MICREL
SEMICONDUCTOR

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William V. Greenspan, SPPA
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October 26, 2001

Dear Bill,

Both Ray Zinn and I myself found ourselves reflecting, now that the Ion Implanter accident of 1997 has been finalized, that Micrel, Inc. was fortunate to have selected you to assist us in our insurance recovery.

You are aware that Ray and I have found in a past insurance claim that Micrel, Inc has had to resort to litigation to collect what it was fairly owed. It seems that insurance companies can be impossible when substantial sums of money are at risk, particularly in the wafer fabrication industry.

Micrel, Inc. found itself with a major property and business interruption loss in conjunction with a wafer implant accident, which occurred February 1997. Micrel, Inc. is a semiconductor manufacturer providing thousands of products to thousands of customers. This accident involved the dramatic loss-of-yield of circuits implanted in semiconductor wafers processed through our main fabrication facility over a period of time.

The damage could not be seen, the accident ceased after six production days, and no one could duplicate the accident or ascertain its cause after the fact. The implanter manufacturer had never experienced this phenomenon, as had no other wafer fabricators we or our insurance company contacted.

It became obvious to Micrel's management that this accident would result in large financial losses as it did to our Insurer. Given our past experience with a large insurance claim, Micrel contacted you and asked you to immediately assist us in representing our interests in this claim. Both Ray Zinn and I believe that this decision was crucial to Micrel recovering from this loss.

You immediately became the sole interface with our Insurer, which allowed us to focus our energies in recovering from the loss. You created a written dialogue with the insurer, complied with our technical obligations under the terms of our insurance contract, and

created a claim strategy based upon the twin efforts of submitting documented property and earnings claims and "pushing" the Insurer in its investigation of the cause of loss.

Now, looking back over the last four years, we realize that our recent settlement was largely based on your advice of claims presentation, documentation, substantiation and clear communication, of which, ultimately, the Insurer realized it could not refute.

Because of the complexity of issues and the substantial dollars involved the Insurer tried to use these issues to obfuscate and defend itself, forcing Micrel, Inc to have to sue to protect its interests. You kept with us every step of the way, assisting our attorneys in the discovery process, litigation, and settlement negotiations.

You provided our attorneys with insurance industry insight, claims practice standards, and timely advice during discovery and interrogatory preparation. You provided expert witness testimony consistent with our case, clearly and with great expertise.

As the Insurer realized, based upon evidence you gathered, that it would have great difficulty defending itself, you were at our side in the settlement negotiations. You helped Micrel, Inc. develop realistic settlement positions and, at the end of nine months of negotiations, a settlement was achieved that attained a seven-figure dollar value that we had initially set as our goal.

Based upon Micrel Inc.'s experience with this extremely complex and unique claim, we want to tell you that your performance was outstanding and exceeded our expectations. You proved yourself to be a highly competent and ethical expert and an excellent communicator. After working on this matter for almost four years, you never wavered in your commitment to us and we appreciate it.

Both Ray Zinn and I feel that Micrel was fortunate to have worked with a person with your commitment, knowledge, and effectiveness in practicing your craft. Bill, should anyone have a need to discuss you or your expertise, please have him or her call me at (408) 435 – 3447.

With gratitude,

Robert J. Barker

Robert J. Barker
Vice President,
Corporate Business Development