments that we wished to. As to the remaining questions, TriQuint would support those answers submitted by IPC.

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Thank you for your consideration of TriQuint's comments on this important regulation.

Signed for and on behalf of TriQuint Semiconductor, Inc.: Date: 26-Jan-2011

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[1] See http://minerals.usgs.gov/minerals/pubs/commodity/gold/myb1-2008-gold.pdf

[2] This value is calculated by the following equation:

$$50630kg\left(\frac{1000g}{kg}\right)\left(\frac{1lb}{453.6g}\right)\left(\frac{12troy\cdot ounces}{lb}\right)\left(\frac{\$900}{troy\cdot ounce}\right)=\$1.205billion$$

[3] See http://minerals.usgs.gov/minerals/pubs/commodity/niobium/myb1-2008-niobi.pdf

[4] See http://minerals.usgs.gov/minerals/pubs/commodity/niobium/mcs-2010-tanta.pdf

[5] This value is calculated by the following equation:

$$209metric\cdot tonnesTa\left(\frac{2200lbs}{metric\cdot tonne}\right)\left(\frac{441.8928lbTa2O5}{361.8958lbTa}\right)\left(\frac{\$39}{lbTa2O5}\right)=\$21,896,000$$

[6] See http://minerals.usgs.gov/minerals/pubs/commodity/tungsten/myb1-2008-tungs.pdf. The global production number may be in error due to the United States not reporting its total tungsten production.

[7] See 2008 U.S. spot market, Platts Metals week in http://minerals.usgs.gov/minerals/pubs/commodity/tungsten/mcs-2010-tungs.pdf. One metric ton unit (MTU) contains 7.93 kg Tungsten (Chemical Symbol = W).

[8] This value is calculated by the following equation:

$$1584metric\cdot tonnes\cdot W\left(\frac{1000kg}{metric\cdot tonne}\right)\left(\frac{metric\cdot tonneWO_3}{7.93kg\cdot W}\right)\left(\frac{\$184}{metric\cdot tonneWO_3}\right)=\$36,754,000$$

[9] See http://minerals.usgs.gov/minerals/pubs/commodity/tin/myb1-2008-tin.pdf

[10] See 2008 New York Market price in http://minerals.usgs.gov/minerals/pubs/commodity/tin/mcs-2010-tin.pdf

[11] This value is calculated by the following equation:

$$12923metric\cdot tonnes\left(\frac{2200lbs}{metric\cdot tonnes}\right)\left(\frac{\$8.65}{lb}\right)=\$245,925,000$$

[12] This value is calculated by the following equation:

$$50630kg\left(\frac{1000g}{kg}\right)\left(\frac{1lb}{453.6g}\right)\left(\frac{12troy\cdot ounces}{lb}\right)\left(\frac{\$900}{troy\cdot ounce}\right)=\$1.205billion$$

[13] See this document at http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2010:336:0030:0042:EN:PDF