
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

November 28, 2005

AMKOR TECHNOLOGY, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

(State or Other Jurisdiction of
Incorporation)

000-29472

(Commission File Number)

23-1722724

(IRS Employer
Identification No.)

1900 SOUTH PRICE ROAD
CHANDLER, AZ 85248

(Address of Principal Executive Offices, including Zip Code)

(480) 821-5000

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below).

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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TABLE OF CONTENTS

[Item 1.01. Entry into a Material Definitive Agreement](#)

[Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant](#)

[Item 1.02. Termination of Material Agreement](#)

[Item 9.01. Financial Statements and Exhibits](#)

[SIGNATURES](#)

[INDEX TO EXHIBITS](#)

[Exhibit 99.1](#)

[Exhibit 99.2](#)

[Exhibit 99.3](#)

[Exhibit 99.4](#)

[Exhibit 99.5](#)

Item 1.01. Entry into a Material Definitive Agreement

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant

Revolving Credit Facility

On November 28, 2005, Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc. (collectively, the “Borrowers”) entered into a Loan and Security Agreement (the “Loan and Security Agreement”) with Wachovia Capital Finance Corporation (Western), as Documentation Agent and Bank of America, N.A., as Administrative Agent. The Loan and Security Agreement provides for a revolving credit facility of up to \$100 million with a letter of credit sub-limit of up to \$25 million, based on the applicable borrowing base, as determined by Borrower’s eligible accounts receivables. All outstanding loans under the Loan and Security Agreement are due and payable on November 28, 2009, the termination date, unless earlier terminated by the Borrowers, subject to the then applicable termination fee. Interest shall accrue under the Loan and Security Agreement at a floating rate based on the base rate in effect from time to time plus the applicable margin which shall range from 0.0% to 0.50% for base rate revolving loans, or LIBOR plus the applicable margin which shall range from 1.50% to 2.25% for LIBOR revolving loans. Borrowers shall also pay an unused line fee between 0.25% and 0.50% per annum times the unused portion of the facility. Borrowers intend to use the available funds from the revolving loans, if drawn, for general corporate purposes.

To secure the Borrowers’ obligations under the Loan and Security Agreement, each Borrower granted the Administrative Agent on behalf of each of the Lenders a first priority lien on substantially all of its assets (excluding intercompany loans and the capital stock of Amkor’s foreign subsidiaries and certain domestic subsidiaries), including a mortgage on certain of Amkor’s real property. In addition, on November 28, 2005, each Borrower entered into a Guaranty Agreement (the “Guaranty Agreement”), whereby such borrower guaranteed the other Borrowers’ obligations under the Loan and Security Agreement.

The Loan and Security Agreement contains affirmative and negative covenants, including affirmative covenants regarding financial and compliance reporting requirements, paying taxes, maintaining insurance and licenses and granting additional collateral and guarantees, and negative covenants regarding making payments, incurring indebtedness, issuing preferred stock, selling assets, transacting with affiliates, granting liens, amending subordinated indebtedness, issuing or selling capital stock in wholly owned subsidiaries, participating in sale and leaseback transactions and merging or consolidating with other entities. The events of default under the Loan and Security Agreement include payment defaults, breaches of covenants, cross defaults on certain other indebtedness, judgment defaults, bankruptcy events, the failure of certain documents entered into in connection with the revolving facility to be valid and binding or the conviction of any senior officer.

On November 28, 2005, the Borrowers also entered into an Intercreditor Agreement (the “Intercreditor Agreement”) with Bank of America, N.A., as Administrative Agent for the Senior Parties under the Loan and Security Agreement, Citicorp North America, Inc. (“CNAI”), as Administrative Agent and as Collateral Agent for the Junior Parties under the Second Lien Credit Agreement, dated as of October 27, 2004, among Amkor Technology, Inc., the Lenders party thereto and CNAI (the “Second Lien Credit Agreement”). The Intercreditor Agreement replaced the previous Intercreditor Agreement described under Item 1.02 below, and provides for the subordination of the liens granted under Amkor’s Second Lien Credit Agreement on the same terms.

Taiwan Term Loan

On November 30, 2005, Amkor Technology Taiwan (“Amkor Taiwan”) entered into a Syndicated Loan Agreement (the “Term Loan”) with Chinatrust Commercial Bank Co., Ltd., as Agent and Chinatrust Commercial Bank Co., Ltd. and Ta Chong Commercial Bank Co., Ltd., as Coordinating Arrangers. The Term Loan provides for a term credit facility of up to approximately NT\$1.8 billion (approximately US\$54 million). The term loan, which provides for 10 equal semi-annual payment installments on any principal outstanding, will mature on November 30, 2010 and may be prepaid at any time without penalty. Interest shall accrue under the Term Loan at a floating rate based on the Taiwan 90-day commercial paper rate plus a margin of 1.20% (currently 2.80% inclusive of the margin). In September 2005 Amkor Taiwan received

[Table of Contents](#)

NT\$1 billion (approximately US\$30 million) in interim financing pending completion of the Term Loan. Amkor Taiwan intends to use the net proceeds of the term loan to repay the interim financing and for general corporate purposes, including capital expenditures.

To secure Amkor Taiwan's obligations under the Term Loan, Amkor Taiwan granted the Agent a first priority lien on certain of its real property and equipment. In addition, on November 30, 2005, Amkor entered into a Letter of Guarantee (the "Letter of Guarantee"), whereby Amkor guaranteed Amkor Taiwan's obligations under the Term Loan.

The Term Loan contains affirmative and negative covenants, including financial covenants regarding minimum liquidity ratio, maximum debt ratio and minimum tangible net worth, affirmative covenants regarding maintaining its business, complying with laws, keeping records, paying taxes, maintaining collateral and insurance policies, notifying Agent of certain events and financial and compliance reporting requirements, and negative covenants regarding transferring collateral, merging with another entity or guaranteeing third-party indebtedness. The Letter of Guarantee also contains certain covenants with respect to Amkor, including delivery of financial statements, maintaining corporate existence, complying with laws, paying taxes, changing its business or merging with another entity. The Term Loan includes events of default with respect to Amkor and Amkor Taiwan, including payment defaults, breaches of covenants, cross defaults on certain other indebtedness, suspension or cessation of business operations, judgment defaults, bankruptcy events, serious damage to collateral, the failure of the Letter of Guarantee to be valid or a material adverse effect on the finances or operations of Amkor and Amkor Taiwan, taken as a whole, or their ability, taken as a whole, to perform their obligations under the Term Loan and Letter of Guarantee.

Repurchase of Convertible Subordinated Notes

On November 30, 2005, Amkor also announced that it has purchased in the open market \$100 million of its outstanding \$233 million aggregate principal amount of 5.75% Convertible Subordinated Notes due June 1, 2006 (the "Notes"). The Notes were purchased with the proceeds of its recently completed private placement of \$100 million of 6.25% Convertible Subordinated Notes due December 1, 2013, to James J. Kim and certain affiliated entities of James J. Kim.

Item 1.02. Termination of Material Agreement

In connection with the execution of the Loan and Security Agreement, on November 28, 2005, Amkor terminated its Credit Agreement, dated as of June 29, 2004, among Amkor, the Lenders and Issuers party thereto, Citigroup Global Markets Inc., as Sole Lead Arranger and Sole Bookrunner, CNAI, as Administrative Agent, JPMorgan Chase Bank, as Syndication Agent, Merrill Lynch Capital Corporation, as Documentation Agent and J.P. Morgan Securities Inc. and Merrill Lynch Capital Corporation as Arrangers (as subsequently amended, the "2004 Credit Agreement"), which agreement provided for a \$30 million revolving credit facility with a \$10 million letter of credit sublimit, available through June 29, 2007. Interest accrued on the revolving facility at the Libor rate plus a margin of 3.5%. There were no amounts outstanding under the 2004 Credit Agreement. Amkor did not incur any prepayment penalties in connection with the termination of the 2004 Credit Agreement.

In connection with the termination of the 2004 Credit Agreement, Amkor and its subsidiary parties thereto also terminated the following agreements:

[Table of Contents](#)

1. The Pledge and Security Agreement, dated as of June 29, 2004, among Amkor, the subsidiaries party thereto and CNAI, as Administrative Agent, which provided for a first lien on (i) substantially all of the assets of Amkor and its domestic subsidiaries, (ii) a pledge of the capital stock of Amkor's domestic subsidiaries, (iii) a pledge of 66% of the capital stock of certain of Amkor's and its subsidiaries' first-tier foreign subsidiaries, (iv) a pledge of certain intercompany debt, and (v) a mortgage on Amkor's real property;

2. The Guaranty, dated as of June 29, 2004, by the subsidiaries party thereto in favor of CNAI as Administrative Agent; and

3. The Intercreditor Agreement, dated as of October 27, 2004, with CNAI, as Administrative Agent under the 2004 Credit Agreement, CNAI, as Collateral Agent under the 2004 Credit Agreement, CNAI, as Administrative Agent and as Collateral Agent under the Second Lien Credit Agreement and each subsidiary party thereto.

The Loan and Security Agreement, Guaranty Agreement, Intercreditor Agreement, Term Loan and Letter of Guarantee, each containing a complete listing of definitions and provisions, are included herein as exhibits.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 Loan and Security Agreement, dated as of November 28, 2005, among Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc., as Borrowers, Wachovia Capital Finance Corporation (Western) as Documentation Agent and Bank of America, N.A., as Administrative Agent.

99.2 Guaranty Agreement, dated as of November 28, 2005, delivered by Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc. to Bank of America, N.A., as Administrative Agent.

99.3 Intercreditor Agreement, dated as of November 28, 2005, among Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc., Bank of America, N.A., as Administrative Agent for the Senior Parties, and Citicorp North America, Inc., as Administrative Agent for the Junior Parties and as Collateral Agent for the Junior Parties.

99.4 Syndicated Loan Agreement, dated as of November 30, 2005, among Amkor Technology Taiwan, Ltd., as Borrower, the banks and banking institutions party thereto, Chinatrust Commercial Bank Co., Ltd. and Ta Chong Commercial Bank Co., Ltd., as Coordinating Arrangers, and Chinatrust Commercial Bank Co., Ltd., as Facility Agent and Security Agent.

99.5 Letter of Guaranty, dated as of November 30, 2005, delivered by Amkor Technology, Inc. to Chinatrust Commercial Bank, Ltd., as Facility Agent.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMKOR TECHNOLOGY, INC.

By: /s/ Kenneth T. Joyce

Kenneth T. Joyce
Chief Financial Officer

Date: December 2, 2005

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Loan and Security Agreement, dated as of November 28, 2005, among Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc., as Borrowers, Wachovia Capital Finance Corporation (Western) as Documentation Agent and Bank of America, N.A., as Administrative Agent.
99.2	Guaranty Agreement, dated as of November 28, 2005 delivered by Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc. to Bank of America, N.A., as Administrative Agent.
99.3	Intercreditor Agreement, dated as of November 28, 2005, among Amkor Technology, Inc., Unitive, Inc. and Unitive Electronics, Inc., Bank of America, N.A., as Administrative Agent for the Senior Parties, and Citicorp North America, Inc., as Administrative Agent for the Junior Parties and as Collateral Agent for the Junior Parties.
99.4	Syndicated Loan Agreement, dated as of November 30, 2005, among Amkor Technology Taiwan, Ltd., as Borrower, the banks and banking institutions party thereto, Chinatrust Commercial Bank Co., Ltd. and Ta Chong Commercial Bank Co., Ltd., as Coordinating Arrangers, and Chinatrust Commercial Bank Co., Ltd., as Facility Agent and Security Agent.
99.5	Letter of Guaranty, dated as of November 30, 2005, delivered by Amkor Technology, Inc. to Chinatrust Commercial Bank, Ltd., as Facility Agent.

AMKOR TECHNOLOGY, INC.,
UNITIVE, INC.,
and
UNITIVE ELECTRONICS, INC.,
as Borrowers

=====

LOAN AND SECURITY AGREEMENT

Dated as of November 28, 2005

\$100,000,000

=====

CERTAIN FINANCIAL INSTITUTIONS,
as Lenders,

BANK OF AMERICA, N.A.,
as Agent,

and

WACHOVIA CAPITAL FINANCE CORPORATION (WESTERN),
as Documentation Agent

BANK OF AMERICA, N.A.
WACHOVIA CAPITAL FINANCE CORPORATION (WESTERN)
Co-Lead Arrangers and Co-Book Managers

TABLE OF CONTENTS

	Page

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION.....	1
1.1. Definitions.....	1
1.2. Accounting Terms.....	38
1.3. Certain Matters of Construction.....	38
SECTION 2. CREDIT FACILITIES.....	39
2.1. Revolving Commitment.....	39
2.2. Reserved.....	41
2.3. Letter of Credit Facility.....	41
SECTION 3. INTEREST, FEES, AND CHARGES.....	45
3.1. Interest.....	45
3.2. Fees.....	46
3.3. Computation of Interest, Fees, Yield Protection.....	47
3.4. Reimbursement Obligations.....	47
3.5. Illegality.....	47
3.6. Increased Costs.....	48
3.7. Capital Adequacy.....	49
3.8. Mitigation.....	49

3.9.	Funding Losses.....	49
3.10.	Maximum Interest.....	49
SECTION 4.	LOAN ADMINISTRATION.....	50
4.1.	Manner of Borrowing and Funding Revolving Loans.....	50
4.2.	Defaulting Lender.....	52
4.3.	Number and Amount of LIBOR Revolving Loans; Determination of Rate.....	52
4.4.	Borrower Agent.....	53
4.5.	One Obligation.....	53
4.6.	Effect of Termination.....	

53

SECTION 5.	PAYMENTS.....	54
5.1.	General Payment Provisions.....	54
5.2.	Repayment of Revolving Loans.....	54
5.3.	Reserved.....	54
5.4.	Payment of Other Obligations.....	54
5.5.	Marshaling; Payments Set Aside.....	54
5.6.	Post-Default Allocation of Payments.....	55
5.7.	Application of Payments.....	55
5.8.	Loan Account; Account Stated.....	56
5.9.	Gross Up for Taxes.....	56
5.10.	Withholding Tax Exemption.....	56
5.11.	Nature and Extent of Each Borrower's Liability.....	57
SECTION 6.	CONDITIONS PRECEDENT.....	59
6.1.	Conditions Precedent to Initial Revolving Loans.....	59
6.2.	Conditions Precedent to All Credit Extensions.....	61
6.3.	Limited Waiver of Conditions Precedent.....	62
SECTION 7.	COLLATERAL.....	62
7.1.	Grant of Security Interest.....	62
7.2.	Lien on Deposit Accounts; Cash Collateral.....	63
7.3.	Real Estate Collateral.....	64
7.4.	Other Collateral.....	64
7.5.	No Assumption of Liability.....	64
7.6.	Further Assurances.....	64
SECTION 8.	COLLATERAL ADMINISTRATION.....	64
8.1.	Borrowing Base Certificates.....	64
8.2.	Administration of Accounts.....	65
8.3.	Administration of Inventory.....	66
8.4.	Administration of Equipment.....	66
8.5.	Administration of Deposit Accounts.....	67
8.6.	General Provisions.....	67
8.7.	Power of Attorney.....	68
SECTION 9.	REPRESENTATIONS AND WARRANTIES.....	69
9.1.	General Representations and Warranties.....	69
9.2.	Complete Disclosure.....	73
SECTION 10.	COVENANTS AND CONTINUING AGREEMENTS.....	74
10.1.	Affirmative Covenants.....	74
10.2.	Negative Covenants.....	77
10.3.	Total Liquidity.....	90
SECTION 11.	EVENTS OF DEFAULT; REMEDIES ON DEFAULT.....	90
11.1.	Events of Default.....	90
11.2.	Remedies upon Default.....	92
11.3.	License.....	93
11.4.	Setoff.....	93
11.5.	Remedies Cumulative; No Waiver.....	93
SECTION 12.	THE AGENT.....	94
12.1.	Appointment, Authority and Duties of the Agent.....	94
12.2.	Agreements Regarding Collateral and Field Examination Reports	95
12.3.	Reliance By the Agent.....	96

12.4.	Action Upon Default.....	97
12.5.	Ratable Sharing.....	97
12.6.	Indemnification of the Agent Indemnitees.....	97
12.7.	Limitation on Responsibilities of the Agent.....	98
12.8.	Successor Agent and Co-Agents.....	98
12.9.	Due Diligence and Non-Reliance.....	99
12.10.	Replacement of Certain Lenders.....	99
12.11.	Remittance of Payments and Collections.....	100
12.12.	The Agent in its Individual Capacity.....	100
12.13.	Documentation Agent.....	101
12.14.	No Third Party Beneficiaries.....	101

SECTION 13.	BENEFIT OF AGREEMENT; ASSIGNMENTS AND PARTICIPATIONS.....	101
13.1.	Successors and Assigns.....	101
13.2.	Participations.....	101
13.3.	Assignments.....	102
13.4.	Tax Treatment.....	102
13.5.	Representation of Lenders.....	103

SECTION 14.	MISCELLANEOUS.....	103
14.1.	Consents, Amendments and Waivers.....	103
14.2.	General Indemnity.....	104
14.3.	Limitations of Indemnities.....	104
14.4.	Notices and Communications.....	104
14.5.	Performance of the Borrowers' Obligations.....	105
14.6.	Credit Inquiries.....	105
14.7.	Severability.....	105
14.8.	Cumulative Effect; Conflict of Terms.....	106
14.9.	Counterparts; Facsimile Signatures.....	106
14.10.	Entire Agreement.....	106
14.11.	Obligations of the Lenders.....	106
14.12.	Confidentiality.....	106
14.13.	Certifications Regarding Indebtedness Agreements.....	107
14.14.	Governing Law.....	107
14.15.	Consent to Forum.....	107
14.16.	Waivers by the Borrowers.....	107
14.17.	Patriot Act Notice.....	108
14.18.	No Oral Agreement.....	108

LIST OF EXHIBITS AND SCHEDULES

EXHIBITS:

Exhibit A	Revolving Note
Exhibit B	Notice of Borrowing
Exhibit C	Notice of Conversion/Continuation
Exhibit D	Compliance Certificate
Exhibit E	Assignment and Acceptance
Exhibit F	Assignment Notice

SCHEDULES:

Schedule 1.1A	Revolving Commitments of Lenders
Schedule 1.1B	Eligible Foreign Account Debtors
Schedule 1.1C	Permitted Liens
Schedule 1.1D	Owned Real Estate
Schedule 8.5	Deposit Accounts
Schedule 8.6.1	Business Locations
Schedule 9.1.4	Names and Capital Structure
Schedule 9.1.5A	Former Names
Schedule 9.1.5B	Former Places of Business
Schedule 9.1.12	Patents, Trademarks, Copyrights, and Licenses
Schedule 9.1.15	Environmental Matters
Schedule 9.1.16	Restrictive Agreements
Schedule 9.1.17	Litigation
Schedule 9.1.21	Labor Contracts

LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT, dated as of November 28, 2005, is among AMKOR TECHNOLOGY, INC. and its Subsidiaries party hereto, the lending

institutions party to this Agreement from time to time as lenders (collectively, the "Lenders"), and BANK OF AMERICA, N.A., a national banking association, as administrative agent for the Lenders (the "Agent").

R E C I T A L S:

The Borrowers have requested that the Lenders make available a credit facility, to be used by the Borrowers to finance their mutual and collective business enterprise. The Lenders are willing to provide such credit facility on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties agree as follows:

SECTION 1. DEFINITIONS; RULES OF CONSTRUCTION

1.1. Definitions. As used herein, the following terms have the meanings set forth below:

Account - as defined in the UCC, including all rights to payment for goods sold or leased, or for services rendered.

Account Debtor - a Person who is obligated under an Account, Chattel Paper, or General Intangible.

Acquired Indebtedness - with respect to any specified Person (a) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Subsidiary of, such specified Person and (b) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

Adjusted LIBOR - for any Interest Period, with respect to LIBOR Revolving Loans, the per annum rate of interest determined pursuant to the following formula (expressed as a decimal, rounded upward to the next 1/8th of 1%):

$$\text{LIBOR} = \frac{\text{Offshore Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

Where,

"Eurodollar Reserve Percentage" means the reserve percentage applicable to member banks under regulations issued from time to time by the Board of Governors for determining the maximum reserve requirement (including any

LOAN AND SECURITY AGREEMENT

Page 1

emergency, supplemental, or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities").

"Offshore Base Rate" means the rate per annum appearing on Telerate Page 3750, or if such page is unavailable, the Reuters Screen LIBO Page (or any successor page of either, as applicable), as the London interbank offered rate for deposits in Dollars at approximately 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period; provided, however, if the Reuters Screen LIBO Page is used and more than one rate is shown on such page, the applicable rate shall be the arithmetic mean thereof. If for any reason none of the foregoing rates is available, the Offshore Base Rate shall be the rate per annum determined by the Agent as the rate of interest at which Dollar deposits in the approximate amount of the applicable LIBOR Revolving Loan would be offered to major banks in the offshore Dollar market at or about 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period for a term comparable to such Interest Period.

Affiliate - with respect to any Person (the "subject Person") any

other Person directly or indirectly controlling or controlled by or under direct or indirect common control with the subject Person. For purposes of this definition, "control," as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise; provided that beneficial ownership of 10.0% or more, or an agreement, obligation, or option to purchase 10.0% or more, of the Equity Interests of a Person that are at such time entitled to vote in the election of the board of directors (or other similar governing body) of such Person shall be deemed to be control. For purposes of this definition, the terms "controlling," "controlled by," and "under common control with" shall have correlative meanings.

Affiliate Transaction - as defined in Section 10.2.6.

Agent - as defined in the introductory paragraph of this Agreement.

Agent Advance - any Borrowing of Base Rate Revolving Loans funded with the Agent's funds, until such Borrowing is settled among the Lenders pursuant to Section 4.1.3.

Agent Indemnitees - the Agent and its officers, directors, employees, Affiliates, agents, and attorneys.

Agent Professionals - attorneys, accountants, appraisers, auditors, business valuation experts, environmental engineers or consultants, turnaround consultants, and other professionals and experts retained by the Agent.

Agent's Lien - the Liens in the Collateral granted to the Agent, for the benefit of the Secured Parties, pursuant to the terms of this Agreement or any Security Document.

LOAN AND SECURITY AGREEMENT

Page 2

Allocable Amount - as defined in Section 5.11.3.

Amkor - Amkor Technology, Inc., a Delaware corporation.

Anti-Terrorism Laws - any laws relating to terrorism or money laundering, including the Patriot Act.

Applicable Law - all laws, rules, regulations, and governmental guidelines applicable to the Person, conduct, transaction, agreement or matter in question, including all applicable statutory law, common law, and equitable principles, and all provisions of constitutions, treaties, statutes, rules, regulations, orders, and decrees of Governmental Authorities.

Applicable Margin - with respect to any Type of Revolving Loan and the unused line fee to be paid pursuant to Section 3.2.1, the per annum percentage set forth below, as determined by the lowest amount of the Borrowers' Total Liquidity in any calendar month:

Level	Total Liquidity	Base Rate Revolving Loans	LIBOR Revolving Loans	Unused Line Fee Percentage
I	Greater than or equal to \$75,000,000	0.00%	1.50%	0.25%
II	Less than \$75,000,000	0.50%	2.25%	0.50%

The Applicable Margin shall be subject to increase or decrease during each calendar month for such entire calendar month, and any change shall be effective retroactively to the first day of such calendar month. If the

Total Liquidity at any time during any calendar month is unable to be determined due to the Borrower's failure to deliver any Borrowing Base Certificate or financial statement required to be delivered pursuant to the terms of this Agreement, and at any time during the existence of an Event of Default, the Applicable Margin shall be determined as if Level II were applicable.

Approved Fund - any Person (other than a natural person) that is engaged in making, holding or investing in extensions of credit in its ordinary course of business and is administered or managed by a Lender, an entity that administers or manages a Lender, or an Affiliate of either.

Asset Purchase Agreement - that certain Asset Purchase Agreement, dated as of December 30, 1998, between Amkor and Anam Semiconductor, Inc., as such agreement may be extended or renewed from time to time without alteration of the material terms thereof.

Asset Sale - as defined in Section 10.2.5.

Assignment and Acceptance - an assignment agreement between a Lender and an Eligible Assignee, in the form of Exhibit E.

LOAN AND SECURITY AGREEMENT

Page 3

Attributable Debt - in respect of a sale and leaseback transaction involving an operating lease, at the time of determination, the present value of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction including any period for which such lease has been extended or may, at the option of the lessor, be extended. Such present value shall be calculated using a discount rate equal to the rate of interest implicit in such transaction, determined in accordance with GAAP.

Availability - determined as of any date, the amount that the Borrowers are entitled to borrow as Revolving Loans, being the Borrowing Base, minus the principal balance of all Revolving Loans.

Bank of America - Bank of America, N.A., a national banking association, and its successors and assigns.

Bank of America Indemnitees - Bank of America and its officers, directors, employees, Affiliates, agents, and attorneys.

Bank Product - any of the following products, services, or facilities extended to any Borrower or Subsidiary by Bank of America, the Documentation Agent, or any of their respective Affiliates: (a) Cash Management Services; (b) products under Hedging Agreements; (c) commercial credit card and merchant card services; (d) foreign exchange agreements; and (e) leases or other banking products or services as may be requested by any Borrower or Subsidiary, other than Letters of Credit.

Bank Product Debt - Indebtedness and other obligations of an Obligor relating to Bank Products.

Bankruptcy Code - Title 11 of the United States Code.

Base Rate - the rate of interest announced by Bank of America from time to time as its prime rate. Such rate is a reference rate only and Bank of America may make loans or other extensions of credit at, above, or below such rate of interest. Any change in the prime rate announced by Bank of America shall take effect at the opening of business on the effective day specified in the public announcement of the change.

Base Rate Revolving Loan - a Revolving Loan that bears interest based on the Base Rate.

Beneficial Owner - as assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as such term is used in Section 13(d)(3) of the Exchange Act), such "person" shall be deemed to have beneficial ownership of all securities that such "person" has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition.

LOAN AND SECURITY AGREEMENT

Page 4

Borrowed Money - with respect to any Obligor, without duplication, its (a) Indebtedness that (i) arises from the lending of money by any Person to such Obligor, (ii) is evidenced by notes, drafts, bonds, debentures, credit documents, or similar instruments, or (iii) was issued or assumed as full or partial payment for Property, (b) Capital Leases, (c) reimbursement obligations with respect to letters of credit, and (d) guaranties of any Indebtedness of the foregoing types owing by another Person.

Borrower - any of Amkor, Unitive, and UEI.

Borrower Agent - as defined in Section 4.4.

Borrowing - a group of Revolving Loans of one Type that are made on the same day or are converted into Revolving Loans of one Type on the same day.

Borrowing Base - on any date of determination, subject to the restrictions in Section 5.7 of the Second Lien Credit Agreement or any other similar restriction on Indebtedness in any other agreement evidencing Indebtedness to which any Borrower is a party the effect of which is to limit the availability of Revolving Loans made pursuant to this Agreement, an amount equal to the lesser of (a) the aggregate amount of Revolving Commitments, minus the LC Reserve, minus Reserves or (b) the result of (i) up to 85.0% of the net amount of Eligible Accounts and Eligible Foreign Accounts (as used in this definition, "net amount" means the face amount of an Account, minus (ii) any returns, rebates, discounts (calculated on the shortest terms), credits, allowances, or Taxes (including sales, excise, and other taxes) that have been or could be claimed by the Account Debtor or any other Person), minus (iii) the LC Reserve, minus (iv) the Minimum Availability Requirement, minus (v) Reserves.

Borrowing Base Certificate - a certificate, in form and substance reasonably satisfactory to the Agent, by which the Borrowers certify calculation of the Borrowing Base.

Business Day - any day (a) excluding Saturday, Sunday, and any other day on which banks are permitted to be closed under the laws of the State of Texas and (b) when used with reference to a LIBOR Revolving Loan, also excluding any day on which banks do not conduct dealings in Dollar deposits on the London interbank market.

Capital Adequacy Regulation - any law, rule, regulation, guideline, request, or directive of any central bank or other Governmental Authority, whether or not having the force of law, regarding capital adequacy of a bank or any Person controlling a bank.

Capital Expenditures - expenditures made or liabilities incurred by a Borrower or Subsidiary for the acquisition of any fixed assets, or any improvements, replacements, substitutions, or additions thereto with a useful life of more than one year, including the principal portion of Capital Leases.

Capital Lease - any lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

LOAN AND SECURITY AGREEMENT

Page 5

Capital Lease Obligation - at time any determination thereof is to be made, the amount of the liability in respect of a Capital Lease that would at that time be required to be capitalized on a balance sheet in accordance with GAAP.

Cash Collateral - cash, and any interest or other income earned

thereon, that is delivered to the Agent to Cash Collateralize any Obligations.

Cash Collateral Account - a demand deposit, money market, or other account established by the Agent at such financial institution as the Agent may select in its discretion, which account shall be in the Agent's name and subject to the Agent's Liens for the benefit of the Secured Parties.

Cash Collateralize - the delivery of cash to the Agent, as security for the payment of the Obligations, in an amount equal to (a) with respect to LC Obligations, 110% of the aggregate LC Obligations and (b) with respect to any inchoate or contingent Obligations (including Obligations arising under Bank Products), the Agent's good faith estimate of the amount due or to become due, including all fees and other amounts relating to such Obligations. "Cash Collateralization" has a correlative meaning.

Cash Equivalents - (a) Dollars or currency of any other sovereign nation in which the Borrower or any Restricted Subsidiary conducts business, (b) securities issued or directly and fully guaranteed or insured by the full faith and credit of the United States government or any agency or instrumentality thereof having maturities of not more than twelve months from the date of acquisition, (c) certificates of deposit and eurodollar time deposits with maturities of twelve months or less from the date of acquisition, bankers' acceptances with maturities not exceeding twelve months and overnight bank deposits, in each case with (i) any domestic commercial bank having capital and surplus in excess of \$500,000,000 and a Fitch Individual Rating (formerly Thompson Bank Watch Rating) of "B" or better, or (ii) any commercial bank organized under the laws of any foreign country recognized by the United States having capital and surplus in excess of \$500,000,000 (or the foreign currency equivalent thereof) and a Fitch Individual Rating (formerly Thompson Bank Watch Rating) of "B" or better, (d) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clause (b) and clause (c) preceding entered into with any financial institution meeting the qualifications specified in clause (c) preceding, (e) commercial paper having the highest rating obtainable from either Moody's or S&P and, in each case, maturing within six months after the date of acquisition, and (f) money market funds at least 95.0% of the assets of which constitute Cash Equivalents of the kinds described in clause (a) through clause (e) of this definition, provided that (w) the currency of any sovereign nation other than the United States, (x) certificates of deposit, eurodollar time deposits, and bankers' acceptances with any commercial bank organized under the laws of any country other than the United States, (y) repurchase obligations entered into with any financial institution organized under the laws of any country other than the United States, and (z) overnight bank deposits with any commercial bank organized under the laws of any country other than the United States shall not be considered "Cash Equivalents" for purposes of determining the amount of Total Liquidity at any time and whether an Asset Sale is permitted pursuant to Section 10.2.5.

LOAN AND SECURITY AGREEMENT

Page 6

Cash Management Services - any services provided from time to time by Bank of America or any of its Affiliates to any Borrower or Subsidiary in connection with operating, collections, payroll, trust, or other depository or disbursement accounts, including automatic clearinghouse, controlled disbursement, depository, electronic funds transfer, information reporting, lockbox, stop payment, overdraft, and/or wire transfer services.

CERCLA - the Comprehensive Environmental Response Compensation and Liability Act (42 U.S.C. Section 9601 et seq.).

Change of Control - the occurrence of any of the following: (a) the adoption of a plan relating to the liquidation or dissolution of any Borrower, (b) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any Person, other than a Permitted Holder, becomes the Beneficial Owner, directly or indirectly, of more than 35.0% of the Voting Stock of Amkor, measured by voting power rather than number of shares, and such percentage represents more than the aggregate percentage of the Voting Stock of

Amkor, measured by voting power rather than number of shares, as to which any Permitted Holder is the Beneficial Owner, or (c) the first date during any consecutive two year period on which a majority of the members of the board of directors of Amkor are not Continuing Directors. For purposes of this definition, any transfer of an Equity Interest of any Person that was formed for the purpose of acquiring Voting Stock of Amkor will be deemed to be a transfer of such portion of Voting Stock as corresponds to the portion of the equity of such Person that has been so transferred.

Chattel Paper - as defined in the UCC.

Claims - all liabilities, obligations, losses, damages, penalties, judgments, proceedings, costs, and expenses of any kind (including remedial response costs, reasonable attorneys' fees, and Extraordinary Expenses) at any time (including after Full Payment of the Obligations, resignation or replacement of the Agent, or replacement of any Lender) incurred by or asserted against any Indemnitee in any way relating to (a) any Loan Documents or transactions relating thereto, (b) any action taken or omitted to be taken by any Indemnitee in connection with any Loan Documents, (c) the existence or perfection of any Liens, or realization upon any Collateral, (d) exercise of any rights or remedies under any Loan Documents or Applicable Law, or (e) failure by any Obligor to perform or observe any terms of any Loan Document, in each case including all costs and expenses relating to any investigation, litigation, arbitration, or other proceeding (including an Insolvency Proceeding or appellate proceedings), whether or not the applicable Indemnitee is a party thereto.

Closing Date - the date on which the initial Revolving Loans are made under this Agreement.

Collateral - all Property described in Section 7.1, all Property described in any Security Documents as security for any Obligations, and all other Property that now or hereafter secures (or is intended to secure) any Obligations.

LOAN AND SECURITY AGREEMENT

Page 7

Collateral Documents - for the purpose of interpretation of the Intercreditor Agreement, this Agreement, the Security Documents, and all other documents, instruments, and agreements now or hereafter securing (or given with the intent to secure) any Obligations.

Commercial Tort Claim - as defined in the UCC.

Compliance Certificate - a Compliance Certificate to be provided by the Borrowers to the Agent pursuant to this Agreement, in the form of Exhibit D, and all supporting schedules.

Consolidated Cash Flow - with respect to any Person for any period, the Consolidated Net Income of such Person for such period, plus (a) an amount equal to any extraordinary loss, plus any net loss realized in connection with an Asset Sale, to the extent such losses were deducted in computing such Consolidated Net Income, plus (b) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income, plus (c) consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued and whether or not capitalized (including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts, and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments, if any, pursuant to Hedging Obligations), to the extent that any such expense was deducted in computing such Consolidated Net Income, plus (d) depreciation, amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period), and other non-cash expenses (excluding any such non-cash expense to the extent that it represents an accrual of or reserve for cash expenses in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent

that such depreciation, amortization, and other non-cash expenses were deducted in computing such Consolidated Net Income, plus (e) non-cash items (other than any non-cash items that will require cash payments in the future or that relate to foreign currency translation) decreasing such Consolidated Net Income for such period, other than items that were accrued in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP, minus (f) non-cash items (other than any non-cash items that will require cash payments in the future or that relate to foreign currency translation) increasing such Consolidated Net Income for such period, other than items that were accrued in the ordinary course of business, in each case, on a consolidated basis and determined in accordance with GAAP. Notwithstanding the foregoing, the provision for taxes based on the income or profits of, and the depreciation and amortization and other non-cash charges of, a Restricted Subsidiary of Amkor shall be added to Consolidated Net Income to compute Consolidated Cash Flow of Amkor only to the extent that a corresponding amount would be permitted at the date of determination to be dividend to Amkor by such Restricted Subsidiary without prior approval (that has not

LOAN AND SECURITY AGREEMENT

Page 8

been obtained), pursuant to the terms of its charter and all agreements, instruments, judgments, decrees, orders, statutes, rules, and governmental regulations applicable to that Subsidiary or its stockholders.

Consolidated Interest Expense - with respect to any Person for any period, the sum, without duplication, of (a) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments, if any, pursuant to Hedging Obligations, plus (b) the consolidated interest of such Person and its Restricted Subsidiaries that was capitalized during such period, plus (c) interest actually paid by Amkor or any Restricted Subsidiary under any Guarantee of Indebtedness of another Person, plus (d) the product of all dividend payments, whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividend payments on Equity Interests payable solely in Equity Interests of Amkor (other than Disqualified Stock) or to Amkor or a Restricted Subsidiary of Amkor.

Consolidated Interest Expense Coverage Ratio - with respect to any specified Person for any period, the ratio of the Consolidated Cash Flow of such Person and its Restricted Subsidiaries for such period to the Consolidated Interest Expense of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, Guarantees, or redeems any Indebtedness (other than the Obligations) or issues or redeems preferred stock subsequent to the commencement of the period for which the Consolidated Interest Expense Coverage Ratio is being calculated but prior to the date on which the event for which the calculation of the Consolidated Interest Expense Coverage Ratio is made (the "Calculation Date"), then the Consolidated Interest Expense Coverage Ratio shall be calculated giving pro forma effect to such incurrence, assumption, Guarantee, or redemption of Indebtedness, or such issuance or redemption of preferred stock, as if the same had occurred at the beginning of the applicable four-quarter reference period. In addition, for purposes of calculating the Consolidated Interest Expense Coverage Ratio: (a) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations and including any related financing transactions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the four-quarter reference period and Consolidated Cash Flow for such reference period shall be calculated without giving effect to clause (c) of the proviso set forth in the definition of Consolidated Net Income, (b) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to

the Calculation Date, shall be excluded, and (c) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Consolidated Interest Expense

LOAN AND SECURITY AGREEMENT

Page 9

will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date.

Consolidated Net Assets - with respect to any specified Person as of any date, the total assets of such Person as of such date less (a) the total liabilities of such Person as of such date, (b) the amount of any Disqualified Stock as of such date, and (c) any minority interests reflected on the balance sheet of such Person as of such date.

Consolidated Net Income - with respect to any specified Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, on a consolidated basis, determined in accordance with GAAP; provided that: (a) the Net Income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting shall be included only to the extent of the amount of dividends or distributions paid in cash to the specified Person or a Restricted Subsidiary thereof, (b) the Net Income of any Restricted Subsidiary shall be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, (c) the Net Income (but not loss) of any Unrestricted Subsidiary shall be excluded, whether or not distributed to the specified Person or one of its Subsidiaries, and (d) the cumulative effect of a change in accounting principles shall be excluded.

Contingent Obligation - any obligation of a Person arising from a guaranty, indemnity, or other assurance of payment or performance of any Indebtedness, lease, dividend, or other obligation (as used in this definition, "primary obligations") of another obligor (as used in this definition, "primary obligor") in any manner including any obligation of such Person under any (a) guaranty, endorsement, co-making, or sale with recourse of an obligation of a primary obligor, (b) obligation to make take-or-pay or similar payments regardless of nonperformance by any other party to an agreement, and (c) arrangement (i) to purchase any primary obligation or security therefor, (ii) to supply funds for the purchase or payment of any primary obligation, (iii) to maintain or assure working capital, equity capital, net worth, or solvency of the primary obligor, (iv) to purchase Property or services for the purpose of assuring the ability of the primary obligor to perform a primary obligation, or (v) otherwise to assure or hold harmless the holder of any primary obligation against loss in respect thereof. The amount of any Contingent Obligation shall be deemed to be the stated or determinable amount of the primary obligation (or, if less, the maximum amount for which such Person may be liable under the instrument evidencing the Contingent Obligation) or, if not stated or determinable, the maximum reasonably anticipated liability with respect thereto.

Continuing Directors - as of any date of determination, any member of the board of directors of Amkor who (a) was a member of such board of directors on the Closing Date or (b) was nominated for election or elected to such board of directors with the approval of a majority of the Continuing Directors who were members of such board at

LOAN AND SECURITY AGREEMENT

Page 10

the time of such nomination or election.

Convertible Subordinated Notes - Amkor's 5.75% Convertible Subordinated Notes due 2006, issued pursuant to the Convertible

Subordinated Notes (2006) Indenture, Amkor's 5% Convertible Subordinated Notes due 2007, issued pursuant to the Convertible Subordinated Notes (2007) Indenture, and Amkor's 6 1/4% Convertible Subordinated Notes due 2013, issued pursuant to the Convertible Subordinated Notes (2013) Indenture.

Convertible Subordinated Notes (2006) Indenture - that certain Indenture between Amkor and U.S. Bank National Association (as successor to State Street Bank and Trust Company) as Trustee, dated as of May 25, 2001, as such Indenture may be amended or supplemented from time to time, relating to Amkor's 5.75% Convertible Subordinated Notes due June 1, 2006.

Convertible Subordinated Notes (2007) Indenture - that certain Indenture between Amkor and U.S. Bank National Association (as successor to State Street Bank and Trust Company) as Trustee, dated as of March 22, 2000, as such Indenture may be amended or supplemented from time to time, relating to Amkor's 5.75% Convertible Subordinated Notes due March 15, 2007.

Convertible Subordinated Notes (2013) Indenture - that certain Indenture between Amkor and U.S. Bank National Association as Trustee, dated as of November 18, 2005, as such Indenture may be amended or supplemented from time to time, relating to Amkor's 6 1/4% Convertible Subordinated Notes due December 1, 2013.

Convertible Subordinated Notes Indentures - the Convertible Subordinated Notes (2006) Indenture, the Convertible Subordinated Notes (2007) Indenture, and the Convertible Subordinated Notes (2013) Indenture.

Copyright Security Agreement - each copyright security agreement pursuant to which an Obligor grants to the Agent, for the benefit of the Secured Parties, a Lien on such Obligor's interests in copyrights, as security for the Obligations.

Credit Facilities - with respect to Amkor or any Subsidiary, one or more debt facilities or commercial paper facilities with banks or other institutional lenders providing for revolving credit loans, term loans, notes, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit, in each case, as amended, restated, modified, renewed, refunded, replaced or refinanced in whole or in part from time to time.

CWA - the Clean Water Act (33 U.S.C. Sections 1251 et seq.).

Default - an event or condition that, with the lapse of time or giving of notice, would constitute an Event of Default.

LOAN AND SECURITY AGREEMENT

Page 11

Default Rate - for any Obligation (including, to the extent permitted by law, interest not paid when due), 2.00%, plus the interest rate otherwise applicable thereto.

Deposit Account - as defined in the UCC.

Deposit Account Control Agreements - an agreement (a) in form and substance satisfactory to the Agent, (b) between the Agent and a depository institution which maintains a Deposit Account for a Borrower, and (c) which establishes control of such Deposit Account for purposes of perfection of the Agent's Lien in such Deposit Account and the funds held therein.

Designated Account - a deposit account of the Borrowers established with the Agent or an Affiliate of the Agent, into which the Agent shall fund Revolving Loans hereunder.

Disqualified Stock - any Equity Interest that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case at the option of the holder thereof), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder thereof, in whole or in part, on or prior to the date that is

91 days after the Termination Date. Notwithstanding the preceding sentence, any Equity Interest that would constitute Disqualified Stock solely because the holders thereof have the right to require Amkor to repurchase such Equity Interest upon the occurrence of a change of control or an asset sale shall not constitute Disqualified Stock if the terms of such Equity Interest provide that Amkor may not repurchase or redeem any such Equity Interest pursuant to such provisions unless such repurchase or redemption complies with Section 10.2.2.

Distribution - (a) any declaration or payment of a distribution, interest, or dividend on any Equity Interest (other than payment-in-kind); (b) any distribution, advance, or repayment of Indebtedness to a holder of Equity Interests; or (c) any purchase, redemption, or other acquisition or retirement for value of any Equity Interest.

Document - as defined in the UCC.

Documentation Agent - Wachovia Capital Finance Corporation (Western), a California corporation.

Dollars - lawful money of the United States.

Domestic Subsidiary - a Restricted Subsidiary that is (a) formed under the laws of the United States or a state or territory thereof or (b) as of the date of determination, treated as a domestic entity or a partnership or a division of a domestic entity for United States federal income tax purposes, and, in either case, is not owned, directly or indirectly, by an entity that is not described in clause (a) or clause (b) preceding.

LOAN AND SECURITY AGREEMENT

Page 12

Dominion Account - a special account established by the Borrowers at Bank of America or another bank acceptable to the Agent, over which, subject to the terms of Section 8.2.4, the Agent has exclusive control for withdrawal purposes.

Eligible Account - an Account owing to a Borrower, excluding Accounts owing to Unitive and to UEI until the Agent has completed an audit and field examination with respect to such Accounts to its satisfaction, that arises in the Ordinary Course of Business from the sale of goods or rendition of services, is payable in Dollars and is deemed by the Agent, in its reasonable credit judgment, to be an Eligible Account. Without limiting the foregoing, no Account shall be an Eligible Account if (a) it is unpaid for more than 60 days after the original due date, or more than 90 days after the original invoice date, (b) 50.0% or more of the Accounts owing by the Account Debtor are not Eligible Accounts or Eligible Foreign Accounts under any other provision of this definition or the definition of Eligible Foreign Accounts, (c) when aggregated with other Accounts owing by the Account Debtor and its Affiliates, it exceeds 15.0% of the aggregate Eligible Accounts and Eligible Foreign Accounts (or such higher percentage as the Agent, with the consent of the Requisite Lenders, may establish for the Account Debtor and its Affiliates from time to time), (d) it does not conform with a covenant or representation herein, (e) it is owing by a creditor or supplier, or is otherwise subject to a offset, counterclaim, dispute, deduction, discount, recoupment, reserve, defense, chargeback, credit, or allowance (but ineligibility shall be limited to the amount thereof), (f) an Insolvency Proceeding has been commenced by or against the Account Debtor, or the Account Debtor has failed, has suspended, or ceased doing business, is liquidating, dissolving, or winding up its affairs, or is not Solvent, (g) the Account Debtor is organized or has its principal offices or assets outside the United States, (h) it is owing by a Government Authority, (i) it is not subject to a duly perfected, first priority Lien in favor of the Agent, or is subject to any other Lien (except a Permitted Accounts Lien), (j) the goods giving rise to it have not been delivered to and accepted by the Account Debtor, the services giving rise to it have not been accepted by the Account Debtor, or it otherwise does not represent a final sale, (k) it is evidenced by Chattel Paper or an Instrument of any kind, or has been reduced to judgment, (l) its payment has been extended, the Account Debtor has made a partial payment, or it arises from a sale on a cash-on-delivery basis, (m) it arises from a sale to an Affiliate, or from a sale on a bill-and-hold, guaranteed sale, sale-or-return, sale-on-approval,

consignment, or other repurchase or return basis, (n) it represents a progress billing or retainage, (o) it includes a billing for interest, fees, or late charges, but ineligibility shall be limited to the extent of such billing, or (p) it arises from a retail sale to a Person who is purchasing for personal, family, or household purposes.

Eligible Assignee - a Person that is (a) a Lender, a United States-based Affiliate of a Lender, or an Approved Fund, (b) any other financial institution approved by the Agent and the Borrower Agent (which approval by the Borrower Agent shall not be unreasonably withheld or delayed, and shall be deemed given if no objection is made within two Business Days after notice of the proposed assignment), that is organized under the laws of the United States or any state or district thereof, has total assets in excess of \$5,000,000,000, extends asset-based lending facilities in its ordinary course of business, and whose becoming an assignee would not constitute a prohibited transaction

LOAN AND SECURITY AGREEMENT

Page 13

under Section 4975 of ERISA or any other Applicable Law, and (c) during any Event of Default, any Person acceptable to the Agent in its discretion.

Eligible Foreign Account - an Account owing to a Borrower, excluding Accounts owing to Unitive and to UEI until the Agent has completed an audit and field examination with respect to such Accounts to its satisfaction, from an Account Debtor that is organized or has its principal offices or assets outside the United States, that (a) arises in the Ordinary Course of Business from the sale of goods or rendition of services, (b) is payable in Dollars, (c) is owing from an Account Debtor listed on Schedule 1.1B or is owing from an Account Debtor acceptable to the Agent and the Requisite Lenders, each in their discretion, (d) meets all of the requirements in clause (a) through clause (p) of the definition of Eligible Accounts other than clause (g) thereof, and (e) is deemed by the Agent, with the consent of the Requisite Lenders, each in their reasonable credit judgment, to be an Eligible Foreign Account; provided that, in any event, without the consent of the Agent and the Requisite Lenders, any such Accounts owing from the Account Debtors specified in Part II of Schedule 1.1B, or any of their respective Affiliates when aggregated with other Accounts owing by such Account Debtors and their respective Affiliates which exceed 10.0% of the aggregate Eligible Accounts and Eligible Foreign Accounts shall not be Eligible Foreign Accounts.

Enforcement Action - any action to enforce any Obligations or Loan Documents or to realize upon any Collateral (whether by judicial action, self-help, notification of Account Debtors, exercise of setoff or recoupment, or otherwise).

Environmental Laws - all Applicable Laws (including all programs, permits, and guidance promulgated by regulatory agencies), relating to public health (but excluding occupational safety and health, to the extent regulated by OSHA) or the protection or pollution of the environment, including CERCLA, RCRA, and CWA.

Environmental Notice - any written notice from any Governmental Authority of any possible noncompliance with, investigation of a possible violation of, litigation relating to, or potential fine or liability under any Environmental Law, or with respect to any Environmental Release, environmental pollution or hazardous materials, including any complaint, summons, citation, order, claim, demand or request for correction, remediation, or otherwise.

Environmental Release - a release as defined in CERCLA or under any other Environmental Law.

Equipment - as defined in the UCC, including all machinery, apparatus, equipment, fittings, furniture, fixtures, motor vehicles, and other tangible personal Property (other than Inventory), and all parts, accessories, and special tools therefor, and accessions thereto.

Equity Interest - the interest of any (a) shareholder in a corporation, (b) partner in a partnership (whether general, limited,

limited liability, or joint venture), (c) member in a limited liability company, (d) any Person holding warrants, options, or other rights to

LOAN AND SECURITY AGREEMENT

Page 14

acquire any equity security or ownership interest (but excluding any debt security that is convertible into, or exchangeable for, any equity security or ownership interest), or (e) other Person having any other form of equity security or ownership interest that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

ERISA - the Employee Retirement Income Security Act of 1974.

Event of Default - as defined in Section 11.

Exchange Act - the Securities Exchange Act of 1934.

Excluded Domestic Subsidiaries - Guardian Assets, Inc., a Delaware corporation, Amkor International Holdings, a company organized under the laws of the Cayman Islands (also existing as Amkor International Holdings, LLC, a Delaware limited liability company), Amkor Technology Limited, a company organized under the laws of the Cayman Islands, P-Four, Inc., a company organized under the laws of the Philippines (also existing as P-Four, LLC, a Delaware limited liability company), and Amkor Technology Philippines, Inc., a corporation organized under the laws of the Philippines.

Excluded Taxes - Taxes on the overall net income or gross receipts of a Lender imposed by the jurisdiction in which such Lender's principal executive office is located.

Existing Indebtedness - Indebtedness of Amkor and its Restricted Subsidiaries in existence on the date of this Agreement, until such amounts are repaid.

Extraordinary Expenses - all costs, expenses, or advances that the Agent may incur during a Default or Event of Default, or during the pendency of an Insolvency Proceeding of an Obligor, including those relating to (a) any audit, inspection, repossession, storage, repair, appraisal, insurance, manufacture, preparation or advertising for sale, sale, collection, or other preservation of or realization upon any Collateral, (b) any action, arbitration, or other proceeding (whether instituted by or against the Agent, any Lender, any Obligor, any representative of creditors of an Obligor, or any other Person) in any way relating to any Collateral (including the validity, perfection, priority, or avoidability of the Agent's Liens with respect to any Collateral), any Loan Documents, or the validity, allowance, or amount of any Obligations, including any lender liability or other Claims asserted against the Agent or any Lender, (c) the exercise, protection, or enforcement of any rights or remedies of the Agent in, or the monitoring of, any Insolvency Proceeding, (d) settlement or satisfaction of any taxes, charges, or Liens with respect to any Collateral, (e) any Enforcement Action, (f) negotiation and documentation of any modification, waiver, workout, restructuring, or forbearance with respect to any Loan Documents or Obligations, or (g) Protective Advances. Such costs, expenses, and advances include transfer fees, taxes, storage fees, insurance costs, permit fees, utility reservation and standby fees, legal fees, appraisal fees, brokers' fees and commissions, auctioneers' fees and commissions, accountants' fees, environmental study fees, wages and salaries paid to employees of any Obligor or independent contractors in liquidating any Collateral, and travel expenses.

LOAN AND SECURITY AGREEMENT

Page 15

Federal Funds Rate - a fluctuating interest rate per annum equal to the weighted average of the rates on overnight federal funds transactions among members of the Federal Reserve System arranged by federal funds brokers, as published for the applicable day (or, if not a Business Day, for the preceding Business Day) by the Federal Reserve Bank of New York, or if such rate is not so published, the average of the quotations for

such day on such transactions as determined by the Agent.

Fee Letter - the fee letter agreement, dated as of the Closing Date, between the Agent and the Borrowers.

Fiscal Quarter - each period of three months, the first of such periods commencing on the first day of a Fiscal Year.

Fiscal Year - the fiscal year of the Borrowers and the Subsidiaries for accounting and tax purposes, ending on December 31 of each year.

FLSA - the Fair Labor Standards Act of 1938.

Foreign Lender - any Lender that is organized under the laws of a jurisdiction other than the laws of the United States, or any state or district thereof.

Foreign Plan - any employee benefit plan or arrangement maintained or contributed to by any Obligor or Subsidiary that is not subject to the laws of the United States, or any employee benefit plan or arrangement mandated by a government other than the United States for employees of any Obligor or Subsidiary.

Foreign Subsidiary - a Subsidiary of Amkor that is not a Domestic Subsidiary.

Foundry Agreement - that certain Foundry Agreement, dated as of January 1, 1998, among Amkor, its predecessor company (Amkor Electronics, Inc.), Amkor Technology Limited (f/k/a C.I.L. Limited), Anam Semiconductor, Inc., and Anam USA, Inc., as the same may be extended or renewed from time to time without alteration of the material terms thereof.

Full Payment - with respect to any Obligations, (a) the full and indefeasible cash payment thereof, including all interest, fees, and other charges under any Loan Documents and including those accruing during an Insolvency Proceeding (whether or not allowed in the proceeding), (b) if such Obligations are LC Obligations or inchoate or contingent in nature, Cash Collateralization thereof, and (c) a release of any Claims of the Obligors against the Agent, the Lenders, and the Issuing Bank arising on or before the payment date. The Revolving Loans shall not be deemed to have been paid in full until the Revolving Commitments have expired or been terminated.

GAAP - generally accepted accounting principles in the United States in effect from time to time.

General Intangibles - as defined in the UCC, including choses in action, causes of action, contract rights, company or other business records, inventions, blueprints, designs,

LOAN AND SECURITY AGREEMENT

Page 16

patents, patent applications, trademarks, trademark applications, trade names, trade secrets, service marks, goodwill, brand names, copyrights, registrations, licenses, franchises, customer lists, permits, tax refund claims, computer programs, operational manuals, internet addresses and domain names, insurance refunds and premium rebates, all rights to indemnification, and all other intangible Property of any kind.

Goods - as defined in the UCC.

Governmental Approvals - all authorizations, consents, approvals, licenses and exemptions of, registrations and filings with, and required reports to, all Governmental Authorities.

Governmental Authority - any federal, state, municipal, foreign, or other governmental department, agency, commission, board, bureau, court, tribunal, instrumentality, political subdivision, or other entity or officer exercising executive, legislative, judicial, regulatory, or administrative functions for or pertaining to any government or court, in each case whether associated with the United States, a state, district, or territory thereof, or a foreign entity or government.

Guarantee - a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness.

Guarantor Payment - as defined in Section 5.11.3.

Guarantors - Amkor, Unitive, UEI, and each other Person who guarantees payment or performance of any Obligations.

Guaranty - each guaranty agreement executed by a Guarantor in favor of the Agent.

Hedging Agreement - any transaction that provides for an interest rate, foreign exchange, currency, commodity, credit, or equity swap, cap, floor, collar, option, forward, cross right or obligation, or combination thereof, or any transaction of a similar nature.

Hedging Obligations - with respect to any Person, the indebtedness, liabilities, and obligations of such Person under Hedging Agreement.

Indebtedness - with respect to any Person, any indebtedness of such Person, including Contingent Obligations, in respect of (a) borrowed money, (b) bonds, notes, debentures, or similar instruments or letters of credit (or reimbursement agreements in respect thereof), (c) banker's acceptances, (d) Capital Lease Obligations, (e) the balance deferred and unpaid of the purchase price of any property, except any such balance that constitutes an accrued expense or trade payable, and (f) Hedging Obligations, if and to the extent any of such indebtedness (other than letters of credit and Hedging Obligations) would appear as a liability on a balance sheet of the specified Person prepared in

LOAN AND SECURITY AGREEMENT

Page 17

accordance with GAAP. With respect to the Borrowers, all Obligations, other than Bank Product Debt not covered by clause (a) through clause (f) preceding, shall be included in the term "Indebtedness". In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person measured as the lesser of the fair market value of the assets of such Person so secured or the amount of such Indebtedness) and, to the extent not otherwise included, the Guarantee by such Person of any indebtedness of any other Person. The amount of any Indebtedness outstanding as of any date shall be the accreted value thereof, in the case of any Indebtedness issued with original issue discount. In addition, the amount of any Indebtedness shall also include the amount of all obligations of such Person with respect to the redemption, repayment or other repurchase of any Disqualified Stock or, with respect to any Restricted Subsidiary of Amkor, any preferred stock of such Restricted Subsidiary.

Increase Effective Date - as defined in Section 2.1.7.

Indemnitees - the Agent Indemnitees, the Lender Indemnitees, the Issuing Bank Indemnitees, and the Bank of America Indemnitees.

Indentures - the Convertible Subordinated Notes Indentures, the Senior Notes Indentures, and the Senior Subordinated Notes Indenture.

Insolvency Proceeding - any case or proceeding commenced by or against a Person under any state, federal, or foreign law for, or any agreement of such Person to, (a) the entry of an order for relief under the Bankruptcy Code, or any other insolvency, debtor relief, or debt adjustment law, (b) the appointment of a receiver, trustee, liquidator, administrator, conservator, or other custodian for such Person or any part of its Property, or (c) an assignment or trust mortgage for the benefit of creditors.

Instrument - as defined in the UCC.

Insurance Assignment - each collateral assignment of insurance

pursuant to which an Obligor assigns to the Agent, for the benefit of the Secured Parties, such Obligor's rights under business interruption or other insurance policies as the Agent deems appropriate, as security for the Obligations.

Intellectual Property - (a) all intellectual and similar Property of a Person, including inventions, designs, patents, patent applications, copyrights, trademarks, service marks, trade names, trade secrets, confidential or proprietary information, customer lists, know-how, software, and databases; (b) all embodiments or fixations thereof and all related documentation, registrations, and franchises; (c) all books and records describing or used in connection with the foregoing; and (d) all licenses or other rights to use any of the foregoing.

Intellectual Property Claim - any claim or assertion (whether in writing, by suit, or otherwise) that a Borrower's or a Subsidiary's ownership, use, marketing, sale, or distribution of any Inventory, Equipment, Intellectual Property, or other Property violates another Person's Intellectual Property.

LOAN AND SECURITY AGREEMENT

Page 18

Intellectual Property Rights Licensing Agreement - that certain Intellectual Property Rights Licensing Agreement, dated as of May 6, 1999, by and between Amkor and Anam Semiconductor, Inc. in connection with the Asset Purchase Agreement, as such agreement may be extended or renewed from time to time without alteration of the material terms thereof.

Intercreditor Agreement - the Intercreditor Agreement, dated concurrently herewith, among the Agent (as the "Senior Agent" thereunder), for the benefit of the Agent and the Lenders (as the holders of the "Senior Obligations" thereunder), Citicorp North America, Inc. (in its capacities as the administrative agent and collateral agent for the "Junior Parties" (as defined therein), Amkor, Unitive, and UEI (Amkor, Unitive, and UEI each being party thereto as a "Borrower" (as defined therein) and a "Loan Party" (as defined therein)), in form and substance satisfactory to the Agent.

Interest Period - as defined in Section 3.1.3.

Inventory - as defined in the UCC, including (a) all goods intended for sale, lease, display, or demonstration, (b) all work in process, and (c) all raw materials, and other materials and supplies of any kind that are or could be used in connection with the manufacture, printing, packing, shipping, advertising, sale, lease, or furnishing of such goods, or otherwise used or consumed in a Borrower's business (but excluding Equipment).

Investments - with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of direct or indirect loans (including Guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commission, travel, and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If Amkor or any Restricted Subsidiary of Amkor sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of Amkor such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of Amkor, Amkor shall be deemed to have made an Investment on the date of any such sale or disposition equal to the fair market value of the Equity Interests of such Restricted Subsidiary not sold or disposed of in an amount determined as provided in Section 10.2.2.

Investment Property - as defined in the UCC, including all securities (whether certificated or uncertificated), security entitlements, securities accounts, commodity contracts, and commodity accounts.

Issuing Bank - Bank of America or an Affiliate of Bank of America.

Issuing Bank Indemnities - the Issuing Bank and its officers, directors, employees, Affiliates, agents, and attorneys.

LC Application - an application by the Borrower Agent to the Issuing Bank for issuance of a Letter of Credit, in form and substance satisfactory to the Issuing Bank.

LOAN AND SECURITY AGREEMENT

Page 19

LC Conditions - the following conditions necessary for issuance of a Letter of Credit: (a) each of the conditions set forth in Section 6; (b) after giving effect to such issuance, total LC Obligations do not exceed \$25,000,000, no Overadvance exists and, if no Revolving Loans are outstanding, the LC Obligations do not exceed the Borrowing Base (without giving effect to the LC Reserve for purposes of this calculation); (c) the expiration date of such Letter of Credit is (i) no more than 365 days from the date of issuance and (ii) at least 20 Business Days prior to the Termination Date; (d) the Letter of Credit and payments thereunder are denominated in Dollars; and (e) the form of the proposed Letter of Credit is satisfactory to the Agent and the Issuing Bank in their discretion.

LC Documents - all documents, instruments, and agreements (including LC Requests and LC Applications) delivered by the Borrowers or any other Person to the Issuing Bank or the Agent in connection with issuance, amendment, or renewal of, or payment under, any Letter of Credit.

LC Obligations - the sum (without duplication) of (a) all amounts owing by the Borrowers for any drawings under Letters of Credit, (b) the aggregate undrawn amount of all outstanding Letters of Credit, and (c) all fees and other amounts owing with respect to Letters of Credit.

LC Request - a Letter of Credit Request from the Borrowers to the Issuing Bank in form acceptable to the Issuing Bank in its discretion.

LC Reserve - the aggregate of all LC Obligations, other than (a) those that have been Cash Collateralized and (b) if no Event of Default exists, those constituting charges owing solely to the Issuing Bank.

Lender Indemnities - the Lenders and their officers, directors, employees, Affiliates, agents, and attorneys.

Lenders - as defined in the introductory paragraph of this Agreement, including the Agent in its capacity as a provider of Agent Advances and any other Person who hereafter becomes a "Lender" pursuant to an Assignment and Acceptance.

Letter of Credit - any standby letter of credit issued by the Issuing Bank for the account of a Borrower, or any indemnity, guarantee, exposure transmittal memorandum, or similar form of credit support issued by the Agent or the Issuing Bank for the benefit of a Borrower.

Letter-of-Credit Right - as defined in the UCC.

LIBOR Revolving Loan - a Revolving Loan that bears interest based on Adjusted LIBOR.

License - any license or agreement under which an Obligor is authorized to use Intellectual Property in connection with any manufacture, marketing, distribution, or disposition of Collateral, any use of Property or any other conduct of its business.

LOAN AND SECURITY AGREEMENT

Page 20

Licensor - any Person from whom an Obligor obtains the right to use any Intellectual Property.

Lien - any Person's interest in Property securing an obligation owed to, or a claim by, such Person, whether such interest is based on common law, statute, or contract, including liens, security interests, pledges, hypothecations, statutory trusts, reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases, and

other title exceptions and encumbrances affecting Property.

Lien Waiver - an agreement, in form and substance satisfactory to the Agent, by which (a) for any material Collateral located on leased premises, the lessor waives or subordinates any Lien it may have on the Collateral, and agrees to permit the Agent to enter upon the premises and remove the Collateral or to use the premises to store or dispose of the Collateral, (b) for any Inventory held by a warehouseman, processor, or freight forwarder, such Person waives or subordinates any Lien it may have on the Inventory, agrees to hold any Documents in its possession relating to the Inventory as agent for the Agent, and agrees to deliver the Inventory to the Agent upon request, (c) for any Collateral held by a bailee, such bailee acknowledges the Agent's Lien, waives or subordinates any Lien such bailee may have on the Collateral, and agrees to deliver the Collateral to the Agent upon request, and (d) for any Collateral subject to a Licensor's Intellectual Property rights, the Licensor grants to the Agent the right, vis-a-vis such Licensor, to enforce the Agent's Liens with respect to the Collateral, including the right to dispose of the Collateral with the benefit of the Intellectual Property, whether or not a default exists under any applicable License.

Loan Account - the loan account established by each Lender on its books pursuant to Section 5.8.

Loan Documents - this Agreement, the Other Agreements, and the Security Documents.

Loan Year - each calendar year commencing on the Closing Date and each anniversary of the Closing Date.

Margin Stock - as defined in Regulation U of the Board of Governors.

Material Adverse Effect - the effect of any event or circumstance that, taken alone or in conjunction with other related events or circumstances, has a material adverse effect on (a) the business, operations, Properties, or condition (financial or otherwise) of any Obligor, on the value of any material Collateral, on the enforceability of any Loan Documents, or on the validity or priority of the Agent's Liens on any Collateral, (b) the ability of any Obligor to perform any obligations under the Loan Documents, including repayment of any Obligations, or (c) the ability of the Agent or any Lender to enforce or collect any Obligations or to realize upon any Collateral.

Material Contract - any agreement or arrangement to which a Borrower is party (other than the Loan Documents) (a) that is deemed to be a material contract under any securities law applicable to such Obligor, including the Securities Act of 1933, (b) for

LOAN AND SECURITY AGREEMENT

Page 21

which breach, termination, nonperformance, or failure to renew could reasonably be expected to have a Material Adverse Effect, or (c) that relates to the Second Lien Credit Agreement, the Senior Notes, the Senior Subordinated Notes, the Convertible Subordinated Notes, or any other Indebtedness of such Obligor in excess of \$10,000,000.

Minimum Availability Requirement - as of any date of determination, an amount equal to the greater of (a) 25.0% of the amount determined on such date pursuant to clause (b)(i) of the definition of Borrowing Base or (b) \$25,000,000.

Moody's - Moody's Investors Services, Inc., and any successor thereto.

Mortgage - a mortgage, deed of trust, or deed to secure debt, in form and substance reasonably satisfactory to the Agent, pursuant to which Amkor grants to the Agent, for the benefit of the Secured Parties, Liens upon all of Amkor's right, title, and interest in the Owned Real Estate, as security for the Obligations.

Multiemployer Plan - as defined in Section 4001(a)(3) of ERISA.

Net Income - with respect to any Person, the net income (or loss) of

such Person and its Restricted Subsidiaries, determined in accordance with GAAP and before any reduction in respect of preferred stock dividends, excluding, however: (a) any gain (but not loss), together with any related provision for taxes on such gain (but not loss), realized in connection with (i) any Asset Sale or (ii) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Restricted Subsidiaries, (b) any extraordinary gain (but not loss), together with any related provision for taxes on such extraordinary gain (but not loss), (c) any gain or loss relating to foreign currency translation or exchange, and (iv) any income or loss related to any discontinued operation.

Net Proceeds - the aggregate cash proceeds received by Amkor or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale, including, without limitation, legal, accounting, and investment banking fees, and sales commissions, and any relocation expenses incurred as a result thereof, taxes paid or payable as a result thereof, in each case after taking into account any available tax credits or deductions and any tax sharing arrangements and amounts required to be applied to the repayment of Indebtedness, other than the Obligations, secured by a Lien on the asset or assets that were the subject of such Asset Sale.

Non-Recourse Debt - Indebtedness (a) as to which neither Amkor nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any obligation that would constitute Indebtedness) or (ii) is directly or indirectly liable as a guarantor or otherwise, other than in the form of a Lien on the Equity Interests of an Unrestricted Subsidiary held by Amkor or any Restricted Subsidiary in favor of any holder of Non-Recourse Debt of such Unrestricted Subsidiary, (b) no default with respect to which (including any rights that the holders thereof may have to take enforcement action against

LOAN AND SECURITY AGREEMENT

Page 22

an Unrestricted Subsidiary) would permit, upon notice, lapse of time, or both, any holder of any other Indebtedness (other than the Obligations or the Term Loan) of Amkor or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment thereof to be accelerated or payable prior to its stated maturity, and (c) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of Amkor or any of its Restricted Subsidiaries (other than against the Equity Interests of such Unrestricted Subsidiary, if any).

Notes - each Revolving Note or other promissory note executed by the Borrowers to evidence any Obligations.

Notice of Borrowing - a Notice of Borrowing to be submitted by the Borrower Agent to request the funding of a Borrowing of Revolving Loans, either electronically according to such procedures as may be established by the Agent or in the form of Exhibit B.

Notice of Conversion/Continuation - a Notice of Conversion/Continuation to be submitted by the Borrower Agent to request a conversion or continuation of any Revolving Loans as LIBOR Revolving Loans, either electronically according to such procedures as may be established by the Agent or in the form of Exhibit C.

Obligations - all (a) principal of and premium, if any, on the Revolving Loans, (b) LC Obligations and other obligations of the Obligors with respect to Letters of Credit, (c) interest, expenses, fees, and other sums payable by the Obligors under the Loan Documents, (d) obligations of the Obligors under any indemnity for Claims, (e) Extraordinary Expenses, (f) Bank Product Debt, and (g) other Indebtedness, obligations, and liabilities of any kind owing by the Obligors pursuant to the Loan Documents, whether now existing or hereafter arising, whether evidenced by a note or other writing, whether allowed in any Insolvency Proceeding, whether arising from an extension of credit, issuance of a letter of credit, acceptance, loan, guaranty, indemnification, or otherwise, and whether direct or indirect, absolute or contingent, due or to become due,

primary or secondary, or joint or several.

Obligor - each Borrower, Guarantor, or other Person that is liable for payment of any Obligations or that has granted a Lien in favor of the Agent on such Borrower's, Guarantor's, or other Person's assets to secure any Obligations.

Officer - with respect to any Person, the chairman of the board, the chief executive officer, the president, the chief operating officer, the chief financial officer, the treasurer, any assistant treasurer, the controller, the secretary, or any vice president of such Person.

Officers' Certificate - a certificate signed on behalf of Amkor by two Officers of Amkor, one of whom must be the principal executive officer, the principal financial officer, the treasurer or the principal accounting officer of Amkor, in form and substance satisfactory to the Agent.

LOAN AND SECURITY AGREEMENT

Page 23

Ordinary Course of Business - the ordinary course of business of any Borrower or Subsidiary, consistent with past practices and undertaken in good faith (and not for the purpose of evading any provision of a Loan Document).

Organic Documents - with respect to any Person, its charter, certificate, or articles of incorporation, bylaws, articles of organization, limited liability agreement, operating agreement, members agreement, shareholders agreement, partnership agreement, certificate of partnership, certificate of formation, voting trust agreement, or similar agreement or instrument governing the formation or operation of such Person.

OSHA - the Occupational Safety and Hazard Act of 1970.

Other Agreement - each Note, LC Document, Fee Letter, Lien Waiver, Intercreditor Agreement, Related Real Estate Document, Borrowing Base Certificate, Compliance Certificate, financial statement, or report delivered hereunder, that certain Postclosing Agreement executed concurrently herewith among the Borrowers, the Lenders, and the Agent, or any other document, instrument, or agreement (other than this Agreement, a Security Document, or any of the items listed in clause (b) through clause (d) of the definition of Related Real Estate Documents) now or hereafter delivered by an Obligor or other Person to the Agent or a Lender in connection with any transactions contemplated by the Loan Documents.

Overadvance - as defined in Section 2.1.5.

Overadvance Loan - a Base Rate Revolving Loan made when an Overadvance exists or is caused by the funding thereof.

Owned Real Estate - that certain real property owned by Amkor located at 1990 South Price Road, Chandler, Arizona and 3200 W. Germann Road, Chandler, Arizona, such property being more particularly described in Schedule 1.1D.

Participant - as defined in Section 13.2.

Patent Security Agreement - each patent security agreement pursuant to which an Obligor grants to the Agent, for the benefit of the Secured Parties, a Lien on such Obligor's interests in patents, as security for the Obligations.

Patriot Act - the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. No. 107-56, 115 Stat. 272 (2001).

Payment Intangible - as defined in the UCC.

Payment Item - each check, draft, or other item of payment payable to a Borrower, including those constituting proceeds of any Collateral.

Permitted Accounts Liens - any of the following Liens: (a) Liens in

favor of the Agent; (b) Liens for Taxes not yet due or being Properly Contested; (c) statutory Liens

LOAN AND SECURITY AGREEMENT

Page 24

(other than Liens for Taxes or imposed under ERISA) arising in the Ordinary Course of Business, but only if (i) payment of the obligations secured thereby is not yet due or is being Properly Contested and (ii) such Liens do not materially impair the value or use of the Property or materially impair operation of the business of any Borrower or Subsidiary; (d) Liens arising by virtue of a judgment or judicial order against any Borrower or Subsidiary, or any Property of a Borrower or Subsidiary, as long as such Liens are (i) in existence for less than 30 consecutive days or being Properly Contested, and (ii) at all times junior to the Agent's Liens; and (e) Liens to secure Indebtedness outstanding under the Second Lien Credit Agreement.

Permitted Bank Debt - Indebtedness incurred by Amkor or any Restricted Subsidiary other than a Foreign Subsidiary pursuant to the Credit Facilities, any Receivables Program, any indenture, or one or more other term loan and/or revolving credit or commercial paper facilities (including any letter of credit subfacilities) entered into with commercial banks and/or institutional lenders, and any replacement, extension, renewal, refinancing or refunding thereof, but excluding the Obligations and the Term Loan.

Permitted Business - the business of Amkor and its Subsidiaries, taken as a whole, operated in a manner consistent with past operations, and any business that is reasonably related thereto or supplements such business or is a reasonable extension thereof.

Permitted Debt - as defined in Section 10.2.4(b).

Permitted Holder - each of James J. Kim and his estate, spouse, siblings, ancestors, heirs, and lineal descendants, and spouses of any such persons, the legal representatives of any of the foregoing, and the trustee of any bona fide trust of which one or more of the foregoing are the principal beneficiaries or the grantors, or any other Person that is controlled by any of the foregoing.

Permitted Investments - (a) any Investment in Amkor or in a Restricted Subsidiary, (b) any Investment in Cash Equivalents, (c) any Investment by Amkor or any Restricted Subsidiary of Amkor in a Person, if as a result of such Investment or in connection with the transaction pursuant to which such Investment is made (i) such Person becomes a Restricted Subsidiary of Amkor, or (ii) such Person is merged, consolidated, or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, Amkor or a Restricted Subsidiary of Amkor, (d) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 10.2.5, (e) any acquisition of assets solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of Amkor, (f) any Investment in connection with Hedging Obligations, (g) any Investments received (i) in satisfaction of judgments or (ii) as payment on a claim made in connection with any bankruptcy, liquidation, receivership, or other insolvency proceeding, (h) Investments in (i) prepaid expenses and negotiable instruments held for collection, (ii) accounts receivable arising in the Ordinary Course of Business (and Investments obtained in exchange or settlement of accounts receivable for which Amkor

LOAN AND SECURITY AGREEMENT

Page 25

or any Restricted Subsidiary has determined that collection is not likely), and (iii) lease, utility, and worker's compensation, performance, and other similar deposits arising in the Ordinary Course of Business, (i) any Strategic Investment; provided that the aggregate amount of all Investments by Amkor and any Restricted Subsidiaries in Strategic Investments shall not exceed \$100,000,000, and (j) Investments purchased or received in exchange for Permitted Investments existing as of the Closing Date or made thereafter; provided that any additional

consideration provided by Amkor or any Restricted Subsidiary in such exchange shall not be permitted pursuant to this clause (j); and provided, further, that such purchased or exchanged Investments shall have a fair market value (as determined by an Officer of Amkor unless such fair market value exceeds \$25,000,000 in which case, as determined by the board of directors) equal to or exceeding the Permitted Investments exchanged therefor; provided, further, that, notwithstanding the preceding, any extension of credit or advance by Amkor or any of its Subsidiaries to a customer or supplier of Amkor or its Subsidiaries shall not be a Permitted Investment.

Permitted Liens - the following Liens on property of any Borrower (a) Liens on the assets, excluding the Collateral, of any such Borrower securing Permitted Bank Debt that was permitted by the terms of this Agreement and the Second Lien Credit Agreement to be incurred and/or securing the "Obligations" (as defined in the Second Lien Credit Agreement); provided that such Liens securing Permitted Bank Debt shall be Permitted Liens pursuant to this clause (a) only if, on the date of incurrence of (i) any Permitted Bank Debt secured by such Liens or (ii) any such Lien securing Permitted Bank Debt existing as of the closing date of the Second Lien Credit Agreement, the outstanding aggregate principal amount of all such Permitted Bank Debt and the "Obligations" (as defined in the Second Lien Credit Agreement) which are secured by such Liens (of any priority), other than Liens referred to in clause (ii) through clause (xxi) of the definition of "Permitted Liens" in the Second Lien Credit Agreement, granted by Amkor and its Restricted Subsidiaries does not exceed, on a pro forma basis after giving effect to such incurrence, the product of 2.25 times the Consolidated Cash Flow for Amkor's most recently ended four full Fiscal Quarters for which internal financial statements are available immediately preceding the date on which such Permitted Bank Debt or such Lien is incurred, (b) Liens on the assets of any Foreign Subsidiary securing Indebtedness and other obligations under Indebtedness of such Foreign Subsidiary that were permitted by the terms of this Agreement and the Second Lien Credit Agreement to be incurred, (c) Liens in favor of Amkor or any Restricted Subsidiary; provided that any such Lien on property of any Borrower shall not extend to any Collateral, (d) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with any Borrower; provided that such Liens were not incurred in contemplation of such merger or consolidation and do not extend to any assets which constitute Collateral, (e) Liens on property existing at the time of acquisition thereof by any Borrower; provided that such Liens were not incurred in contemplation of such acquisition and do not extend to any assets which constitute Collateral, (f) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds, or other obligations of a like nature incurred in the Ordinary Course of Business, (g) Liens to secure obligations in respect of Indebtedness (including Capital Lease Obligations) permitted by Section 10.2.4(b) (iv) covering only the assets acquired with such Indebtedness, including

accessions, additions, parts, attachments, improvements, fixtures, leasehold improvements, or proceeds, if any, related thereto, (h) Liens existing on the closing date of the Second Lien Credit Agreement, excluding Liens on Collateral other than the Owned Real Property, other than those securing Permitted Bank Debt and "Obligations" (as defined in the Second Lien Credit Agreement), (i) Liens for taxes, assessments, or governmental charges or claims that are not yet delinquent or that are being Properly Contested, (j) Liens imposed by law or arising by operation of law, including, landlords', mechanics', carriers', warehousemen's, materialmen's, suppliers', and vendors' Liens, Liens for master's and crew's wages and other similar Liens, in each case which are incurred in the Ordinary Course of Business for sums not yet delinquent or being Properly Contested, (k) Liens incurred or pledges and deposits made in the Ordinary Course of Business in connection with workers' compensation and unemployment insurance and other types of social security, (l) Liens to secure any extension, renewal, refinancing, or refunding (or successive extensions, renewals, refinancings, or refundings), in whole or in part, of any Indebtedness secured by Liens referred to in clause (d), clause (e), clause (g), and clause (h) of this definition; provided that such Liens do not extend to any other property of any Borrower and the principal amount of the Indebtedness secured by such Lien is not

increased, (m) judgment Liens not giving rise to an Event of Default so long as such Lien is adequately bonded and any appropriate legal proceedings that may have been initiated for the review of such judgment, decree, or order shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired, (n) Liens on property of a Borrower other than Collateral securing obligations of a Borrower under Hedging Obligations permitted by Section 10.2.4(b)(vii) or any collateral for the Indebtedness to which such Hedging Obligations relate, (p) Liens upon specific items of inventory or other goods and proceeds securing such Borrower's obligations in respect of banker's acceptances issued or credited for the account of such Borrower to facilitate the purchase, shipment, or storage of such inventory or goods, (q) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof, (r) Liens arising out of consignment or similar arrangements for the sale of goods in the Ordinary Course of Business, (s) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods, (t) Liens on property of a Borrower other than the Collateral securing other Indebtedness not exceeding \$10,000,000 at any time outstanding, (u) Liens securing Permitted Refinancing Indebtedness, provided that such Liens do not extend to any other property of such Borrower and the principal amount of such Indebtedness secured by such Lien is not increased, (v) Liens on the Equity Interests of Unrestricted Subsidiaries securing obligations of Unrestricted Subsidiaries not otherwise prohibited by this Agreement and the Second Lien Credit Agreement, and (w) the Liens specified in Schedule 1.1C.

Permitted Other Liens - the following Liens on property of any of Amkor's Subsidiaries which is not a Borrower (a) Liens on the assets of any such Restricted Subsidiary securing Permitted Bank Debt that was permitted by the terms of this Agreement and the Second Lien Credit Agreement to be incurred and/or securing the "Obligations" (as defined in the Second Lien Credit Agreement); provided that such Liens securing Permitted Bank Debt shall be Permitted Other Liens pursuant to this

clause (a) only if, on the date of incurrence of (i) any Permitted Bank Debt secured by such Liens or (ii) any such Lien securing Permitted Bank Debt existing as of the closing date of the Second Lien Credit Agreement, the outstanding aggregate principal amount of all such Permitted Bank Debt and the "Obligations" (as defined in the Second Lien Credit Agreement) which are secured by such Liens (of any priority), other than Liens referred to in clause (ii) through clause (xxi) of the definition of "Permitted Liens" in the Second Lien Credit Agreement, granted by Amkor and its Restricted Subsidiaries does not exceed, on a pro forma basis after giving effect to such incurrence, the product of 2.25 times the Consolidated Cash Flow for Amkor's most recently ended four full Fiscal Quarters for which internal financial statements are available immediately preceding the date on which such Permitted Bank Debt or such Lien is incurred, (b) Liens on the assets of any Foreign Subsidiary securing Indebtedness and other obligations under Indebtedness of such Foreign Subsidiary that were permitted by the terms of this Agreement and the Second Lien Credit Agreement to be incurred, (c) Liens in favor of Amkor or any Restricted Subsidiary, (d) Liens on property of a Person existing at the time such Person is merged with or into or consolidated with any Subsidiary of Amkor which is not a Borrower; provided that such Liens were not incurred in contemplation of such merger or consolidation and do not extend to any assets other than those of the Person merged into or consolidated with such Subsidiary, (e) Liens on property existing at the time of acquisition thereof by any Restricted Subsidiary of Amkor which is not a Borrower; provided that such Liens were not incurred in contemplation of such acquisition, (f) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds, or other obligations of a like nature incurred in the Ordinary Course of Business, (g) Liens to secure obligations in respect of Indebtedness (including Capital Lease Obligations) permitted by Section 10.2.4(b)(iv) covering only the assets acquired with such Indebtedness, including accessions, additions, parts, attachments, improvements, fixtures, leasehold improvements, or proceeds, if any, related thereto, (h) Liens existing on the closing date of the Second Lien Credit Agreement other than those

securing Permitted Bank Debt and "Obligations" (as defined in the Second Lien Credit Agreement) (i) Liens securing obligations of a Restricted Subsidiary of Amkor that is not a Borrower in respect of any Receivables Program, (j) Liens for taxes, assessments, or governmental charges or claims that are not yet delinquent or that are being Properly Contested, (k) Liens imposed by law or arising by operation of law, including, landlords', mechanics', carriers', warehousemen's, materialmen's, suppliers', and vendors' Liens, Liens for master's and crew's wages and other similar Liens, in each case which are incurred in the Ordinary Course of Business for sums not yet delinquent or being Properly Contested, (l) Liens incurred or pledges and deposits made in the Ordinary Course of Business in connection with workers' compensation and unemployment insurance and other types of social security, (m) Liens to secure any extension, renewal, refinancing, or refunding (or successive extensions, renewals, refinancings, or refundings), in whole or in part, of any Indebtedness secured by Liens referred to in clause (d), clause (e), clause (g), and clause (h) of this definition; provided that such Liens do not extend to any other property of any Restricted Subsidiary of Amkor and the principal amount of the Indebtedness secured by such Lien is not increased, (n) judgment Liens not giving rise to an Event of Default so long as such Lien is adequately bonded and any appropriate legal proceedings that may have been initiated for the review of such judgment, decree, or order shall not have been finally terminated

LOAN AND SECURITY AGREEMENT

Page 28

or the period within which such proceedings may be initiated shall not have expired, (o) Liens securing obligations of a Restricted Subsidiary of Amkor that is not a Borrower under Hedging Obligations permitted by Section 10.2.4(b)(vii) or any collateral for the Indebtedness to which such Hedging Obligations relate, (p) Liens upon specific items of inventory or other goods and proceeds securing such Restricted Subsidiary of Amkor's which is not a Borrower obligations in respect of banker's acceptances issued or credited for the account of such Restricted Subsidiary of Amkor which is not a Borrower to facilitate the purchase, shipment, or storage of such inventory or goods, (q) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof, (r) Liens arising out of consignment or similar arrangements for the sale of goods in the Ordinary Course of Business, (s) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods, (t) Liens securing other Indebtedness not exceeding \$10,000,000 at any time outstanding, (u) Liens securing Permitted Refinancing Indebtedness, provided that such Liens do not extend to any other property of such Restricted Subsidiary which is not a Borrower and the principal amount of such Indebtedness secured by such Lien is not increased, and (v) Liens on the Equity Interests of Unrestricted Subsidiaries securing obligations of Unrestricted Subsidiaries not otherwise prohibited by this Agreement and the Second Lien Credit Agreement.

Permitted Refinancing Indebtedness - any Indebtedness of Amkor or any of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used to extend, refinance, renew, replace, defease, or refund other Indebtedness of Amkor or any of its Restricted Subsidiaries (other than intercompany Indebtedness); provided that: (a) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount of (or accreted value, if applicable), plus accrued interest or premium (including any make-whole premium), if any, on, the Indebtedness so extended, refinanced, renewed, replaced, defeased, or refunded (plus the amount of reasonable expenses incurred in connection therewith), (b) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased, or refunded; provided that if the original maturity date of such Indebtedness is after the Termination Date, then such Permitted Refinancing Indebtedness shall have a maturity at least 180 days after the Termination Date, (c) if the Indebtedness being extended, refinanced, renewed, replaced, defeased, or refunded is subordinated in right of payment to the Obligations, such Permitted Refinancing Indebtedness has a final maturity

date later than the Termination Date and is subordinated in right of payment to the Obligations on terms at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased, or refunded, and (d) such Indebtedness is incurred either by Amkor or by the Restricted Subsidiary who is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased, or refunded.

LOAN AND SECURITY AGREEMENT

Page 29

Person - any individual, corporation, limited liability company, partnership, joint venture, joint stock company, land trust, business trust, unincorporated organization, Governmental Authority, or other entity.

Plan - an employee pension benefit plan that is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Internal Revenue Code and that is either (a) maintained by a Borrower or Subsidiary for employees or (b) maintained pursuant to a collective bargaining agreement or other arrangement under which more than one employer makes contributions and to which a Borrower or Subsidiary is making or accruing an obligation to make contributions or has within the preceding five years made or accrued such contributions.

Pro Rata - with respect to any Lender, a percentage (expressed as a decimal, rounded to the ninth decimal place) determined (a) while Revolving Commitments are outstanding, by dividing the amount of such Lender's Revolving Commitment by the aggregate amount of all Revolving Commitments and (b) at any other time, by dividing the amount of such Lender's Revolving Loans by the aggregate amount of all outstanding Revolving Loans.

Properly Contested - with respect to any obligation of an Obligor, (a) the obligation is subject to a bona fide dispute regarding amount or the Obligor's liability to pay, (b) the obligation is being properly contested in good faith by appropriate proceedings promptly instituted and diligently pursued, (c) appropriate reserves have been established in accordance with GAAP, (d) non-payment could not reasonably be expected to have a Material Adverse Effect, nor result in forfeiture or sale of any assets of the Obligor, (e) no Lien is imposed on assets of the Obligor, and (f) if the obligation results from entry of a judgment or other order, such judgment or order is stayed pending appeal or other judicial review.

Property - any interest in any kind of property or asset, whether real, personal, or mixed, or tangible or intangible.

Protective Advances - as defined in Section 2.1.6.

Purchase Money Debt - (a) Indebtedness (other than the Obligations) for payment of any of the purchase price of fixed assets, (b) Indebtedness (other than the Obligations) incurred for the purpose of financing the purchase price thereof, and (c) any renewals, extensions, replacements, or refinancings (but not increases) thereof.

Purchase Money Lien - a Lien that secures Purchase Money Debt, encumbering only the fixed assets acquired with such Indebtedness and constituting a Capital Lease or a purchase money security interest under the UCC.

Qualified Proceeds - any of the following or any combination of the following: (a) any Cash Equivalents other than (i) currency of any sovereign nation other than the United States and (ii) certificates of deposit, eurodollar time deposits, bankers' acceptances, and overnight bank deposits with any commercial bank organized under the laws of a foreign country, (b) any liabilities (as would be shown on Amkor's or such

LOAN AND SECURITY AGREEMENT

Page 30

Restricted Subsidiary's balance sheet if prepared in accordance with GAAP on the date of the corresponding Asset Sale) of Amkor or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by

their terms subordinated to the Obligations) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases or indemnifies Amkor or such Restricted Subsidiary from further liability, (c) any securities, notes, or other obligations received by Amkor or any such Restricted Subsidiary from such transferee that are converted by Amkor or such Restricted Subsidiary into cash within 90 days after such Asset Sale (to the extent of the cash received in that conversion), (d) long-term assets that are used or useful in a Permitted Business, and (e) all or substantially all of the assets of, or a majority of the voting Equity Interests of, any Permitted Business; provided that in the case of clause (d) and clause (e) preceding, the Asset Sale transaction shall be with a non-Affiliate and the amount of long-term assets or voting Equity Interests received in the Asset Sale transaction shall not exceed 10.0% of the consideration received.

RCRA - the Resource Conservation and Recovery Act (42 U.S.C. Sections 6991-6991i).

Real Estate - all right, title, and interest (whether as owner, lessor, or lessee) in any real Property or any buildings, structures, parking areas, or other improvements thereon.

Receivables Program - with respect to any Person, an agreement or other arrangement or program providing for the advance of funds to such Person against the pledge, contribution, sale, or other transfer of encumbrances of Receivables Program Assets of such Person or such Person and/or one or more of its Subsidiaries.

Receivables Program Assets - all of the following property and interests in property, including any undivided interest in any pool of any such property or interests, whether now existing or existing in the future or hereafter arising or acquired: (a) accounts; (b) accounts receivable, general intangibles, instruments, contract rights, documents, and chattel paper (including, without limitation, all rights to payment created by or arising from sales of goods, leases of goods, or the rendition of services, no matter how evidenced, whether or not earned by performance); (c) all unpaid seller's or lessor's rights (including, without limitation, rescission, replevin, reclamation, and stoppage in transit) relating to any of the foregoing or arising therefrom; (d) all rights to any goods or merchandise represented by any of the foregoing (including, without limitation, returned or repossessed goods); (e) all reserves and credit balances with respect to any such accounts receivable or account debtors; (f) all letters of credit, security, or Guarantees of any of the foregoing; (g) all insurance policies or reports relating to any of the foregoing; (h) all collection or deposit accounts relating to any of the foregoing; (i) all books and records relating to any of the foregoing; (j) all instruments, contract rights, chattel paper, documents, and general intangibles relating to any of the foregoing; and (k) all proceeds of any of the foregoing.

Regulation D - Regulation D of the Board of Governors.

LOAN AND SECURITY AGREEMENT

Page 31

Reimbursement Date - as defined in Section 2.3.2.

Related Real Estate Documents - with respect to the Owned Real Estate, the following, in form and substance satisfactory to the Agent, (a) such assignments of leases, estoppel letters, attornment agreements, consents, waivers, and releases as the Agent may require with respect to other Persons having an interest in the Owned Real Estate, (b) flood insurance in an amount, with endorsements and by an insurer, acceptable to the Agent if the Owned Real Estate is within a flood plain, (c) to the extent required by this Agreement and requested by the Agent, any appraisal of the Owned Real Estate, prepared by an appraiser acceptable to the Agent, in form satisfactory to the Agent, and (d) to the extent required by the Mortgage or this Agreement and requested by the Agent, any environmental assessment received by the Agent, prepared by an environmental engineer acceptable to the Agent, and accompanied by such reports, certificates, studies, or data as the Agent may reasonably require, in form reasonably satisfactory to the Agent.

Report - as defined in Section 12.2.3.

Reportable Event - any event set forth in Section 4043(b) of ERISA.

Requisite Lenders - Lenders (subject to Section 4.2) having (a) Revolving Commitments in excess of 50.0% of the aggregate Revolving Commitments and (b) if the Revolving Commitments have terminated, Revolving Loans in excess of 50.0% of all outstanding Revolving Loans.

Reserves - means any and all reserves that the Agent deems necessary in its discretion to maintain with respect to the Collateral or any Borrower which limit the availability of Borrowings hereunder or which represent amounts the Agent or any Lender may be obligated to pay in the future on behalf of a Borrower (including (a) reserves for Bank Products, (b) reserves for accrued, unpaid interest on the Obligations, (c) reserves for dilution of Accounts, and (d) reserves for taxes, fees, assessments, and other governmental charges.

Restricted Investment - any Investment which is not a Permitted Investment.

Restricted Payment - as defined in Section 10.2.2.

Restricted Subsidiary - with respect to any Person, any Subsidiary of such Person that is not an Unrestricted Subsidiary.

Restrictive Agreement - an agreement (other than a Loan Document) that conditions or restricts the right of any Borrower or other Obligor to incur or repay Borrowed Money, to grant Liens on any assets, to declare or make Distributions, to modify, extend, or renew any agreement evidencing Borrowed Money, or to repay any Indebtedness owing to each other.

Revolving Commitment - for any Lender, its obligation to make Revolving Loans and to participate in LC Obligations up to the maximum principal amount shown on Schedule 1.1A, or as specified hereafter in the most recent Assignment and Acceptance

LOAN AND SECURITY AGREEMENT

Page 32

to which such Lender is a party. "Revolving Commitments" means the aggregate amount of such commitments of all Lenders.

Revolving Loan - a loan made pursuant to Section 2.1, and any Agent Advance, Overadvance Loan, or Protective Advance.

Revolving Note - a promissory note to be executed by the Borrowers in favor of a Lender in the form of Exhibit A, which shall be in the amount of such Lender's Revolving Commitment and shall evidence the Revolving Loans made by such Lender.

Royalties - all royalties, fees, expense reimbursements, and other amounts payable by a Borrower under a License.

S&P - Standard & Poor's Ratings Group, a division of McGraw-Hill, Inc., and any successor thereto.

Second Lien Credit Agreement - that certain Second Lien Credit Agreement, dated as of October 27, 2004, among Amkor, the lending institutions party thereto, Citicorp North America, Inc., Citigroup Global Markets, Inc., and Merrill, Lynch, Pierce, Fenner & Smith Incorporated, as such agreement, unless otherwise noted, may be amended, restated, replaced, or otherwise modified from time to time.

Secured Parties - the Agent, the Issuing Bank, the Lenders, and providers of Bank Products.

Security Documents - the Guaranties, Mortgages, Patent Security Agreements, Trademark Security Agreements, Copyright Security Agreements, Deposit Account Control Agreements, and all other documents, instruments, and agreements now or hereafter securing (or given with the intent to secure) any Obligations.

Senior Notes - Amkor's 9 1/4% Senior Notes due February 15, 2008 issued pursuant to the Senior Notes (2008) Indenture, Amkor's 7 1/8%

Senior Notes due March 15, 2011 issued pursuant to the Senior Notes (2011) Indenture, and Amkor's 7.75% Senior Notes due May 15, 2013 issued pursuant to the Senior Notes (2013) Indenture.

Senior Notes Indentures - the Senior Notes (2008) Indenture, the Senior Notes (2011) Indenture, and the Senior Notes (2013) Indenture.

Senior Notes (2008) Indenture - that certain Indenture between Amkor and U.S. Bank National Association (as successor to State Street Bank and Trust Company), as Trustee, dated as of February 20, 2001, as such Indenture may be amended or supplemented from time to time, relating to Amkor's 9 1/4% Senior Notes due February 15, 2008.

Senior Notes (2011) Indenture - that certain Indenture between Amkor and Wells Fargo Bank, N.A., as Trustee, dated as of March 12, 2004, as such Indenture may be

LOAN AND SECURITY AGREEMENT

Page 33

amended or supplemented from time to time, relating to Amkor's 7 1/8% Senior Notes due March 15, 2011.

Senior Notes (2013) Indenture - that certain Indenture between Amkor and U.S. Bank National Association, as Trustee, dated as of May 8, 2003, as such Indenture may be amended or supplemented from time to time, relating to Amkor's 7.75% Senior Notes due May 15, 2013.

Senior Officer - the chairman of the board, chief executive officer, president, chief financial officer, treasurer, or general counsel of a Borrower or, if the context requires, an Obligor.

Senior Subordinated Notes - Amkor's 10 1/2% Senior Subordinated Notes due 2009 issued pursuant to the Senior Subordinated Notes Indenture.

Senior Subordinated Notes Indenture - that certain Indenture between Amkor and U.S. Bank National Association (as successor to State Street Bank and Trust Company), as Trustee, dated as of May 13, 1999, as such Indenture may be amended or supplemented from time to time, relating to the Senior Subordinated Notes.

Settlement Report - a report delivered by the Agent to the Lenders summarizing the Revolving Loans and participations in LC Obligations outstanding as of a given settlement date, allocated to the Lenders on a Pro Rata basis in accordance with their Revolving Commitments.

Software - as defined in the UCC.

Solvent - as to any Person, such Person (a) owns Property whose fair salable value is greater than the amount required to pay all of its debts (including contingent, subordinated, unmaturing, and unliquidated liabilities), (b) owns Property whose present fair salable value (as defined below) is greater than the probable total liabilities (including contingent, subordinated, unmaturing, and unliquidated liabilities) of such Person as they become absolute and matured, (c) is able to pay all of its debts as they mature, (d) has capital that is not unreasonably small for its business and is sufficient to carry on its business and transactions and all business and transactions in which it is about to engage, (e) is not "insolvent" within the meaning of Section 101(32) of the Bankruptcy Code, and (f) has not incurred (by way of assumption or otherwise) any obligations or liabilities (contingent or otherwise) under any Loan Documents, or made any conveyance in connection therewith, with actual intent to hinder, delay, or defraud either present or future creditors of such Person or any of its Affiliates. As used in this definition, "fair salable value" means the amount that could be obtained for assets within a reasonable time, either through collection or through sale under ordinary selling conditions by a capable and diligent seller to an interested buyer who is willing (but under no compulsion) to purchase.

Stated Maturity - with respect to any installment of interest or principal on any series of Indebtedness, the date on which such payment of interest or principal was scheduled to be paid in the original documentation governing such Indebtedness, and

shall not include any contingent obligations to repay, redeem, or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

Statutory Reserves - the percentage (expressed as a decimal) established by the Board of Governors as the then stated maximum rate for all reserves (including those imposed by Regulation D, all basic, emergency, supplemental, or other marginal reserve requirements, and any transitional adjustments or other scheduled changes in reserve requirements) applicable to any member bank of the Federal Reserve System in respect of Eurocurrency Liabilities (or any successor category of liabilities under Regulation D).

Strategic Investment - any Investment in any Person (other than an Unrestricted Subsidiary) whose primary business is related, ancillary, or complementary to a Permitted Business, and such Investment is determined in good faith by the board of directors of Amkor (or senior officers of Amkor to whom the board of directors has duly delegated the authority to make such a determination), whose determination shall be conclusive and evidenced by a resolution, to promote or significantly benefit the businesses of Amkor and its Restricted Subsidiaries on the date of such Investment; provided, that, with respect to any Strategic Investment or series of related Strategic Investments involving aggregate consideration in excess of \$10,000,000, Amkor shall deliver to the Agent a resolution of its board of directors set forth in an Officer's Certificate certifying that such Investment qualifies as a Strategic Investment pursuant to this definition.

Subordinated Debt - any Indebtedness of Amkor or its Subsidiaries which is subordinated in right of payment to the Obligations, including the Senior Subordinated Notes and the Convertible Subordinated Notes.

Subsidiary - any entity at least 50.0% of whose voting securities or Equity Interests are owned by a Borrower or any combination of Borrowers (including indirect ownership by a Borrower through other entities in which such Borrower directly or indirectly owns 50.0% of the voting securities or Equity Interests).

Subsidiary Guarantor - a "Subsidiary Guarantor" as defined in the Second Lien Credit Agreement.

Supply Agreement - that certain Packaging & Test Services Agreement, dated as of January 1, 1998, among Amkor, its predecessor company (Amkor Electronics, Inc.), Amkor Technology Limited (f/k/a C.I.L. Limited), Anam Semiconductor, Inc., and Anam USA, Inc., as such agreement may be extended or renewed from time to time without alteration of the material terms thereof.

Supporting Obligation - as defined in the UCC.

Taxes - any taxes, levies, imposts, duties, fees, assessments, deductions, withholdings, or other charges of whatever nature, including income, receipts, excise, property, sales, use, transfer, license, payroll, withholding, social security, franchise, intangibles, stamp or recording taxes imposed by any Governmental Authority, and all interest, penalties, and similar liabilities relating thereto.

Term Loan - the loan made to Amkor pursuant to the Second Lien Credit Agreement.

Termination Date - the earliest to occur of (a) November 28, 2009, (b) the date on which the Borrowers terminate the Revolving Commitments pursuant to Section 2.1.4, or (c) the date on which the Revolving Commitments are terminated pursuant to Section 11.2.

Total Liquidity - at any time during any calendar month, the sum of (a) the amount determined pursuant to clause (b) of the definition of Borrowing Base at such time, plus (b) the aggregate amount of the

Borrowers' unrestricted cash and Cash Equivalents maintained in the United States as of the last day of the immediately preceding calendar month, minus (c) the principal balance of all Revolving Loans.

Total Tangible Assets of the Foreign Subsidiaries - as of any date, the total assets of all of the Foreign Subsidiaries of Amkor as of such date, less the amount of the intangible assets of the Foreign Subsidiaries of Amkor as of such date.

Trademark Security Agreement - each trademark security agreement pursuant to which an Obligor grants to the Agent, for the benefit of the Secured Parties, a Lien on such Obligor's interests in trademarks, as security for the Obligations.

Transferee - any actual or potential Eligible Assignee, Participant, or other Person acquiring an interest in any Obligations.

Transition Services Agreement - that certain Transition Services Agreement entered into by and between Amkor and Anam Semiconductor, Inc. in connection with the Asset Purchase Agreement, as such agreement may be extended or renewed from time to time without alteration of the material terms thereof.

Type - any type of a Revolving Loan (i.e., Base Rate Revolving Loan or LIBOR Revolving Loan) that has the same interest option and, in the case of LIBOR Revolving Loans, the same Interest Period.

UCC - the Uniform Commercial Code as in effect in the State of Texas or, when the laws of any other jurisdiction govern the perfection or enforcement of any Lien, the Uniform Commercial Code of such jurisdiction.

UEI - Unitive Electronics, Inc., a North Carolina corporation.

United States - the United States of America.

Unitive - Unitive, Inc., a Delaware corporation.

Unrestricted Subsidiary - any Subsidiary of Amkor that is designated by its board of directors as an Unrestricted Subsidiary pursuant to a board resolution, but only to the extent that such Subsidiary (a) has no Indebtedness other than Non-Recourse Debt, (b) is a Person with respect to which neither Amkor nor any of its Restricted Subsidiaries has

any direct or indirect obligation (i) to subscribe for additional Equity Interests or (ii) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, (c) has not Guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of Amkor or any of its Restricted Subsidiaries, and (d) has at least one director on its board of directors that is not a director or executive officer of Amkor or any of its Restricted Subsidiaries and has at least one executive officer that is not a director or executive officer of Amkor or any of its Restricted Subsidiaries. Any designation of a Subsidiary of Amkor as an Unrestricted Subsidiary shall be effective upon the Agent's receipt from Amkor of a certified copy of the resolution of Amkor's board of directors giving effect to such designation and an Officers' Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 10.1.10. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it shall thereafter cease to be an Unrestricted Subsidiary for purposes of this Agreement and any Indebtedness of such Subsidiary shall be deemed to be incurred by a Restricted Subsidiary of Amkor as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 10.1.10, Amkor shall be in default of such covenant. Amkor's board of directors may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary; provided that such designation shall be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of Amkor of any outstanding Indebtedness of such Unrestricted Subsidiary and such designation shall only be permitted if (y) such Indebtedness is permitted under Section 10.1.10, calculated on a pro forma basis as if such designation had occurred at the beginning of the

four-quarter reference period and (z) no Default or Event of Default would be in existence following such designation.

Value - the value of Inventory determined by the Agent in good faith on the basis of the lower of cost or market, calculated on a first-in, first-out basis.

Voting Stock - with respect to any Person as of any date, the Equity Interests of such Person that are at the time entitled to vote in the election of the board of directors (or other equivalent governing body) of such Person.

Weighted Average Life to Maturity - when applied to any Indebtedness at any date, the number of years obtained by dividing (a) the sum of the products obtained by multiplying (i) the amount of each then remaining installment, sinking fund, serial maturity, or other required payments of principal, including payment at final maturity, in respect thereof, by (ii) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by (b) the then outstanding principal amount of such Indebtedness.

Wholly Owned Restricted Subsidiary - with respect to any Person, a Restricted Subsidiary of such Person all of the outstanding Equity Interests of which (other than directors' qualifying shares or similar shares required by law to be held by third parties) shall at the time be owned by such Person and/or by one or more Wholly Owned Restricted Subsidiaries of such Person.

LOAN AND SECURITY AGREEMENT

Page 37

1.2. Accounting Terms. Except as otherwise specified herein, under the Loan Documents all accounting terms shall be interpreted, all accounting determinations shall be made, and all financial statements shall be prepared in accordance with GAAP applied on a basis consistent with the most recent audited financial statements of the Borrowers delivered to the Agent before the Closing Date and using the same inventory valuation method as used in such financial statements, except for any change required or permitted by GAAP if the Borrowers' certified public accountants concur in such change, the change is disclosed to the Agent, and Section 10.3 is amended in a manner reasonably satisfactory to the Borrowers and the Requisite Lenders to preserve the original intent thereof in light of the effects of the change.

1.3. Certain Matters of Construction. The terms "herein," "hereof," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular section, paragraph, or subdivision. Any pronoun used shall be deemed to cover all genders. In the computation of periods of time from a specified date to a later specified date, "from" means "from and including," and "to" and "until" each mean "to but excluding." The terms "including" and "include" shall mean "including, without limitation" and, for purposes of each Loan Document, the parties agree that the rule of ejusdem generis shall not be applicable to limit any provision. Section titles appear as a matter of convenience only and shall not affect the interpretation of any Loan Document. All references to (a) laws or statutes include all related rules, regulations, interpretations, amendments, and successor provisions, (b) any document, instrument, or agreement include any amendments, waivers, and other modifications, extensions or renewals (to the extent permitted by the Loan Documents), (c) any Section mean, unless the context otherwise requires, a Section of this Agreement, (d) any Exhibits or Schedules mean, unless the context otherwise requires, Exhibits and Schedules attached hereto, which are hereby incorporated by reference, (e) any Person include successors and assigns, (f) time of day means time of day at the Agent's notice address under Section 14.4.1, or (g) discretion of the Agent, the Issuing Bank, or any Lender mean the sole and absolute discretion of such Person. All calculations of Value, fundings of Revolving Loans, issuances of Letters of Credit, and payments of Obligations shall be in Dollars and, unless the context otherwise requires, all determinations (including calculations of Borrowing Base and financial covenants) made from time to time under the Loan Documents shall be made in light of the circumstances existing at such time. Borrowing Base calculations shall be made in a manner consistent with historical methods of valuation and calculation, and otherwise satisfactory to the Agent (and not necessarily in accordance with GAAP). The Borrowers shall have the burden of establishing any alleged negligence, misconduct, or lack of good faith by the Agent, the Issuing Bank, or any Lender under any Loan Documents. No provision of any Loan Documents

shall be construed against any party by reason of such party having, or being deemed to have, drafted the provision. Whenever the phrase "to the best of the Borrowers' knowledge" or words of similar import are used in any Loan Documents, such phrase means actual knowledge of a Senior Officer, or knowledge that a Senior Officer would have obtained if he or she had engaged in good faith and diligent performance of his or her duties, including reasonably specific inquiries of employees or agents and a good faith attempt to ascertain the matter to which such phrase relates.

LOAN AND SECURITY AGREEMENT

Page 38

SECTION 2. CREDIT FACILITIES

2.1. Revolving Commitment.

2.1.1. Revolving Loans. Each Lender agrees, severally on a Pro Rata basis up to its Revolving Commitment, on the terms set forth herein, to make Revolving Loans to the Borrowers from time to time through the Termination Date. The Revolving Loans may be repaid and reborrowed as provided herein. In no event shall the Lenders have any obligation to honor a request for a Revolving Loan if the unpaid balance of Revolving Loans outstanding at such time (including the requested Revolving Loan) would exceed the Borrowing Base.

2.1.2. Revolving Notes. The Revolving Loans made by each Lender and interest accruing thereon shall be evidenced by the records of the Agent and such Lender. At the request of any Lender, the Borrowers shall deliver a Revolving Note to such Lender.

2.1.3. Use of Proceeds. The proceeds of the Revolving Loans shall be used by the Borrowers solely (a) to satisfy Existing Indebtedness, (b) to pay fees and transaction expenses associated with the closing of this credit facility, (c) to pay Obligations in accordance with this Agreement, (d) for Capital Expenditures made in the Ordinary Course of Business, and (e) for working capital and other lawful corporate purposes of the Borrowers.

2.1.4. Voluntary Reduction or Termination of Revolving Commitments.

(a) The Revolving Commitments shall terminate on the Termination Date, unless sooner terminated in accordance with this Agreement. Upon at least ten days prior written notice to the Agent, the Borrowers may, at their option, terminate the Revolving Commitments and this credit facility. Any notice of termination given by the Borrowers shall be irrevocable. On the termination date, the Borrowers shall make Full Payment of all Obligations.

(b) Concurrently with termination of the Revolving Commitments, for whatever reason (including an Event of Default), the Borrowers shall pay to the Agent, for the Pro Rata benefit of the Lenders and as liquidated damages for loss of bargain (and not as a penalty), an amount equal to (i) if the termination occurs during the first Loan Year, 1.00% of the Revolving Commitments and (ii) if the termination occurs during the second Loan Year, 0.25% of the Revolving Commitments. No termination charge shall be payable if the termination occurs any time during or after the third Loan Year or in connection with a refinancing of this credit facility by Bank of America or any of its Affiliates.

2.1.5. Overadvances. Subject to Section 5.7 of the Second Lien Credit Agreement or any other similar restriction on Indebtedness in any other agreement evidencing Indebtedness to which any Borrower is a party the effect of which is to limit the availability of Revolving Loans made pursuant to this Agreement, if the aggregate Revolving Loans exceed the Borrowing Base ("Overadvance") or the aggregate Revolving Commitments at any time, the excess amount shall be payable by the

LOAN AND SECURITY AGREEMENT

Page 39

Borrowers on demand by the Agent, but all such Revolving Loans shall nevertheless constitute Obligations secured by the Collateral and entitled

to all benefits of the Loan Documents. Unless its authority is revoked in writing by the Requisite Lenders, the Agent may require the Lenders to honor requests for Overadvance Loans and to forbear from requiring the Borrowers to cure an Overadvance (a) when no other Event of Default is known to the Agent (i) as long as the Overadvance was not created by a funding of Revolving Loans pursuant to this Section and such Overadvance does not continue for more than 30 consecutive days (and no Overadvance may exist for at least five consecutive days thereafter before further Overadvance Loans are required) and (ii) if the Overadvance was created by funding pursuant to this Section, the aggregate amount thereof is not known by the Agent to exceed \$10,000,000 and (b) if an Event of Default is known to exist (other than an Event of Default arising from the existence of the Overadvance), if the Agent discovers an Overadvance not previously known by it to exist, as long as from the date of such discovery the Overadvance (i) is not increased by more than \$5,000,000 and (ii) does not continue for more than 30 consecutive days. In no event shall Overadvance Loans be required that would cause the outstanding Revolving Loans and LC Obligations to exceed the aggregate Revolving Commitments. Any funding of an Overadvance Loan or sufferance of an Overadvance shall not constitute a waiver by the Agent or the Lenders of the Event of Default caused thereby. In no event shall any Borrower or other Obligor be deemed a beneficiary of this Section nor authorized to enforce any of its terms.

2.1.6. Protective Advances. Subject to Section 5.7 of the Second Lien Credit Agreement, any other similar restriction on Indebtedness in any other agreement evidencing Indebtedness to which any Borrower is a party the effect of which is to limit the availability of Revolving Loans made pursuant to this Agreement, and Section 14.1.1(c)(i), the Agent shall be authorized, in its discretion, at any time that a Default or Event of Default exists or any conditions in Section 6 are not satisfied, to make Base Rate Revolving Loans ("Protective Advances") (a) up to an aggregate amount of \$10,000,000 outstanding at any time, if the Agent deems such Revolving Loans necessary or desirable to preserve or protect any Collateral, or to enhance the collectibility or repayment of Obligations or (b) to pay any other amounts chargeable to the Obligors under any Loan Documents, including costs, fees, and expenses. All Protective Advances shall be Obligations, secured by the Collateral, and shall be treated for all purposes as Extraordinary Expenses. Each Lender shall participate in each Protective Advance on a Pro Rata basis. The Requisite Lenders may at any time revoke the Agent's authorization to make further Protective Advances by written notice to the Agent. Absent such revocation, the Agent's determination that funding of a Protective Advance is appropriate shall be conclusive.

2.1.7. Increase of Revolving Commitments.

(a) Upon notice to the Agent (who shall promptly notify the Lenders), the Borrowers may, from time to time, request an increase in the aggregate Revolving Commitments of the Lenders up to an aggregate of \$175,000,000; provided that any such increase in the aggregate Revolving Commitments of the Lenders shall be in increments of \$25,000,000. Any increase in the Revolving

Commitments hereunder is subject to approval by all of the Lenders. At the time of sending the notice referred to in the first sentence of this clause (a), the Borrowers (in consultation with the Agent) shall specify the time period within which each Lender is requested to respond to such request. Each Lender shall respond within such time period to the Agent and shall indicate whether or not such Lender agrees to increase its Revolving Commitment and, if so, whether by an amount equal to or less than its Pro Rata amount of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Revolving Commitment. The Agent shall notify the Borrowers and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, the Borrowers may also (i) request that one or more other Lenders, in their sole and absolute discretion, nonratably increase their Revolving Commitment(s), (ii) and/or invite additional Persons to become Lenders under the terms of this Agreement.

(b) If any Revolving Commitments are increased in accordance with this Section, the Agent and the Borrowers shall determine the effective date of such increase (the "Increase Effective Date"). The Agent and the Borrowers shall promptly confirm in writing to the Lenders the final allocation of such increase and the Increase Effective Date. As a condition precedent to such increase, the Borrower Agent shall deliver to the Agent an Officer's Certificate, dated as of the Increase Effective Date (in sufficient copies for each Lender) (i) certifying and attaching the resolutions adopted by the Borrowers approving or consenting to such increase, (ii) certifying that before and after giving effect to such increase, the representations and warranties contained in Section 9 are true and correct on and as of the Increase Effective Date and no Default or Event of Default exists, and (iii) certifying that the aggregate amount of the Revolving Commitments, after giving effect to such increase, as of the Increase Effective Date may be borrowed hereunder and will not constitute a default or event of default under the Second Lien Credit Agreement or the Indentures. The Borrowers shall pay any commitment fees and other expenses incurred in connection with any such increase and shall prepay any LIBOR Revolving Loans outstanding on the Increase Effective Date (and pay any costs incurred in connection with such prepayment pursuant to Section 3.9) to the extent necessary to keep outstanding LIBOR Revolving Loans ratable with any revised Pro Rata percentages arising from any nonratable increase in the Revolving Commitments under this Section.

(c) This Section shall supersede any provisions in Section 14.1 to the contrary.

2.2. Reserved.

2.3. Letter of Credit Facility.

2.3.1. Issuance of Letters of Credit. The Issuing Bank agrees to issue Letters of Credit from time to time until 30 days prior to the Termination Date (or until the Termination Date, if earlier), on the terms set forth herein, including the following:

LOAN AND SECURITY AGREEMENT

Page 41

(a) Each Borrower acknowledges that the Issuing Bank's willingness to issue any Letter of Credit is conditioned upon the Issuing Bank's receipt of a LC Application with respect to the requested Letter of Credit, as well as such other instruments and agreements as the Issuing Bank may customarily require for issuance of a letter of credit of similar type and amount. The Issuing Bank shall have no obligation to issue any Letter of Credit unless (i) the Issuing Bank receives a LC Request and LC Application at least three Business Days prior to the requested date of issuance and (ii) each LC Condition is satisfied. If the Issuing Bank receives written notice from a Lender at least one Business Day before issuance of a Letter of Credit that any LC Condition has not been satisfied, the Issuing Bank shall have no obligation to issue the requested Letter of Credit (or any other) until such notice is withdrawn in writing by that Lender or until the Requisite Lenders have waived such condition in accordance with this Agreement. Prior to receipt of any such notice, the Issuing Bank shall not be deemed to have knowledge of any failure of LC Conditions.

(b) Letters of Credit may be requested by a Borrower only (i) to support obligations of such Borrower incurred in the Ordinary Course of Business, on a standby basis or (ii) for other purposes as the Agent and the Lenders may approve from time to time in writing. The renewal or extension of any Letter of Credit shall be treated as the issuance of a new Letter of Credit, except that delivery of a new LC Application shall be required at the discretion of the Issuing Bank.

(c) The Borrowers assume all risks of the acts, omissions, or misuses of any Letter of Credit by the beneficiary. In connection with issuance of any Letter of Credit, none of the Agent, the Issuing Bank, or any Lender shall be responsible for (i) the

existence, character, quality, quantity, condition, packing, value, or delivery of any goods purported to be represented by any Documents, (ii) any differences or variation in the character, quality, quantity, condition, packing, value, or delivery of any goods from that expressed in any Documents, (iii) the form, validity, sufficiency, accuracy, genuineness, or legal effect of any Documents or of any endorsements thereon, (iv) the time, place, manner, or order in which shipment of goods is made, (v) partial or incomplete shipment of, or failure to ship, any goods referred to in a Letter of Credit or Documents, (vi) any deviation from instructions, delay, default, or fraud by any shipper or other Person in connection with any goods, shipment, or delivery, (vii) any breach of contract between a shipper or vendor and a Borrower, (viii) errors, omissions, interruptions, or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex, telecopy, e-mail, telephone, or otherwise, (ix) errors in interpretation of technical terms, (x) the misapplication by a beneficiary of any Letter of Credit or the proceeds thereof, (xi) or any consequences arising from causes beyond the control of the Issuing Bank, the Agent, or any Lender, including any act or omission of a Governmental Authority. The rights and remedies of the Issuing Bank under the Loan Documents shall be cumulative. The Issuing Bank shall be fully subrogated to the rights and remedies of each

LOAN AND SECURITY AGREEMENT

Page 42

beneficiary whose claims against the Borrowers are discharged with proceeds of any Letter of Credit.

(d) In connection with its administration of and enforcement of rights or remedies under any Letters of Credit or LC Documents, the Issuing Bank shall be entitled to act, and shall be fully protected in acting, upon any certification, notice, or other communication in whatever form believed by the Issuing Bank, in good faith, to be genuine and correct and to have been signed, sent or made by a proper Person. The Issuing Bank may consult with and employ legal counsel, accountants, and other experts to advise it concerning its obligations, rights, and remedies, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by such experts. The Issuing Bank may employ agents and attorneys-in-fact in connection with any matter relating to Letters of Credit or LC Documents, and shall not be liable for the negligence or misconduct of any such agents or attorneys-in-fact selected with reasonable care.

2.3.2. Reimbursement; Participations.

(a) If the Issuing Bank honors any request for payment under a Letter of Credit, the Borrowers shall pay to the Issuing Bank, in Dollars on the same day (the "Reimbursement Date"), the amount paid by the Issuing Bank under such Letter of Credit, together with interest at the interest rate for Base Rate Revolving Loans from the Reimbursement Date until payment by the Borrowers. The obligation of the Borrowers to reimburse the Issuing Bank for any payment made under a Letter of Credit shall be absolute, unconditional, irrevocable, and joint and several, and shall be paid without regard to any lack of validity or enforceability of any Letter of Credit or the existence of any claim, setoff, defense, or other right that the Borrowers may have at any time against the beneficiary. Whether or not the Borrower Agent submits a Notice of Borrowing, the Borrowers shall be deemed to have requested a Borrowing of Base Rate Revolving Loans in an amount necessary to pay all amounts due the Issuing Bank on any Reimbursement Date and each Lender agrees to fund its Pro Rata share of such Borrowing whether or not the Revolving Commitments have terminated, an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied.

(b) Upon issuance of a Letter of Credit, each Lender shall be deemed to have irrevocably and unconditionally purchased from the Issuing Bank, without recourse or warranty, an undivided Pro Rata interest and participation in all LC Obligations relating to such

Letter of Credit. If the Issuing Bank makes any payment under a Letter of Credit and the Borrowers do not reimburse such payment on the Reimbursement Date, the Agent shall promptly notify the Lenders and each Lender shall promptly (within one Business Day) and unconditionally pay to the Agent, for the benefit of the Issuing Bank, such Lender's Pro Rata share of such payment. Upon request by a Lender, the Issuing Bank shall furnish copies of any Letters of Credit and LC Documents in its possession at such time.

(c) The obligation of each Lender to make payments to the Agent for the account of the Issuing Bank in connection with the Issuing Bank's payment under a Letter of Credit shall be absolute, unconditional, and irrevocable, not subject to (i) any counterclaim, setoff, qualification, or exception whatsoever, and shall be made in accordance with this Agreement under all circumstances, irrespective of any lack of validity or unenforceability of any Loan Documents, (ii) any draft, certificate, or other document presented under a Letter of Credit having been determined to be forged, fraudulent, invalid, or insufficient in any respect or any statement therein being untrue or inaccurate in any respect, or (iii) the existence of any setoff or defense that any Obligor may have with respect to any Obligations. The Issuing Bank does not assume any responsibility for any failure or delay in performance or any breach by any Borrower or other Person of any obligations under any LC Documents. The Issuing Bank does not make to the Lenders any express or implied warranty, representation, or guaranty with respect to the Collateral, the LC Documents, or any Obligor. The Issuing Bank shall not be responsible to any Lender for (x) any recitals, statements, information, representations, or warranties contained in, or for the execution, validity, genuineness, effectiveness, or enforceability of any LC Documents, (y) the validity, genuineness, enforceability, collectibility, value, or sufficiency of any Collateral or the perfection of any Lien therein (z) or the assets, liabilities, financial condition, results of operations, business, creditworthiness, or legal status of any Obligor.

(d) No Issuing Bank Indemnitee shall be liable to any Lender or other Person for any action taken or omitted to be taken in connection with any LC Documents except as a result of such Issuing Bank Indemnitee's actual gross negligence or willful misconduct. The Issuing Bank shall not have any liability to any Lender if the Issuing Bank refrains from any action under any Letter of Credit or LC Documents until it receives written instructions from the Requisite Lenders.

2.3.3. Cash Collateral. If any LC Obligations, whether or not then due or payable, shall for any reason be outstanding at any time (a) that an Event of Default exists, (b) that Availability is less than zero, (c) after the Termination Date, or (d) within ten days prior to the Termination Date, then the Borrowers shall, at the Issuing Bank's or the Agent's request, pay to the Issuing Bank the amount of all outstanding LC Obligations and Cash Collateralize all outstanding Letters of Credit. If the Borrowers fail to Cash Collateralize outstanding Letters of Credit as required herein, the Lenders may (and shall upon direction of the Agent) advance, as Revolving Loans, the amount of the Cash Collateral required (whether or not the Revolving Commitments have terminated, an Overadvance exists, or the conditions in Section 6 are satisfied).

SECTION 3. INTEREST, FEES, AND CHARGES

3.1. Interest.

3.1.1. Rates and Payment of Interest.

(a) The Obligations shall bear interest (i) if a Base Rate Revolving Loan, at the Base Rate in effect from time to time, plus the Applicable Margin, (ii) if a LIBOR Revolving Loan, at Adjusted

LIBOR for the applicable Interest Period, plus the Applicable Margin; and (iii) if any other Obligation (including, to the extent permitted by law, interest not paid when due), at the Base Rate in effect from time to time, plus the Applicable Margin for Base Rate Revolving Loans. Interest shall accrue from the date the Revolving Loan is advanced or the Obligation is incurred or payable, until paid by the Borrowers. If a Revolving Loan is repaid on the same day made, one day's interest shall accrue.

(b) During an Insolvency Proceeding with respect to any Borrower, or during the existence of any other Event of Default if the Agent or the Requisite Lenders in their discretion so elect, the Obligations shall bear interest at the Default Rate. Each Borrower acknowledges that the cost and expense to the Agent and each Lender due to an Event of Default are difficult to ascertain and that the Default Rate is a fair and reasonable estimate to compensate the Agent and the Lenders for such added cost and expense.

(c) Interest accrued on the Revolving Loans shall be due and payable in arrears, (i) on the first day of each month, (ii) on any date of prepayment, with respect to the principal of the Revolving Loans being prepaid, and (iii) on the Termination Date. Interest accrued on any other Obligations shall be due and payable as provided in the Loan Documents and, if no payment date is specified, shall be due and payable on demand. Notwithstanding the foregoing, interest accrued at the Default Rate shall be due and payable on demand.

3.1.2. Application of Adjusted LIBOR to Outstanding Revolving Loans.

(a) The Borrowers may on any Business Day, subject to submission of a Notice of Conversion/Continuation, elect to convert any portion of the Base Rate Revolving Loans to, or to continue any LIBOR Revolving Loan at the end of its Interest Period as, a LIBOR Revolving Loan. During any Event of Default, the Agent may (and shall at the direction of the Requisite Lenders) declare that no Revolving Loan may be made, converted, or continued as a LIBOR Revolving Loan.

(b) Whenever the Borrowers desire to convert or continue Revolving Loans as LIBOR Revolving Loans, the Borrower Agent shall submit a Notice of Conversion/Continuation to the Agent no later than 11:00 a.m. at least three Business Days before the requested conversion or continuation date. Promptly after receiving any such notice, the Agent shall notify each Lender thereof. Each Notice of Conversion/Continuation shall be irrevocable and shall specify the

aggregate principal amount of Revolving Loans to be converted or continued, the conversion or continuation date (which shall be a Business Day), and the duration of the Interest Period (which shall be deemed to be one month if not specified). If, upon the expiration of any Interest Period in respect of any LIBOR Revolving Loans, the Borrowers shall have failed to submit a Notice of Conversion/Continuation, they shall be deemed to have elected to convert such Revolving Loans into Base Rate Revolving Loans.

3.1.3. Interest Periods. In connection with the making, conversion, or continuation of any LIBOR Revolving Loans, the Borrowers shall select an interest period ("Interest Period") to apply, which interest period shall be one, two, or three months; provided that:

(a) the Interest Period shall commence on the date the Revolving Loan is made or continued as, or converted into, a LIBOR Revolving Loan, and shall expire on the numerically corresponding day in the calendar month at its end;

(b) if any Interest Period commences on a day for which there is no corresponding day in the calendar month at its end or if such corresponding day falls after the last Business Day of such month, then the Interest Period shall expire on the last Business Day of such month, and if any Interest Period would expire on a day that is

not a Business Day, the period shall expire on the next Business Day; and

(c) no Interest Period shall extend beyond the Termination Date.

3.1.4. Interest Rate Not Ascertainable. If the Agent shall determine that on any date for determining the Adjusted LIBOR, due to any circumstance affecting the London interbank market, adequate and fair means do not exist for ascertaining such rate on the basis provided herein, then the Agent shall immediately notify the Borrowers of such determination. Until the Agent notifies the Borrowers that such circumstance no longer exists, the obligation of the Lenders to make LIBOR Revolving Loans shall be suspended, and no further Revolving Loans may be converted into or continued as LIBOR Revolving Loans.

3.2. Fees.

3.2.1. Unused Line Fee. The Borrowers shall pay to the Agent, for the Pro Rata benefit of the Lenders, a fee equal to the per annum percentage specified in the definition of Applicable Margin with respect to the unused line fee multiplied by the amount by which the Revolving Commitments exceed the average daily balance of Revolving Loans and stated amount of Letters of Credit during each month. Such fee shall be payable in arrears, on the first Business Day of each month and on the Termination Date.

3.2.2. LC Facility Fees. The Borrowers shall pay (a) to the Agent, for the Pro Rata benefit of the Lenders, a fee equal to the Applicable Margin in effect for LIBOR Revolving Loans, multiplied by the average daily stated amount of Letters of Credit, which fee shall be payable monthly in arrears, on the first Business Day of each month,

LOAN AND SECURITY AGREEMENT

Page 46

(b) to the Agent, for its own account, a fronting fee of 0.25% per annum, multiplied by the average daily stated amount of Letters of Credit, which fee shall be payable monthly in arrears, on the first Business Day of each month, and (c) to the Issuing Bank, for its own account, all customary charges associated with the issuance, amending, negotiating, payment, processing, transfer, and administration of Letters of Credit, which charges shall be paid as and when incurred. During an Event of Default, the fee payable under clause (a) preceding shall be equal to the Applicable Margin in effect for LIBOR Revolving Loans, plus 2.00% per annum, multiplied by the average daily stated amount of Letters of Credit.

3.2.3. Agent Fees. In consideration of the Agent's syndication of the Revolving Commitments and service as the Agent hereunder, the Borrowers shall pay to the Agent, for its own account, the fees described in the Fee Letter.

3.3. Computation of Interest, Fees, Yield Protection. All interest, as well as fees and other charges calculated on a per annum basis, shall be computed for the actual days elapsed, based on a year of 360 days. Each determination by the Agent of any interest, fees, or interest rate hereunder shall be final, conclusive, and binding for all purposes, absent manifest error. All fees shall be fully earned when due and shall not be subject to rebate or refund, nor subject to proration except as specifically provided herein. All fees payable under Section 3.2 are compensation for services and are not, and shall not be deemed to be, interest or any other charge for the use, forbearance, or detention of money. A certificate as to amounts payable by the Borrowers under Section 3.4, Section 3.6, Section 3.7, Section 3.9, or Section 5.9, submitted to the Borrowers by the Agent or the affected Lender, as applicable, shall be final, conclusive, and binding for all purposes, absent manifest error.

3.4. Reimbursement Obligations. The Borrowers shall reimburse the Agent for all Extraordinary Expenses incurred by it. The Borrowers shall also reimburse the Agent for all accounting, appraisal, consulting, reasonable legal, and other fees, costs, and expenses incurred by it in connection with (a) negotiation and preparation of any Loan Documents, including any amendment or other modification thereof, (b) administration of and actions relating to any Collateral, Loan Documents, and transactions contemplated thereby, including any

actions taken to perfect or maintain priority of the Agent's Liens on any Collateral, to maintain any insurance required hereunder, or to verify Collateral, and (c) subject to the limits of Section 10.1.1(b), each inspection, audit, or appraisal with respect to any Obligor or Collateral. All amounts reimbursable by the Borrowers under this Section shall constitute Obligations secured by the Collateral and shall be payable on demand.

3.5. Illegality. Notwithstanding anything to the contrary herein, if (a) any change in any law or interpretation thereof by any Governmental Authority makes it unlawful for a Lender to make or maintain a LIBOR Revolving Loan or to maintain any Revolving Commitment with respect to LIBOR Revolving Loans or (b) a Lender determines that the making or continuance of a LIBOR Revolving Loan has become impracticable as a result of a circumstance that adversely affects the London interbank market or the position of such Lender in such market, then such Lender shall give notice thereof (which notice shall include supporting documentation) to the Agent and the Borrowers and may (y) declare that LIBOR Revolving Loans will not thereafter be made by such Lender, whereupon any request for a LIBOR Revolving Loan from such Lender

LOAN AND SECURITY AGREEMENT

Page 47

shall be deemed to be a request for a Base Rate Revolving Loan unless such Lender's declaration has been withdrawn (and it shall be withdrawn promptly upon cessation of the circumstances described in clause (a) or clause (b) preceding) and/or (z) require that all outstanding LIBOR Revolving Loans made by such Lender be converted to Base Rate Revolving Loans immediately, in which event all outstanding LIBOR Revolving Loans of such Lender shall be immediately converted to Base Rate Revolving Loans.

3.6. Increased Costs. If, by reason of (y) the introduction of or any change (including any change by way of imposition or increase of Statutory Reserves or other reserve requirements) in any law or interpretation thereof or (z) the compliance with any guideline or request from any Governmental Authority or other Person exercising control over banks or financial institutions generally (whether or not having the force of law):

(a) a Lender shall be subject to any Tax with respect to any LIBOR Revolving Loan or Letter of Credit or its obligation to make LIBOR Revolving Loans, issue Letters of Credit, or participate in LC Obligations, or a change shall result in the basis of taxation of any payment to a Lender with respect to its LIBOR Revolving Loans or its obligation to make LIBOR Revolving Loans, issue Letters of Credit, or participate in LC Obligations (except for Excluded Taxes); or

(b) any reserve (including any imposed by the Board of Governors), special deposits, or similar requirement against assets of, deposits with, or for the account of, or credit extended by, a Lender shall be imposed or deemed applicable, or any other condition affecting a Lender's LIBOR Revolving Loans or obligation to make LIBOR Revolving Loans, issue Letters of Credit, or participate in LC Obligations shall be imposed on such Lender or the London interbank market;

and as a result there shall be an increase in the cost to such Lender of agreeing to make or making, funding, or maintaining LIBOR Revolving Loans, Letters of Credit, or participations in LC Obligations (except to the extent already included in determination of the Adjusted LIBOR), or there shall be a reduction in the amount receivable by such Lender, then the Lender shall promptly notify the Borrowers and the Agent of such event (which notice shall include supporting documentation), and the Borrowers shall, within ten days following demand therefor, pay such Lender the amount of such increased costs or reduced amounts. If a Lender determines that, because of circumstances described above or any other circumstances arising hereafter affecting such Lender, the London interbank market or such Lender's position in such market, the Adjusted LIBOR or its Applicable Margin, as applicable, will not adequately and fairly reflect the cost to such Lender of funding LIBOR Revolving Loans, issuing Letters of Credit, or participating in LC Obligations, then (A) such Lender shall promptly notify the Borrowers and the Agent of such event (which notice shall include supporting documentation), (B) such Lender's obligation to make LIBOR Revolving Loans, issue Letters of Credit, or participate in LC Obligations shall be immediately suspended, until each condition giving rise to such suspension no longer exists, and (C) such Lender shall make a Base Rate Revolving Loan as part of any requested Borrowing of LIBOR Revolving Loans, which Base Rate Revolving Loan shall, for all purposes, be considered part of

such Borrowing.

LOAN AND SECURITY AGREEMENT

Page 48

3.7. Capital Adequacy. If a Lender determines that any introduction of or any change in a Capital Adequacy Regulation, any change in the interpretation or administration of a Capital Adequacy Regulation by a Governmental Authority charged with interpretation or administration thereof, or any compliance by such Lender or any Person controlling such Lender with a Capital Adequacy Regulation, increases the amount of capital required or expected to be maintained by such Lender or Person (taking into consideration its capital adequacy policies and desired return on capital) as a consequence of such Lender's Revolving Commitments, Revolving Loans, participations in LC Obligations, or other obligations under the Loan Documents, then the Borrowers shall, within ten days following demand therefor, pay such Lender an amount sufficient to compensate for such increase. A Lender's demand for payment shall set forth the nature of the occurrence giving rise to such compensation (which notice shall include supporting documentation) and a calculation of the amount to be paid. In determining such amount, the Lender may use any reasonable averaging and attribution method.

3.8. Mitigation. Each Lender agrees that, upon becoming aware that it is subject to Section 3.5, Section 3.6, Section 3.7, or Section 5.9, it will take reasonable measures to reduce the Borrowers' obligations under such Sections, including funding or maintaining its Revolving Commitments or Revolving Loans through another office, as long as use of such measures would not adversely affect such Lender's Revolving Commitments, Revolving Loans, business, or interests, and would not be inconsistent with any internal policy or applicable legal or regulatory restriction.

3.9. Funding Losses. If for any reason (other than default by a Lender) (a) any Borrowing of, or conversion to, or continuation of, a LIBOR Revolving Loan does not occur on the date specified therefor in a Notice of Borrowing or Notice of Conversion/Continuation (whether or not withdrawn), (b) any repayment or conversion of a LIBOR Revolving Loan occurs on a day other than the end of its Interest Period, or (c) the Borrowers fail to repay a LIBOR Revolving Loan when required hereunder, then the Borrowers shall pay to the Agent its customary administrative charge and to each Lender all losses and expenses that it sustains as a consequence thereof, including any loss or expense arising from liquidation or redeployment of funds or from fees payable to terminate deposits of matching funds. The Lenders shall not be required to purchase Dollar deposits in the London interbank market or any other offshore Dollar market to fund any LIBOR Revolving Loan, but the provisions hereof shall be deemed to apply as if each Lender had purchased such deposits to fund its LIBOR Revolving Loans.

3.10. Maximum Interest. In no event shall interest, charges, or other amounts that are contracted for, charged, or received by the Agent and the Lenders pursuant to any Loan Documents and that are deemed interest under Applicable Law ("interest") exceed the highest rate permissible under Applicable Law ("maximum rate"). If, in any month, any interest rate, absent the foregoing limitation, would have exceeded the maximum rate, then the interest rate for that month shall be the maximum rate and, if in a future month, that interest rate would otherwise be less than the maximum rate, then the rate shall remain at the maximum rate until the amount of interest actually paid equals the amount of interest which would have accrued if it had not been limited by the maximum rate. If, upon Full Payment of the Obligations, the total amount of interest actually paid under the Loan Documents is less than the total amount of interest that would, but for this Section, have accrued under the Loan Documents, then the Borrowers shall, to the extent permitted by Applicable Law, pay to the Agent, for the account of the Lenders,

LOAN AND SECURITY AGREEMENT

Page 49

(a) the lesser of (i) the amount of interest that would have been charged if the maximum rate had been in effect at all times or (ii) the amount of interest that would have accrued had the interest rate otherwise set forth in the Loan Documents been in effect, minus (b) the amount of interest actually paid under the Loan Documents. If a court of competent jurisdiction determines that the Agent or any Lender has received interest in excess of the maximum amount allowed under Applicable Law, such excess shall be deemed received on account

of, and shall automatically be applied to reduce, the Obligations other than interest (regardless of any erroneous application thereof by the Agent or any Lender), and upon Full Payment of the Obligations, any balance shall be refunded to the Borrowers. In determining whether any excess interest has been charged or received by the Agent or any Lender, all interest at any time charged or received from the Borrowers in connection with the Loan Documents shall, to the extent permitted by Applicable Law, be amortized, prorated, allocated, and spread in equal parts throughout the full term of the Obligations.

SECTION 4. LOAN ADMINISTRATION

4.1. Manner of Borrowing and Funding Revolving Loans.

4.1.1. Notice of Borrowing.

(a) Whenever the Borrowers desire funding of a Borrowing of Revolving Loans, the Borrower Agent shall submit a Notice of Borrowing to the Agent. Such notice must be received by the Agent no later than 11:00 a.m. (i) on the Business Day of the requested funding date, in the case of Base Rate Revolving Loans, and (ii) at least three Business Days prior to the requested funding date, in the case of LIBOR Revolving Loans. Notices received after 11:00 a.m. shall be deemed received on the next Business Day. Each Notice of Borrowing shall be irrevocable and shall specify (w) the principal amount of the Borrowing, (x) the requested funding date (which must be a Business Day), (y) whether the Borrowing is to be made as Base Rate Revolving Loans or LIBOR Revolving Loans, and (z) in the case of LIBOR Revolving Loans, the duration of the applicable Interest Period (which shall be deemed to be one month if not specified).

(b) Unless payment is otherwise timely made by the Borrowers, the becoming due of any Obligations (whether principal, interest, fees, or other charges, including Extraordinary Expenses, LC Obligations, Cash Collateral, and Bank Product Debt) shall be deemed irrevocably to be a request (without any requirement for a Notice of Borrowing) for Base Rate Revolving Loans on the due date, in the amount of such Obligations. The proceeds of such Revolving Loans shall be disbursed as direct payment of the relevant Obligation.

(c) If the Borrowers establish a controlled disbursement account with the Agent or any Affiliate of the Agent, then the presentation for payment of any check or other item of payment drawn on such account at a time when there are insufficient funds to cover it shall be deemed to be a request (without any requirement for a Notice of Borrowing) for Base Rate Revolving Loans on the

LOAN AND SECURITY AGREEMENT

Page 50

date of such presentation, in the amount of the check and items presented for payment. The proceeds of such Revolving Loans may be disbursed directly to the controlled disbursement account.

(d) Neither the Agent nor any Lender shall have any obligation to the Borrowers to honor any deemed request for a Revolving Loan on or after the Termination Date, when an Overadvance exists or would result therefrom, or when any condition in Section 6 is not satisfied, but may do so in their discretion, without being deemed to have waived any Default or Event of Default.

4.1.2. Fundings by the Lenders. Each Lender shall timely honor its Revolving Commitment by funding its Pro Rata share of each Borrowing of Revolving Loans that is properly requested hereunder. The Agent shall endeavor to notify the Lenders of each Notice of Borrowing (or deemed request for a Borrowing) by 12:00 noon on the proposed funding date for Base Rate Revolving Loans or by 3:00 p.m. at least two Business Days before any proposed funding of LIBOR Revolving Loans. Each Lender shall fund to the Agent such Lender's Pro Rata share of the

Borrowing to the account specified by the Agent in immediately available funds not later than 2:00 p.m. on the requested funding date, unless the Agent's notice is received after the times provided above, in which event each Lender shall fund its Pro Rata share by 11:00 a.m. on the next Business Day. Subject to its receipt of such amounts from the Lenders, the Agent may make the proceeds of the Revolving Loans available to the Borrowers by disbursing same to the Designated Account. Unless the Agent shall have received (in sufficient time to act) written notice from a Lender that it does not intend to fund its Pro Rata share of a Borrowing, the Agent may assume that such Lender has deposited or promptly will deposit its share with the Agent, and the Agent may disburse a corresponding amount to the Borrowers. If a Lender's share of any Borrowing is not in fact received by the Agent, then the Borrowers agree to repay to the Agent on demand the amount of such share, together with interest thereon from the date disbursed until repaid, at the rate applicable to such Borrowing.

4.1.3. Agent Advances; Settlement.

(a) The Agent may, but shall not be obligated to, advance Agent Advances to the Borrowers out of the Agent's own funds unless the funding is specifically required to be made by all Lenders hereunder. Each Agent Advance shall constitute a Revolving Loan for all purposes, except that payments thereon shall be made to the Agent for its own account. The obligation of the Borrowers to repay Agent Advances shall be evidenced by the records of the Agent and need not be evidenced by any promissory note. Agent Advances shall be immediately due and payable by the Borrowers at any time on demand by the Agent in its discretion, whether due to the failure of any Lender to make settlement on a settlement date as provided below or for any other reason.

(b) To facilitate administration of the Revolving Loans, the Lenders and the Agent agree (which agreement is solely among them, and not for the benefit of or enforceable by any Borrower) that settlement among them with

LOAN AND SECURITY AGREEMENT

Page 51

respect to Agent Advances and other Revolving Loans may take place periodically on a date determined from time to time by the Agent, which shall occur at least once every five Business Days. On each settlement date, settlement shall be made with each Lender in accordance with the Settlement Report delivered by the Agent to the Lenders. Between settlement dates, the Agent may in its discretion apply payments on Revolving Loans to Agent Advances, regardless of any designation by any Borrower or any provision herein to the contrary. Each Lender's obligation to make settlements with the Agent is absolute and unconditional, without offset, counterclaim, or other defense, and whether or not the Revolving Commitments have terminated, an Overadvance exists, or the conditions in Section 6 are satisfied. If, due to an Insolvency Proceeding with respect to a Borrower or otherwise, any Agent Advances may not be settled among the Lenders hereunder, then each Lender shall be deemed to have purchased from the Agent a Pro Rata participation in each unpaid Agent Advance and shall transfer the amount of such participation to the Agent, in immediately available funds, within one Business Day after the Agent's request therefor.

4.1.4. Telephonic Notices. Each Borrower authorizes the Agent and the Lenders to extend Base Rate Revolving Loans and transfer funds to or on behalf of the Borrowers based on telephonic instructions. If requested by the Agent, the Borrowers shall confirm each such telephonic request by prompt submission to the Agent of a Notice of Borrowing or other written request, as applicable. If any Notice of Borrowing or other written request submitted to the Agent differs in any material respect from the action taken by the Agent or the Lenders, the records of the Agent and the Lenders shall govern. Neither the Agent nor any Lender shall have any liability for any loss suffered by a Borrower as a result of the Agent or any Lender acting upon its

understanding of telephonic instructions from a person believed in good faith by the Agent or any Lender to be a person authorized to give such instructions on a Borrower's behalf. The Agent may in its sole discretion refuse to act upon any telephonic instructions received from the Borrower Agent or any Borrower.

4.2. Defaulting Lender. If a Lender fails to make any payment to the Agent that is required hereunder, the Agent may (but shall not be required to), in its discretion, retain payments that would otherwise be made to such defaulting Lender hereunder, apply the payments to such Lender's defaulted obligations, or readvance the funds to the Borrowers in accordance with this Agreement. The failure of any Lender to fund a Revolving Loan or to make a payment in respect of a LC Obligation shall not relieve any other Lender of its obligations hereunder, and no Lender shall be responsible for default by another Lender. The Lenders and the Agent agree (which agreement is solely among them, and not for the benefit of or enforceable by any Borrower) that, solely for purposes of determining a defaulting Lender's right to vote on matters relating to the Loan Documents and to share in payments, fees, and Collateral proceeds thereunder, a defaulting Lender shall not be deemed to be a "Lender" until all its defaulted obligations have been cured.

4.3. Number and Amount of LIBOR Revolving Loans; Determination of Rate. For ease of administration, all LIBOR Revolving Loans having the same length and beginning date

LOAN AND SECURITY AGREEMENT

Page 52

of their Interest Periods shall be aggregated together, and such Revolving Loans shall be allocated among the Lenders on a Pro Rata basis. No more than three aggregated LIBOR Revolving Loans may be outstanding at any time, and each aggregate LIBOR Revolving Loan when made, continued, or converted shall be in a minimum amount of \$5,000,000, or a multiple of \$1,000,000 in excess thereof. Upon determining Adjusted LIBOR for any Interest Period requested by the Borrowers, the Agent shall promptly notify the Borrowers thereof by telephone or electronically and, if requested by the Borrowers, shall confirm any telephonic notice in writing.

4.4. Borrower Agent. Each Borrower hereby designates Amkor (the "Borrower Agent") as its representative and agent for all purposes under the Loan Documents, including (a) requests for Revolving Loans and Letters of Credit, (b) designation of interest rates, (c) delivery or receipt of communications with the Agent, the Issuing Bank, or any Lender, (d) preparation and delivery of Borrowing Base Certificates and financial reports, (e) receipt and payment of Obligations, (f) requests for waivers, amendments, or other accommodations, (g) actions under the Loan Documents (including in respect of compliance with covenants), and (h) all other dealings with the Agent, the Issuing Bank, or any Lender. The Borrower Agent hereby accepts such appointment. The Agent and the Lenders shall be entitled to rely upon, and shall be fully protected in relying upon, any notice or communication (including any Notice of Borrowing or any Notice of Conversion/Continuation) delivered by the Borrower Agent on behalf of any Borrower. The Agent and the Lenders may give any notice or communication with a Borrower hereunder to the Borrower Agent on behalf of such Borrower. The Agent shall have the right, in its discretion, to deal exclusively with the Borrower Agent for any or all purposes under the Loan Documents. Each Borrower agrees that any notice, election, communication, representation, agreement, or undertaking made on its behalf by the Borrower Agent shall be binding upon and enforceable against it.

4.5. One Obligation. The Revolving Loans, LC Obligations, and other Obligations shall constitute one general obligation of the Borrowers and (unless otherwise expressly provided in any Loan Document) shall be secured by the Agent's Lien upon all Collateral; provided that the Agent and each Lender shall be deemed to be a creditor of, and the holder of a separate claim against, each Borrower to the extent of any Obligations jointly or severally owed by such Borrower.

4.6. Effect of Termination. On the effective date of any termination of the Revolving Commitments, all Obligations shall be immediately due and payable, and Bank of America and its Affiliates may terminate their respective Bank Products (including, with the consent of the Agent, any Cash Management Services). All undertakings of the Borrowers contained in the Loan Documents shall survive any termination, and the Agent shall retain its Liens in the Collateral and all of its rights and remedies under the Loan Documents until

Full Payment of the Obligations. Notwithstanding Full Payment of the Obligations, the Agent shall not be required to terminate its Liens in any Collateral unless, with respect to any damages the Agent may incur as a result of the dishonor or return of Payment Items applied to Obligations, the Agent receives (a) a written agreement, executed by the Borrowers and any Person whose advances are used in whole or in part to satisfy the Obligations, indemnifying the Agent and the Lenders from any such damages or (b) such Cash Collateral as the Agent, in its discretion, deems necessary to protect against any such damages. The provisions of Sections 2.3, 3.4, 3.6, 3.7, 3.9, 5.5, 5.9, 12,

LOAN AND SECURITY AGREEMENT

Page 53

14.2, 14.3, and this Section shall survive Full Payment of the Obligations and (unless expressly provided) any release relating to this credit facility.

SECTION 5. PAYMENTS

5.1. General Payment Provisions. All payments of Obligations shall be made in Dollars, without offset, counterclaim, or defense of any kind, free of (and without deduction for) any Taxes, and in immediately available funds, not later than 12:00 noon on the due date. Any payment after such time shall be deemed made on the next Business Day. The Borrowers may, at the time of payment, specify to the Agent the Obligations to which such payment is to be applied, but the Agent shall in all events retain the right to apply such payment in such manner as the Agent, subject to the provisions hereof, may determine to be appropriate. If any payment under the Loan Documents shall be stated to be due on a day other than a Business Day, the due date shall be extended to the next Business Day and such extension of time shall be included in any computation of interest and fees. Any payment of a LIBOR Revolving Loan prior to the end of its Interest Period shall be accompanied by all amounts due under Section 3.9. Any prepayment of Revolving Loans shall be applied first to Base Rate Revolving Loans and then to LIBOR Revolving Loans.

5.2. Repayment of Revolving Loans. Revolving Loans shall be due and payable in full on the Termination Date, unless payment is sooner required hereunder. Revolving Loans may be prepaid from time to time, without penalty or premium. At all times after the occurrence of an Event of Default, to the extent any Revolving Loans are outstanding, the Borrowers shall remit to the Agent for application to the Obligations the Net Proceeds of any disposition of Collateral received by such Borrower. Notwithstanding anything herein to the contrary, if an Overadvance exists, the Borrowers shall, on the sooner of the Agent's demand or the first Business Day after any Borrower has knowledge thereof, repay the outstanding Revolving Loans in an amount sufficient to reduce the principal balance of Revolving Loans to the Borrowing Base.

5.3. Reserved.

5.4. Payment of Other Obligations. Obligations other than Revolving Loans, including LC Obligations and Extraordinary Expenses, shall be paid by the Borrowers as provided in the Loan Documents or, if no payment date is specified, on demand.

5.5. Marshaling; Payments Set Aside. None of the Agent or the Lenders shall be under any obligation to marshal any assets in favor of any Obligor or against any Obligations. If any Obligor makes a payment to the Agent or the Lenders, or if the Agent or any Lender receives payment from the proceeds of Collateral, exercise of setoff, or otherwise, and such payment is subsequently invalidated or required to be repaid to a trustee, receiver, or any other Person, then the Obligations originally intended to be satisfied, and all Liens, rights, and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been received and any enforcement or setoff had not occurred.

LOAN AND SECURITY AGREEMENT

Page 54

5.6. Post-Default Allocation of Payments.

5.6.1. Allocation. Notwithstanding anything herein to the contrary, during an Event of Default, monies to be applied to the Obligations, whether arising from payments by the Obligors, realization on Collateral, or otherwise, shall be allocated as follows:

(a) first, to all fees and expenses, including Extraordinary Expenses, owing to the Agent;

(b) second, to all amounts owing to the Agent on Agent Advances or Protective Advances, or to the Issuing Bank on LC Obligations;

(c) third, to all Obligations constituting fees (excluding amounts relating to Bank Products);

(d) fourth, to all Obligations constituting interest (excluding amounts relating to Bank Products);

(e) fifth, to provide Cash Collateral for outstanding Letters of Credit;

(f) sixth, to all other Obligations, other than Bank Product Debt; and

(g) last, to Bank Product Debt.

Amounts shall be applied to each category of Obligations set forth above until Full Payment thereof and then to the next category. If amounts are insufficient to satisfy a category, they shall be applied on a pro rata basis among the Obligations in the category. The allocations set forth in this Section are solely to determine the rights and priorities of the Agent and the Lenders as among themselves, and may be changed by agreement among them without the consent of any Obligor. This Section is not for the benefit of or enforceable by any Borrower.

5.6.2. Erroneous Application. The Agent shall not be liable for any application of amounts made by it in good faith and, if any such application is subsequently determined to have been made in error, the sole recourse of any Lender or other Person to which such amount should have been made shall be to recover the amount from the Person that actually received it (and, if such amount was received by any Lender, such Lender hereby agrees to return it).

5.7. Application of Payments. At all times after the occurrence of an Event of Default, the ledger balance in any Dominion Account as of the end of a Business Day shall be applied to the Obligations at the beginning of the next Business Day. Each Borrower irrevocably waives the right to direct the application of any payments or Collateral proceeds pursuant to this Section 5.7, and agrees that the Agent shall have the continuing, exclusive right to apply and reapply same against the Obligations, in such manner as the Agent deems advisable, notwithstanding any entry by the Agent in its records. If, as a result of the Agent's receipt of Payment Items or proceeds of Collateral, a credit balance exists, the balance shall not accrue interest in favor of the Borrowers and shall be made available to the Borrowers as long as no Event of Default exists.

LOAN AND SECURITY AGREEMENT

Page 55

5.8. Loan Account; Account Stated.

5.8.1. Loan Account. The Agent shall maintain in accordance with its usual and customary practices an account or accounts ("Loan Account") evidencing the Indebtedness of the Borrowers resulting from each Revolving Loan or issuance of a Letter of Credit from time to time, including the amount of principal and interest payable and outstanding LC Obligations. Any failure of the Agent to record anything in the Loan Account, or any error in doing so, shall not limit or otherwise affect the obligation of the Borrowers to pay any amount owing hereunder. The Agent may maintain a single Loan Account in the name of the Borrower Agent, and each Borrower confirms that such arrangement shall have no effect on the joint and several character of its liability for the Obligations.

5.8.2. Entries Binding. Entries made in the Loan Account shall constitute presumptive evidence of the information contained therein. If any information contained in the Loan Account is provided to or

inspected by any Person, then such information shall be conclusive and binding on such Person for all purposes absent manifest error, except to the extent such Person notifies the Agent in writing within 30 days after receipt or inspection that specific information is subject to dispute.

5.9. Gross Up for Taxes. If the Borrowers shall be required by Applicable Law to withhold or deduct any Taxes (except Excluded Taxes) from or in respect of any sum payable under any Loan Documents, (a) the sum payable to the Agent or such Lender shall be increased as may be necessary so that, after making all required withholding or deductions, the Agent or such Lender (as the case may be) receives an amount equal to the sum it would have received had no such withholding or deductions been made, (b) the Borrowers shall make such withholding or deductions, and (c) the Borrowers shall pay the full amount withheld or deducted to the relevant taxing or other authority in accordance with Applicable Law. If the Agent or any Lender determines that it has received a refund, credit, or other reduction of taxes in respect of any Taxes paid by the Borrowers pursuant to this Section, such Person shall, within 30 days from the date of receipt of such refund or filing of the tax return giving rise to such credit or other reduction, pay over the amount of the refund, credit, or tax reduction to the Borrowers (but only to the extent of Taxes paid by the Borrowers pursuant to this Section), net of all out-of-pocket expenses of such Person and without interest (other than interest paid by the relevant taxing authority with respect to a refund).

5.10. Withholding Tax Exemption. At least five Business Days prior to the first date for payment of interest or fees hereunder to a Foreign Lender, the Foreign Lender shall deliver to the Borrowers and the Agent two duly completed copies of IRS Form W-8BEN or W-8ECI (or any subsequent replacement or substitute form therefor), certifying that such Lender can receive payment of Obligations without deduction or withholding of any United States federal income taxes. Each Foreign Lender shall deliver to the Borrowers and the Agent two additional copies of such form before the preceding form expires or becomes obsolete or after the occurrence of any event requiring a change in the form, as well as any amendments, extensions, or renewals thereof as may be reasonably requested by the Borrowers or the Agent, in each case, certifying that the Foreign Lender can receive payment of Obligations without deduction or withholding of any such taxes, unless an event (including any change in treaty or law) has occurred that renders

LOAN AND SECURITY AGREEMENT

Page 56

such forms inapplicable or prevents the Foreign Lender from certifying that it can receive payments without deduction or withholding of such taxes. During any period that a Foreign Lender does not or is unable to establish that it can receive payments without deduction or withholding of such taxes, other than by reason of an event (including any change in treaty or law) that occurs after it becomes a Lender, the Agent may withhold taxes from payments to such Foreign Lender at the applicable statutory and treaty rates, and the Borrowers shall not be required to pay any additional amounts under this Section as a result of such withholding.

5.11. Nature and Extent of Each Borrower's Liability.

5.11.1. Joint and Several Liability. Each Borrower agrees that it is jointly and severally liable for, and absolutely and unconditionally guarantees to the Agent and the Lenders the prompt payment and performance of, all Obligations and all agreements under the Loan Documents. Each Borrower agrees that its guaranty obligations hereunder constitute a continuing guaranty of payment and performance and not of collection, that such obligations shall not be discharged until Full Payment of the Obligations, and that such obligations are absolute and unconditional, irrespective of (a) the genuineness, validity, regularity, enforceability, subordination, or any future modification of, or change in, any Obligations or Loan Document, or any other document, instrument, or agreement to which any Obligor is or may become a party or liable, (b) the absence of any action to enforce this Agreement (including this Section) or any other Loan Document, or any waiver, consent, or indulgence of any kind by the Agent or any Lender with respect thereto, (c) the existence, value, or condition of, or failure to perfect a Lien or to preserve rights against, any security or guaranty for the Obligations or any action, or the absence of any action, by the Agent or any Lender in respect thereof (including the

release of any security or guaranty), (d) the insolvency of any Obligor, (e) any election by the Agent or any Lender in an Insolvency Proceeding for the application of Section 1111(b)(2) of the Bankruptcy Code, (f) any borrowing or grant of a Lien by any other Borrower as debtor-in-possession under Section 364 of the Bankruptcy Code or otherwise, (g) the disallowance of any claims of the Agent or any Lender against any Obligor for the repayment of any Obligations under Section 502 of the Bankruptcy Code or otherwise, or (h) any other action or circumstances that might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, except Full Payment of all Obligations.

5.11.2. Waivers.

(a) Each Borrower expressly waives all rights that it may have now or in the future under any statute, at common law, in equity or otherwise, to compel the Agent or the Lenders to marshal assets or to proceed against any Obligor, other Person or security for the payment or performance of any Obligations before, or as a condition to, proceeding against such Borrower. It is agreed among each Borrower, the Agent, and the Lenders that the provisions of this Section are of the essence of the transaction contemplated by the Loan Documents and that, but for such provisions, the Agent and the Lenders would decline to make Revolving Loans and issue Letters of Credit. Notwithstanding anything to the contrary in any Loan Document, and except as set forth in Section 5.11.3,

LOAN AND SECURITY AGREEMENT

Page 57

each Borrower expressly waives all rights at law or in equity to subrogation, reimbursement, exoneration, contribution, indemnification, or set off, as well as all defenses available to a surety, guarantor, or accommodation co-obligor. Each Borrower acknowledges that its guaranty pursuant to this Section is necessary to the conduct and promotion of its business, and can be expected to benefit such business.

(b) The Agent and the Lenders may, in their discretion, pursue such rights and remedies as they deem appropriate, including realization upon Collateral by judicial foreclosure or non-judicial sale or enforcement, without affecting any rights and remedies under this Section 5.11. If, in the exercise of any rights or remedies, the Agent or any Lender shall forfeit any of its rights or remedies, including its right to enter a deficiency judgment against any Borrower or any other Person, whether because of any applicable laws pertaining to "election of remedies" or otherwise, each Borrower consents to such action by the Agent or such Lender and waives any claim based upon such action, even if the action may result in loss of any rights of subrogation that any Borrower might otherwise have had but for such action. Any election of remedies that results in denial or impairment of the right of the Agent or any Lender to seek a deficiency judgment against any Borrower shall not impair any other Borrower's obligation to pay the full amount of the Obligations. Each Borrower waives all rights and defenses arising out of an election of remedies, such as nonjudicial foreclosure with respect to any security for the Obligations, even though that election of remedies destroys such Borrower's rights of subrogation against any other Person. If the Agent bids at any foreclosure or trustee's sale or at any private sale, the Agent may bid all or a portion of the Obligations and the amount of such bid need not be paid by the Agent but shall be credited against the Obligations. The amount of the successful bid at any such sale, whether the Agent or any other Person is the successful bidder, shall be conclusively deemed to be the fair market value of the Collateral, and the difference between such bid amount and the remaining balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Section 5.11, notwithstanding that any present or future law or court decision may have the effect of reducing the amount of any

deficiency claim to which the Agent or any Lender might otherwise be entitled but for such bidding at any such sale.

5.11.3. Extent of Liability; Contribution.

(a) Notwithstanding anything herein to the contrary, each Borrower's liability under this Section 5.11 shall be limited to the greater of (i) all amounts for which such Borrower is primarily liable, as described below and (ii) such Borrower's Allocable Amount.

(b) If any Borrower makes a payment under this Section 5.11 of any Obligations (other than amounts for which such Borrower is primarily liable) (a "Guarantor Payment") that, taking into account all other Guarantor Payments previously or concurrently made by any other Borrower, exceeds the amount that

LOAN AND SECURITY AGREEMENT

Page 58

such Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by such Guarantor Payments in the same proportion that such Borrower's Allocable Amount bore to the total Allocable Amounts of all Borrowers, then such Borrower shall be entitled to receive contribution and indemnification payments from, and to be reimbursed by, each other Borrower for the amount of such excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to such Guarantor Payment. The "Allocable Amount" for any Borrower shall be the maximum amount that could then be recovered from such Borrower under this Section 5.11 without rendering such payment voidable or avoidable under Section 548 of the Bankruptcy Code or under any applicable state fraudulent transfer or conveyance act, or similar statute or common law.

(c) Nothing contained in this Section 5.11 shall limit the liability of any Borrower to pay Revolving Loans made directly or indirectly to that Borrower (including Revolving Loans advanced to any other Borrower and then re-loaned or otherwise transferred to, or for the benefit of, such Borrower), LC Obligations relating to Letters of Credit issued to support such Borrower's business, and all accrued interest, fees, expenses, and other related Obligations with respect thereto, for which such Borrower shall be primarily liable for all purposes hereunder. The Agent and the Lenders shall have the right, at any time in their discretion, to condition Revolving Loans and Letters of Credit upon a separate calculation of borrowing availability for each Borrower and to restrict the disbursement and use of such Revolving Loans and Letters of Credit to such Borrower.

5.11.4. Joint Enterprise. Each Borrower has requested that the Agent and the Lenders make the credit facility established hereunder available to the Borrowers on a combined basis, in order to finance the Borrowers' business most efficiently and economically. The Borrowers' business is a mutual and collective enterprise, and the Borrowers believe that consolidation of their credit facility will enhance the borrowing power of each Borrower and ease the administration of their relationship with the Lenders, all to the mutual advantage of the Borrowers. The Borrowers acknowledge and agree that the Agent's and the Lenders' willingness to extend credit to the Borrowers and to administer the Collateral on a combined basis, as set forth herein, is done solely as an accommodation to the Borrowers and at the Borrowers' request.

5.11.5. Subordination. Each Borrower hereby subordinates any claims, including any right of payment, subrogation, contribution, and indemnity, that it may have at any time against any other Obligor, howsoever arising, to the Full Payment of all Obligations.

SECTION 6. CONDITIONS PRECEDENT

6.1. Conditions Precedent to Initial Revolving Loans. In addition to the conditions set forth in Section 6.2, the Lenders shall not be required to fund any requested Revolving Loan, issue any Letter of Credit, or otherwise extend credit to the Borrowers hereunder, unless each of the following conditions has been satisfied:

LOAN AND SECURITY AGREEMENT

Page 59

(a) Appropriate Notes shall have been executed by the Borrowers and delivered to each Lender that requests issuance of a Note. Each other Loan Document, including the Intercreditor Agreement and the Mortgage, shall have been duly executed and delivered to the Agent by each of the signatories thereto, and each Obligor shall be in compliance with all terms thereof.

(b) The Agent shall have received acknowledgments of all filings or recordings necessary to perfect its Liens in the Collateral, as well as UCC and Lien searches and other evidence satisfactory to the Agent, including UCC financing statements which terminate or amend existing financing statements covering the Collateral (excluding any such financing statements in favor of the "Administrative Agent" as defined in the Second Lien Credit Agreement), all of such financing statements, amendments, and terminations (taken as a whole) indicating that the Agent's Liens are the only Liens upon the Collateral, other than Permitted Liens.

(c) To the extent requested by the Agent, the Agent shall have received duly executed Lien Waivers from each landlord where any material amount of Collateral is maintained or held.

(d) To the extent requested by the Agent, the Agent shall have received duly executed Deposit Account Control Agreements with respect to any of the Borrowers' Deposit Accounts.

(e) The Agent shall have received certificates, in form and substance satisfactory to it, from a knowledgeable Senior Officer of each Borrower certifying that, after giving effect to the initial Revolving Loans and transactions hereunder, (i) such Borrower is Solvent, (ii) no Default or Event of Default exists, (iii) the representations and warranties set forth in Section 9 are true and correct, and (iv) such Borrower has complied with all agreements and conditions to be satisfied by it under the Loan Documents.

(f) The Agent shall have received a certificate of a duly authorized officer of each Obligor, certifying (i) that attached copies of such Obligor's Organic Documents are true and complete, and in full force and effect, without amendment except as shown, (ii) that an attached copy of resolutions authorizing execution and delivery of the Loan Documents is true and complete, and that such resolutions are in full force and effect, were duly adopted, have not been amended, modified, or revoked, and constitute all resolutions adopted with respect to this credit facility, and (iii) to the title, name, and signature of each Person authorized to sign the Loan Documents. The Agent may conclusively rely on this certificate until it is otherwise notified by the applicable Obligor in writing.

(g) The Agent shall have received a written opinion of Wilson Sonsini Goodrich & Rosati, P.C., as well as any local counsel to the Borrowers, each in form and substance satisfactory to the Agent.

LOAN AND SECURITY AGREEMENT

Page 60

(h) The Agent shall have received copies of the charter documents of each Obligor, certified as appropriate by the Secretary of State or another official of such Obligor's jurisdiction of organization. The Agent shall have received good standing certificates for each Obligor, issued by the Secretary of State or other appropriate official of such Obligor's jurisdiction of organization and each jurisdiction where such Obligor's conduct of business or ownership of Property necessitates qualification.

(i) The Agent shall have received copies of policies and certificates of insurance for the property, casualty, and liability insurance policies carried by the Borrowers, all in compliance with the Loan Documents.

(j) The Agent shall have completed its legal due diligence of the Obligors with results satisfactory to the Agent.

(k) No material adverse change in the financial condition of any Obligor or in the value of any Collateral shall have occurred since September 30, 2005.

(l) The Borrowers shall have paid all fees and expenses to be paid to the Agent and the Lenders on the Closing Date.

(m) Upon giving effect to the initial funding of Revolving Loans and issuance of Letters of Credit, and the payment by the Borrowers of all fees and expenses incurred in connection herewith as well as any payables stretched beyond their customary payment practices, Availability shall be at least \$68,000,000 taking into account all contractual limitations on the Borrowers' ability to incur Indebtedness.

6.2. Conditions Precedent to All Credit Extensions. The Agent, the Issuing Bank, and the Lenders shall not be required to fund any Revolving Loans, arrange for issuance of any Letters of Credit, or grant any other accommodation to or for the benefit of the Borrowers, unless the following conditions are satisfied:

(a) no Default or Event of Default shall exist at the time of, or result from, such funding, issuance, or grant;

(b) the representations and warranties of each Obligor in the Loan Documents shall be true and correct on the date of, and upon giving effect to, such funding, issuance, or grant (except for representations and warranties that expressly relate to an earlier date);

(c) all conditions precedent set forth in Section 6.1 and any other Loan Document shall have been satisfied;

(d) no event shall have occurred or circumstance exist that has resulted in a Material Adverse Effect; and

(e) with respect to issuance of a Letter of Credit, the LC Conditions shall have been satisfied.

LOAN AND SECURITY AGREEMENT

Page 61

Each request (or deemed request) by the Borrowers for funding of a Revolving Loan, issuance of a Letter of Credit, or grant of an accommodation shall constitute a representation by the Borrowers that the foregoing conditions are satisfied on the date of such request and on the date of such funding, issuance, or grant. As an additional condition to any funding, issuance, or grant, the Agent shall have received such other information, documents, instruments, and agreements as it deems appropriate in connection therewith.

6.3. Limited Waiver of Conditions Precedent. If the Agent, the Issuing Bank, or the Lenders fund any Revolving Loans, arrange for issuance of any Letters of Credit, or grant any other accommodation when any conditions precedent are not satisfied (regardless of whether the lack of satisfaction was known or unknown at the time), it shall not operate as a waiver of (a) the right of the Agent, the Issuing Bank, and the Lenders to insist upon satisfaction of all conditions precedent with respect to any subsequent funding, issuance, or grant nor (b) any Default or Event of Default due to such failure of conditions or otherwise.

SECTION 7. COLLATERAL

7.1. Grant of Security Interest. To secure the prompt payment and performance of all Obligations, each Borrower hereby grants to the Agent, for the benefit of the Secured Parties, a continuing security interest in and Lien upon all personal Property of such Borrower, including all of the following

Property, whether now owned or hereafter acquired, and, unless noted otherwise, wherever located:

- (a) all Accounts;
- (b) all Chattel Paper, including electronic chattel paper;
- (c) all Commercial Tort Claims;
- (d) all Deposit Accounts;
- (e) all Documents;
- (f) all General Intangibles, including Payment Intangibles, Software, and Intellectual Property;
- (g) all Goods, including Inventory, Equipment, and fixtures;
- (h) all Instruments, excluding any notes or other instruments payable to such Borrower from any Foreign Subsidiary;
- (i) all Investment Property, excluding Equity Interests of Foreign Subsidiaries and Equity Interests of the Excluded Domestic Subsidiaries;
- (j) all Letter-of-Credit Rights;
- (k) all Supporting Obligations;
- (l) all Owned Real Estate;

LOAN AND SECURITY AGREEMENT

Page 62

(m) all monies, whether or not in the possession or under the control of the Agent, a Lender, or a bailee or Affiliate of the Agent or a Lender, including any Cash Collateral;

(n) all accessions to, substitutions for, and all replacements and products, of the foregoing;

(o) all books and records (including customer lists, files, correspondence, tapes, computer programs, print-outs, and computer records) pertaining to the foregoing; and

(p) all proceeds of any of the foregoing Collateral described in clause (a) through clause (o) preceding in whatever form (excluding specifically in any such case, any notes or other instruments payable to such Borrower from any Foreign Subsidiary and Equity Interests of Foreign Subsidiaries and Equity Interests of the Excluded Domestic Subsidiaries), including, but not limited to, cash, deposit accounts (whether or not comprised solely of proceeds), certificates of deposit, insurance proceeds (including hazard, flood, and credit insurance), negotiable instruments and other instruments for the payment of money, chattel paper, security agreements, documents, eminent domain proceeds, condemnation proceeds, and tort claim proceeds.

7.2. Lien on Deposit Accounts; Cash Collateral.

7.2.1. Deposit Accounts. To further secure the prompt payment and performance of all Obligations, each Borrower hereby grants to the Agent, for the benefit of the Secured Parties, a continuing security interest in and Lien upon all of such Borrower's right, title, and interest in and to each Deposit Account of such Borrower and any deposits or other sums at any time credited to any such Deposit Account, including any sums in any blocked or lockbox accounts or in any accounts into which such sums are swept. Each Borrower authorizes and directs each bank or other depository to deliver to the Agent upon its written demand therefor, made at any time that an Event of Default exists and without notice to such Borrower (such notice being hereby waived), all balances in each Deposit Account maintained by such Borrower with such depository for application to the Obligations then outstanding. Each Borrower irrevocably appoints the Agent as such Borrower's attorney-in-fact to collect such balances to the extent any

such delivery is not so made.

7.2.2. Cash Collateral. Any Cash Collateral may be invested, in the Agent's discretion, in Cash Equivalents, but the Agent shall have no duty to do so, regardless of any agreement, understanding, or course of dealing with any Borrower, and shall have no responsibility for any investment or loss. Each Borrower hereby grants to the Agent, for the benefit of the Secured Parties, a security interest in all Cash Collateral held from time to time and all proceeds thereof, as security for the Obligations, whether such Cash Collateral is held in the Cash Collateral Account or elsewhere. The Agent may apply Cash Collateral to the payment of any Obligations, in such order as the Agent may elect, as they become due and payable. The Cash Collateral Account and all Cash Collateral shall be under the sole dominion and control of the Agent. No Borrower or other Person

LOAN AND SECURITY AGREEMENT

Page 63

claiming through or on behalf of any Borrower shall have any right to any Cash Collateral, until Full Payment of all Obligations.

7.3. Real Estate Collateral. The Obligations shall also be secured by the Mortgage upon the Owned Real Estate. The Mortgage shall be duly recorded, at the Borrowers' expense, in the office where such recording is required to constitute a fully perfected Lien on the Owned Real Estate.

7.4. Other Collateral.

7.4.1. Commercial Tort Claims. The Borrowers shall promptly notify the Agent in writing if any Borrower has a Commercial Tort Claim (other than, as long as no Event of Default exists, a Commercial Tort Claim for less than \$500,000) and, upon the Agent's request, shall promptly execute such documents and take such actions as the Agent deems appropriate to confer upon the Agent (for the benefit of the Secured Parties) a duly perfected, first priority Lien upon such claim.

7.4.2. Certain After-Acquired Collateral. The Borrowers shall promptly notify the Agent in writing if, after the Closing Date, any Borrower obtains any interest in any Collateral consisting of Deposit Accounts, Chattel Paper, Documents, Instruments, Intellectual Property, Investment Property, or Letter-of-Credit Rights and, upon the Agent's request, shall promptly execute such documents and take such actions as the Agent deems appropriate to effect the Agent's duly perfected, first priority Lien upon such Collateral, including obtaining any appropriate possession, control agreement, or Lien Waiver. If any Collateral is in the possession of a third party, at the Agent's request, the Borrowers shall obtain an acknowledgment that such third party holds the Collateral for the benefit of the Agent.

7.5. No Assumption of Liability. The Lien on Collateral granted hereunder is given as security only and shall not subject the Agent or any Lender to, or in any way modify, any obligation or liability of the Borrowers relating to any Collateral.

7.6. Further Assurances. Promptly upon request, the Borrowers shall deliver such instruments, assignments, title certificates, or other documents or agreements, and shall take such actions, as the Agent deems appropriate under Applicable Law to evidence or perfect its Lien on any Collateral. Each Borrower authorizes the Agent to file any financing statement that indicates the Collateral as "all assets" or "all personal property" of such Borrower, or words to similar effect, and ratifies any action taken by the Agent before the Closing Date to effect or perfect its Lien on any Collateral.

SECTION 8. COLLATERAL ADMINISTRATION

8.1. Borrowing Base Certificates. By the fifteenth day of each calendar month, or more frequently as the Agent may request, the Borrowers shall deliver to the Agent (and the Agent shall promptly deliver same to the Lenders) a Borrowing Base Certificate prepared as of the last day of the preceding calendar month. All calculations of Availability in any Borrowing Base Certificate shall originally be made by the Borrowers and certified by a Senior Officer of the Borrower Agent or such other officer of the Borrower Agent as may be acceptable to the

Agent, provided that the Agent may from time to time review and adjust any such calculation (a) to reflect collections of Accounts received and (b) to the extent the calculation is not made in accordance with this Agreement or does not accurately reflect Reserves imposed by the Agent.

8.2. Administration of Accounts.

8.2.1. Records and Schedules of Accounts. Each Borrower shall keep accurate and complete records of its Accounts, including all payments and collections thereon, and shall submit to the Agent, on such periodic basis as the Agent may request, a sales and collections report, in form satisfactory to the Agent. Each Borrower shall also provide to the Agent, on or before the 15th day of each month, a detailed aged trial balance of all Accounts as of the end of the preceding month, in form satisfactory to the Agent. Upon request of the Agent, the Borrowers will deliver to the Agent, for each of their respective Account Debtors, contact information, including names, addresses, and telephone numbers, in form satisfactory to the Agent. If Accounts in an aggregate face amount of \$10,000,000 or more cease to be Eligible Accounts or Eligible Foreign Accounts, as applicable, the Borrowers shall notify the Agent of such occurrence promptly (and in any event within three Business Days) after any Borrower has knowledge thereof.

8.2.2. Taxes. If an Account of any Borrower includes a charge for any Taxes, the Agent is authorized, in its discretion, to pay the amount thereof to the proper taxing authority for the account of such Borrower and to charge the Borrowers therefor; provided that neither the Agent nor the Lenders shall be liable for any Taxes that may be due from the Borrowers or with respect to any Collateral.

8.2.3. Account Verification. Whether or not a Default or Event of Default exists, the Agent shall have the right at any time, in the name of the Agent, any designee of the Agent, or any Borrower, to verify the validity, amount, or any other matter relating to any Accounts of the Borrowers by mail, telephone, or otherwise. The Borrowers shall cooperate fully with the Agent in an effort to facilitate and promptly conclude any such verification process, and the Agent will, if any such verification is being conducted when no Event of Default exists, use reasonable efforts to inform the Borrower (by mail, telephone, or otherwise) that the Agent plans to conduct such verifications.

8.2.4. Maintenance of Dominion Account. The Borrowers shall maintain Dominion Accounts pursuant to arrangements acceptable to the Agent. To the extent requested by the Agent, the Borrowers shall obtain an agreement (in form and substance satisfactory to the Agent) from any lockbox servicer utilized by a Borrowers or the depository institution maintaining a Dominion Account (to the extent such depository institution is not the Agent), establishing the Agent's control over and Lien in such lockbox or Dominion Account, requiring immediate deposit of all remittances received in such lockbox to a Dominion Account or immediate transfer of all funds in such Dominion Account to the Agent for application to the Obligations, as applicable, and waiving offset rights of such servicer or bank against any funds collected in such lockbox or deposited into such Dominion Account, except offset rights for customary administrative charges. The Agent and the Lenders agree that the Agent's control over any lockbox or Dominion Account pursuant to this Section shall only be exercised after

the occurrence of an Event of Default. Each agreement with any lockbox servicer or depository maintaining a Dominion Account will provide that the Agent's authority to direct the deposit or transfer of funds received in such lockbox or deposited in such Dominion Account will not be effective until written notice is given by the Agent to such lockbox servicer or Dominion Account depository. Neither the Agent nor the

Lenders assume any responsibility to the Borrowers for any lockbox arrangement or Dominion Account, including any claim of accord and satisfaction or release with respect to any Payment Items accepted by any bank.

8.2.5. Proceeds of Collateral. After the occurrence of an Event of Default, upon request of the Agent, the Borrowers shall request in writing and otherwise take all reasonable steps to ensure that all payments on Accounts and all proceeds of the sale of any other Collateral are made directly to a Dominion Account (or a lockbox relating to a Dominion Account). After the occurrence of an Event of Default, if any Borrower or Subsidiary receives cash or Payment Items with respect to any Collateral, it shall hold same in trust for the Agent and promptly (not later than the next Business Day) deposit same into a Dominion Account.

8.3. Administration of Inventory.

8.3.1. Records and Reports of Inventory. Each Borrower shall keep accurate and complete records of its Inventory and shall submit to the Agent inventory reports in form reasonably satisfactory to the Agent (including a listing of the locations of the Borrowers' Inventory), concurrently with submission of each of the financial statements delivered to the Agent pursuant to Section 10.1.2(b) as of the last day of the preceding calendar month.

8.3.2. Maintenance. The Borrowers shall use, store, and maintain all Inventory with reasonable care and caution, in accordance with applicable standards of any insurance and in conformity with all Applicable Law, and shall make current rent payments (within applicable grace periods provided for in leases) at all locations where any Collateral is located.

8.4. Administration of Equipment.

8.4.1. Records and Schedules of Equipment. Each Borrower shall keep accurate and complete records of its Equipment, including kind, quality, quantity, cost, acquisitions, and dispositions thereof, and shall submit to the Agent, on such periodic basis as the Agent may request, a current schedule thereof, in form satisfactory to the Agent.

8.4.2. Condition of Equipment. Each Borrower shall keep its material Equipment that is necessary for the operation of its business in good operating condition and repair, and make all necessary replacements and repairs so that the value and operating efficiency of the Equipment is preserved at all times, reasonable wear and tear excepted. No Borrower shall permit any Equipment to become affixed to real Property unless any landlord or mortgagee delivers a Lien Waiver or similar instrument.

LOAN AND SECURITY AGREEMENT

Page 66

8.5. Administration of Deposit Accounts. Schedule 8.5 sets forth all Deposit Accounts maintained by the Borrowers. Each Borrower shall take all actions necessary to establish the Agent's control of each such Deposit Account (other than an account exclusively used for payroll, payroll taxes, or employee benefits, or an account containing not more than \$10,000 at any time). Each Borrower shall be the sole account holder of each Deposit Account and shall not allow any other Person (other than the Agent) to have control over a Deposit Account or any Property deposited therein. Each Borrower shall promptly notify the Agent of any opening or closing of a Deposit Account.

8.6. General Provisions.

8.6.1. Location of Equipment. All of the Borrowers' Equipment, other than de minimus amounts of Equipment as may be in the possession of employees and agents of the Borrowers, shall at all times be kept by the Borrowers at the business locations set forth in Schedule 8.6.1, except that UEI may move Equipment with an aggregate value of up to \$1,600,000 without any prior notice to the Agent.

8.6.2. Insurance of Collateral; Condemnation Proceeds.

(a) Each Borrower shall maintain insurance with respect to the Collateral, covering casualty, hazard, public liability, theft, malicious mischief, and such other risks, in such amounts, with such endorsements, and with such insurers (rated A+ or better by Best Rating Guide) as are reasonably satisfactory to the Agent. All proceeds under each policy shall be payable to the Agent. From time to time upon request, the Borrowers shall deliver the originals or certified copies of its insurance policies to the Agent. Unless the Agent shall agree otherwise, each policy shall include satisfactory endorsements (i) showing the Agent as loss payee or additional insured, as appropriate, (ii) requiring 30 days prior written notice to the Agent in the event of cancellation of the policy for any reason whatsoever, and (iii) specifying that the interest of the Agent shall not be impaired or invalidated by any act or neglect of any Borrower or the owner of the Property, nor by the occupation of the premises for purposes more hazardous than are permitted by the policy. If any Borrower fails to provide and pay for such insurance, the Agent may, at its option, but shall not be required to, procure the insurance and charge the Borrowers therefor. Each Borrower agrees to deliver to the Agent, promptly as rendered, copies of all reports made to insurance companies. While no Event of Default exists, the Borrowers may settle, adjust, or compromise any insurance claim, as long as the proceeds are delivered to the Agent. If an Event of Default exists, only the Agent shall be authorized to settle, adjust, and compromise such claims.

(b) During the existence of an Event of Default, any proceeds of insurance (other than proceeds from workers' compensation or D&O insurance) and any awards arising from condemnation of any Collateral shall be paid to the Agent and applied to payment of the Obligations in accordance with the provisions of Section 5.6.1. Proceeds from any business interruption insurance may be used by the Borrowers in the Ordinary Course of Business.

LOAN AND SECURITY AGREEMENT

Page 67

8.6.3. Protection of Collateral. All expenses of protecting, storing, warehousing, insuring, handling, maintaining, and shipping any Collateral, all Taxes payable with respect to any Collateral (including any sale thereof), and all other payments required to be made by the Agent to any Person to realize upon any Collateral, shall be borne and paid by the Borrowers. The Agent shall not be liable or responsible in any way for the safekeeping of any Collateral, for any loss or damage thereto (except for reasonable care in its custody while Collateral is in the Agent's actual possession), for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency, or other Person whatsoever, but the same shall be at the Borrowers' sole risk.

8.6.4. Defense of Title to Collateral. Each Borrower shall at all times defend its title to Collateral and the Agent's Liens therein against all Persons, claims, and demands whatsoever, except Permitted Liens.

8.7. Power of Attorney. Each Borrower hereby irrevocably constitutes and appoints the Agent (and all Persons designated by the Agent) as such Borrower's true and lawful attorney (and agent-in-fact) for the purposes provided in this Section. The Agent, or the Agent's designee, may, without notice and in either its or a Borrower's name, but at the cost and expense of the Borrowers:

(a) endorse a Borrower's name on any Payment Item or other proceeds of Collateral (including proceeds of insurance) that come into the Agent's possession or control; and

(b) during an Event of Default, (i) notify any Account Debtors of the assignment of their Accounts, demand, and enforce payment of Accounts, by legal proceedings or otherwise, and generally exercise any rights and remedies with respect to Accounts, (ii) settle, adjust,

modify, compromise, discharge, or release any Accounts or other Collateral, or any legal proceedings brought to collect Accounts or Collateral, (iii) sell or assign any Accounts and other Collateral upon such terms, for such amounts and at such times as the Agent deems advisable, (iv) take control, in any manner, of any proceeds of Collateral, (v) prepare, file, and sign a Borrower's name to a proof of claim or other document in a bankruptcy of an Account Debtor, or to any notice, assignment, or satisfaction of Lien or similar document, (vi) receive, open, and dispose of mail addressed to a Borrower, and notify postal authorities to change the address for delivery thereof to such address as the Agent may designate, (vii) endorse any Chattel Paper, Document, Instrument, invoice, freight bill, bill of lading, or similar document or agreement relating to any Accounts, Inventory, or other Collateral, (viii) use a Borrower's stationery and sign its name to verifications of Accounts and notices to Account Debtors, (ix) use the information recorded on or contained in any data processing equipment and computer hardware and software relating to any Collateral, (x) make and adjust claims under policies of insurance, (xi) take any action as may be necessary or appropriate to obtain payment under any letter of credit or banker's acceptance for which a Borrower is a beneficiary, and (xii) take all other actions as the Agent deems appropriate to fulfill any Borrower's obligations under the Loan Documents.

LOAN AND SECURITY AGREEMENT

Page 68

SECTION 9. REPRESENTATIONS AND WARRANTIES

9.1. General Representations and Warranties. To induce the Agent and the Lenders to enter into this Agreement and to make available the Revolving Commitments, Revolving Loans, and Letters of Credit, each Borrower represents and warrants that:

9.1.1. Organization and Qualification. Each Borrower is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization. Each Borrower is duly qualified, authorized to do business, and in good standing as a foreign corporation in each jurisdiction where failure to be so qualified could reasonably be expected to have a Material Adverse Effect.

9.1.2. Power and Authority. Each Obligor is duly authorized to execute, deliver, and perform its Loan Documents. The execution, delivery, and performance of the Loan Documents have been duly authorized by all necessary action, and do not (a) require any consent or approval of any holders of Equity Interests of any Obligor, other than those already obtained, (b) contravene the Organic Documents of any Obligor, (c) violate or cause a default under any Applicable Law or Material Contract, or (d) result in or require the imposition of any Lien (other than Permitted Liens) on any Property of any Obligor.

9.1.3. Enforceability. Each Loan Document is a legal, valid, and binding obligation of each Obligor party thereto, enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally and by equitable principles.

9.1.4. Capital Structure. Schedule 9.1.4 shows, for each Borrower and Subsidiary (a) its name, (b) its jurisdiction of organization, (c) as of the Closing Date, with respect to each Subsidiary, whether it is a Restricted Subsidiary or an Unrestricted Subsidiary, its authorized and issued Equity Interests, and the holders of its Equity Interests. Each Borrower has good title to its Equity Interests in its Subsidiaries, free of any Lien other than the Agent's Liens and Liens pursuant to the Second Lien Credit Agreement, and all such Equity Interests are duly issued, fully paid, and non-assessable.

9.1.5. Corporate Names; Locations. During the five years preceding the Closing Date, except as shown on Schedule 9.1.5A, no Borrower has been known as or used any corporate, fictitious, or trade names, has been the surviving corporation of a merger or combination, or has acquired any substantial part of the assets of any Person. The chief executive offices and other places of business of the Borrowers as of the Closing Date are shown on Schedule 8.6.1. Except as shown on Schedule 9.1.5B, during the five years preceding the Closing Date, no

Borrower has had any other office or place of business.

9.1.6. Title to Properties; Priority of Liens. Amkor has indefeasible title to the Owned Real Estate and each Borrower has good title (or valid interests in) all of its Property, including all Property reflected in any financial statements delivered to the Agent or the Lenders, in each case free of Liens except Permitted Liens. Each Borrower has paid and discharged all lawful claims that, if unpaid, could become a Lien on its Properties, other than Permitted Liens or as are being Properly Contested. The Agent's

LOAN AND SECURITY AGREEMENT

Page 69

Liens in the Collateral, excluding any Lien on Collateral for which a certificate of title is issued and the Agent is not in possession of such certificate of title and listed as first lienholder thereon, are duly perfected, first priority Liens, subject only to Permitted Liens that are expressly allowed to have priority over the Agent's Liens.

9.1.7. Accounts. The Agent may rely, in determining which Accounts are Eligible Accounts and Eligible Foreign Accounts, on all statements and representations made by the Borrowers with respect thereto. The Borrowers warrant, with respect to each Account at the time it is shown as an Eligible Account or an Eligible Foreign Account in a Borrowing Base Certificate, that:

(a) it is genuine and in all respects what it purports to be, and is not evidenced by a judgment;

(b) it arises out of a completed, bona fide sale and delivery of goods or rendition of services in the Ordinary Course of Business, and substantially in accordance with any purchase order, contract, or other document relating thereto;

(c) it is for a sum certain, maturing as stated in the invoice covering such sale or rendition of services, a copy of which has been furnished or is available to the Agent on request;

(d) it is not subject to any offset, Lien (other than the Agent's Lien and the Liens pursuant to the Second Lien Credit Agreement), deduction, defense, dispute, counterclaim, or other adverse condition except as arising in the Ordinary Course of Business and disclosed to the Agent, and it is absolutely owing by the Account Debtor, without contingency in any respect;

(e) no purchase order, agreement, document, or Applicable Law restricts assignment of the Account to the Agent (regardless of whether, under the UCC, the restriction is ineffective);

(f) no extension, compromise, settlement, modification, credit, deduction, or return has been authorized with respect to the Account, except discounts or allowances granted in the Ordinary Course of Business for prompt payment that are reflected on the face of the invoice related thereto and in the reports submitted to the Agent hereunder; and

(g) to the best of the Borrowers' knowledge, (i) there are no facts or circumstances that are reasonably likely to impair the enforceability or collectibility of such Account and (ii) the Account Debtor had the capacity to contract when the Account arose, continues to meet the applicable Borrower's customary credit standards, is Solvent, is not contemplating or subject to an Insolvency Proceeding, and has not failed or ceased doing business.

9.1.8. Financial Statements. The consolidated and consolidating balance sheets, and related statements of income, cash flow, and shareholder's equity, as applicable, of the Borrowers that have been and are from time to time hereafter delivered to the Agent

and the Lenders, are prepared in accordance with GAAP, and fairly present the financial positions and results of operations of the Borrowers at the dates and for the periods indicated. Since September 30, 2005 there has been no change in the condition, financial or otherwise, of any Borrower that could reasonably be expected to have a Material Adverse Effect. No financial statement delivered to the Agent or the Lenders at any time contains any untrue statement of a material fact, nor fails to disclose any material fact necessary to make such financial statement not materially misleading. Each Borrower is Solvent.

9.1.9. Surety Obligations. No Borrower is obligated as surety or indemnitor under any bond or other contract that assures payment or performance of any obligation of any Person, except as permitted hereunder.

9.1.10. Taxes. Each Borrower has filed all federal, state, and local tax returns and other reports that it is required by law to file, and has paid, or made provision for the payment of, all Taxes upon it, its income, and its Properties that are due and payable, except to the extent being Properly Contested or where the failure to do so could reasonably be expected to result in any liability in excess of \$10,000,000. The provision for Taxes on the books of each Borrower is adequate for all years not closed by applicable statutes, and for its current Fiscal Year.

9.1.11. Brokers. There are no brokerage commissions, finder's fees, or investment banking fees payable in connection with any transactions contemplated by the Loan Documents.

9.1.12. Intellectual Property. Each Borrower owns or has the lawful right to use all Intellectual Property reasonably necessary for the conduct of its business, without conflict with any rights of others except for any such conflict that could not reasonably be expected to have a Material Adverse Effect. As of the Closing Date, (a) except as set forth in Schedule 9.1.17, there is no pending or threatened (in writing) Intellectual Property Claim with respect to any Borrower or any of their Intellectual Property, (b) except as disclosed on Schedule 9.1.12, no Borrower pays or owes any Royalty or other compensation to any Person with respect to any Intellectual Property, and (c) all Intellectual Property registered in the United States owned, used, or licensed by any Borrower is shown on Schedule 9.1.12.

9.1.13. Governmental Approvals. Each Borrower has, and is in compliance with, and is in good standing with respect to, all Governmental Approvals necessary to conduct its business and to own, lease, and operate its Properties, in each case in all material respects. All necessary import, export, or other licenses, permits, or certificates for the import or handling of any goods or other Collateral have been procured and are in effect, and the Borrowers have complied with all foreign and domestic laws with respect to the shipment and importation of any goods or Collateral, except, in each case, where such failure or noncompliance could not reasonably be expected to have a Material Adverse Effect.

9.1.14. Compliance with Laws. Each Borrower has duly complied, and its Properties and business operations are in compliance, in all material respects with all Applicable Law, except where noncompliance could not reasonably be expected to have a Material Adverse Effect. There have been no material citations, notices, or orders of noncompliance issued to any Borrower under any Applicable Law. To each Borrower's knowledge, no Inventory has been produced in violation of the FLSA.

9.1.15. Compliance with Environmental Laws. Except as disclosed on Schedule 9.1.15, no Borrower's operations, Real Estate, or other Properties are subject to any federal, state, or local

investigation to determine whether any remedial action is needed to address any environmental pollution, hazardous material, or environmental clean-up. No Borrower has received any Environmental Notice. No Borrower has any contingent liability with respect to any Environmental Release, environmental pollution, or hazardous material on any Real Estate now or previously owned, leased, or operated by it.

9.1.16. Burdensome Contracts. No Borrower is a party or subject to any contract, agreement, or charter restriction that could reasonably be expected to have a Material Adverse Effect. As of the Closing Date, no Borrower is party or subject to any Restrictive Agreement, except as shown on Schedule 9.1.16, none of which prohibit the execution or delivery of any Loan Documents by an Obligor nor the performance by an Obligor of any obligations thereunder.

9.1.17. Litigation. Except as shown on Schedule 9.1.17, there are no proceedings or investigations pending or, to any Borrower's knowledge, threatened against any Borrower, or any of their businesses, operations, Properties, prospects, or conditions, that (a) relate to any Loan Documents or transactions contemplated thereby, or (b) as of the Closing Date, could reasonably be expected to have a Material Adverse Effect if determined adversely to any Borrower. No Borrower is in default with respect to any order, injunction, or judgment of any Governmental Authority.

9.1.18. No Defaults. No event or circumstance has occurred or exists that constitutes a Default or Event of Default. No Borrower is in default, and no event or circumstance has occurred or exists that with the passage of time or giving of notice would constitute a default, under any Material Contract or in the payment of principal or interest with respect to any Borrowed Money. Except as could not reasonably be expected to result in a Material Adverse Effect, there is no basis upon which any party (other than a Borrower) could terminate a Material Contract prior to its scheduled termination date.

9.1.19. ERISA. Each Borrower is in full compliance with the requirements of all Applicable Law, including ERISA, relating to each Multiemployer Plan. No fact or situation exists that could reasonably be expected to result in a Material Adverse Effect in connection with any Multiemployer Plan. No Borrower has any withdrawal liability in connection with a Multiemployer Plan. As of the Closing Date, no Borrower has any liability with respect to the Foreign Plans in excess of the amount specified in Amkor's financial statements dated September 30, 2005 delivered to the Lenders, plus any

LOAN AND SECURITY AGREEMENT

Page 72

additional amount accrued in the Ordinary Course of Business since such date and additional amounts resulting from changes in currency exchange rates.

9.1.20. Trade Relations. There exists no actual or threatened termination or limitation of any business relationship between any Borrower and any customer or supplier, or any group of customers or suppliers, which individually or in the aggregate could reasonably be expected to result in a Material Adverse Effect. There exists no condition or circumstance that could reasonably be expected to materially impair the ability of any Borrower to conduct its business at any time hereafter in substantially the manner as conducted on the Closing Date.

9.1.21. Labor Relations. Except as described on Schedule 9.1.21, as of the Closing Date, no Borrower is party to or bound by any collective bargaining agreement. There are no material grievances, disputes, or controversies with any union or other organization of any Borrower's employees, or, to any Borrower's knowledge, any asserted or threatened strikes, work stoppages, or demands for collective bargaining.

9.1.22. Reserved.

9.1.23. Not a Regulated Entity. No Obligor is (a) an "investment company" or a "person directly or indirectly controlled by

or acting on behalf of an investment company" within the meaning of the Investment Company Act of 1940, (b) a "holding company," a "subsidiary company" of a "holding company," or an "affiliate" of either, within the meaning of the Public Utility Holding Company Act of 1935, or (c) subject to regulation under the Federal Power Act, the Interstate Commerce Act, any public utilities code or any other Applicable Law regarding its authority to incur Indebtedness.

9.1.24. Margin Stock. No Borrower is engaged, principally or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. No Revolving Loan proceeds or Letters of Credit will be used by the Borrowers to purchase or carry, or to reduce or refinance any Indebtedness incurred to purchase or carry, any Margin Stock or for any related purpose governed by Regulations T, U, or X of the Board of Governors.

9.1.25. Plan Assets. No Borrower is an entity deemed to hold "plan assets" within the meaning of 29 C.F.R. Section 2510.3-101 of any "employee benefit plan" (as defined in Section 3(3) of ERISA) that is subject to Title I of ERISA or any "plan" (within the meaning of Section 4975 of the Internal Revenue Code), and neither the execution of this Agreement nor the funding of any Revolving Loans gives rise to a prohibited transaction within the meaning of Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

9.2. Complete Disclosure. No Loan Document contains any untrue statement of a material fact, nor when viewed together with Amkor's periodic reports filed under the Exchange Act and the rules and regulations promulgated thereunder fails to disclose any material fact necessary to make the statements contained therein not materially misleading. There is no fact or circumstance that any Obligor has failed to disclose to the Agent in writing or is included in its

LOAN AND SECURITY AGREEMENT

Page 73

periodic reports filed under the Exchange Act and the rules and regulations promulgated thereunder that could reasonably be expected to have a Material Adverse Effect.

SECTION 10. COVENANTS AND CONTINUING AGREEMENTS

10.1. Affirmative Covenants. For so long as any Revolving Commitments or Obligations are outstanding, each Borrower shall, and shall cause each other Obligor to keep the following covenants.

10.1.1. Inspections.

(a) Each Borrower shall, and shall cause each other Obligor to, permit the Agent from time to time, subject to (except when a Default or Event of Default exists) reasonable notice and normal business hours, to visit and inspect the Properties of any Borrower or Obligor, inspect, audit, and make extracts from any Borrower's or Subsidiary's books and records, and discuss with its officers, employees, agents, advisors, and independent accountants such Borrower's or Obligor's business, financial condition, assets, prospects, and results of operations. The Lenders may participate in any such visit or inspection, at their own expense. Neither the Agent nor any Lender shall have any duty to any Borrower to make any inspection, nor to share any results of any inspection or report with any Borrower.

(b) Each Borrower shall, and shall cause each Obligor to, reimburse the Agent for all charges, costs, and expenses of the Agent in connection with examinations of any Obligor's books and records or any other financial or Collateral matters as the Agent deems appropriate. Subject to the foregoing, the Borrowers shall pay the Agent's standard charges (\$850 per day as of the Closing Date) for each day that an employee of the Agent or its Affiliates is engaged in any examination activities.

10.1.2. Financial and Other Information. Each Borrower shall, and shall cause each Obligor to, keep adequate records and books of account with respect to its business activities, in which proper entries are made in accordance with GAAP reflecting all financial transactions, and furnish to the Agent and the Lenders:

(a) as soon as available, and in any event upon the earlier of 120 days after the end of each Fiscal Year or the filing of Amkor's annual report on Form 10-K, balance sheets as of the end of such Fiscal Year and the related statements of income, cash flow, and shareholders' equity for such Fiscal Year, on both a consolidated basis for Amkor and its Subsidiaries and on a consolidating basis for the Borrowers with respect to balance sheets and statements of income, which consolidated statements shall be certified by a firm of independent certified public accountants of recognized national standing selected by the Borrowers and acceptable to the Agent, and shall set forth in comparative form corresponding figures for the preceding Fiscal Year;

LOAN AND SECURITY AGREEMENT

Page 74

(b) as soon as available, and in any event within 35 days after the end of each month, but for each month which is the last month of a Fiscal Quarter, within the earlier to occur of 60 days after the last day of such month or the filing of Amkor's quarterly report on Form 10-Q, unaudited balance sheets as of the end of such month and the related statements of income for such month and for the portion of the Fiscal Year then elapsed, on a consolidated basis and consolidating basis with respect to balance sheets and statements of income for the Borrowers and cash flow as of the end of a Fiscal Quarter on a consolidated basis, setting forth in comparative form corresponding figures for the preceding Fiscal Year and certified by the principal financial officer of the Borrower Agent as prepared in accordance with GAAP and fairly presenting the financial position and results of operations for such month and period, subject only to changes from audit and year-end adjustments and except that such statements need not contain notes;

(c) concurrently with delivery of financial statements under clause (a) and clause (b) preceding, or more frequently if requested by the Agent while a Default or Event of Default exists, a Compliance Certificate executed by the chief financial officer of the Borrower Agent or such other officer of the Borrower Agent as may be acceptable to the Agent;

(d) concurrently with delivery of financial statements under clause (a) and clause (b) preceding, (i) a listing of each new business location of the Borrowers and (ii) a listing of each registration by any Borrower of any patent, trademark, or copyright with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, together with all information required by the Agent to perfect the Agent's Liens in such Intellectual Property;

(e) not later than 30 days prior to the end of each Fiscal Year, projections of the Borrowers' consolidated balance sheets, results of operations, cash flow, and Availability for the next three Fiscal Years, year by year, and for the next Fiscal Year, on a fiscal quarter basis;

(f) at the Agent's request, a listing of each Borrower's trade payables, specifying the trade creditor and balance due, and a detailed trade payable aging, all in form satisfactory to the Agent;

(g) promptly after the sending or filing thereof, (i) copies of any proxy statements, financial statements, or reports that any Borrower has made generally available to its

shareholders, (ii) copies of any regular, periodic, and special reports or registration statements or prospectuses that any Borrower files with the Securities and Exchange Commission or any other Governmental Authority, or any securities exchange; and (iii) copies of any press releases or other statements made available by a Borrower to the public concerning material changes to or developments in the business of such Borrower;

(h) promptly upon the request of the Agent, copies of any annual report filed in connection with a Plan, and such other reports and information

LOAN AND SECURITY AGREEMENT

Page 75

(financial or otherwise) as may be requested by the Agent in connection with any Collateral or any Obligor's financial condition or business; and

(i) concurrently with delivery of each Borrowing Base Certificate provided pursuant to Section 8.1, a calculation of the Borrowers' cash and Cash Equivalents, as required to calculate Total Availability, maintained in the United States as of the effective date of such Borrowing Base Certificate.

Simultaneously with retaining accountants for their annual audit, the Borrowers shall send a letter to the accountants, with a copy to the Agent and the Lenders, notifying the accountants that one of the primary purposes for retaining their services and obtaining audited financial statements is for use by the Agent and the Lenders. The Agent is authorized to send such notice if the Borrowers fail to do so for any reason.

10.1.3. Notices. Each Borrower shall notify the Agent and the Lenders in writing, promptly after a Borrower's obtaining knowledge thereof, of any of the following that affects any Obligor: (a) the threat or commencement of any proceeding or investigation, whether or not covered by insurance, if an adverse determination could reasonably be expected to have a Material Adverse Effect; (b) any pending or threatened labor dispute, strike, or walkout, or the expiration of any material labor contract to the extent any such dispute, strike, walkout, or expiration could reasonably be expected to cause a Material Adverse Effect; (c) any material breach of, event of default under, or termination prior to its scheduled termination date of a Material Contract; (d) the existence of any Default or Event of Default; (e) any judgment in an amount exceeding \$1,000,000; (f) the assertion of any Intellectual Property Claim, if an adverse resolution could reasonably be expected to have a Material Adverse Effect; (g) any violation or asserted violation of any Applicable Law (including ERISA, OSHA, FLSA, or any Environmental Laws), if an adverse resolution could reasonably be expected to have a Material Adverse Effect; (h) any Environmental Release by an Obligor or on any Property owned, leased, or occupied by an Obligor; or receipt of any Environmental Notice; (i) the discharge of or any withdrawal or resignation by the Borrowers' independent accountants; or (j) any opening of a new office or place of business.

10.1.4. Reserved.

10.1.5. Compliance with Laws. Each Borrower shall, and shall cause each Obligor to, comply with all material Applicable Laws, including ERISA, Environmental Laws, FLSA, OSHA, Anti-Terrorism Laws, and laws regarding collection and payment of Taxes, and maintain all Governmental Approvals necessary to the ownership of its Properties or conduct of its business, unless, in each case, failure to comply (other than failure to comply with Anti-Terrorism Laws) or maintain compliance could not reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, if any Environmental Release occurs at or on any Properties of any Borrower, it shall act promptly and diligently to investigate and report to the Agent and all appropriate Governmental Authorities the extent of, and to make appropriate remedial action to eliminate, such Environmental Release, whether or not directed to do so by any Governmental Authority.

10.1.6. Taxes. Each Borrower shall pay and discharge all material Taxes prior to the date on which they become delinquent or penalties attach, unless such Taxes are being Properly Contested.

10.1.7. Insurance. Each Borrower shall, in addition to the insurance required hereunder with respect to Collateral, maintain insurance with insurers satisfactory to the Agent with respect to the Properties and business of the Borrowers of such type, in such amounts, and with such coverages and deductibles as are customary for companies similarly situated.

10.1.8. Licenses. Each Borrower shall (a) keep each material License affecting any Collateral (including the manufacture, distribution, or disposition of Inventory) or any other material Property of the Borrowers in full force and effect, (b) pay all Royalties when due, and (c) notify the Agent of any default or breach asserted by any Person to have occurred under any material License affecting any Collateral.

10.1.9. Future Subsidiaries. Each Borrower shall promptly notify the Agent upon any Person becoming a Subsidiary. Excluding the Excluded Domestic Subsidiaries, each Domestic Subsidiary formed or acquired after the Closing Date which at any time has assets in excess of \$10,000, shall guarantee the Obligations in a manner satisfactory to the Agent, and execute and deliver such documents, instruments, and agreements and take such other actions as the Agent shall require to evidence and perfect a Lien in favor of the Agent (for the benefit of the Secured Parties) on all assets of such Person, including delivery of such legal opinions, in form and substance satisfactory to the Agent, as it shall deem appropriate.

10.1.10. Designation of Restricted and Unrestricted Subsidiaries. The board of directors of Amkor may designate any Restricted Subsidiary to be an Unrestricted Subsidiary so long as such designation would not cause a Default or Event of Default hereunder; provided that Amkor delivers notice of any such designation to the Agent at least five days prior to the effective date of such designation. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, all outstanding Investments owned by Amkor and its Restricted Subsidiaries in the Subsidiary so designated will be deemed to be an Investment made as of the time of such designation and will reduce the amount available for Restricted Payments under Section 10.2.2 or Permitted Investments, as applicable. All such outstanding Investments will be valued at their fair market value at the time of such designation. That designation will only be permitted if such Restricted Payment would be permitted at that time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The board of directors of Amkor may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if the redesignation would not cause a Default or Event of Default.

10.2. Negative Covenants. For so long as any Revolving Commitments or Obligations are outstanding, each Borrower shall, and shall cause each Subsidiary keep the following covenants.

10.2.1. Stay, Extension and Usury Laws. Each Borrower covenants (to the extent that it may lawfully do so) that it shall not, and that none of the other Obligors shall, at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension, or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Agreement or any other Loan Document, and each Borrower hereby expressly waives all benefit or advantage of any such law, and covenants that it shall not, by resort to any such law, hinder, delay, or impede the execution of any power herein granted to the Agent or the Lenders, but shall suffer and permit the execution of every such power as though no such law has been enacted.

10.2.2. Restricted Payments.

(a) Amkor will not, nor will it permit any of its Restricted Subsidiaries to, directly or indirectly (w) declare or pay any dividend or make any other payment or distribution on account of Amkor's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving Amkor or any of its Restricted Subsidiaries) or to the direct or indirect holders of Amkor's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of Amkor or to Amkor or a Restricted Subsidiary of Amkor), (x) purchase, redeem, or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving Amkor) any Equity Interests of Amkor or any direct or indirect parent of Amkor or any Restricted Subsidiary of Amkor (other than any such Equity Interests owned by Amkor or any Restricted Subsidiary of Amkor), (y) make any payment on or with respect to, or purchase, redeem, defease, or otherwise acquire or retire for value any Subordinated Debt, except a payment of interest or principal at the Stated Maturity thereof, or (z) make any Restricted Investment (all such payments and other actions set forth in clause (w) through clause (z) preceding being collectively referred to as "Restricted Payments"), unless, at the time of and after giving effect to such Restricted Payment:

(i) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(ii) Amkor would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least \$1.00 of additional Indebtedness pursuant to Section 10.2.4; and

(iii) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by Amkor and its Restricted Subsidiaries after October 27, 2004 (excluding Restricted Payments permitted by clause (ii), clause (iii), clause (iv), clause (vii), and

LOAN AND SECURITY AGREEMENT

Page 78

clause (ix) of Section 10.2.2(b)), is less than the sum, without duplication, of (A) 50.0% of the Consolidated Net Income of Amkor for the period (taken as one period) from the beginning of the Fiscal Quarter commencing on April 1, 2003 to the end of Amkor's most recently ended Fiscal Quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), plus (B) 100% of the aggregate net cash proceeds received by Amkor since May 8, 2003 as a contribution to its common equity capital or from the issue or sale of Equity Interests of Amkor (other than Disqualified Stock) (other than Equity Interests (or Disqualified Stock or debt securities) sold to a Subsidiary of Amkor), plus (C) to the extent that any Restricted Investment that was made after October 27, 2004 is sold for cash or otherwise liquidated or repaid for cash, the lesser of (y) the cash return of capital with respect to such Restricted Investment (less the cost of disposition, if any) and (z) the initial amount of

such Restricted Investment, plus (D) the amount by which (1) Indebtedness (other than Disqualified Stock) of Amkor or any Restricted Subsidiary issued after the Closing Date is reduced on Amkor's consolidated balance sheet (if prepared in accordance with GAAP as of the date of determination) and (2) Disqualified Stock of Amkor issued after October 27, 2004 (held by any Person other than any Restricted Subsidiary) is reduced (measured with reference to its redemption or repurchase price), in each case, as a result of the conversion or exchange of any such Indebtedness or Disqualified Stock into Equity Interests (other than Disqualified Stock) of Amkor, less, in each case, any cash distributed by Amkor upon such conversion or exchange, plus (E) to the extent that any Investment in any Unrestricted Subsidiary that was made after October 27, 2004 is sold for cash or otherwise liquidated, repaid for cash or such Unrestricted Subsidiary is converted into a Restricted Subsidiary, the lesser of (y) an amount equal to the sum of (1) the net reduction in Investments in Unrestricted Subsidiaries resulting from dividends, repayments of loans or advances, or other transfers of assets, in each case to Amkor or any Restricted Subsidiary from Unrestricted Subsidiaries, and (2) the fair market value of the net assets of an Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary and (z) the remaining amount of the Investment in such Unrestricted Subsidiary which has not been repaid or converted into cash or assets.

(b) Section 10.2.2(a) preceding will not prohibit (i) the payment of any dividend within 60 days after the date of declaration thereof, if at the date of declaration no Default or Event of Default has occurred and is continuing or would be caused thereby and such payment would have complied with the provisions of this Agreement, (ii) the making of any payment on or with respect to, or in connection with, the redemption, repurchase, retirement, defeasance, or other acquisition of, any Indebtedness of Amkor or any Restricted Subsidiary that is subordinated to the Obligations or of any Equity Interests of Amkor or

LOAN AND SECURITY AGREEMENT

Page 79

any Restricted Subsidiary in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to a Subsidiary of Amkor) of, Equity Interests (other than Disqualified Stock) of Amkor or any subordinated Indebtedness of Amkor; provided that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement, defeasance, or other acquisition shall be excluded from clause (a)(iii)(B) preceding, (iii) the making of any payment on or with respect to, or in connection with, the defeasance, redemption, repurchase, or other acquisition of Indebtedness of Amkor or any Restricted Subsidiary that is subordinated to the Obligations with the net cash proceeds from the incurrence of Permitted Refinancing Indebtedness, (iv) the payment of any dividend by a Restricted Subsidiary of Amkor to the holders of its common capital stock on a pro rata basis, (v) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the repurchase, redemption, or other acquisition or retirement for value of any Equity Interests of Amkor or any Restricted Subsidiary of Amkor held by any employee of Amkor or any Restricted Subsidiary pursuant to any employee equity subscription agreement, stock ownership plan, or stock option agreement in effect from time to time; provided that the aggregate price paid for all such repurchased, redeemed, acquired, or retired Equity Interests shall not exceed \$2,000,000 in any twelve-month period and \$10,000,000 in the aggregate since October 27, 2004, (vi) the making of any

payment on or with respect to, or repurchase, redemption, defeasance, or other acquisition or retirement for value of the Convertible Subordinated Notes in connection with (A) so long as no Event of Default has occurred and is continuing or would be caused thereby, an optional redemption of any Convertible Subordinated Notes on or after the dates such notes become redeemable or (B) the honoring by Amkor of any conversion request into Equity Interests (other than Disqualified Stock) by a holder of any Convertible Subordinated Notes or any future convertible notes of Amkor (including the payment by Amkor of any cash in lieu of fractional shares) in accordance with their terms, (vii) that portion of Investments the payment for which consists exclusively of Equity Interests (other than Disqualified Stock) of Amkor, (viii) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, other Restricted Payments in an aggregate amount not to exceed \$75,000,000 during the period beginning October 27, 2004 and continuing through and including the Termination Date, (ix) the repurchase of Equity Interests of Amkor that may be deemed to occur upon the exercise of stock options if such Equity Interests represent a portion of the exercise price thereof, (x) any payments to one or more shareholders of Amkor in connection with settling shareholder obligations for income taxes in respect of tax periods ending prior to the conversion of Amkor from "S" corporation status to "C" corporation status, and (xi) in the case of an Asset Sale, any mandatory offer to repurchase the Senior Subordinated Notes in connection with an Asset Sale after Amkor has complied with its obligations to the Lenders under Section 5.2.

(c) The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by Amkor or such Restricted

LOAN AND SECURITY AGREEMENT

Page 80

Subsidiary, as the case may be, pursuant to the Restricted Payment. The fair market value of any assets or securities that are required to be valued by this covenant with a fair market value in excess of \$1,000,000 but less than \$5,000,000 shall be evidenced by an Officers' Certificate which shall be delivered to the Agent. The fair market value of any assets or securities that are required to be valued by this covenant with a fair market value in excess of \$5,000,000 shall be determined by Amkor's board of directors whose resolution with respect thereto shall be delivered to the Agent. Not later than the date of making any Restricted Payment, Amkor shall deliver to the Agent an Officers' Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by this Section 10.2.2 were computed, together with a copy of any fairness opinion or appraisal required by this Agreement.

10.2.3. Dividend and Other Payment Restrictions Affecting Subsidiaries. Amkor shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any encumbrance or restriction on the ability of any Restricted Subsidiary to (a) (i) pay dividends or make any other distributions to Amkor or any of its Restricted Subsidiaries (A) on such Restricted Subsidiary's Equity Interests or (B) with respect to any other interest or participation in, or measured by, such Restricted Subsidiary's profits or (ii) pay any indebtedness owed to Amkor or any of its Restricted Subsidiaries, (b) make loans or advances to Amkor or any of its Restricted Subsidiaries, or (c) transfer any of its properties or assets to Amkor or any of its Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reasons of (I) Existing Indebtedness as in effect on the date hereof and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings thereof, provided that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, or refinancings are

no more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in such Existing Indebtedness, as in effect on the date hereof, (II) this Agreement, (III) applicable law, (IV) any instrument governing Indebtedness or Equity Interests of a Person acquired by Amkor or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired, provided that, in the case of Indebtedness, such Indebtedness was permitted by the terms of this Agreement to be incurred, (V) customary non-assignment provisions in leases, licenses, and other contracts entered into in the ordinary course of business and consistent with past practices, (VI) purchase money obligations or Capital Lease Obligations for property acquired in the ordinary course of business that impose restrictions on the property so acquired of the nature described in clause (c) preceding, (VII) any agreement for the sale or other disposition of a Restricted Subsidiary that restricts dividends, distributions, loans, advances, or transfers by such Restricted Subsidiary pending its sale or other disposition, (VIII) Permitted Refinancing Indebtedness, provided that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are no more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced, (IX) agreements entered into with respect to Liens

LOAN AND SECURITY AGREEMENT

Page 81

securing Indebtedness otherwise permitted to be incurred pursuant to the provisions of Section 10.2.7 that limit the right of Amkor or any of its Restricted Subsidiaries to dispose of the assets subject to such Lien, (X) provisions with respect to the disposition or distribution of assets or property in joint venture agreements and other similar agreements entered into in the ordinary course of business, (XI) restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business, (XII) any Receivables Program for any Subsidiary of Amkor which is not a Borrower, and (XIII) any restriction imposed pursuant to contracts for the sale of assets with respect to the transfer of the assets to be sold pursuant to such contract.

10.2.4. Incurrence of Indebtedness and Issuance of Preferred Stock.

(a) Amkor shall not, and shall not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee, or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "incur") any Indebtedness (including Acquired Indebtedness), and Amkor will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, however, that Amkor and any Restricted Subsidiary that is a Subsidiary Guarantor may incur Indebtedness (including Acquired Indebtedness), and Amkor may issue Disqualified Stock, and any Restricted Subsidiary that is a Subsidiary Guarantor may issue preferred stock, if the Consolidated Interest Expense Coverage Ratio for Amkor's most recently ended four full Fiscal Quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or preferred stock is issued would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred, or the Disqualified Stock or preferred stock had been issued, as the case may be, at the beginning of such four-quarter period.

(b) Section 10.2.4(a) preceding will not prohibit the incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(i) the incurrence by Amkor and its Restricted Subsidiaries of any Permitted Bank Debt; provided that the aggregate principal amount of all such Indebtedness and the Indebtedness under the Second Lien Credit Agreement at any one time outstanding shall not exceed the greater of (A) \$100,000,000, plus 85.0% of the consolidated accounts receivable of Amkor, plus 50.0% of the consolidated inventory of Amkor and (B) the product of 2.25 multiplied by the Consolidated Cash Flow for Amkor's most recently ended four full Fiscal Quarters for which internal financial statements are available immediately preceding the date on which such Permitted Bank Debt is incurred; provided, further, that none of such Indebtedness (including specifically any Permitted Bank Debt other than the Obligations) may be secured by any of the Collateral;

LOAN AND SECURITY AGREEMENT

Page 82

(ii) the incurrence by Amkor and its Subsidiaries of Existing Indebtedness;

(iii) the incurrence by the Obligors of the Obligations;

(iv) the incurrence by Amkor or any of its Restricted Subsidiaries of (A) Indebtedness incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant, or equipment used in the business of Amkor or any of its Restricted Subsidiaries and (B) Capital Lease Obligations, in an aggregate amount at any time outstanding, including all Permitted Refinancing Indebtedness incurred to refund, refinance, or replace any Indebtedness incurred pursuant to this clause (iv), not to exceed the greater of \$75,000,000 or 10.0% of Amkor's Consolidated Net Assets;

(v) the incurrence by Amkor or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to refund, refinance, or replace, Indebtedness (other than intercompany Indebtedness) that was permitted by this Agreement to be incurred under Section 10.2.4(a) or clause (ii), clause (v), clause (xiii), or clause (xiv) of this Section 10.2.4(b);

(vi) the incurrence by Amkor or any of its Restricted Subsidiaries of intercompany Indebtedness between or among Amkor and any of its Restricted Subsidiaries; provided, however, that (A) if Amkor or any Subsidiary Guarantor is the obligor on such Indebtedness and such Indebtedness is in favor of a Restricted Subsidiary other than a Wholly Owned Restricted Subsidiary, such Indebtedness must be expressly subordinated to the prior payment in full in cash of the Obligations and (B) (I) any subsequent issuance or transfer of Equity Interests that results in such Indebtedness being held by a Person other than Amkor or a Wholly Owned Restricted Subsidiary thereof and (II) any sale or other transfer of any such Indebtedness to a Person that is not either Amkor or a Wholly Owned Restricted Subsidiary thereof, shall be deemed, in each case, to constitute an incurrence of such Indebtedness by Amkor or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (vi);

(vii) the incurrence by Amkor or any of its

Restricted Subsidiaries of Hedging Obligations that are incurred for the purpose of fixing or hedging interest rate, commodity, or currency risk in the ordinary course of business for bona fide hedging purposes; provided that the notional principal amount of any such Hedging Obligation with respect to interest rates does not exceed the amount of Indebtedness or other liability to which such Hedging Obligation relates;

LOAN AND SECURITY AGREEMENT

Page 83

(viii) the Guarantee by Amkor or any of the Subsidiary Guarantors or a Restricted Subsidiary of Amkor that was permitted to be incurred by another provision of this Section 10.2.4;

(ix) the incurrence by Amkor's Unrestricted Subsidiaries of Non-Recourse Debt; provided, however, that if any such Indebtedness ceases to be Non-Recourse Debt of an Unrestricted Subsidiary, such event shall be deemed to constitute an incurrence of Indebtedness by a Restricted Subsidiary of Amkor that was not permitted by this clause (ix);

(x) the incurrence of Indebtedness solely in respect of performance, surety, and similar bonds or completion or performance Guarantees, to the extent that such incurrence does not result in the incurrence of any obligation for the payment of borrowed money to others;

(xi) the incurrence of Indebtedness arising from the agreements of Amkor or a Restricted Subsidiary of Amkor providing for indemnification, adjustment of purchase price, or similar obligations, in each case, incurred or assumed in connection with the disposition of any business, assets, or a Subsidiary; provided, however, that (A) such Indebtedness is not reflected as a liability on the balance sheet of Amkor or any Restricted Subsidiary of Amkor and (B) the maximum assumable liability in respect of all such Indebtedness shall at no time exceed the gross proceeds, including non-cash proceeds (the fair market value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received by Amkor and its Restricted Subsidiaries in connection with such disposition;

(xii) the accrual of interest, accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, and the payment of dividends on Disqualified Stock in the form of additional shares of the same class of Disqualified Stock; provided, in each such case, that the amount thereof is included in Consolidated Interest Expense of Amkor as accrued;

(xiii) the incurrence of Indebtedness by Foreign Subsidiaries in an amount not to exceed 10.0% of the Total Tangible Assets of the Foreign Subsidiaries, taken as a whole; and

(xiv) the incurrence by Amkor or any of its Restricted Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to refund, refinance, or replace any Indebtedness incurred pursuant to this clause (xiv), not to exceed \$50,000,000.

Notwithstanding any other provision of this Section 10.2.4(b), none of the Permitted Debt, other than the Obligations and the Term Loan, may at any time be secured by a Lien on any or all of the Collateral.

(c) Indebtedness or preferred stock of any Person which is outstanding at the time such Person becomes a Restricted Subsidiary of Amkor (including upon designation of any Subsidiary or other Person as a Restricted Subsidiary) or is merged with or into or consolidated with Amkor or a Restricted Subsidiary of Amkor shall be deemed to have been incurred at the time such Person becomes such a Restricted Subsidiary of Amkor or is merged with or into or consolidated with Amkor or a Restricted Subsidiary of Amkor, as applicable.

(d) Amkor will not incur any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of Amkor unless such Indebtedness is also contractually subordinated in right of payment to the Obligations on substantially identical terms; provided, however, that no Indebtedness of Amkor shall be deemed to be contractually subordinated in right of payment to any other Indebtedness of Amkor solely by virtue of any Liens, Guarantees, maturity of payments, or structural seniority.

(e) For purposes of determining compliance with this Section 10.2.4, in the event that an item of proposed Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clause (b)(i) through clause (b)(xiv) preceding, or is entitled to be incurred pursuant to Section 10.2.4(a), Amkor shall, in its sole discretion, classify or reclassify such item of Indebtedness (or any part thereof) in any manner that complies with this Section 10.2.4 and such item of Indebtedness shall be treated as having been incurred pursuant to only one of such clauses or pursuant to Section 10.2.4(a). For purposes of determining any particular amount of Indebtedness under this Section 10.2.4, Guarantees, Liens, or obligations in support of letters of credit supporting Indebtedness shall not be included to the extent such letters of credit are included in the amount of such Indebtedness. Any increase in the amount of any Indebtedness solely by reason of currency fluctuations shall not be considered an incurrence of Indebtedness for purposes of this covenant. Accrual of interest and the payment of interest in the form of additional Indebtedness shall not be deemed to be an incurrence of Indebtedness for purposes of this Section 10.2.4.

10.2.5. Asset Sales.

(a) The Borrowers shall not, and shall not permit any of their Restricted Subsidiaries to (i) sell, lease, convey, or otherwise dispose of any assets or rights (including by way of a sale-and-leaseback) other than sales of inventory in the Ordinary Course of Business, (ii) with respect to Amkor, sell Equity Interests in any of its Subsidiaries, or (iii) with respect to Amkor's Restricted Subsidiaries, issue Equity Interests (each of the foregoing, an "Asset Sale"), unless (y) Amkor (or the Restricted Subsidiary, as the case may be)

receives consideration at the time of such Asset Sale at least equal to the fair market value (evidenced by a resolution of Amkor's board of directors set forth in an Officer's Certificate delivered to the Agent) of the assets sold or otherwise disposed of and (z) at least 75.0% of the consideration received therefor by Amkor or such Restricted

Subsidiary is in the form of cash or other Qualified Proceeds.

(b) Notwithstanding the foregoing, the following shall not be deemed to be Asset Sales: (i) any single transaction or series of related transactions that (A) involves assets having a fair market value of less than \$2,000,000 or (B) results in net proceeds to Amkor and its Restricted Subsidiaries of less than \$2,000,000; (ii) a transfer of assets between or among Amkor and any Restricted Subsidiary; (iii) an issuance of Equity Interests by a Restricted Subsidiary to Amkor or to another Wholly Owned Restricted Subsidiary; (iv) the sale, lease, conveyance, or other disposition of any Receivable Program Assets by any Subsidiary of Amkor that is not a Borrower in connection with a Receivables Program; (v) the sale, lease, conveyance, or other disposition of any inventory or other current assets, excluding Accounts, by a Borrower or any of its Restricted Subsidiaries in the Ordinary Course of Business; (vi) the granting of a Permitted Lien or a Permitted Other Lien; (vii) the licensing by a Borrower or any Restricted Subsidiary of intellectual property in the Ordinary Course of Business or on commercially reasonable terms; (viii) the sale, lease, conveyance, or other disposition of obsolete or worn out equipment or equipment no longer useful in a Borrower's business; and (ix) the making or liquidating of any Restricted Payment or Permitted Investment that is permitted by Section 10.2.2.

(c) Notwithstanding any other provision of this Agreement to the contrary, no Borrower will enter into any Asset Sale or other sale, transfer, conveyance, or disposition of any other asset or property, in each such case if such Asset Sale, sale, transfer, conveyance, or disposition is of assets or other property which constitutes Collateral; provided that the Borrowers may (i) sell Inventory in the Ordinary Course of Business, (ii) sell, transfer, or convey property and assets, including Collateral, among the Borrowers, (iii) prior to the occurrence of an Event of Default, sell, transfer, convey, or dispose of Collateral consisting of Equipment and Inventory to any Affiliate in an aggregate amount not in excess of \$10,000,000 during the term of this Agreement, and (iv) as long as no Event of Default exists, (A) make Permitted Investments and (B) grant non-exclusive licenses of Intellectual Property to Amkor and its Restricted Subsidiaries, provided that the owner of any such Intellectual Property which is the subject of any such license retains ownership of such Intellectual Property and any such license granted is subject to the Agent's Liens.

10.2.6. Transactions with Affiliates.

(a) Subject to Section 10.2.5(c), Amkor will not, nor will it permit any of its Restricted Subsidiaries to, make any payment to, or sell, lease, transfer, or otherwise dispose of any of its properties or assets to, or purchase any property or

LOAN AND SECURITY AGREEMENT

assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance, or Guarantee with, or for the benefit of, any Affiliate (each, an "Affiliate Transaction"), unless (i) such Affiliate Transaction (when viewed together with related Affiliate Transactions, if any) is on terms that are no less favorable to Amkor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by Amkor or such Restricted Subsidiary with an unrelated Person and (ii) Amkor delivers to the Agent (A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$10,000,000, a resolution of the board of directors of Amkor set forth in an Officers' Certificate certifying that such

Affiliate Transaction complies with this covenant and that such Affiliate Transaction has been approved by a majority of the disinterested members of the board of directors (of which there must be at least one) of Amkor and (B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of \$25,000,000, an opinion as to the fairness to the Lenders of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal, or investment banking firm of national standing; provided that (y) Amkor and its Restricted Subsidiaries may enter into Affiliate Transactions pursuant to the Supply Agreement, the Foundry Agreement, the Asset Purchase Agreement, the Transition Services Agreement, and the Intellectual Property Rights Licensing Agreement, and may amend, modify, and supplement such agreements from time to time, so long as Amkor shall have determined that any such amendment, modification, or supplement will not have a material adverse economic effect on Amkor and its Subsidiaries, taken as a whole, and (z) Amkor and its Restricted Subsidiaries may only enter into transactions pursuant to the Supply Agreement, the Foundry Agreement, the Asset Purchase Agreement, the Transition Services Agreement, and the Intellectual Property Rights Licensing Agreement, and amend, modify, and supplement such agreements from time to time, in circumstances in which clause (y) preceding is not applicable, if a majority of the disinterested members of the board of directors (of which there must be at least one) of Amkor shall have approved such transaction, amendment, modification, or supplement; provided, further, that in the case of both clause (y) preceding and clause (z) preceding, Amkor shall deliver to the Agent within 30 days of such transaction, amendment, modification, or supplement an Officers' Certificate (1) describing the transaction, amendment, modification, or supplement approved, (2) in the case of transactions, amendments, modifications, and supplements to which clause (y) preceding is applicable, setting forth the determination of Amkor required pursuant to clause (y) preceding, and (3) in the case of transactions, amendments, modifications, and supplements to which clause (z) preceding is applicable, attaching a resolution of the board of directors of Amkor certifying that such Affiliate Transaction complies with this covenant.

(b) The following items shall not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 10.2.6:

LOAN AND SECURITY AGREEMENT

Page 87

(i) any employment agreement or arrangement entered into by Amkor or any of its Restricted Subsidiaries or any employee benefit plan available to employees of Amkor and its Subsidiaries generally, in each case in the Ordinary Course of Business of Amkor or such Restricted Subsidiary;

(ii) subject to Section 10.2.5(c), Affiliate Transactions between or among Amkor and/or its Restricted Subsidiaries;

(iii) payment of reasonable directors fees to Persons who are not otherwise Affiliates of Amkor and indemnity provided on behalf of officers, directors, and employees of Amkor or any of its Restricted Subsidiaries as determined in good faith by the board of directors of Amkor;

(iv) any Affiliate Transactions pursuant to which Amkor makes short-term advances or otherwise makes short-term loans to Anam Semiconductor, Inc., which advances or loans are to be repaid by Anam Semiconductor, Inc. (A) within three months from the date of such advance or loan and (B) by offsets by

Amkor of amounts payable by Amkor to Anam Semiconductor, Inc. pursuant to the Supply Agreement, if a majority of the disinterested members of the board of directors (of which there must be at least one) of Amkor shall have approved such transaction, amendment, modification, or supplement; provided that the total amount of such advances and loans outstanding at any one time shall not exceed \$50,000,000; and

(v) any Restricted Payments that are permitted by Section 10.2.2.

(c) For purposes of this Section 10.2.6, any transaction or series of related Affiliate Transactions between Amkor or any Restricted Subsidiary and an Affiliate that is approved by a majority of the disinterested members of the board of directors (of which there must be at least one to utilize this method of approval) of Amkor and evidenced by a board resolution or for which a fairness opinion has been issued shall be deemed to be on terms that are no less favorable to Amkor or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by Amkor or such Restricted Subsidiary with an unrelated Person and thus shall be permitted under this Section 10.2.6, subject to the limitations in Section 10.2.5(c).

10.2.7. Liens.

(a) Amkor will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume, or suffer to exist any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired, other than Permitted Liens and Permitted Other Liens, provided that any

LOAN AND SECURITY AGREEMENT

Page 88

such Lien on the Collateral securing the Term Loan shall be subject to the Intercreditor Agreement.

(b) The foregoing negative pledge shall not apply to any Margin Stock to the extent such application would violate or require filings or other actions by any Lender under Regulation U or any similar law.

10.2.8. Amendment of Subordination Provisions. Amkor will not amend, modify, or alter the terms of the Second Lien Credit Agreement, the Senior Subordinated Notes Indenture, or any other Subordinated Debt in any way that will (a) increase the rate of or change the time for payment of interest on the Term Loan or any Subordinated Debt, (b) increase the principal of, advance the final maturity date of or shorten the Weighted Average Life to Maturity of the Term Loan or any Subordinated Debt, (c) alter the redemption provisions or the price or terms at which Amkor is required to offer to purchase any Subordinated Debt, or (d) amend the subordination provisions of any Subordinated Debt (including Article 10 of the Senior Subordinated Notes Indenture).

10.2.9. Limitation on Issuances and Sales of Equity Interests in Wholly Owned Subsidiaries. Amkor (a) shall not, and shall not permit any Wholly Owned Restricted Subsidiaries of Amkor to, transfer, convey, sell, lease, or otherwise dispose of any Equity Interests in any Wholly Owned Restricted Subsidiary of Amkor to any Person (other than Amkor or a Wholly Owned Restricted Subsidiary of Amkor), unless (a) such transfer, conveyance, sale, lease, or other disposition is of all the Equity Interests in such Wholly Owned Restricted Subsidiary or immediately following such transfer, conveyance, sale, lease, or other disposition, such Wholly Owned Restricted Subsidiary is a Restricted Subsidiary and (b) the cash Net Proceeds from such transfer, conveyance, sale, lease, or other disposition are applied in accordance with Section 10.2.5 and (b) shall not permit any Wholly Owned Restricted Subsidiary of Amkor to issue any of its Equity Interests

(other than, if necessary, shares of its capital stock constituting directors' qualifying shares) to any Person other than to Amkor or a Wholly Owned Restricted Subsidiary of Amkor unless immediately following such issuance the Wholly Owned Restricted Subsidiary is a Restricted Subsidiary.

10.2.10. Limitation on Sale and Leaseback Transactions.

(a) Amkor shall not, and shall not permit any of its Subsidiaries to, enter into any sale and leaseback transaction; provided that Amkor or any Restricted Subsidiary may enter into a sale and leaseback transaction if (i) Amkor or such Restricted Subsidiary, as applicable, could have incurred Indebtedness in an amount equal to the Attributable Debt relating to such sale and leaseback transaction (if the lease is in the nature of an operating lease, otherwise the amount of Indebtedness) under the Consolidated Interest Expense Coverage Ratio test in Section 10.2.4 (ii) the transfer of assets in that sale and leaseback transaction is permitted by Section 10.2.5, and (iii) the property subject to such sale and leaseback transaction is not Collateral.

LOAN AND SECURITY AGREEMENT

Page 89

(b) The restrictions in Section 10.2.10(a) shall not apply to any sale and leaseback transaction if (i) the transaction is solely between Amkor and any Restricted Subsidiary or between Restricted Subsidiaries and such transaction is permitted under Section 10.2.6 or (ii) the sale and leaseback transaction is consummated within 180 days after the purchase of the assets subject to such transaction.

10.2.11. Merger and Consolidations.

(a) Amkor shall not, directly or indirectly, consolidate or merge with or into another Person or sell, assign, transfer, convey, or otherwise dispose of all or substantially all of its properties or assets, in one or more related transactions, to another Person, unless in connection with any such merger (but excluding an sale, assignment, transfer, conveyance, or other disposition) (i) Amkor is the surviving corporation, (ii) immediately after such merger no Default or Event of Default exists, and (iii) Amkor shall have delivered to the Agent an Officers' Certificate stating that such merger complies with the terms of this Agreement. In addition, Amkor shall not, directly or indirectly, lease any of the Collateral, in one or more related transactions, to any other Person.

(b) Amkor shall not permit, except in connection with the sale or other disposition in accordance with this Agreement of all the assets or all the capital stock of any Subsidiary Guarantor to a Person that is not (either before or after giving effect to such transactions) a Subsidiary of Amkor, any Subsidiary Guarantor to consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the surviving Person) another Person unless (i) the Person formed by or surviving any such consolidation or merger (if other than a Subsidiary Guarantor or Amkor) unconditionally assumes all the indebtedness, liabilities, and obligations of such Subsidiary Guarantor, (ii) immediately after giving effect to such transaction no Default or Event of Default shall have occurred which is continuing, and (iii) such Subsidiary Guarantor is not a Borrower.

10.3. Total Liquidity. For so long as any Revolving Commitments or Obligations are outstanding, the Borrowers shall at all times maintain Total Liquidity of not less than \$25,000,000.

SECTION 11. EVENTS OF DEFAULT; REMEDIES ON DEFAULT

11.1. Events of Default. Each of the following shall be an "Event of Default" hereunder, if the same shall occur for any reason whatsoever, whether

voluntary or involuntary, by operation of law or otherwise:

(a) any Borrower fails to pay any Obligations when due (whether at stated maturity, on demand, upon acceleration, or otherwise);

LOAN AND SECURITY AGREEMENT

Page 90

(b) any representation, warranty, or other written statement of any Obligor made in connection with any Loan Documents or transactions contemplated thereby is incorrect or misleading in any material respect when given;

(c) any Borrower shall breach or fail to perform any covenant contained in Sections 7.4, 7.6, 8.1, 8.2.4, 8.2.5, 8.6.2, 10.1.1, 10.1.2, 10.2, or 10.3;

(d) any Obligor breaches or fails to perform any other covenant contained in any Loan Documents, and such breach or failure is not cured within 30 days after a Senior Officer has knowledge thereof or receives notice thereof from the Agent, whichever is sooner; provided that such notice and opportunity to cure shall not apply if the breach or failure to perform is not capable of being cured within such period or is a willful breach by an Obligor;

(e) any (i) Guarantor repudiates, revokes, or attempts to revoke its Guaranty, (ii) Obligor denies or contests the validity or enforceability of any Loan Documents or Obligations, or the perfection or priority of any Lien granted to the Agent, or (iii) Loan Document ceases to be in full force or effect for any reason (other than a waiver or release by the Agent and the Lenders);

(f) any event of default occurs under the Second Lien Credit Agreement, the Senior Notes Indentures, the Senior Subordinated Notes Indenture, the Convertible Subordinated Notes Indentures, or any document, instrument, or agreement to which any Borrower is a party evidencing, securing, or relating to any other Indebtedness (other than the Obligations) in excess of \$10,000,000, if the maturity of or any payment with respect to such Indebtedness may be accelerated or demanded due to such breach;

(g) any final judgment or order for the payment of money is entered against an Obligor in an amount that exceeds, individually or cumulatively with all unsatisfied judgments or orders against all Obligors, \$1,000,000 (net of any insurance coverage therefor acknowledged in writing by the insurer), and such judgment or order remains undischarged for a period of 30 days unless a stay of enforcement of such judgment or order is in effect, by reason of a pending appeal or otherwise;

(h) [Reserved];

(i) any Obligor is enjoined, restrained, or in any way prevented by any Governmental Authority from conducting any material part of its business, any Obligor suffers the loss, revocation, or termination of any material license, permit, lease, or agreement necessary to its business, there is a cessation of any material part of an Obligor's business for a material period of time, any material Collateral or Property of an Obligor is taken or impaired through condemnation, any Obligor agrees to or commences any liquidation, dissolution, or winding up of its affairs, or any Obligor ceases to be Solvent;

(j) any (i) Insolvency Proceeding is commenced by any Obligor, (ii) Insolvency Proceeding is commenced against any Obligor and (A) such Obligor consents to the institution of the proceeding against it, (B) the petition commencing the

LOAN AND SECURITY AGREEMENT

Page 91

proceeding is not timely controverted by such Obligor, (C) such

petition is not dismissed within 30 days after its filing, or (D) an order for relief is entered in the proceeding, (iii) a trustee (including an interim trustee) is appointed to take possession of any substantial Property of or to operate any of the business of any Obligor, or (iv) any Obligor makes an offer of settlement, extension, or composition to its unsecured creditors generally;

(k) (i) a Reportable Event occurs that the Agent, in its reasonable discretion, determines constitutes grounds for termination by the Pension Benefit Guaranty Corporation of any Multiemployer Plan or appointment of a trustee for any Multiemployer Plan, (ii) any Multiemployer Plan is terminated or any such trustee is requested or appointed, or (iii) any Obligor is in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan resulting from any withdrawal therefrom;

(l) any Obligor or any of its Senior Officers (excluding specifically any person who was a Senior Officer of an Obligor prior to the Closing Date but was not employed by any Obligor at any time on or after the Closing Date) is convicted for (i) a felony committed in the conduct of such Obligor's business or (ii) any state or federal law (including the Controlled Substances Act, the Money Laundering Control Act of 1986, and the Illegal Exportation of War Materials Act) that could lead to forfeiture of any material Collateral or could reasonably be expected to cause a Material Adverse Effect;

(m) any event of default occurs under the Second Lien Credit Agreement or the Intercreditor Agreement; or

(n) a Change of Control occurs.

11.2. Remedies upon Default. If an Event of Default described in Section 11.1(j) occurs with respect to any Borrower, then to the extent permitted by Applicable Law, all Obligations shall become automatically due and payable and all Revolving Commitments shall terminate, without any action by the Agent or notice of any kind. In addition, or if any other Event of Default exists, the Agent may in its discretion (and shall upon written direction of the Requisite Lenders) do any one or more of the following from time to time:

(a) declare any Obligations immediately due and payable, whereupon they shall be due and payable without diligence, presentment, demand, protest, or notice of any kind, all of which are hereby waived by the Borrowers to the fullest extent permitted by law;

(b) terminate, reduce, or condition any Revolving Commitment, or make any adjustment to the Borrowing Base;

(c) require the Obligors to Cash Collateralize the LC Obligations, the Bank Product Debt, and other the Obligations that are contingent or not yet due and payable, and, if the Obligors fail promptly to deposit such Cash Collateral, the Lenders may (and shall upon the direction of the Requisite Lenders) advance the required Cash Collateral as

LOAN AND SECURITY AGREEMENT

Page 92

Revolving Loans (whether or not an Overadvance exists or is created thereby, or the conditions in Section 6 are satisfied); and

(d) exercise any other rights or remedies afforded under any agreement, by law, at equity, or otherwise, including the rights and remedies of a secured party under the UCC. Such rights and remedies include the rights to (i) take possession of any Collateral, (ii) require the Borrowers to assemble the Collateral, at the Borrowers' expense, and make it available to the Agent at a place designated by the Agent, (iii) enter any premises where any Collateral is located and store Collateral on such premises until sold (and if the premises are owned or leased by a Borrower, the Borrowers agree not to charge for such storage), and (iv) sell or otherwise dispose of any Collateral in its then condition, or after any further manufacturing or processing thereof, at public or private sale, with such notice as may be required by Applicable Law, in lots or in bulk, at such locations, all as the Agent, in its discretion, deems advisable. Each Borrower agrees that

ten days notice of any proposed sale or other disposition of Collateral by the Agent shall be reasonable. The Agent shall have the right to conduct such sales on any Obligor's premises, without charge, and such sales may be adjourned from time to time in accordance with Applicable Law. The Agent shall have the right to sell, lease, or otherwise dispose of any Collateral for cash, credit, or any combination thereof, and the Agent may purchase any Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of the purchase price, may set off the amount of such price against the Obligations.

11.3. License. The Agent is hereby granted an irrevocable, non-exclusive license or other right to use, license, or sub-license (without payment of royalty or other compensation to any Person) any or all Intellectual Property of the Borrowers, computer hardware and software, trade secrets, brochures, customer lists, promotional and advertising materials, labels, packaging materials, and other Property, in advertising for sale, marketing, selling, collecting, completing manufacture of, or otherwise exercising any rights or remedies with respect to, any Collateral. Each Borrower's rights and interests under Intellectual Property shall inure to the Agent's benefit.

11.4. Setoff. The Agent, the Lenders, and their Affiliates are each authorized by the Borrowers at any time during an Event of Default, without notice to the Borrowers or any other Person, to set off and to appropriate and apply any deposits (general or special), funds, claims, obligations, liabilities, or other Indebtedness at any time held or owing by the Agent, any Lender, or any such Affiliate to or for the account of any Obligor against any Obligations, whether or not demand for payment of such Obligation has been made, any Obligations have been declared due and payable, are then due, or are contingent or unmatured, or the Collateral or any guaranty or other security for the Obligations is adequate.

11.5. Remedies Cumulative; No Waiver.

11.5.1. Cumulative Rights. All covenants, conditions, provisions, warranties, guaranties, indemnities, and other undertakings of the Borrowers contained in the Loan Documents are cumulative and not in derogation or substitution of each other. In particular, the rights and remedies of the Agent and the Lenders are cumulative, may be

LOAN AND SECURITY AGREEMENT

Page 93

exercised at any time and from time to time, concurrently or in any order, and shall not be exclusive of any other rights or remedies that the Agent and the Lenders may have, whether under any agreement, by law, at equity, or otherwise.

11.5.2. Waivers. The failure or delay of the Agent or any Lender to require strict performance by the Borrowers with any terms of the Loan Documents, or to exercise any rights or remedies with respect to Collateral or otherwise, shall not operate as a waiver thereof nor as establishment of a course of dealing. All rights and remedies shall continue in full force and effect until Full Payment of all Obligations. No modification of any terms of any Loan Documents (including any waiver thereof) shall be effective, unless such modification is specifically provided in a writing directed to the Borrowers and executed by the Agent or the requisite Lenders, and such modification shall be applicable only to the matter specified. No waiver of any Default or Event of Default shall constitute a waiver of any other Default or Event of Default that may exist at such time, unless expressly stated. If the Agent or any Lender accepts performance by any Obligor under any Loan Documents in a manner other than that specified therein, or during any Default or Event of Default, or if the Agent or any Lender shall delay or exercise any right or remedy under any Loan Documents, such acceptance, delay, or exercise shall not operate to waive any Default or Event of Default nor to preclude exercise of any other right or remedy. It is expressly acknowledged by the Borrowers that any failure to satisfy a financial covenant on a measurement date shall not be cured or remedied by satisfaction of such covenant on a subsequent date.

SECTION 12. THE AGENT

12.1. Appointment, Authority and Duties of the Agent.

12.1.1. Appointment and Authority. Each Lender appoints and designates Bank of America as the Agent hereunder. The Agent may, and each Lender authorizes the Agent to, enter into all Loan Documents to which the Agent is intended to be a party and accept all Security Documents, for the Agent's benefit and the Pro Rata benefit of the Lenders. Each Lender agrees that any action taken by the Agent or the Requisite Lenders in accordance with the provisions of the Loan Documents, and the exercise by the Agent or the Requisite Lenders of any rights or remedies set forth therein, together with all other powers reasonably incidental thereto, shall be authorized and binding upon all Lenders. Without limiting the generality of the foregoing, the Agent shall have the sole and exclusive authority to (a) act as the disbursing and collecting agent for the Lenders with respect to all payments and collections arising in connection with the Loan Documents, (b) execute and deliver as the Agent each Loan Document, including any intercreditor or subordination agreement, and accept delivery of each Loan Document from any Obligor or other Person, (c) act as collateral agent for the Secured Parties for purposes of perfecting and administering Liens under the Loan Documents, and for all other purposes stated therein, (d) manage, supervise, or otherwise deal with the Collateral, and (e) exercise all rights and remedies given to the Agent with respect to any Collateral under the Loan Documents, Applicable Law, or otherwise. The duties of the Agent shall be ministerial and administrative in nature, and the Agent shall not have a fiduciary relationship with any Lender, Secured Party, Participant, or other Person, by reason of

LOAN AND SECURITY AGREEMENT

Page 94

any Loan Document or any transaction relating thereto. The Agent alone shall be authorized to determine whether any Accounts constitute Eligible Accounts or Eligible Foreign Accounts, or whether to impose or release any reserve, which determinations and judgments, if exercised in good faith, shall exonerate the Agent from liability to any Lender or other Person for any error in judgment.

12.1.2. Duties. The Agent shall not have any duties except those expressly set forth in the Loan Documents, nor be required to initiate or conduct any Enforcement Action except to the extent directed to do so by the Requisite Lenders while an Event of Default exists. The conferral upon the Agent of any right shall not imply a duty on the Agent's part to exercise such right, unless instructed to do so by the Requisite Lenders in accordance with this Agreement.

12.1.3. Agent Professionals. The Agent may perform its duties through agents and employees. The Agent may consult with and employ Agent Professionals, and shall be entitled to act upon, and shall be fully protected in any action taken in good faith reliance upon, any advice given by an Agent Professional. The Agent shall not be responsible for the negligence or misconduct of any agents, employees, or Agent Professionals selected by it with reasonable care.

12.1.4. Instructions of the Requisite Lenders. The rights and remedies conferred upon the Agent under the Loan Documents may be exercised without the necessity of joinder of any other party, unless required by Applicable Law. The Agent may request instructions from the Requisite Lenders with respect to any act (including the failure to act) in connection with any Loan Documents, and may seek assurances to its satisfaction from the Lenders of their indemnification obligations under Section 12.6 against all Claims that could be incurred by the Agent in connection with any act. The Agent shall be entitled to refrain from any act until it has received such instructions or assurances, and the Agent shall not incur liability to any Person by reason of so refraining. Instructions of the Requisite Lenders shall be binding upon all Lenders, and no Lender shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting in accordance with the instructions of the Requisite Lenders. Notwithstanding the foregoing, instructions by and consent of all Lenders shall be required in the circumstances described in Section 14.1.1, and in no event shall the Requisite Lenders, without the prior written consent of each Lender, direct the Agent to accelerate and demand payment of Revolving Loans held by one Lender

without accelerating and demanding payment of all other Revolving Loans, nor to terminate the Revolving Commitments of one Lender without terminating the Revolving Commitments of all Lenders. In no event shall the Agent be required to take any action that, in its opinion, is contrary to Applicable Law or any Loan Documents or could subject any Agent Indemnitee to personal liability.

12.2. Agreements Regarding Collateral and Field Examination Reports.

12.2.1. Lien Releases; Care of Collateral. The Lenders authorize the Agent to release or subordinate any Lien with respect to any Collateral (a) upon Full Payment of the Obligations, (b) that is the subject of an Asset Sale, transfer, sale, lease, or other

LOAN AND SECURITY AGREEMENT

Page 95

disposition permitted by this Agreement which the Borrowers certify in writing to the Agent is permitted pursuant to the terms of this Agreement or is subject to a Lien which the Borrowers certify is a Permitted Lien entitled to priority over the Agent's Liens pursuant to the terms of this Agreement (and the Agent may rely conclusively on any such certificate without further inquiry), (c) that does not constitute a material part of the Collateral, or (d) with the written consent of the Lenders. The Agent shall have no obligation whatsoever to any Lenders to assure that any Collateral exists or is owned by a Borrower, or is cared for, protected, insured, or encumbered, nor to assure that the Agent's Liens have been properly created, perfected, or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral. Each of the Lenders hereby directs the Agent to execute and deliver or file such termination statements and partial release statements and do such things as are necessary to release or subordinate any Liens to be released or subordinated pursuant to this Section 12.2.1 upon the effectiveness of such release.

12.2.2. Possession of Collateral. The Agent and the Lenders appoint each other Lender as agent for the purpose of perfecting Liens (for the benefit of the Secured Parties) in any Collateral that, under the UCC or other Applicable Law, can be perfected by possession. If any Lender obtains possession of any such Collateral, it shall notify the Agent thereof and, promptly upon the Agent's request, deliver such Collateral to the Agent or otherwise deal with such Collateral in accordance with the Agent's instructions.

12.2.3. Reports. The Agent shall promptly, upon receipt thereof, forward to each Lender copies of the results of any field audit or other examination prepared by or on behalf of the Agent with respect to any Obligor or Collateral ("Report"). Each Lender agrees (a) that neither Bank of America nor the Agent makes any representation or warranty as to the accuracy or completeness of any Report, and shall not be liable for any information contained in or omitted from any Report, (b) that the Reports are not intended to be comprehensive audits or examinations, and that the Agent or any other Person performing any audit or examination will inspect only specific information regarding Obligations or the Collateral and will rely significantly upon the Borrowers' books and records as well as upon representations of the Borrowers' officers and employees, and (c) to keep all Reports confidential and strictly for such Lender's internal use, and not to distribute any Report (or the contents thereof) to any Person (except to such Lender's Participants, attorneys, accountants, and other Persons with whom such Lender has a confidential relationship) or use any Report in any manner other than administration of the Revolving Loans and other Obligations. Each Lender agrees to indemnify and hold harmless the Agent and any other Person preparing a Report from any action such Lender may take as a result of or any conclusion it may draw from any Report, as well as any Claims arising in connection with any third parties that obtain all or any part of a Report through such Lender.

12.3. Reliance By the Agent. The Agent shall be entitled to rely, and shall be fully protected in relying, upon any certification, notice, or other communication (including those by telephone, telex, telegram, telecopy, or e-mail) believed by it to be genuine and correct and to have been signed, sent, or made by the proper Person, and upon the advice and statements of Agent

Professionals.

LOAN AND SECURITY AGREEMENT

Page 96

12.4. Action Upon Default. The Agent shall not be deemed to have knowledge of any Default or Event of Default unless it has received written notice from a Lender or a Borrower specifying the occurrence and nature thereof. If the Agent receives such a notice or otherwise acquires actual knowledge of any Default or Event of Default, the Agent shall promptly notify the Lenders in writing. If any Lender acquires knowledge of a Default or Event of Default, it shall promptly notify the Agent and the other Lenders thereof in writing. Each Lender agrees that, except as otherwise provided in any Loan Documents or with the written consent of the Agent and the Requisite Lenders, such Lender will not take any Enforcement Action, accelerate its Obligations, or exercise any right that it might otherwise have under Applicable Law to credit bid at foreclosure sales, UCC sales, or other similar dispositions of Collateral. Notwithstanding the foregoing, a Lender may take action to preserve or enforce its rights against an Obligor where a deadline or limitation period is applicable that would, absent such action, bar enforcement of Obligations held by such Lender, including the filing of proofs of claim in an Insolvency Proceeding.

12.5. Ratable Sharing. If any Lender shall obtain any payment or reduction of any Obligation (whether through set-off or otherwise) in excess of its Pro Rata share of payments or reductions of Obligations obtained by all Lenders, such Lender shall forthwith purchase from the other Lenders such participations in the affected Obligations as shall be necessary to cause the purchasing Lender to share the excess payment or reduction, net of costs incurred in connection therewith, on a Pro Rata basis, provided that if any of such payment or reduction is thereafter recovered from the purchasing Lender or if any additional costs are incurred, the purchase shall be rescinded and the purchase price restored to the extent of such recovery or additional costs, but without interest.

12.6. Indemnification of the Agent Indemnitees.

12.6.1. Indemnification. EACH LENDER SHALL INDEMNIFY AND HOLD HARMLESS THE AGENT INDEMNITEES, TO THE EXTENT NOT REIMBURSED BY THE OBLIGORS (BUT WITHOUT LIMITING THE INDEMNIFICATION OBLIGATIONS OF THE OBLIGORS UNDER ANY LOAN DOCUMENTS), ON A PRO RATA BASIS, AGAINST ALL CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY AGENT INDEMNITEE. If the Agent is sued by any receiver, trustee in bankruptcy, debtor-in-possession, or other Person for any alleged preference from an Obligor or fraudulent transfer, then any monies paid by the Agent in settlement or satisfaction of such proceeding, together with all interest, costs and expenses (including attorneys' fees) incurred in the defense of same, shall be promptly reimbursed to the Agent by the Lenders to the extent of each Lender's Pro Rata share.

12.6.2. Proceedings. Without limiting the generality of the foregoing, if at any time (whether prior to or after the Termination Date) any proceeding is brought against any Agent Indemnitees by an Obligor, or any Person claiming through an Obligor, to recover damages for any act taken or omitted by the Agent in connection with any Obligations, Collateral, Loan Documents, or matters relating thereto, or otherwise to obtain any other relief of any kind on account of any transaction relating to any Loan Documents, each Lender agrees to indemnify and hold harmless the Agent Indemnitees with respect thereto and to pay to the Agent Indemnitees such Lender's Pro Rata share of

LOAN AND SECURITY AGREEMENT

Page 97

any amount that any Agent Indemnitee is required to pay under any judgment or other order entered in such proceeding or by reason of any settlement, including all interest, costs, and expenses (including attorneys' fees) incurred in defending same. In the Agent's discretion, the Agent may reserve for any such proceeding, and may satisfy any judgment, order, or settlement, from proceeds of Collateral prior to making any distributions of Collateral proceeds to the Lenders.

12.7. Limitation on Responsibilities of the Agent. The Agent shall not be liable to the Lenders for any action taken or omitted to be taken under the

Loan Documents, except for losses directly and solely caused by the Agent's gross negligence or willful misconduct. The Agent does not assume any responsibility for any failure or delay in performance or any breach by any Obligor or Lender of any obligations under the Loan Documents. The Agent does not make to the Lenders any express or implied warranty, representation, or guarantee with respect to any Obligations, Collateral, Loan Documents, or Obligor. No Agent Indemnitee shall be responsible to the Lenders for (a) any recitals, statements, information, representations, or warranties contained in any Loan Documents, (b) the execution, validity, genuineness, effectiveness, or enforceability of any Loan Documents, (c) the genuineness, enforceability, collectibility, value, sufficiency, location, or existence of any Collateral, or the validity, extent, perfection, or priority of any Lien therein, (d) the validity, enforceability, or collectibility of any Obligations, (e) or the assets, liabilities, financial condition, results of operations, business, creditworthiness, or legal status of any Obligor or Account Debtor. No Agent Indemnitee shall have any obligation to any Lender to ascertain or inquire into the existence of any Default or Event of Default, the observance or performance by any Obligor of any terms of the Loan Documents, or the satisfaction of any conditions precedent contained in any Loan Documents.

12.8. Successor Agent and Co-Agents.

12.8.1. Resignation; Successor Agent. Subject to the appointment and acceptance of a successor administrative agent as provided below, the Agent may resign at any time by giving at least 30 days written notice thereof to the Lenders and the Borrowers. Upon receipt of such notice, the Requisite Lenders shall have the right to appoint a successor administrative agent which shall be (a) a Lender or an Affiliate of a Lender or (b) a commercial bank that is organized under the laws of the United States or any state or district thereof, has a combined capital surplus of at least \$200,000,000, and, provided no Default or Event of Default then exists, is reasonably acceptable to the Borrowers. If no successor administrative agent is appointed prior to the effective date of the resignation of the Agent, then the Agent may appoint a successor administrative agent from among Lenders. Upon acceptance by a successor administrative agent of an appointment to serve as the administrative agent hereunder, such successor administrative agent shall thereupon succeed to and become vested with all the powers and duties of the retiring Agent without further act, and the retiring Agent shall be discharged from its duties and obligations hereunder but shall continue to enjoy the benefits of the indemnification set forth in Section 12.6 and Section 14.2. Notwithstanding any Agent's resignation, the provisions of this Section 12 shall continue in effect for its benefit with respect to any actions taken or omitted to be taken by it while Agent. Any successor by merger or acquisition of the stock or assets of Bank of America shall continue to be the Agent

LOAN AND SECURITY AGREEMENT

Page 98

hereunder without further act on the part of the parties hereto, unless such successor resigns as provided above.

12.8.2. Separate Collateral Agent. It is the intent of the parties that there shall be no violation of any Applicable Law denying or restricting the right of financial institutions to transact business in any jurisdiction. If the Agent believes that it may be limited in the exercise of any rights or remedies under the Loan Documents due to any Applicable Law, the Agent may appoint an additional Person who is not so limited, as a separate collateral agent or co-collateral agent. If the Agent so appoints a collateral agent or co-collateral agent, each right and remedy intended to be available to the Agent under the Loan Documents shall also be vested in such separate agent. Every covenant and obligation necessary to the exercise thereof by such separate agent shall run to and be enforceable by it as well as the Agent. The Lenders shall execute and deliver such documents as the Agent deems appropriate to vest any rights or remedies in such separate agent. If any collateral agent or co-collateral agent shall die or dissolve, become incapable of acting, resign, or be removed, then all the rights and remedies of such separate agent, to the extent permitted by Applicable Law, shall vest in and be exercised by the Agent until appointment of a new separate agent.

12.9. Due Diligence and Non-Reliance. Each Lender acknowledges and agrees that it has, independently and without reliance upon the Agent or any other Lenders, and based upon such documents, information, and analyses as it has deemed appropriate, made its own credit analysis of each Obligor and its own decision to enter into this Agreement and to fund Revolving Loans and participate in LC Obligations hereunder. Each Lender has made such inquiries concerning the Loan Documents, the Collateral, and each Obligor as such Lender feels necessary. Each Lender further acknowledges and agrees that the other Lenders and the Agent have made no representations or warranties concerning any Obligor, any Collateral, or the legality, validity, sufficiency, or enforceability of any Loan Documents or Obligations. Each Lender will, independently and without reliance upon the other Lenders or the Agent, and based upon such financial statements, documents, and information as such Lender deems appropriate at the time, continue to make and rely upon its own credit decisions in making Revolving Loans and participating in LC Obligations, and in taking or refraining from any action under any Loan Documents. Except for notices, reports, and other information expressly requested by a Lender, the Agent shall have no duty or responsibility to provide any Lender with any notices, reports, or certificates furnished to the Agent by any Obligor or any credit or other information concerning the affairs, financial condition, business, or Properties of any Obligor (or any of its Affiliates) which may come into possession of the Agent or any of the Agent's Affiliates.

12.10. Replacement of Certain Lenders. If any Lender (a) fails to fund its Pro Rata share of any Revolving Loan or LC Obligation hereunder, and such failure is not cured within two Business Days, (b) defaults in performing any of its obligations under the Loan Documents, or (c) fails to give its consent to any amendment, waiver, or action for which consent of all Lenders was required and the Requisite Lenders consented, then, in addition to any other rights and remedies that any Person may have, the Agent may, by notice to such Lender within 120 days, require such Lender to assign all of its rights and obligations under the Loan Documents to Eligible Assignee(s) specified by the Agent, pursuant to appropriate Assignment and Acceptance(s) and within 20 days after the Agent's notice. The Agent is irrevocably appointed

LOAN AND SECURITY AGREEMENT

Page 99

as attorney-in-fact to execute any such Assignment and Acceptance if the Lender fails to execute same. Such Lender shall be entitled to receive, in cash, concurrently with such assignment, all amounts owed to it under the Loan Documents, including all principal, interest, and fees through the date of assignment (but excluding any prepayment charge).

12.11. Remittance of Payments and Collections.

12.11.1. Remittances Generally. All payments by any Lender to the Agent shall be made by the time and on the day set forth in this Agreement, in immediately available funds. If no time for payment is specified or if payment is due on demand by the Agent and request for payment is made by the Agent by 11:00 a.m. on a Business Day, payment shall be made by the Lender not later than 2:00 p.m. on such day, and if request is made after 11:00 a.m., then payment shall be made by 11:00 a.m. on the next Business Day. Payment by the Agent to any Lender shall be made by wire transfer, in the type of funds received by the Agent. Any such payment shall be subject to the Agent's right of offset for any amounts due from such Lender under the Loan Documents.

12.11.2. Failure to Pay. If any Lender fails to pay any amount when due by it to the Agent pursuant to the terms hereof, such amount shall bear interest from the due date until paid at the Federal Funds Rate for the first two Business Days and thereafter at the rate applicable to Base Rate Revolving Loans. In no event shall the Borrowers be entitled to receive credit for any interest paid by a Lender to the Agent.

12.11.3. Recovery of Payments. If the Agent pays any amount to a Lender in the expectation that a related payment will be received by the Agent from an Obligor and such related payment is not received, then the Agent may recover such amount from each Lender that received it. If the Agent determines at any time that an amount received under any Loan Document must be returned to an Obligor or paid to any other Person pursuant to Applicable Law or otherwise, then, notwithstanding any other term of any Loan Document, the Agent shall not be required to

distribute such amount to any Lender. If any amounts received and applied by the Agent to any Obligations are later required to be returned by the Agent pursuant to Applicable Law, each Lender shall pay to the Agent, on demand, such Lender's Pro Rata share of the amounts required to be returned.

12.12. The Agent in its Individual Capacity. As a Lender, Bank of America shall have the same rights and remedies under the other Loan Documents as any other Lender, and the terms "Lenders," "Requisite Lenders" or any similar term shall include Bank of America in its capacity as a Lender. Each of Bank of America and its Affiliates may accept deposits from, maintain deposits or credit balances for, invest in, lend money to, provide Bank Products to, act as trustee under indentures of, serve as financial or other advisor to, and generally engage in any kind of business with, the Obligors and their Affiliates, as if Bank of America were any other bank, without any duty to account therefor (including any fees or other consideration received in connection therewith) to the other Lenders. In their individual capacity, Bank of America and its Affiliates may receive information regarding the Obligors, their Affiliates, and their Account Debtors (including information subject to confidentiality obligations), and each Lender agrees

LOAN AND SECURITY AGREEMENT

Page 100

that Bank of America and its Affiliates shall be under no obligation to provide such information to the Lenders, if acquired in such individual capacity and not as the Agent hereunder.

12.13. Documentation Agent. The Documentation Agent shall not have any right, power, responsibility, or duty under any Loan Documents other than those applicable to all Lenders, and shall in no event be deemed to have any fiduciary relationship with any other Lender.

12.14. No Third Party Beneficiaries. This Section 12 is an agreement solely among the Lenders and the Agent, and does not confer any rights or benefits upon the Borrowers or any other Person. As between the Borrowers and the Agent, any action that the Agent may take under any Loan Documents shall be conclusively presumed to have been authorized and directed by the Lenders as herein provided.

SECTION 13. BENEFIT OF AGREEMENT; ASSIGNMENTS AND PARTICIPATIONS

13.1. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Agent, and the Lenders and their respective successors and assigns, except that (a) no Borrower shall have the right to assign its rights or delegate its obligations under any Loan Documents and (b) any assignment by a Lender must be made in compliance with Section 13.3. The Agent may treat the Person which made any Revolving Loan as the owner thereof for all purposes until such Person makes an assignment in accordance with Section 13.3. Any authorization or consent of a Lender shall be conclusive and binding on any subsequent transferee or assignee of such Lender.

13.2. Participations.

13.2.1. Permitted Participants; Effect. Any Lender may, in the ordinary course of its business and in accordance with Applicable Law, at any time sell to a financial institution ("Participant") a participating interest in the rights and obligations of such Lender under any Loan Documents. Despite any sale by a Lender of participating interests to a Participant, such Lender's obligations under the Loan Documents shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for performance of such obligations, such Lender shall remain the holder of its Revolving Loans and Revolving Commitments for all purposes, all amounts payable by the Borrowers shall be determined as if such Lender had not sold such participating interests, and the Borrowers and the Agent shall continue to deal solely and directly with such Lender in connection with the Loan Documents. Each Lender shall be solely responsible for notifying its Participants of any matters under the Loan Documents, and the Agent and the other Lenders shall not have any obligation or liability to any such Participant. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 5.9 unless the Borrowers agree otherwise in writing.

13.2.2. Voting Rights. Each Lender shall retain the sole right to approve, without the consent of any Participant, any amendment, waiver, or other modification of any Loan Documents other than that which forgives principal, interest, or fees, reduces the stated interest rate or fees payable with respect to any Revolving Loan or Revolving

LOAN AND SECURITY AGREEMENT

Page 101

Commitment in which such Participant has an interest, postpones the Termination Date, or any date fixed for any regularly scheduled payment of principal, interest, or fees on such Revolving Loan or Revolving Commitment, or releases any Borrower, Guarantor, or substantial portion of the Collateral.

13.2.3. Benefit of Set-Off. The Borrowers agree that each Participant shall have a right of set-off in respect of its participating interest to the same extent as if such interest were owing directly to a Lender, and each Lender shall also retain the right of set-off with respect to any participating interests sold by it. By exercising any right of set-off, a Participant agrees to share with the Lenders all amounts received through its set-off, in accordance with Section 12.5 as if such Participant were a Lender.

13.3. Assignments.

13.3.1. Permitted Assignments. A Lender may assign to any Eligible Assignee any of its rights and obligations under the Loan Documents, as long as (a) each assignment is of a constant, and not a varying, percentage of the transferor Lender's rights and obligations under the Loan Documents and, in the case of a partial assignment, is in a minimum principal amount of \$15,000,000 (unless otherwise agreed by the Agent in its discretion) and integral multiples of \$5,000,000 in excess of that amount, (b) except in the case of an assignment in whole of a Lender's rights and obligations, the aggregate amount of the Revolving Commitments retained by the transferor Lender be at least \$15,000,000 (unless otherwise agreed by the Agent in its discretion), and (c) the parties to each such assignment shall execute and deliver to the Agent, for its acceptance and recording, an Assignment and Acceptance. Nothing herein shall limit the right of a Lender to pledge or assign any rights under the Loan Documents to (i) any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors and any Operating Circular issued by such Federal Reserve Bank or (ii) counterparties to swap agreements relating to any Revolving Loans; provided that any payment by the Borrowers to the assigning Lender in respect of any Obligations assigned as described in this sentence shall satisfy the Borrowers' obligations hereunder to the extent of such payment, and no such assignment shall release the assigning Lender from its obligations hereunder.

13.3.2. Effect; Effective Date. Upon delivery to the Agent of a notice of assignment in the form of Exhibit F and a processing fee of \$5,000, such assignment shall become effective as specified in the notice, if it complies with this Section 13.3. From the effective date of such assignment, the Eligible Assignee shall for all purposes be a Lender under the Loan Documents, and shall have all rights and obligations of a Lender thereunder. Upon consummation of an assignment, the transferor Lender, the Agent, and the Borrowers shall make appropriate arrangements for issuance of replacement and/or new Notes, as appropriate.

13.4. Tax Treatment. If any interest in a Loan Document is transferred to a Transferee that is organized under the laws of any jurisdiction other than the United States or any state or district thereof, the transferor Lender shall cause such Transferee, concurrently with the effectiveness of such transfer, to comply with the provisions of Section 5.10.

LOAN AND SECURITY AGREEMENT

Page 102

13.5. Representation of Lenders. Each Lender represents and warrants to

each Borrower, the Agent, and other Lenders that none of the consideration used by it to fund its Revolving Loans or to participate in any other transactions under this Agreement constitutes for any purpose of ERISA or Section 4975 of the Internal Revenue Code assets of any "plan" as defined in Section 3(3) of ERISA or Section 4975 of the Internal Revenue Code and the interests of such Lender in and under the Loan Documents shall not constitute plan assets under ERISA.

SECTION 14. MISCELLANEOUS

14.1. Consents, Amendments and Waivers.

14.1.1. Amendment. No modification of any Loan Document, including any extension or amendment of a Loan Document or any waiver of a Default or Event of Default, shall be effective without the prior written agreement of the Agent, with the consent of the Requisite Lenders, and the Borrowers; provided that:

(a) without the prior written consent of the Agent, no modification shall be effective with respect to any provision in a Loan Document that relates to any rights, duties, or discretion of the Agent;

(b) without the prior written consent of the Issuing Bank, no modification shall be effective with respect to any LC Obligations or Section 2.3;

(c) without the prior written consent of each affected Lender, no modification shall be effective that would (i) increase any Revolving Commitment of such Lender or (ii) reduce the amount of, or waive or delay payment of, any principal, interest, or fees payable to such Lender; and

(d) without the prior written consent of all Lenders (except a defaulting Lender as provided in Section 4.2), no modification shall be effective that would (i) extend the Termination Date, (ii) alter Section 2.1.5, Section 2.1.6, Section 5.6, Section 7.1 (except to add Collateral), Section 10.3, or Section 14.1.1; (iii) amend the definitions of Borrowing Base (and the defined terms used in such definition), Pro Rata, Requisite Lenders, or Total Liquidity, (iv) increase any advance rate or decrease the Minimum Availability Requirement, (v) release Collateral with a book value greater than \$10,000,000 during any calendar year, except as currently contemplated by the Loan Documents, or (vi) release any Obligor from liability for any Obligations, if such Obligor is Solvent at the time of the release.

14.1.2. Limitations. The agreement of the Borrowers shall not be necessary to the effectiveness of any modification of a Loan Document that deals solely with the rights and duties of the Lenders, the Agent, and/or the Issuing Bank as among themselves. Only the consent of the parties to any agreement relating to a Bank Product shall be required for any modification of such agreement, and no Affiliate of the provider of any Bank Products that is party to a Bank Product agreement shall have any other right to consent to or participate in any manner in modification of any other Loan Document. The making of any Revolving Loans during the existence of a Default or Event of Default shall not be deemed to constitute a waiver of such Default or Event of

LOAN AND SECURITY AGREEMENT

Default, nor to establish a course of dealing. Any waiver or consent granted by the Lenders hereunder shall be effective only if in writing, and then only in the specific instance and for the specific purpose for which it is given.

14.1.3. Payment for Consents. No Borrower will, directly or indirectly, pay any remuneration or other thing of value, whether by way of additional interest, fee, or otherwise, to any Lender (in its capacity as a Lender hereunder) as consideration for agreement by such Lender with any modification of any Loan Documents, unless such remuneration or value is concurrently paid, on the same terms, on a Pro

Rata basis to all Lenders providing their consent.

14.2. General Indemnity. EACH BORROWER SHALL INDEMNIFY AND HOLD HARMLESS THE INDEMNITEES AGAINST ANY CLAIMS THAT MAY BE INCURRED BY OR ASSERTED AGAINST ANY INDEMNITEES, INCLUDING CLAIMS ARISING FROM THE NEGLIGENCE OF AN INDEMNITEE. If any Taxes (other than Excluded Taxes) shall be payable by any party due to the execution, delivery, issuance, or recording of any Loan Documents, or the creation or repayment of any Obligations, the Borrowers shall pay (and shall promptly reimburse the Agent and the Lenders for their payment of) all such Taxes, including any interest and penalties thereon, and will indemnify and hold harmless the Indemnitees against all liability in connection therewith.

14.3. Limitations of Indemnities. IN NO EVENT SHALL ANY PARTY TO A LOAN DOCUMENT HAVE ANY OBLIGATION THEREUNDER TO INDEMNIFY AN INDEMNITEE WITH RESPECT TO A CLAIM THAT IS DETERMINED IN A FINAL, NON-APPEALABLE JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SUCH INDEMNITEE. The obligation of each Obligor and Lender with respect to each indemnity given by it in any Loan Documents shall survive Full Payment of the Obligations.

14.4. Notices and Communications.

14.4.1. Notice Address. Subject to Section 4.1.4, all notices, requests, and other communications by or to a party hereto shall be in writing and shall be given to any Borrower, at the Borrower Agent's address shown on the signature pages hereof, and to any other Person at its address shown on the signature pages hereof (or, in the case of a Person who becomes a Lender after the Closing Date, at the address shown on its Assignment and Acceptance), or at such other address as a party may hereafter specify by notice in accordance with this Section 14.4. Each such notice, request, or other communication shall be effective only (a) if given by facsimile transmission, when transmitted to the applicable facsimile number, if confirmation of receipt is received and if such facsimile transmission is followed by a copy of such notice by mail or personal delivery, (b) if given by mail, three Business Days after deposit in the United States mail, with first-class postage pre-paid, addressed to the applicable address, or (c) if given by personal delivery, when duly delivered to the notice address with receipt acknowledged. Notwithstanding the foregoing, no notice to the Agent pursuant to Section 2.1.4, Section 2.3, Section 3.1.2, Section 4.1.1, or Section 5.3.3 shall be effective until actually

LOAN AND SECURITY AGREEMENT

Page 104

received by the individual to whose attention at the Agent such notice is required to be sent. Any written notice, request, or other communication that is not sent in conformity with the foregoing provisions shall nevertheless be effective on the date actually received by the noticed party. Any notice received by the Borrower Agent shall be deemed received by all Borrowers.

14.4.2. Electronic Communications; Voice Mail. Except for electronic submission of Notices of Borrowing and Notices of Conversion/Continuation, electronic mail and intranet websites may be used only for routine communications, such as transmission of financial statements, Borrowing Base Certificates, and other information required by Section 10.1.2, administrative matters, and distribution of Loan Documents for execution. The Agent and the Lenders make no assurances as to the privacy and security of electronic communications. Electronic and voice mail may not be used as effective notice under the Loan Documents.

14.4.3. Non-Conforming Communications. The Agent and the Lenders may rely upon any notices (including telephonic communications) purportedly given by or on behalf of any Borrower even if such notices were not made in a manner specified herein, were incomplete or were not confirmed, or if the terms thereof, as understood by the recipient, varied from a later confirmation. Each Borrower shall indemnify and hold harmless each Indemnatee from any liabilities, losses, costs, and expenses arising from any telephonic communication purportedly given by or on behalf of a Borrower.

14.5. Performance of the Borrowers' Obligations. The Agent may, in its discretion at any time and from time to time, at the Borrowers' expense, pay any amount or do any act required of a Borrower under any Loan Documents or otherwise lawfully requested by the Agent to (a) enforce any Loan Documents or collect any Obligations, (b) protect, insure, maintain, or realize upon any Collateral, or (c) defend or maintain the validity or priority of the Agent's Liens in any Collateral, including any payment of a judgment, insurance premium, warehouse charge, finishing or processing charge, or landlord claim, or any discharge of a Lien. All payments, costs, and expenses (including Extraordinary Expenses) of the Agent under this Section shall be reimbursed to the Agent by the Borrowers, on demand, with interest from the date incurred to the date of payment thereof at the Default Rate applicable to Base Rate Revolving Loans. Any payment made or action taken by the Agent under this Section shall be without prejudice to any right to assert an Event of Default or to exercise any other rights or remedies under the Loan Documents.

14.6. Credit Inquiries. Each Borrower hereby authorizes the Agent and the Lenders (but they shall have no obligation) to respond to usual and customary credit inquiries from third parties concerning any Borrower or Subsidiary.

14.7. Severability. Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be valid under Applicable Law. If any provision is found to be invalid under Applicable Law, it shall be ineffective only to the extent of such invalidity and the remaining provisions of the Loan Documents shall remain in full force and effect.

LOAN AND SECURITY AGREEMENT

Page 105

14.8. Cumulative Effect; Conflict of Terms. The provisions of the Loan Documents are cumulative. The parties acknowledge that the Loan Documents may use several different limitations, tests or measurements to regulate the same or similar matters, and they agree that these are cumulative and that each must be performed as provided. Except as otherwise specifically provided in another Loan Document (by specific reference to the applicable provision of this Agreement), if any provision contained herein is in direct conflict with any provision in another Loan Document, the provision herein shall govern and control.

14.9. Counterparts; Facsimile Signatures. Any Loan Document may be executed in counterparts, each of which taken together shall constitute one instrument. Loan Documents may be executed and delivered by facsimile, and they shall have the same force and effect as manually signed originals. The Agent may require confirmation by a manually-signed original, but failure to request or deliver same shall not limit the effectiveness of any facsimile signature.

14.10. Entire Agreement. Time is of the essence of the Loan Documents. The Loan Documents embody the entire understanding of the parties with respect to the subject matter thereof and supersede all prior understandings regarding the same subject matter.

14.11. Obligations of the Lenders. The obligations of each Lender hereunder are several, and no Lender shall be responsible for the obligations or Revolving Commitments of any other Lender. Amounts payable hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled, to the extent not otherwise restricted hereunder, to protect and enforce its rights arising out of the Loan Documents. It shall not be necessary for the Agent or any other Lender to be joined as an additional party in any proceeding for such purposes. Nothing in this Agreement and no action of the Agent or the Lenders pursuant to the Loan Documents shall be deemed to constitute the Agent and the Lenders to be a partnership, association, joint venture, or any other kind of entity, nor to constitute control of any Borrower. Each Borrower acknowledges and agrees that in connection with all aspects of any transaction contemplated by the Loan Documents, the Borrowers, the Agent, the Issuing Bank, and the Lenders have an arms-length business relationship that creates no fiduciary duty on the part of the Agent, the Issuing Bank, or any Lender, and each Borrower, the Agent, the Issuing Bank, and each Lender expressly disclaims any fiduciary relationship.

14.12. Confidentiality. During the term of this Agreement and for 12 months thereafter, the Agent and the Lenders agree to take reasonable precautions to maintain the confidentiality of any information that the Borrowers deliver to the Agent and the Lenders and identify as confidential at the time of delivery, except that the Agent and any Lender may disclose such

information (a) to their respective officers, directors, employees, Affiliates, and agents, including legal counsel, auditors, and other professional advisors, (b) to any party to the Loan Documents from time to time, (c) pursuant to the order of any court or administrative agency, (d) upon the request of any Governmental Authority exercising regulatory authority over the Agent or such Lender, (e) which ceases to be confidential, other than by an act or omission of the Agent or any Lender, or which becomes available to the Agent or any Lender on a nonconfidential basis, (f) to the extent reasonably required in connection with any litigation relating to any Loan Documents or transactions contemplated thereby, or otherwise as required by Applicable Law, (g) to the extent reasonably required for the exercise of any rights or remedies under the Loan Documents, (h) to any actual or proposed party to a Bank Product or to any Transferee, as long as such

LOAN AND SECURITY AGREEMENT

Page 106

Person agrees to be bound by the provisions of this Section, (i) to the National Association of Insurance Commissioners or any similar organization, or to any nationally recognized rating agency that requires access to information about a Lender's portfolio in connection with ratings issued with respect to such Lender, (j) to any investor or potential investor in an Approved Fund that is a Lender or Transferee, but solely for use by such investor to evaluate an investment in such Approved Fund, or to any manager, servicer, or other Person in connection with its administration of any such Approved Fund, or (k) with the consent of the Borrowers.

14.13. Certifications Regarding Indebtedness Agreements. The Borrowers certify to the Agent and the Lenders that neither the execution or performance of the Loan Documents nor the incurrence of any Obligations by the Borrowers violates the Second Lien Credit Agreement, the Senior Subordinated Notes Indenture, the Senior Notes Indentures, the Convertible Subordinated Notes Indentures, the Intercreditor Agreement, or any agreement, document, or instrument related thereto. The Borrowers further certify that (a) the Revolving Commitments and the Obligations constitute "Permitted Bank Debt" under the Second Lien Credit Agreement and the Intercreditor Agreement, (b) the Revolving Commitments and the Obligations constitute "Designated Senior Debt" under the Senior Subordinated Notes Indenture and the Convertible Subordinated Notes Indentures, and (c) the Agent is the "Representative" under the Senior Subordinated Notes Indenture and the Convertible Subordinated Notes Indentures. The Agent may condition Borrowings, Letters of Credit, and other credit accommodations under the Loan Documents from time to time upon the Agent's receipt of evidence that the Revolving Commitments and Obligations continue to constitute "Permitted Bank Debt" under the Second Lien Credit Agreement at such time and are permitted thereunder.

14.14. Governing Law. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, UNLESS OTHERWISE SPECIFIED, SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, PROVIDED THAT IN THE EVENT ANY COURT DETERMINES THAT NEW YORK LAW DOES NOT GOVERN THE LAWS OF THE STATE OF TEXAS SHALL GOVERN, IN ANY SUCH CASE WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS).

14.15. Consent to Forum. EACH BORROWER HEREBY CONSENTS TO THE NON-EXCLUSIVE JURISDICTION OF ANY FEDERAL OR STATE COURT SITTING IN OR WITH JURISDICTION OVER DALLAS, TEXAS, IN ANY PROCEEDING OR DISPUTE RELATING IN ANY WAY TO ANY LOAN DOCUMENTS, AND AGREES THAT ANY SUCH PROCEEDING SHALL BE BROUGHT BY SUCH BORROWER SOLELY IN ANY SUCH COURT. EACH BORROWER IRREVOCABLY WAIVES ALL CLAIMS, OBJECTIONS, AND DEFENSES THAT IT MAY HAVE REGARDING SUCH COURT'S PERSONAL OR SUBJECT MATTER JURISDICTION, VENUE, OR INCONVENIENT FORUM. Nothing herein shall limit the right of the Agent or any Lender to bring proceedings against any Obligor in any other court. Nothing in this Agreement shall be deemed to preclude enforcement by the Agent of any judgment or order obtained in any forum or jurisdiction.

14.16. Waivers by the Borrowers. To the fullest extent permitted by Applicable Law, each Borrower waives (a) the right to trial by jury (which the Agent and each Lender hereby also waives) in any proceeding, claim or counterclaim of any kind relating in any way to any Loan

LOAN AND SECURITY AGREEMENT

Page 107

Documents, Obligations, or Collateral, (b) presentment, demand, protest, notice of presentment, default, non-payment, maturity, release, compromise, settlement, extension, or renewal of any commercial paper, accounts, contract rights, documents, instruments, chattel paper, and guaranties at any time held by the Agent on which a Borrower may in any way be liable, and hereby ratifies anything the Agent may do in this regard, (c) notice prior to taking possession or control of any Collateral, (d) any bond or security that might be required by a court prior to allowing the Agent to exercise any rights or remedies, (e) the benefit of all valuation, appraisal and exemption laws, (f) any claim against the Agent or any Lender, on any theory of liability, for special, indirect, consequential, exemplary, or punitive damages (as opposed to direct or actual damages) in any way relating to any Enforcement Action, Obligations, Loan Documents, or transactions relating thereto, and (g) notice of acceptance hereof. Each Borrower acknowledges that the foregoing waivers are a material inducement to the Agent and the Lenders entering into this Agreement and that the Agent and the Lenders are relying upon the foregoing in their dealings with the Borrowers. Each Borrower has reviewed the foregoing waivers with its legal counsel and has knowingly and voluntarily waived its jury trial and other rights following consultation with legal counsel. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

14.17. Patriot Act Notice. The Agent and the Lenders hereby notify the Borrowers that pursuant to the requirements of the Patriot Act, the Agent and the Lenders are required to obtain, verify, and record information that identifies each Borrower, including its legal name, address, tax ID number, and other information that will allow the Agent and the Lenders to identify each Borrower in accordance with the Patriot Act. The Agent and the Lenders will also require information regarding each personal guarantor, if any, and may require information regarding the Borrowers' management and owners, such as legal name, address, social security number, and date of birth.

14.18. No Oral Agreement. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS BETWEEN THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[Remainder of page intentionally left blank; signatures begin on following page]

LOAN AND SECURITY AGREEMENT

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date set forth above.

BORROWERS:

AMKOR TECHNOLOGY, INC.

By: /s/ Kenneth T. Joyce

Name: Kenneth T. Joyce

Title: Chief Financial Officer

UNITIVE, INC.

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

UNITIVE ELECTRONICS, INC.

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

Address for notices to all Borrowers:

c/o Amkor Technology, Inc.
1900 South Price Road
Chandler, Arizona 85248
Attention: Treasurer
Telecopy: 480-821-2616

LOAN AND SECURITY AGREEMENT

Page 109

AGENT:

BANK OF AMERICA, N.A.

By: /s/ Joy L. Bartholomew

Joy L. Bartholomew
Senior Vice President

Address for notices:

Bank of America, N.A.
901 Main Street, 22nd Floor
TX1-492-22-13
Dallas, Texas 75202
Attention: Loan Administration
Telecopy: (214) 209-4766

LOAN AND SECURITY AGREEMENT

Page 110

LENDERS:

BANK OF AMERICA, N.A.

By: /s/ Joy L. Bartholomew

Joy L. Bartholomew
Senior Vice President

Address for notices:

Bank of America, N.A.
901 Main Street, 22nd Floor
TX1-492-22-13
Dallas, Texas 75202
Attention: Loan Administration
Telecopy: (214) 209-4766

LOAN AND SECURITY AGREEMENT

Page 111

WACHOVIA CAPITAL FINANCE CORPORATION (WESTERN)

By: /s/ James E. Campbell

Name: James E. Campbell

Title: Vice President

Address for Notices:

Wachovia Capital Finance Corporation (Western)
251 South Lake Avenue, Suite 900
Pasadena, California 91101
Attention: Portfolio Manager - Amkor
Technology, Inc.
Telecopy: (626) 304-4949

LOAN AND SECURITY AGREEMENT

Page 112

GUARANTY AGREEMENT

This Guaranty Agreement ("Guaranty Agreement"), is executed and delivered by each of the undersigned guarantors (each a "Guarantor") to Bank of America, N.A., in its capacity as the administrative agent for the Lenders under the Loan and Security Agreement, as follows:

Definitions

The following terms shall have the following meanings wherever used in this Guaranty Agreement:

"Borrowers" means the "Borrowers" under the Loan and Security Agreement, excluding, with respect to each Guarantor, such Guarantor.

"Guaranteed Obligations" means all indebtedness, obligations, and liabilities now or hereafter, from time to time, owing by the Borrowers to the Agent or the Lenders under or pursuant to the Loan and Security Agreement or any of the other Loan Documents, including, without limitation, all unpaid principal and accrued interest on the Revolving Loans (whether now existing or hereafter arising), all reimbursement obligations in respect of letters of credit and all other fees, costs, expenses (including, without limitation, reasonable attorneys' fees and expenses and other legal costs), and other monetary obligations of the Borrowers under the Loan and Security Agreement or any of the other Loan Documents, now existing or hereafter arising, whether direct, indirect, fixed, contingent, liquidated, unliquidated, joint, several, or joint and several, and all renewals, extensions, modifications, rearrangements, and increases of any of the foregoing. Guaranteed Obligations includes, without limitation, the "Obligations" as defined by the Loan and Security Agreement, now or hereafter owing by the Borrowers.

"Guarantor" has the meaning specified in the introductory paragraph hereof and "Guarantors" means one or more of such Persons collectively.

"Guaranty Agreement" has the meaning specified in the introductory paragraph hereof.

"Loan and Security Agreement" means the certain Loan and Security Agreement, dated as of November 28, 2005 among the lending institutions from time to time party thereto, Bank of America, N.A., as administrative agent for such lending institutions, and the Amkor Technology, Inc., and certain of its Subsidiaries, as such agreement may be renewed, extended, amended, supplemented, restated, or otherwise modified from time to time.

Terms defined by the Loan and Security Agreement, wherever used herein, unless otherwise defined above, shall have the same meanings in this Guaranty Agreement as are set forth in the Loan and Security Agreement, and each of such definitions hereby is deemed to be incorporated herein by reference. Each of the Guarantors expressly acknowledges that it has read and is familiar with all such incorporated definitions and that incorporation of same herein shall be

GUARANTY AGREEMENT - Page 1

deemed to have the same effect and enforceability as though each of such incorporated definitions is set forth herein at length.

Recitals:

A. The Borrowers, the Agent, and the Lenders have executed and entered into the Loan and Security Agreement, which provides for Revolving Loans by the Lenders to the Borrowers and for the issuance of Letters of Credit by the Issuing Bank on the terms and conditions prescribed therein.

B. This Guaranty Agreement is required by the Loan and Security Agreement and each Guarantor's execution and delivery hereof is a condition (among other conditions) to the making of the Revolving Loans and the issuance of the Letters of Credit.

C. Each Guarantor has determined that (i) it will directly and indirectly benefit from the availability of financing to the Borrowers under the Loan and Security Agreement and the other transactions evidenced by and contemplated in the Loan Documents, (ii) it will benefit, directly and indirectly, from executing and delivering this Guaranty Agreement, (iii) it is in such Guarantor's best interest, and within its corporate purpose, to execute and deliver and, if called upon to do so, to perform its obligations under this Guaranty Agreement, and (iv) execution and delivery of this Guaranty Agreement and any other Loan Documents to which such Guarantor is a party is necessary or convenient to the conduct, promotion, and attainment of the business of such Guarantor.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, each Guarantor hereby agrees as follows:

1. Guaranty of Guaranteed Obligations. This Guaranty Agreement is executed by each Guarantor pursuant to the Loan and Security Agreement and is for the benefit of the Agent and the Lenders. As an inducement to the Lenders to make the Revolving Loans and extend and continue to extend credit and other financial accommodations to the Borrowers under the Loan Documents, and to the Issuing Bank to provide Letters of Credit as provided by the Loan and Security Agreement, for value received, each Guarantor hereby unconditionally, irrevocably and absolutely guarantees the prompt and full payment and performance of the Guaranteed Obligations when due or declared to be due and at all times thereafter.

2. Nature of Guaranty. This Guaranty Agreement is and shall be an absolute, unconditional, irrevocable, and continuing unlimited guaranty of payment, and not solely of collection. Each Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Loan and Security Agreement and the other Loan Documents, without setoff or counterclaim, and regardless of any Applicable Law now or hereafter in effect in any jurisdiction affecting any of such terms or the rights of the Lenders with respect thereto. The Guaranteed Obligations may be increased, reduced, or paid in full at any time and from time to time without affecting the liability or obligation of any Guarantor under this Guaranty Agreement with respect to all Guaranteed Obligations, whenever incurred or arising. All Guaranteed Obligations now or hereafter arising shall be conclusively presumed to have been

GUARANTY AGREEMENT - Page 2

made or acquired in acceptance hereof. Each Guarantor shall be liable, jointly and severally, with the Borrowers and any other Person now or hereafter obligated in respect of the Guaranteed Obligations, or any portion thereof. It is the intention of each Guarantor and the Lenders that such Guarantor's liabilities and obligations hereunder shall not be discharged except by such Guarantor's full and complete payment and performance of such liabilities and obligations and then only to the extent of such payment and performance (to the extent not otherwise satisfied by any Borrower or any other Person now or hereafter obligated in respect of the Guaranteed Obligations).

3. Representations and Warranties. Each of the representations and warranties in the Loan and Security Agreement relating to each Guarantor are incorporated by reference and restated herein. In addition, each Guarantor hereby represents and warrants to the Agent and the Lenders as follows:

(a) Each Guarantor has received and will receive a direct and indirect material benefit from the transactions evidenced by and contemplated in the Loan and Security Agreement and the other Loan Documents. This Guaranty Agreement is given by each Guarantor in furtherance of the direct and indirect business interests and corporate purposes of such Guarantor, and is necessary to the conduct, promotion, and attainment of the businesses of the Borrowers and such Guarantor. The value of the consideration received and to be received by each Guarantor is reasonably worth at least as much as the liability and obligation of such Guarantor hereunder.

(b) Each Guarantor is currently informed of the financial condition of the Borrowers, each other Obligor, and any and all other Persons obligated in respect of the Guaranteed Obligations and of all other circumstances which a diligent inquiry would reveal and which bear upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor has read and understands the terms and conditions of the Loan Documents. Each Guarantor

is familiar with, and has had an opportunity to review the books and records regarding the financial condition of the Borrowers and is familiar with the value of any and all property intended to be security for the payment of all or any part of the Guaranteed Obligations; provided that such Guarantor is not relying on such financial condition or the existence or value of any such security as an inducement to enter into this Guaranty Agreement. Each Guarantor has adequate means to obtain, on a continuing basis, information concerning the financial condition of the Borrowers. No Guarantor has been induced to enter into this Guaranty Agreement on the basis of a contemplation, belief, understanding, or agreement that any Person other than such Guarantor will be liable to pay the Guaranteed Obligations. Neither the Agent, nor any other Lender, has made any representation, warranty, or statement to any Guarantor in order to induce such Guarantor to execute this Guaranty Agreement.

4. Covenants. Each Guarantor agrees that until all Revolving Commitments have been terminated and the Guaranteed Obligations have been paid in full, such Guarantor will comply with all covenants set forth in the Loan and Security Agreement which are applicable to such Guarantor.

GUARANTY AGREEMENT - Page 3

5. Obligations Not Impaired. Each Guarantor agrees that its obligations hereunder shall not be released, diminished, impaired, reduced, or affected by the occurrence of any one or more of the following events: (i) lack of organizational authority of any of the Borrowers or any other Obligor; (ii) any receivership, insolvency, bankruptcy, or other proceedings affecting the Borrowers or any other Obligor or its property; (iii) partial or total release or discharge of the Borrowers or any other Obligor or other Person from the performance of any obligation contained in any instrument or agreement evidencing, governing, or securing all or any part of the Guaranteed Obligations, whether occurring pursuant to any Applicable Law or otherwise; (iv) any change in the time, manner, or place of payment of, or in any other term of, or any increase in the amount of, all the Guaranteed Obligations, or any portion thereof, or any other amendment or waiver of any term of, or any consent to departure from any requirement of, any of the Loan Documents; (v) the taking or accepting of any collateral security for all or any part of the Guaranteed Obligations, this Guaranty Agreement, or any other Guaranty; (vi) the taking or accepting of any other Guaranty for all or any part of the Guaranteed Obligations; (vii) any failure to acquire, perfect, or continue any Lien on Collateral securing all or any part of the Guaranteed Obligations or on any other property securing this Guaranty Agreement; (viii) any exchange, release, or subordination of any Lien on any Collateral, or any release, amendment, waiver, or subordination of any term of any guaranty of the Guaranteed Obligations or any other impairment of any collateral security or guaranty now or hereafter securing all or any part of the Guaranteed Obligations; (ix) any failure to dispose of any collateral security at any time securing all or any part of the Guaranteed Obligations or this Guaranty Agreement in a commercially reasonable manner or as otherwise may be required by any Applicable Law; (x) any merger, reorganization, consolidation, or dissolution of any of the Borrowers, such Guarantor, or any other Obligor, any sale, lease, or transfer of any or all of the assets of any of the Borrowers, such Guarantor, or any other Obligor, or any change in name, business, organization, location, composition, structure, or organization of any of the Borrowers, the Guarantor, or any other Obligor; (xi) any Change of Control or any other change in the shareholders of any of the Borrowers, such Guarantor, or any other Obligor; (xii) any invalidity or unenforceability of or defect or deficiency in any of the Loan Documents; (xiii) avoidance or subordination of the Guaranteed Obligations, or any portion thereof; (xiv) the unenforceability of all or any part of the Guaranteed Obligations against any of the Borrowers because any interest contracted for, charged, or received in respect of the Guaranteed Obligations exceeds the amount permitted by any Applicable Law; (xv) any waiver, consent, extension, forbearance, or granting of any indulgence by the Lenders with respect to the Guaranteed Obligations or any provision of any of the Loan Documents; (xvi) any delay in or lack of enforcement of any remedies under the Loan Documents; (xvii) the act of creating all or any part of the Guaranteed Obligations is ultra vires, or the officers or other representatives creating all or any part of the Guaranteed Obligations acted in excess of their authority; (xviii) any election of remedies by any of the Lenders; (xix) any of the Loan Documents

were forged; (xx) the election by any of the Lenders in any proceeding under the Bankruptcy Code of the application of Section 1111(b)(2) thereof; (xxi) any borrowing or grant of a security interest by any of the Borrowers or any other Obligor, as debtor-in-possession, under Section 364 of the Bankruptcy Code, or the use of cash collateral by any of the Borrowers, or any consent by the Agent and the Lenders to any of the foregoing; (xxii) the disallowance in bankruptcy of all or any portion of the claims of any of the Lenders for payment of any of the Guaranteed Obligations; or (xxiii) any other circumstance which might otherwise constitute a legal or equitable discharge or defense available to any of the Borrowers,

GUARANTY AGREEMENT - Page 4

such Guarantor, or any other Obligor (other than that the Guaranteed Obligations shall have been indefeasibly paid and performed in full).

6. Consent and Waiver.

(a) Each Guarantor hereby waives: (i) notice of acceptance of this Guaranty Agreement; (ii) notice of any Revolving Loans, Letters of Credit, or other financial accommodations made or extended under the Loan Documents or the creation or existence of any Guaranteed Obligations; (iii) notice of the amount of the Guaranteed Obligations, subject, however, to such Guarantor's right to make inquiry of the Agent to ascertain the amount thereof at any reasonable time; (iv) notice of any adverse change in the financial condition of any of the Borrowers, any other Obligor, or any other Person or of any other fact that might increase or otherwise change such Guarantor's risk with respect to the Guaranteed Obligations, any of the Borrowers, or any other Person under this Guaranty Agreement; (v) notice of presentment for payment, demand, protest, and notice thereof, notice of intent to accelerate, notice of acceleration, notice of dishonor, diligence, or promptness in enforcement and indulgences of every kind as to any promissory notes or other instruments among the Loan Documents; (vi) notice of any of the events or circumstances enumerated in paragraph 5 hereof, and all other notices and demands to which such Guarantor might otherwise be entitled (except if such notice is specifically required to be given to such Guarantor hereunder or under any of the Loan Documents to which such Guarantor is a party); (vii) any requirement that any of the Lenders protect, secure, perfect, or insure any Lien on any Collateral or other property as security for the Guaranteed Obligations or exhaust any right or take any action against the Borrowers, any other Obligor, or any other Person or any Collateral or any other property subject to a Lien; (viii) the benefit of any statute of limitation applicable to enforcement of the Guaranteed Obligations, or any portion thereof, or any Liens in the Collateral or other property as security for the Guaranteed Obligations or this Guaranty Agreement; (ix) all rights by which such Guarantor might be entitled to require suit on an accrued right of action in respect of any of the Guaranteed Obligations or require suit against any of the Borrowers, any other Obligor, or any other Person, whether arising pursuant to Section 34.02 of the Texas Business and Commerce Code, as amended, Section 17.001 of the Texas Civil Practice and Remedies Code, as amended, Rule 31 of the Texas Rules of Civil Procedure, as amended, or otherwise; or (x) any other defense of any of the Borrowers, any other Obligor, or any other Person (other than that the Guaranteed Obligations shall have been indefeasibly paid and performed in full).

(b) Each Guarantor hereby waives and agrees not to assert against any Lender, to the extent allowed by any Applicable Law: (i) any defense, setoff, counterclaim, or claim of any kind or nature available to any of the Borrowers, any other Obligor, or any other Person against any Lender, arising directly or indirectly from the present or future lack of perfection, sufficiency, validity, or enforceability of the Guaranteed Obligations or any Lien in the Collateral or any other property as security for the Guaranteed Obligations; and (ii) any right or defense arising by reason of any claim or defense based upon an election of remedies by any Lender under any Applicable Law.

GUARANTY AGREEMENT - Page 5

(c) The Agent shall have the right to seek recourse against each

Guarantor to the fullest extent provided for herein, and no election by the Agent to proceed in one form of action or proceeding, or against any party, or on any obligation, shall constitute a waiver of the Agent's right to proceed in any other form of action or proceeding or against other parties unless the Agent has expressly waived such right in writing. Without limiting the foregoing, no action or proceeding by any Lender under any document or instrument evidencing the Guaranteed Obligations shall serve to diminish the liability of any Guarantor under this Guaranty Agreement except to the extent that the Lenders finally and unconditionally shall have realized indefeasible payment in full of the Guaranteed Obligations.

(d) Each Guarantor waives, and agrees that its liability hereunder shall not be affected by, any neglect, delay, omission, failure, or refusal of the Agent or any Lender to (i) exercise or properly or diligently exercise any right or remedy with respect to any or all of the Guaranteed Obligations or the collection thereof or any Collateral or other security for or Guaranty of the Guaranteed Obligations, or any portion thereof, (ii) take or prosecute, or properly or diligently take or prosecute, any action for the collection of any or all of the Guaranteed Obligations against any of the Borrowers, any other Obligor, such Guarantor, or any other Person in respect of any or all of the Guaranteed Obligations, (iii) foreclose or prosecute, or properly or diligently foreclose or prosecute, any action in connection with any agreement, document, or instrument or arrangement evidencing, securing, or otherwise affecting all or any part of the Guaranteed Obligations, or (iv) mitigate damages or take any other action to reduce, collect, or enforce the Guaranteed Obligations.

(e) The Agent may at any time, without the consent of or notice to any Guarantor (but otherwise subject to any requirement for consent of any or all of the Lenders as prescribed by the Loan and Security Agreement), without incurring responsibility to any Guarantor and without impairing, releasing, reducing, or affecting the obligations of any Guarantor hereunder: (i) change the manner, place, or terms of payment of all or any part of the Guaranteed Obligations, or renew, extend, modify, rearrange, refinance, refund, or alter all or any part of the Guaranteed Obligations; (ii) sell, exchange, release, surrender, subordinate, realize upon, or otherwise deal with in any manner and in any order any Collateral and any Lien securing all or any part of the Guaranteed Obligations or this Guaranty Agreement or setoff against all or any part of the Guaranteed Obligations; (iii) neglect, delay, omit, fail, or refuse to take or prosecute any action for the collection of all or any part of the Guaranteed Obligations or this Guaranty Agreement or to take or prosecute any action in connection with any of the Loan Documents; (iv) exercise or refrain from exercising any rights against any of the Borrowers, any other Obligor, or any other Person, or otherwise act or refrain from acting; (v) settle or compromise all or any part of the Guaranteed Obligations and subordinate the payment of all or any part of the Guaranteed Obligations to the payment of any obligations, indebtedness, or liabilities which may be due or become due to the Lenders or others; (vi) apply any deposit balance, fund, payment, collections through process of law or otherwise, or other property of the Borrowers or any other Obligor to the satisfaction and liquidation of indebtedness or obligations of any of the Obligor to the

GUARANTY AGREEMENT - Page 6

Lenders, if any, not guaranteed under this Guaranty Agreement; (vii) release all or any one or more parties to any one or more of the Loan Documents or grant other indulgences to the Borrowers or any other Obligor or any other Person in respect thereof; (viii) amend or modify in any manner and at any time (or from time to time) any of the Loan Documents; (ix) partially or fully release or substitute any guarantor, or enforce, exchange, release, or waive any security for the Guaranteed Obligations, or any portion thereof; (x) bring suit against any and all Persons liable or obligated in respect of the Guaranteed Obligations, collectively together, jointly and severally, or separately, and apply any amounts obtained by the Agent in such manner as the Agent may elect, subject to the Loan Documents; and (xi) apply any sums paid to the Lenders by any Guarantor, the Borrowers, any other Obligor, or any other Person to the Guaranteed Obligations as provided by the Loan Documents.

(f) Should the Agent or any other Lender seek to enforce the obligations hereunder by action in any court or otherwise, each Guarantor waives any requirement, substantive or procedural, that (i) rights or remedies be enforced first against any of the Borrowers, any other Obligor,

or any other Person liable for all or any part of the Guaranteed Obligations, including, without limitation, that a judgment first be rendered against any such Person, or that any of the Borrowers or any other such Person should be joined in such cause or (ii) enforcement shall first be made against any Collateral or other property which shall ever have been given to secure all or any part of the Guaranteed Obligations or this Guaranty Agreement. Such waiver shall be without prejudice to the Agent's right, at its option, to proceed against the Borrowers, any other Obligor, or any other Person, whether by separate action or by joinder.

(g) If, in connection with the exercise of any of its rights and remedies, the Agent or any other Lender shall forfeit any of its rights or remedies, including, without limitation, its right to a deficiency judgment in respect of the Guaranteed Obligations, whether because of any Applicable Law pertaining to "election of remedies," disposition of collateral, or the like, each Guarantor hereby consents to such action by the Agent or such Lender and waives any claim based upon such action. Any action which results in the denial or impairment of any such right to seek a deficiency judgment against any of the Borrowers, any other Obligor, or any other Person shall not impair the obligation of any Guarantor to pay the full amount of the Guaranteed Obligations or any other obligation of any Guarantor contained herein.

(h) Each Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Agent, for the benefit of the Lenders, is prevented by any Applicable Law from exercising its right to accelerate the maturity of all or any portion of the Guaranteed Obligations, to collect interest thereon, or to enforce or exercise any other right or remedy with respect thereto, or the Agent is prevented from taking any action to enforce any Lien in the Collateral or any other property as security for the Guaranteed Obligations or realize on the Collateral, such Guarantor shall pay to the Agent, for the account of the Lenders, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Lenders, as the case may be.

GUARANTY AGREEMENT - Page 7

(i) Each Guarantor hereby assumes sole responsibility for keeping itself informed of the financial condition of the Borrowers, each other Obligor, and any other Person liable for all or any part of the Guaranteed Obligations, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations or any part thereof. Each Guarantor hereby agrees that neither the Agent nor any Lender shall have any obligation or duty to advise it of information known to any of them regarding such condition or any such circumstance.

(j) Each Guarantor consents and agrees that neither the Agent nor any Lender shall be under any obligation to marshal any assets in favor of such Guarantor or otherwise in connection with obtaining payment of any or all of the Guaranteed Obligations from any Person or source.

(k) Each Guarantor agrees that the Agent may, at any time and from time to time in its discretion and with or without valuable consideration, allow substitution or withdrawal of Collateral or other security and release Collateral or other security without impairing or diminishing the liabilities or obligations of such Guarantor hereunder.

(l) Each Guarantor agrees that neither the Agent nor any Lender shall be liable for any failure to use diligence or care in the collection of the Guaranteed Obligations, in the creation or perfection of any lien, security interest, or assignment intended as security, or in preserving the liability of any Person liable or obligated on the Guaranteed Obligations.

7. Default. Upon the occurrence and during the continuation of an Event of Default, each Guarantor agrees, to pay to the Agent, for the benefit of the Lenders, at the Agent's office located in Dallas County, Texas or at such other place as the Agent may specify to such Guarantor in writing, on demand by the Agent and without further notice of dishonor and without notice of any kind to any Obligor, such Guarantor, or any other Person, the full unpaid amount of the Guaranteed Obligations, in immediately available funds, or such lesser amount, if any, as may then be due and payable and demanded by the Agent from time to

time. If acceleration of the time for payment of any amount payable by the Borrowers or any other Obligor under or with respect to any of the Guaranteed Obligations is stayed or otherwise delayed upon the insolvency, bankruptcy, or reorganization of any Obligor, all such amounts otherwise subject to acceleration under the terms of the Guaranteed Obligations shall nonetheless be payable by each Guarantor hereunder promptly on demand by the Agent, and such Guarantor expressly and unconditionally agrees to make such payment in full.

8. No Waiver, Remedies.

(a) No failure on the part of the Agent to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. In no event shall any waiver of the provisions of this Guaranty Agreement be effective unless the same be in writing and signed by an officer

GUARANTY AGREEMENT - Page 8

of the Agent, and then only in the specific instance and for the purpose given. The remedies herein provided are cumulative and not exclusive of any remedies provided by any Applicable Law or any of the other Loan Documents.

(b) Failure by the Agent or any Lender at any time or times hereafter to require strict performance by the Borrowers, any other Obligor, any Guarantor, or any other Person of any of the requirements contained in any of the Loan Documents now or at any time, from time to time, hereafter executed and delivered by the Borrowers, any other Obligor, any Guarantor, or any such other Person shall not waive, affect, or diminish the right to demand strict performance thereof, and such right shall not be deemed to have been modified or waived by any course of conduct or knowledge of the Agent, any Lender, or any agent, officer, or employee thereof, respectively.

(c) No waiver of any Default or Event of Default or any other breach, default, or requirement shall operate as a waiver of any other Default or Event of Default or the same Default or Event of Default on a future occasion, and no action permitted hereunder shall in any way affect or impair any of the rights of the Agent or the Lenders or the obligations of any Guarantor under this Guaranty Agreement or under any of the other Loan Documents. Any determination by a court of competent jurisdiction of the amount of any principal and/or interest or other amount constituting any of the Guaranteed Obligations shall be conclusive and binding on each Guarantor irrespective of whether such Guarantor was a party to the suit or action in which such determination was made.

9. Notice of Sale. In the event that any Guarantor is entitled to receive any notice under the UCC, as it exists in the state governing any such notice, of the sale or other disposition of any Collateral or other property securing all or any part of the Guaranteed Obligations or this Guaranty Agreement, it is agreed that at least ten days notice of the time and place of any public sale, or the time after which any private sale or other disposition may be made of any such Collateral or other property, shall be deemed to be reasonable notice in conformity with such requirements; provided that notice given in any other reasonable manner or at any other reasonable time shall be sufficient.

10. Payment by Guarantor. Whenever any Guarantor pays any sum which is or may become due under this Guaranty Agreement, written notice must be delivered to the Agent contemporaneously with such payment. Such notice shall be effective for purposes of this paragraph when contemporaneously with such payment the Agent receives such notice in the manner otherwise prescribed for notices hereunder. For purposes of this Guaranty Agreement, in the absence of such notice in compliance with the provisions hereof, any sum received by the Agent or any Lender on account of the Guaranteed Obligations shall be conclusively deemed paid by the Borrowers.

11. The Agent. The Agent shall have all of the rights, powers, and benefits, for itself and on behalf of the Lenders, as are prescribed by the Loan Documents.

12. Cumulative Remedies; No Election. If any Guarantor is or becomes liable or obligated for the Guaranteed Obligations, by endorsement or otherwise, other

than under this

GUARANTY AGREEMENT - Page 9

Guaranty Agreement, such liability or obligation shall not be in any manner impaired or affected hereby, and the rights and remedies of the Agent hereunder shall be cumulative of any and all other rights and remedies that the Agent or any Lender may ever have against such Guarantor. The exercise by the Agent or any Lender of any right or remedy hereunder or under any other agreement, document, or instrument, or at law or in equity, shall not preclude the concurrent or subsequent exercise of any other right or remedy. This Guaranty Agreement may be enforced from time to time as often as occasion for enforcement may arise as may be determined by the Agent, and it is agreed and understood that it shall not be necessary for the Agent, in order to enforce payment by any Guarantor, first to exercise any rights or remedies against any of the Borrowers, any other Obligor, the Collateral, or any other Person under the Loan Documents or any Applicable Law.

13. Binding Effect. This Guaranty Agreement, and each Guarantor's performance hereunder, is for the benefit of the Agent (for the benefit of the Agent and the Lenders according to their respective interests as provided in the Loan and Security Agreement), and its successors and assigns, and in the event of an assignment by the Agent or any Lender, or their respective successors or assigns, of the Guaranteed Obligations, or any part thereof, the rights and benefits hereunder, to the extent applicable to the indebtedness, liabilities, and obligations so assigned, shall be deemed transferred with such indebtedness, liabilities, and obligations without necessity of further express action. This Guaranty Agreement is binding upon each Guarantor, and its successors and assigns.

14. Contribution and Indemnity. To the extent that any Guarantor shall repay any of the Guaranteed Obligations (any such payment hereinafter being called an "Accommodation Payment") then such Guarantor making such Accommodation Payment shall be entitled to contribution and indemnification from, and be reimbursed by, each other Guarantor in an amount, for each such other Guarantor, equal to a fraction of such Accommodation Payment, the numerator of which fraction is such other Guarantor's Allocable Amount (as defined below) and the denominator of which is the sum of the Allocable Amounts of each Guarantor. As of any date of determination, the "Allocable Amount" of each Guarantor shall be equal to the maximum amount of liability for Accommodation Payments which could be asserted against such Guarantor hereunder without (a) rendering such Guarantor "insolvent" within the meaning of Section 101 (31) of the Bankruptcy Code, Section 2 of the Uniform Fraudulent Transfer Act ("UFTA") or Section 2 of the Uniform Fraudulent Conveyance Act ("UFCA"), (b) leaving such Guarantor with unreasonably small capital or assets, within the meaning of Section 458 of the Bankruptcy Code, Section 4 of the UFTA, or Section 5 of the UFCA, or (c) leaving such Guarantor unable to pay its debts as they become due within the meaning of Section 548 of the Bankruptcy Code or Section 4 of the UFTA, or Section 5 of the UFCA. All rights and claims of contribution, indemnification, and reimbursement under this paragraph shall be subordinate in right of payment to the prior payment in full of the Guaranteed Obligations. The provisions of this paragraph shall, to the extent expressly inconsistent with any provision of any Loan Document, supersede such inconsistent provision.

15. Limitation of Liability in Respect of Unitive Inc., and Unitive Electronics, Inc. Notwithstanding anything in this Guaranty Agreement to the contrary, the liability of each of Unitive Inc., and Unitive Electronics, Inc., respectively, under this Guaranty Agreement shall be

GUARANTY AGREEMENT - Page 10

limited to a maximum aggregate amount equal to the largest amount which could be asserted against such Guarantor hereunder without (a) rendering such Guarantor "insolvent" within the meaning of Section 101 (31) of the Bankruptcy Code, Section 2 of the uniform Fraudulent Transfer Act ("UFTA") or Section 2 of the Uniform Fraudulent Conveyance Act ("UFCA"), (b) leaving such Guarantor with unreasonably small capital or assets, within the meaning of Section 458 of the Bankruptcy Code, Section 4 of the UFTA, or Section 5 of the UFCA, or (c) leaving such Guarantor unable to pay its debts as they become due within the meaning of

Section 548 of the Bankruptcy Code or Section 4 of the UFTA, or Section 5 of the UFCA or otherwise rendering its obligations hereunder subject to avoidance as a fraudulent transfer or conveyance under any Applicable Law, in each case after giving effect to all other liabilities of such Guarantor, contingent or otherwise, that are relevant under such laws, and after giving effect to the value, as assets (as determined under applicable provisions of such laws) of any rights of such Guarantor to subrogation or contribution from the Borrowers, any other Obligor or other Person pursuant to any Applicable Law or any agreement providing for an equitable allocation among Guarantors, the Borrowers and any other Obligor or other Person of their respective obligations thereunder.

16. Subordination. Each Guarantor hereby agrees that the Subordinated Indebtedness (as defined below) shall be subordinate and junior in right of payment to the prior payment in full of all Guaranteed Obligations as herein provided. After the occurrence and during the continuance of an Event of Default, the Subordinated Indebtedness shall not be payable, and no payment of principal, interest, or other amounts on account thereof, and no property or guarantee of any nature to secure or pay the Subordinated Indebtedness shall be made or given, directly or indirectly by or on behalf of any Debtor (hereafter defined) or received, accepted, retained, or applied by any Guarantor unless and until the Guaranteed Obligations shall have been paid in full in cash. After the occurrence and during the continuance of an Event of Default, no payments of principal or interest may be made or given, directly or indirectly, by or on behalf of any Debtor or received, accepted, retained, or applied by any Guarantor unless and until the Guaranteed Obligations shall have been paid in full in cash. If any sums shall be paid to any Guarantor by any Debtor or any other Person on account of the Subordinated Indebtedness when such payment is not permitted hereunder, such sums shall be held in trust by such Guarantor for the benefit of the Agent and the Lenders and shall forthwith be paid to the Agent without affecting the liability of such Guarantor under this Guaranty Agreement and may be applied by the Agent against the Guaranteed Obligations in accordance with the Loan and Security Agreement. Upon the request of the Agent, each Guarantor shall execute, deliver, and endorse to the Agent such documentation as the Agent may request to perfect, preserve, and enforce its rights hereunder. For purposes of this Guaranty Agreement, the term "Subordinated Indebtedness" means, with respect to each Guarantor, all indebtedness, liabilities, and obligations of the Borrowers or any other Obligor other than such Guarantor (the Borrowers and such other Obligor herein the "Debtors") to such Guarantor, whether such indebtedness, liabilities, and obligations now exist or are hereafter incurred or arise, or are direct, indirect, contingent, primary, secondary, several, joint and several, or otherwise, and irrespective of whether such indebtedness, liabilities, or obligations are evidenced by a note, contract, open account, or otherwise, and irrespective of the Person or Persons in whose favor such indebtedness, obligations, or liabilities may, at their inception, have been, or may hereafter be created, or the manner in which they have been or may hereafter be acquired by such Guarantor.

GUARANTY AGREEMENT - Page 11

Each Guarantor agrees that any and all Liens (including any judgment liens), upon any Debtor's assets securing payment of any Subordinated Indebtedness shall be and remain inferior and subordinate to any and all Liens upon any Debtor's assets securing payment of the Guaranteed Obligations or any part thereof, regardless of whether such Liens in favor of such Guarantor, the Agent, or any Lender presently exist or are hereafter created or attached (provided that the foregoing shall not be interpreted or deemed to allow the existence of any such Liens to the extent otherwise prohibited by the Loan Documents). Without the prior written consent of the Agent, no Guarantor shall (i) file suit against any Debtor or exercise or enforce any other creditor's right it may have against any Debtor or (ii) foreclose, repossess, sequester, or otherwise take steps or institute any action or proceedings (judicial or otherwise, including without limitation the commencement of, or joinder in, any liquidation, bankruptcy, rearrangement, debtor's relief, or insolvency proceeding) to enforce any obligations of any Debtor to such Guarantor or any Liens held by such Guarantor on assets of any Debtor. In the event of any receivership, bankruptcy, reorganization, rearrangement, debtor's relief, or other insolvency proceeding involving any Debtor as debtor, the Agent shall have the right to prove and vote any claim under the Subordinated Indebtedness and to receive directly from the receiver, trustee, or other court custodian all dividends, distributions, and payments made in respect of the Subordinated Indebtedness until the Guaranteed Obligations have been paid in full in cash. The Agent may apply any such dividends, distributions, and payments against the Guaranteed Obligations in

accordance with the Loan and Security Agreement. Each Guarantor agrees that all promissory notes, accounts receivable, ledgers, records, or any other evidence of Subordinated Indebtedness shall contain a specific written notice thereon that the indebtedness evidenced thereby is subordinated under the terms of this Guaranty Agreement.

17. Right of Setoff. Each Guarantor hereby grants to the Agent and each Lender a right of setoff upon any and all monies, securities, or other property of such Guarantor, and the proceeds therefrom, now or hereafter held or received by or in transit to the Agent or any such Lender from or for the account of such Guarantor, whether for safekeeping, custody, pledge, transmission, collection, or otherwise, and also upon any and all deposits (general or special) and credits of such Guarantor, and any and all claims of such Guarantor against the Agent or any such Lender at any time existing. The right of setoff granted pursuant to this paragraph shall be cumulative of and in addition to the Agent's or any such Lender's common law right of setoff.

18. Further Assurances. Upon the request of the Agent, each Guarantor will, at any time and from time to time, duly execute and deliver to the Agent any and all such further agreements, documents, and instruments, and supply such additional information, as may be reasonably necessary or advisable, in the opinion of the Agent, to obtain the full benefits of this Guaranty Agreement.

19. Invalid Provisions. If any provision of this Guaranty Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable, this Guaranty Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance herefrom. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there shall be added automatically as a part of

GUARANTY AGREEMENT - Page 12

this Guaranty Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable. Notwithstanding anything to the contrary contained herein, no provision herein or in any other Loan Document evidencing the Guaranteed Obligations shall require the payment or permit the collection of interest in excess of the maximum permitted by any Applicable Law.

20. Modification in Writing. No modification, consent, amendment, or waiver of any provision of this Guaranty Agreement, and no consent to any departure by any Guarantor herefrom, shall be effective unless the same shall be in writing and signed by a duly authorized officer of the Agent and, as to any modification or amendment, the Guarantors, and then shall be effective only in the specific instance and for the specific purpose for which given.

21. No Waiver, Etc. No notice to or demand on, or consent by, any Guarantor in any case shall, of itself, entitle such Guarantor to any other or further notice or demand, or right to grant or refuse consent, in similar or other circumstances. No delay or omission by the Agent in exercising any right or remedy hereunder shall impair any such right or remedy or be construed as a waiver thereof or any acquiescence therein, and no single or partial exercise of any such right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy hereunder.

22. Cumulative Rights. All rights and remedies of the Agent hereunder are cumulative of each other and of every other right or remedy which the Agent or any other Lender may otherwise have at law or in equity or under any other contract or document, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

23. Expenses. Each Guarantor agrees to pay on demand by the Agent all costs and expenses incurred by the Agent in connection with the negotiation, preparation, execution, and performance of the terms and provisions of this Guaranty Agreement and any and all amendments, modifications, renewals, restatements, and/or supplements hereto from time to time, including, without limitation, the reasonable fees and expenses of legal counsel to the Agent. If any Guarantor should breach or fail to perform any provision of this Guaranty

Agreement, such Guarantor agrees to pay to the Agent all costs and expenses incurred by the Agent in the enforcement of this Guaranty Agreement from time to time, including, without limitation, the reasonable fees and expenses of all legal counsel to the Agent.

24. No Oral Agreements. THIS GUARANTY AGREEMENT REPRESENTS THE FINAL AGREEMENT AMONG THE GUARANTORS AND THE AGENT RELATING TO THE SUBJECT MATTER OF THIS GUARANTY AGREEMENT AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF SUCH PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE GUARANTORS AND THE AGENT. THIS GUARANTY AGREEMENT SUPERSEDES ALL PRIOR (IF ANY) ORAL AGREEMENTS, ARRANGEMENTS OR UNDERSTANDINGS RELATING TO THE SUBJECT MATTER OF THIS GUARANTY AGREEMENT.

GUARANTY AGREEMENT - Page 13

25. Notices. Unless otherwise specifically provided in this Guaranty Agreement, all notices or other communications required or permitted to be given under this Guaranty Agreement shall be given, if to the Agent, as specified in the Loan and Security Agreement, or if to any Guarantor, as specified for such Guarantor as an Obligor in the Loan and Security Agreement.

26. Survival. All representations, warranties, covenants and agreements of each Guarantor in this Guaranty Agreement shall survive the execution of this Guaranty Agreement.

27. Counterparts. This Guaranty Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which when taken together shall constitute one and the same Guaranty Agreement. A telecopy of any such executed counterparts shall be deemed valid as an original.

28. Governing Law; Choice of Forum; Service of Process; Jury Trial Waiver.

i. THIS GUARANTY AGREEMENT SHALL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE GUARANTORS, THE AGENT, AND THE LENDERS SHALL BE DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK; PROVIDED THAT IN THE EVENT THAT ANY COURT DETERMINES THAT NEW YORK LAW DOES NOT GOVERN, THE LAWS OF THE STATE OF TEXAS SHALL GOVERN, IN ANY SUCH CASE, WITHOUT GIVING EFFECT TO ANY CONFLICT OF LAW PRINCIPLES (BUT GIVING EFFECT TO FEDERAL LAWS RELATING TO NATIONAL BANKS); AND PROVIDED FURTHER THAT THE AGENT AND THE LENDERS SHALL RETAIN ALL RIGHTS ARISING UNDER FEDERAL LAW.

ii. ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS GUARANTY AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF TEXAS OR OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF TEXAS, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF THE GUARANTORS, THE AGENT, AND EACH OF THE LENDERS CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE GUARANTORS, THE AGENT, AND THE LENDERS IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO. NOTWITHSTANDING THE FOREGOING, EACH GUARANTOR ACKNOWLEDGES THAT ANY APPEALS FROM THE COURTS DESCRIBED IN THE IMMEDIATELY PRECEDING SENTENCE MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE THOSE JURISDICTIONS.

GUARANTY AGREEMENT - Page 14

iii. EACH GUARANTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE U.S. MAIL. NOTHING CONTAINED HEREIN SHALL AFFECT THE RIGHT OF THE AGENT OR THE LENDERS TO SERVE LEGAL PROCESS BY ANY OTHER MANNER PERMITTED BY LAW.

29. Waiver of Jury Trial. TO THE FULLEST EXTENT ALLOWED BY LAW, EACH GUARANTOR WAIVES ITS RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS GUARANTY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ANY ACTION, PROCEEDING, OR OTHER LITIGATION

OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY AGENT-RELATED PERSON, PARTICIPANT, OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. EACH GUARANTOR AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, EACH GUARANTOR FURTHER AGREES THAT ITS RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS PARAGRAPH AS TO ANY ACTION, COUNTERCLAIM, OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS GUARANTY AGREEMENT OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS, OR MODIFICATIONS TO THIS GUARANTY AGREEMENT.

30. Irrevocable Nature of Guaranty. This Guaranty Agreement shall be irrevocable. Each Guarantor acknowledges that any purported or attempted revocation shall constitute an Event of Default.

31. Headings. The paragraph headings in this Guaranty Agreement are for convenience of identification only and do not limit any of the provisions hereof.

[Remainder of page intentionally left blank]

GUARANTY AGREEMENT - Page 15

IN WITNESS WHEREOF, the undersigned has executed this Guaranty Agreement as of the effective date specified in the introductory paragraph hereinabove.

GUARANTORS:

AMKOR TECHNOLOGY, INC.

By: /s/ Kenneth T. Joyce

Name: Kenneth T. Joyce

Title: Chief Financial Officer

UNITIVE, INC.

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

UNITIVE ELECTRONICS, INC.

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

GUARANTY AGREEMENT - Page 16

INTERCREDITOR AGREEMENT

This INTERCREDITOR AGREEMENT, dated as of November 28, 2005, is entered into among BANK OF AMERICA, N.A., as administrative agent for the Senior Parties under the Bank of America Senior Lien Credit Agreement (in such capacity, the "Senior Agent"), CITICORP NORTH AMERICA, INC. ("CNAI"), as administrative agent for the Junior Parties under the CNAI Junior Lien Credit Agreement (in such capacity, the "Junior Administrative Agent"), CNAI, as collateral agent for the Junior Parties under the CNAI Junior Lien Credit Agreement (in such capacity, the "Junior Collateral Agent"), AMKOR TECHNOLOGY, INC., UNITIVE, INC. and UNITIVE ELECTRONICS, INC. (collectively, and each individually, the "Borrower") and each other Loan Party from time to time party hereto .

WITNESSETH:

WHEREAS, the Borrower has entered into the certain Loan and Security Agreement, dated as of November 28, 2005 among the Borrower, the "Lenders" as defined therein and the Senior Agent (as such agreement may have been or may hereafter be amended, restated, supplemented, renewed or otherwise modified from time to time, the "Bank of America Senior Lien Credit Agreement"); and

WHEREAS, the Borrower has entered into the certain Second Lien Credit Agreement, dated as of October 27, 2004, among the Borrower, the Lenders as defined therein, the Junior Administrative Agent, the Junior Collateral Agent, Citigroup Global Markets, Inc. ("CGMI"), as sole lead arranger, Merrill Lynch, as syndication agent, JPMC, as documentation agent, and CGMI, Merrill Lynch and JPM Securities, as joint bookrunners (as such agreement may have been or may hereafter be amended, restated, supplemented, renewed or otherwise modified from time to time, the "CNAI Junior Lien Credit Agreement"); and

WHEREAS, it is a requirement of the Bank of America Senior Lien Credit Agreement that the parties hereto shall have entered into this Agreement;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and obligations herein set forth and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, and in reliance upon the representations, warranties and covenants herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Definitions

1.1 Definitions

(a) As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined) :

"Adequate Protection" means "adequate protection" under sections 361, 362, 363 or 364 of the Bankruptcy Code.

INTERCREDITOR AGREEMENT - Page 1

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling or that is controlled by or is under common control with such Person, each officer, director, general partner or joint-venturer of such Person, and each Person that is the beneficial owner of 10% or more of any class of Voting Stock of such person. For the purposes of this definition, "control" means the possession of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agents" means the Senior Agent and the Junior Agents.

"Agreement" means this Intercreditor Agreement.

"Bank of America Senior Lien Credit Agreement" has the meaning prescribed in the recitals to this Agreement.

"Bankruptcy Code" means title 11, United States Code.

"Bankruptcy Law" means the Bankruptcy Code, or any similar federal, state or foreign Requirement of Law for the relief of debtors or any arrangement, reorganization, insolvency, moratorium assignment for the benefit of creditors, any other marshalling of the assets and liabilities of the Borrower or any other Loan Party or any similar law relating to or affecting the enforcement of creditors' rights generally.

"Borrower" has the meaning prescribed in the preamble to this Agreement.

"Capital Lease" means, with respect to any Person, any lease of, or other arrangement conveying the right to use, property by such Person as lessee that would be accounted for as a capital lease on a balance sheet of such Person prepared in conformity with GAAP.

"Cash Management Document" means any certificate, agreement or other document executed by any Loan Party in respect of the Cash Management Obligations of any Loan Party.

"Cash Management Obligation" means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of such person in respect of cash management services (including treasury, depository, overdraft, credit or debit card, electronic funds transfer and other cash management arrangements) provided by any Senior Party or any Affiliate of any of them, including obligations for the payment of fees, interest, charges, expenses, attorneys' fees and disbursements in connection therewith.

"Collateral" means, all property and interests in property and proceeds thereof now owned or hereafter acquired by the Borrower or any other Loan party in or upon which a Lien is granted under any Collateral Document.

INTERCREDITOR AGREEMENT - Page 2

"Collateral Documents" means this Agreement, the Senior Collateral Documents and the Junior Collateral Documents.

"Collateral Agents" means each of the Senior Agent and the Junior Collateral Agent.

"Contractual Obligation" of any Person means any obligation, agreement, undertaking or similar provision of any security issued by such Person or of any agreement undertaking, contract, lease, indenture, mortgage, deed of trust or other instrument (excluding a Loan Document) to which such Person is a party or by which it or any of its property is bound or to which any of its property is subject.

"CNAI Junior Lien Credit Agreement" has the meaning prescribed in the recitals to this Agreement.

"Governmental Authority" means any nation, sovereign or government, any state or other political subdivision thereof and any entity or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government. including any central bank or stock exchange.

"Hedging Contracts" means all interest rate swap agreements, interest rate cap agreements, interest rate collar agreements, interest rate insurance, foreign exchange contracts, currency swap or option agreements, forward contracts, commodity swap, purchase or option agreements, other commodity price hedging arrangements and all other similar non-speculative agreements or arrangements designed to alter the risks of any Person arising from fluctuations in interest rates, currency values or commodity prices.

"Insolvency or Liquidation Proceeding" means, collectively, (a) any voluntary or involuntary case or proceeding under the Bankruptcy Law with respect to the Borrower or any other Loan Party, (b) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding with respect to the Borrower or any other Loan Party or with respect to any of their respective assets, (c) any liquidation, dissolution, reorganization or winding up of the Borrower or any Loan Party, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy and (d) any assignment for the benefit of creditors or any other marshaling of assets and liabilities of the Borrower or any other Loan party.

"Junior Administrative Agent" means the Junior Administrative Agent referred to in the preamble to this Agreement and also includes, for all purposes, any successors thereof or assigns thereto as permitted by the CNAI Junior Lien Credit Agreement and any other Person who hereafter is the administrative agent, or who holds an analogous position in respect of any Junior Secured Obligations, however titled or held, under any Junior Credit Agreement and who is designated as the "Junior Administrative Agent" for purposes of this Agreement in any such future Junior Credit Agreement.

INTERCREDITOR AGREEMENT - Page 3

"Junior Agent" means each of the Junior Administrative Agent and the Junior Collateral Agent.

"Junior Collateral Agent" means the Junior Collateral Agent referred to in the preamble to this Agreement and also includes, for all purposes, any successors thereof or assigns thereto as permitted by the CNAI Junior Lien Credit Agreement and any other Person who hereafter is the collateral agent, or who holds an analogous position in respect of any Junior Secured Obligations, however titled or held, under any Junior Credit Agreement and who is designated as the "Junior Collateral Agent" for purposes of this Agreement in any such future Junior Credit Agreement.

"Junior Collateral Document" means any of the "Collateral Documents" as defined in the Junior Credit Agreement and any other agreement, instrument or other document now or hereafter existing pursuant to which a Lien is granted securing the Junior Secured Obligations, or any portion thereof, as the same may be amended, renewed, extended, supplemented or modified from time to time.

"Junior Credit Agreement" means the CNAI Junior Lien Credit Agreement, and also means and includes, for all purposes, any successor or replacement credit agreement effected by the Borrower and the other Loan Parties, or any of them, with any other Person in any refinancing of the Junior Secured Obligations, or any part thereof, including, without limitation, any successor, replacement or other agreement pursuant to which any of the indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations now or hereafter payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, as any of the foregoing may be modified, amended, renewed, extended, restated, supplemented or otherwise modified from time to time.

"Junior Event of Default" means an "Event of Default" as defined by the Junior Credit Agreement or any analogous or other event or condition, howsoever defined, under the Junior Credit Agreement that allows the Junior Agent to accelerate the Junior Secured Obligations or to exercise remedies under any Junior Collateral Document.

"Junior Loan Document" means any "Loan Document" as defined in the Junior Credit Agreement, or any other instrument, certificate or other document now or hereafter existing or executed and delivered in connection with the Junior Secured Obligations, or any portion thereof, including the Junior Collateral Documents.

"Junior Party" means each of the Junior Agents, each "Lender" as defined in the CNAI Junior Lien Credit Agreement and each other lender or other holder of a Junior Secured Obligation.

"Junior Secured Obligations" means (a) the "Obligations" (under and as defined in the Junior Credit Agreement) and (b) all other Secured Obligations of a Junior Party (in its capacity as such) under any Junior Loan Document (including all indebtedness and obligations owing to any Junior Party arising in connection with any refinancings, replacements or increases of any of the foregoing, whether in the same, lesser or greater amount, and any advance or

INTERCREDITOR AGREEMENT - Page 4

extension of credit to any Loan Party and any payment to any other Person other than a Loan Party to acquire, satisfy or otherwise discharge any claim for the purpose of maintaining, preserving or protecting any Collateral), and any and all renewals, extensions, increases or rearrangements of any of the foregoing.

"Lien" means any mortgage, deed of trust, pledge, hypothecation,

assignment, charge, deposit arrangement, encumbrance, lien (statutory or other), security interest or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever intended to secure payment of any indebtedness or the performance of any other obligation, including any conditional sale or other title retention agreement, the interest of a lessor under a Capital Lease and any financing lease having substantially the same economic effect as any of the foregoing (but excluding the interest of a lessor under an operating lease) .

"Loan Document" means each Junior Loan Document and Senior Loan Document.

"Loan Party" means each of the Borrower each Subsidiary of the Borrower that is a party hereto or to any Loan Document.

"Paid in Full" and "Payment in Full" means, with respect to any Secured Obligation, the occurrence of all of the foregoing, (a) with respect to such Secured Obligations other than (i) contingent indemnification obligations, obligations under Hedging Contracts and Cash Management obligations not then due and payable and (ii) to the extent covered by clause (b) below, obligations with respect to undrawn Letters of Credit, payment in full thereof in cash (or otherwise to the written satisfaction of the Secured Parties owed such Secured Obligations), (b) with respect to any undrawn letter of credit issued pursuant to the Senior Credit Agreement, the obligations under which are included in such Secured Obligations, (i) the cancellation thereof and payment in full of all resulting Secured obligations pursuant to clause (a) above or (ii) the receipt of cash collateral (or a backstop letter of credit in respect thereof on terms acceptable to the applicable issuer of any letters of credit pursuant to the Senior Credit Agreement, and the Senior Agent) in an amount at least equal to 105% of the Secured Obligations for such Letter of Credit and (c) termination of all credit facility commitments and all other obligations of the Secured Parties in respect of all credit facilities under the Loan Documents.

"Person" means an individual, partnership, corporation (including a business trust), joint stock company, estate, trust, limited liability company, unincorporated association, joint venture or other entity or a Governmental Authority.

"Recovery" has the meaning set forth in Section 6.4 (Preference Issues).

"Requirement of Law" means, with respect to any Person, the common law and all federal, state, local and foreign laws, treaties, rules and regulations, orders, judgments, decrees and other determinations of, concessions, grants, franchises, licenses and other Contractual Obligations with, any Governmental Authority or arbitrator, applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

INTERCREDITOR AGREEMENT - Page 5

"Requisite Lenders" means, with respect to the Senior Credit Agreement or the Junior Credit Agreement, as the context requires, as of any date of determination, the minimum combination of Persons as required by the Senior Credit Agreement or the Junior Credit Agreement, as the case may be, who collectively are sufficient to consent to an amendment thereof or to direct an Agent to act thereunder.

"Secured Obligations" means the obligations of any Loan Party pursuant to the Senior Loan Documents or the Junior Loan Documents, as applicable.

"Senior Agent" means the Senior Agent referred to in the preamble to this Agreement and also includes, for all purposes, any successors thereof or assigns thereto as permitted by the Bank of America Senior Lien Credit Agreement and any other Person who hereafter is the agent, or who holds an analogous position in respect of any Senior Secured Obligations, however titled or held, under any Senior Credit Agreement and who is designated as the "Senior Agent" for purposes of this Agreement in any such future Senior Credit Agreement.

"Senior Collateral Documents" means the "Collateral Documents," security documents or any analogous group of documents as defined in the Senior Credit Agreement, including the Senior Pledge and Security Agreement, and any other agreement, instrument or other document now or hereafter existing pursuant to which a Lien is granted securing the Senior Secured Obligations, or any portion thereof, as the same may be amended, renewed, extended, supplemented or

modified from time to time.

"Senior Credit Agreement" means the Bank of America Senior Lien Credit Agreement and also means and includes, for all purposes, any successor or replacement credit agreement effected by the Borrower and the other Loan Parties, or any of them, with any other Person in any refinancing of the Senior Secured Obligations, or any part thereof, including, without limitation, any successor, replacement or other agreement pursuant to which any of the indebtedness, commitments, obligations, costs, expenses, fees, reimbursements, indemnities or other obligations now or hereafter payable or owing thereunder may be refinanced, restructured, renewed, extended, increased, refunded or replaced, as any of the foregoing may be modified, amended, renewed, extended, restated, supplemented or otherwise modified from time to time.

"Senior Event of Default" means any "Event of Default" as defined by the Senior Credit Agreement or any analogous or other event or condition, howsoever defined, under the Senior Credit Agreement that allows the Senior Agent to accelerate the Senior Secured Obligations or to exercise remedies under any Senior Collateral Document.

"Senior Loan Document" means any "Loan Document" or analogous group of documents as defined in the Senior Credit Agreement, or any other instrument, certificate or other document now or hereafter existing or executed and delivered in connection with the Senior Secured Obligations, or any portion thereof, including the Senior Collateral Documents.

INTERCREDITOR AGREEMENT - Page 6

"Senior Party" means each of the Senior Agent, each "Lender" and each "Issuing Bank" as defined in the Bank of America Senior Credit Agreement and each other lender, letter of credit issuer or other holder of a Senior Secured Obligation.

"Senior Pledge and Security Agreement" means any pledge or analogous agreement included in the Senior Collateral Documents including, without limitation, the Bank of America Senior Lien Credit Agreement.

"Senior Secured Obligations" means (a) the "Obligations" (under and as defined in the Senior Credit Agreement), and all extensions of credit under any financing under section 364 of the Bankruptcy Code or any arrangement for use of cash collateral under section 363 of the Bankruptcy Code the terms of which are consented to by the Senior Agent in its capacity as such, (b) all other Secured Obligations owed to a Senior Party (in its capacity as such) under any Senior Loan Document (including all indebtedness and obligations owing to any Senior Party arising in connection with any refinancings, replacements or increases of any of the foregoing, whether in the same, lesser or greater amount, and any advance or extension of credit to any Loan Party and any payment to any other Person other than a Loan Party to acquire, satisfy or otherwise discharge any claim for the purpose of maintaining, preserving or protecting any Collateral), (c) any Cash Management Obligation, any obligation under any Hedging Contract and (d) all interest on any of the obligations in clauses (a), (b) and (c) above accrued or accruing (or which would, absent the commencement of an Insolvency or Liquidation Proceeding, accrue) after the commencement of an Insolvency or Liquidation Proceeding in accordance with and at the rate specified from time to time in the Senior Credit Agreement whether or not the claim for such interest is allowed as a claim in such Insolvency or Liquidation Proceeding; provided, however, that the aggregate principal amount of "Senior Secured Obligations" incurred pursuant to clauses (a) or (b) above shall not, as of the date of any incurrence thereof, exceed the maximum aggregate principal amount which may be incurred and secured on the Collateral on such date as "Permitted Bank Debt" pursuant to, and as defined in, the Junior Credit Agreement (as such agreement is in effect on the date hereof without giving effect to any amendment or other modification thereof or hereof following such date). To the extent any payment with respect to the Senior Secured Obligations (whether by or on behalf of any Loan Party, as proceeds of security, enforcement of any right of setoff or otherwise) is declared to be fraudulent or preferential in any respect, set aside or required to be paid to a debtor in possession, trustee, receiver or similar Person, then the obligation or part thereof originally intended to be satisfied shall be deemed to be reinstated and outstanding as if such payment had not occurred.

"Subsidiary" means, with respect to any Person, any corporation, partnership, limited liability company or other business entity of which an aggregate of 50% or more of the outstanding Voting Stock is, at the time,

directly or indirectly, owned or controlled by such Person or one or more Subsidiaries of such Person.

"Voting Stock" means capital stock (whether denominated as common stock or preferred stock), beneficial, partnership or membership interests, participations or other equivalents (regardless of how designated) of any Person having ordinary Owner to vote in the election of members of the board of directors, managers, trustees or other controlling Persons, of

INTERCREDITOR AGREEMENT - Page 7

such Person (irrespective of whether, at the time, Stock of any other class or classes of such entity shall have or might have voting power by reason of the happening of any contingency) .

"Uniform Commercial Code" or "UCC" means the Uniform Commercial code of the State of New York, as amended.

1.2 Certain Other Terms

(a) The terms "herein," "hereof," "hereto" and "hereunder" and similar terms refer to this Agreement as a whole and not to any particular Article, Section, subsection or clause in this Agreement.

(b) References herein to an Annex, Schedule, Article, Section, subsection or clause refer to the appropriate Annex or Schedule to, or Article, Section, subsection or clause in this Agreement.

(c) Where the context requires, provisions relating to any collateral, when used in relation to any Loan Party, shall refer to such Loan Party's Collateral or any relevant part thereof.

(d) Any reference in this Agreement to a Loan Document shall include all exhibits and schedules thereto, and, unless specifically stated otherwise all amendments, restatements, supplements or other modifications thereto, and as the same may be in effect at any time such reference becomes operative.

(e) The term "including" means "including without limitation" except when used in the computation of time periods.

(f) References in this Agreement to any statute shall be to such statute as amended or modified and in effect from time to time.

SECTION 2. LIEN PRIORITIES

2.1 Subordination

Notwithstanding the date, manner or order of grant, attachment or perfection of any Lien securing any Junior Secured Obligation or of any Lien securing any Senior Secured Obligation and notwithstanding any provision of the UCC or any applicable Requirement of Law or the Loan Documents or any other circumstance whatsoever, each Loan Party and each Agent, for itself and on behalf of the Secured Parties it represents, agrees as follows: (a) any Lien on the Collateral securing any Senior Secured Obligation, whether now or hereafter existing and regardless of how acquired or created, shall be senior and prior to any Lien on the Collateral securing any Junior Secured Obligation and (b) any Lien on the Collateral securing any Junior Secured Obligation, whether now or hereafter existing and regardless of how acquired or created, whether by grant, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens on the Collateral securing any Senior Secured Obligation. All Liens on the Collateral securing any Senior Secured Obligation shall be and remain senior to all Liens on the Collateral securing any Junior Secured Obligation for all purposes, whether or

INTERCREDITOR AGREEMENT - Page 8

not such Liens securing any Senior Secured Obligation are subordinated to any obligation or any Lien securing any other obligation.

2.2 Prohibition on Contesting Liens

Each Agent, for itself and on behalf of the respective Secured Parties it represents, agrees that it shall not, and hereby waives any right to,

contest, or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the priority, validity or enforceability of any Lien held by or for the benefit of any Senior Party or Junior Party in the Collateral.

2.3 New Liens

(a) The parties hereto agree that, prior to the payment in full of the Secured Obligations, any Lien on any asset of any Loan Party securing any Secured Obligation (and which asset is not also subject to a Lien securing all of the Secured Obligations in accordance with the priorities set forth herein) shall immediately be released upon demand by the Senior Agent or assigned to the Senior Agent on behalf of the Senior Parties, subject to the priorities set forth in Section 2.1, and, at all times prior to such release or assignment, the Senior Agent shall be acting as a sub-agent of the Junior Collateral Agent for the sole purpose of perfecting the Lien on such asset.

(b) Each Loan Party hereby agrees not to grant, or to permit any of its Subsidiaries to grant, except as expressly permitted by the Senior Credit Agreement and the Junior Credit Agreement, any Lien on any of its respective assets securing the Senior Claims or the Junior Claims, as the case may be, to any Person other than the Senior Agent on behalf of the Senior Secured Parties and the Junior Collateral Agent on behalf of the Junior Secured Parties, subject to the priorities set forth in Section 2.1.

SECTION 3. ENFORCEMENT; APPLICATION OF PROCEEDS OF COLLATERAL AND OTHER PAYMENTS

3.1 Exercise of Remedies

(a) Each Agent, for itself and on behalf of the Secured Parties it represents, agrees that, as long as the Senior Secured Obligations have not been paid in full, whether or not any Insolvency or Liquidation Proceeding has been commenced by or against the Borrower or any other Loan Party:

(i) no Junior Party will (A) exercise or seek to exercise any right or remedy with respect to any Collateral or (B) institute any action or proceeding with respect to any such right or remedy, including any action of foreclosure;

(ii) no Junior Party will contest, protest or object to (A) any foreclosure proceeding or action brought by any Senior Party, (B) the exercise of any right or remedy by any Senior Party under any Loan Document or any other exercise by any Senior Party of any rights and remedies relating to the Collateral. under the Loan Documents or otherwise, (C) any disposition or release of Collateral permitted under Section 5.1

INTERCREDITOR AGREEMENT - Page 9

(Releases; Enforcement by Senior Agent) or (D) the forbearance by any Senior Party from bringing or pursuing any foreclosure proceeding or any action or any other exercise of any rights or remedies relating to the Collateral; and

(iii) the Senior Parties shall have the exclusive right to enforce rights, exercise remedies and make determinations regarding release, disposition, or restrictions with respect to the Collateral (except as otherwise expressly provided hereunder) without any consultation with, or the need to obtain a consent from, any Junior Party.

In exercising rights and remedies with respect to the Collateral, the Senior Parties may enforce the provisions of the Senior Loan Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion, subject to acting in a commercially reasonable manner in accordance with the UCC. Such exercise and enforcement shall include, without limitation, the rights of an agent appointed by them to sell or otherwise dispose of Collateral upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured lender under the uniform commercial code of any applicable jurisdiction and of a secured creditor under the Bankruptcy Code and bankruptcy or similar laws of any applicable jurisdiction.

(b) Each Junior Agent, for itself and on behalf of the Junior Parties,

agrees that, following the occurrence of (i) a Senior Event of Default, if the Senior Agent or the Requisite Lenders under the Senior Credit Agreement require proceeds of Collateral to be applied in accordance with the Senior Credit Agreement, or (ii) an acceleration of any Senior Secured Obligations pursuant to the Senior Credit Agreement, such Junior Agent shall not with respect to the Junior Secured Obligations take or receive from or on behalf of any Loan Party, directly or indirectly, in cash or other property or by setoff, counterclaim or in any other manner (whether pursuant to any enforcement, collection, execution, levy, foreclosure action or other proceeding or otherwise) any Collateral or any proceeds of Collateral, unless and until all Senior Secured Obligations have been paid in full in accordance with the Senior Credit Agreement. Without limiting the generality of the foregoing, unless and until the Senior Secured obligations have been paid in full, except as expressly provided herein, the sole right of the Junior Parties with respect to the Collateral is to hold a Lien on the Collateral pursuant to the Loan Documents for the period and to the extent granted therein and to receive a share of the proceeds thereof, if any, after payment in full of the Senior Secured Obligations; provided, however, that nothing in this sentence shall be construed to impair the right of the Junior Parties (x) to receive payments of principal and interest as provided for in the Junior Credit Agreement, and (y) after 90 days following the occurrence of a Junior Event of Default, while it is continuing, to enforce such right to such payments by bringing suit at law (but not to exercise any rights in respect of the Liens of the Junior Parties on the Collateral) with respect to any unpaid amounts of such payments.

3.2 Application of Proceeds of Collateral and Other Payments

(a) Following the occurrence of (i) a Senior Event of Default, if the Senior Agent or the Requisite Lenders under the Senior Credit Agreement require proceeds of Collateral to be applied in accordance with the Senior Credit Agreement, or (ii) an acceleration of any Senior Secured Obligations pursuant to the Senior Credit Agreement, all proceeds of collateral received

INTERCREDITOR AGREEMENT - Page 10

by the Agents shall be applied by the Senior Agent in the payment of the Senior Secured Obligations in accordance with the order of application set forth in the Senior Credit Agreement. Following the payment in full of the Senior Secured Obligations, at such time and to the extent required by the Junior Credit Agreement, all proceeds of Collateral received by the Agents shall be applied by the Junior Administrative Agent in payment of the Junior Secured Obligations in accordance with the order of application set forth in of the Junior Credit Agreement.

SECTION 4. PAYMENTS OVER

Unless and until all Senior Secured Obligations shall have been paid in full, any Collateral or proceeds thereof or any payment received by any Junior Party from proceeds of the Collateral shall be segregated and held in trust and forthwith paid over to the Senior Agent for application to the Senior Secured Obligations in the priority set forth in the Senior Credit Agreement in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. The Senior Agent is hereby authorized to make any such endorsements as agent for any such Junior Party. This authorization is coupled with an interest and is irrevocable.

SECTION 5. OTHER AGREEMENTS

5.1 Releases; Enforcement by Senior Agent

(a) In accordance with the terms hereof, each Collateral Agent shall release (or, in the case of clause (ii) below, release or subordinate or, as applicable, confirm that such Collateral Agent holds no such Lien) any Lien held by either of them for the benefit of any Secured Party:

(i) against all of the Collateral, upon payment in full of all Secured Obligations that the Senior Agent has been notified in writing are then due and payable (provided, that such notification shall not be required with respect to Secured Obligations in respect to loans, letters of credit and commitments);

(ii) against any assets that are subject to a Lien permitted by the Senior Credit Agreement where such assets are permitted to be

sold free of the Lien of the Collateral Agent without violating the Senior Credit Agreement or that constitute assets that are not subject to a Lien in favor of any Collateral Agent;

(iii) against any Collateral (including, if applicable, all or substantially all of the Collateral) sold or disposed of by a Loan Party if such sale or disposition is permitted by the Senior Credit Agreement (or permitted pursuant to a valid waiver or consent if a transaction is otherwise prohibited by the Senior Credit Agreement); and

(iv) against any Collateral that has been pledged to any Collateral Agent and that has been cancelled, replaced or repaid in accordance with the terms of the Senior Credit Agreement.

INTERCREDITOR AGREEMENT - Page 11

(b) To the extent the Junior Collateral Agent is required to release any Lien pursuant to clause (a) above, the Senior Agent is authorized to release such Liens for, and in the name of, the Junior Collateral Agent until the Senior Secured Obligations are paid in full.

5.2 Exclusive Rights with Respect to Certain Collateral

(a) As between the Senior Parties and the Junior Parties, to the extent any of the following rights are granted under the Loan Documents:

(i) Unless and until the Senior Secured Obligations are paid in full, the Senior Parties shall have the sole and exclusive right, subject to the rights of the Borrower and the other Loan Parties under the Loan Documents, to adjust settlement for any insurance policy covering the Collateral in the event of any loss thereunder and approve any award granted in any condemnation or similar proceeding affecting the Collateral. Unless and until the Senior Secured Obligations are paid in full, all proceeds of any such policy and any such award required to be paid to any secured Party under any Loan Document shall be paid to the Senior Agent for application to the Secured Obligations in accordance with Section 3.2 (Application of ----- Proceeds of Collateral and Other Payments). Without limiting the foregoing, (x) unless and until the Senior Secured Obligations are paid in full, if any Junior Party shall, at any time, receive any proceeds of any such insurance policy or any such reward or any other proceeds of Collateral in contravention of this Agreement, it shall pay such proceeds over to the Senior Agent in accordance with the terms of Section 4 (Payments Over) and (y) in the event the Senior Parties allow ----- pursuant to the terms of the Loan Documents, or the terms of the Loan Documents allow, without regard to the consent of the Senior Parties, any portion of any insurance proceeds or condemnation proceeds or similar award to be used by the Borrower to repair or replace the Collateral affected or for any other purpose, each Junior party hereby consents thereto.

(ii) Unless and until the Senior Secured Obligations are paid in full, the Senior Parties shall have the sole and exclusive right, subject to the rights of the Borrower and the other Loan Parties under the Loan Documents, to do any of the following: (A) notify account debtors of any Loan Party to make payments to the Senior Agent and exercise other similar rights with respect to general intangibles, (B) receive dividends and distributions, send notices or otherwise exercise any rights with respect to any Collateral consisting of instruments or stock pledged as Collateral and (C) exercise any registration and similar rights with respect to any stock pledged as Collateral.

(b) Except as contemplated in the previous sentence or as otherwise provided under the Senior Loan Documents, any payment received by the Senior Agent under this Section 5.2 after the occurrence and during the continuance of any Senior Event of Default shall be applied to the Secured Obligations in accordance with Section 3.2 (Application of Proceeds of Collateral and Other Payments).

5.3 Senior Agent as Bailee; Representative; Relationship

INTERCREDITOR AGREEMENT - Page 12

(a) The Senior Agent agrees to hold the Collateral that is in its possession or control (or in the possession or control of its agents or bailees), as bailee or as agent, as the case may be, for the Junior Collateral Agent (and any assignee thereof) solely for the purpose of perfecting the security interest granted in such Collateral to the Junior Collateral Agent pursuant to the applicable Junior Collateral Documents, subject to the terms and conditions of this Section 5.3. For the avoidance of doubt, solely for purposes of perfecting the Lien in favor of the Junior Collateral Agent, the Senior Agent agrees that it shall be the agent of the Junior Collateral Agent with respect to any deposit accounts or securities accounts included in the Collateral that are controlled or held by the Senior Agent.

(b) Except as otherwise expressly provided for herein, until the Senior Secured Obligations are paid in full, the Senior Agent shall be entitled to deal with the Collateral in accordance with the terms of the Loan Documents as if the Liens of or for the benefit of any Junior Party under any applicable Loan Documents did not exist. The rights of each Junior Party with respect to the Collateral shall at all times be subject to the terms of this Agreement.

(c) The Senior Agent shall have no obligation whatsoever to any Junior Party to assure that the Collateral is genuine or owned by the Borrower or any other Loan Party or to preserve the rights or benefits of any Person.

(d) The Senior Agent shall not have by reason of the Loan Documents, this Agreement or any other document a fiduciary relationship in respect of any Junior Party. No Junior Party shall have by reason of the Loan Documents, this Agreement or any other document a fiduciary relationship in respect of the Senior Agent or any Senior Party.

(e) Each Loan Party hereby authorizes the Senior Agent, upon the payment in full of the Senior Secured Obligations, to deliver to the Junior Collateral Agent the Collateral held or received by it (together with any other proceeds of Collateral held by it), and to make, including in the name of the Borrower or any other Loan Party, any necessary endorsement.

(f) Each Collateral Agent shall be entitled to rely upon any certificate, notice, consent or other instrument in writing (including any facsimile transmission) believed by such Collateral Agent to be genuine and correct and to have been signed or sent or made by or on behalf of a proper Person.

SECTION 6. INSOLVENCY OR LIQUIDATION PROCEEDINGS

6.1 Financing Issues; Adequate Protection

Each Junior Agent, for itself and on behalf of the Junior Parties. agrees that, if any Loan Party shall be subject to any Insolvency or Liquidation Proceeding:

(a) the Junior Agents will not raise any objection to, and will not contest (or support any Person in objecting to or contesting):

(i) any request, consent or objection by the Senior Agent or any Senior Party to any Person receiving Adequate Protection;

INTERCREDITOR AGREEMENT - Page 13

(ii) any consent or objection by the Senior Agent or any Senior Party to the use of cash collateral by any Loan Party; or

(iii) Any consent or objection by the Senior Agent or any Senior Party to any Loan Party obtaining financing under section 363 or section 364 of the Bankruptcy Code ("DIP Financing");

provided, however, that the Senior Agent, for itself and on behalf of the Senior Parties, agrees that in any Insolvency or Liquidation proceeding, if any Senior Party is granted Adequate Protection in the form of the benefit of additional or replacement Liens or Collateral (including proceeds thereof arising after the commencement of any Insolvency or Liquidation Proceeding) in connection with any of the foregoing, then such Senior Party will not object to the grant to the Junior Parties of Adequate Protection in the form of additional or replacement Liens on the Collateral (including proceeds thereof arising after the commencement of any Insolvency or Liquidation Proceeding) or additional or replacement collateral to secure the Junior Secured Obligations, as long as such

Lien is subordinated to the Liens securing the Senior Secured Obligations to the same extent as the other Liens of the Junior Parties on the Collateral are subordinated hereunder to the Liens securing the Senior Secured Obligations;

(b) to the extent the Liens securing the Senior Secured Obligations are subordinated to, or pari passu with, any DIP Financing, the Junior Collateral Agent shall subordinate its Liens on the Collateral to such DIP Financing and all Junior secured Obligations relating thereto on the same basis as the Liens securing the Junior Secured Obligations are subordinated to the other Senior Secured Obligations under this Agreement; and

(c) no Junior Party will request the payment of interest on any Junior secured Obligation accrued or accruing after the commencement of an Insolvency or Liquidation Proceeding or any other Adequate Protection or any other relief except as permitted under clause (a) above or otherwise permitted by the Senior Agent.

6.2 Relief From the Automatic Stay

Each Junior Agent, for itself and on behalf of each Junior Party, agrees that no Junior Party shall seek relief from the automatic stay or any other stay in any Insolvency or Liquidation Proceeding in respect of the Collateral without the prior written consent of the Senior Agent and the Requisite Lenders under the Senior Credit Agreement.

6.3 No Waiver

Except as provided in Section 6.1 (Financing Issues; Adequate Protection), nothing contained herein shall prohibit or in any way limit the Senior Agent or any Senior Party from objecting in any Insolvency or Liquidation Proceeding or otherwise to any action taken by the Junior Party, including the seeking by any Junior party of Adequate Protection or the asserting by any Junior Party of any of its rights and remedies under the Loan Documents or otherwise.

INTERCREDITOR AGREEMENT - Page 14

6.4 Preference Issues

If any Senior Party is required in any Insolvency or Liquidation Proceeding or otherwise to turn over or otherwise pay to the estate of the Borrower or the estate of any other Loan Party, any amount (a "Recovery"), then the Senior Secured obligations of such Senior Parties shall be reinstated to the extent of such Recovery and such Senior Parties shall be entitled to receive payment in full of all such recovered amounts. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto.

SECTION 7. WAIVERS; ETC.

7.1 No Waiver of provisions

(a) No right of any of the Senior Agent or any Senior Party to enforce any provision of this Agreement shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Borrower or any other Loan Party or by any act or failure to act by any Senior Party or the Senior Agent, or by any noncompliance by any Person with the terms, provisions and covenants of this Agreement or any of the Loan Documents, regardless of any knowledge thereof which the Senior Agent or the Senior parties, or any of them, may have or be otherwise charged with.

(b) Each Junior Party, also agrees that the Senior Parties and the Senior Agent shall have no liability to any Junior Party, and each Junior Party hereby waives any claim against any Senior Party or the Senior Agent arising out of any and all actions which any of the Senior Parties or the Senior Agent may take or permit or omit to take with respect to (i) the Loan Documents, (ii) the collection of the Senior Secured Obligations or (iii) the foreclosure upon, or sale, liquidation or other disposition of, the collateral (except only, in the case of Collateral, to the extent such foreclosure, sale, liquidation Or other disposition is not made in a commercially reasonable manner in accordance with the UCC). Each Junior Party agrees that the Senior Parties have no duty to them in respect of the maintenance or preservation of the Collateral.

(c) Each Junior Agent, for itself and on behalf of the Junior Parties, agrees that, unless and until the Senior Secured Obligations are paid in full, no Junior Party shall assert and each hereby waives, to the fullest extent permitted by law, any right to demand, request, plead or otherwise assert or otherwise claim the benefit of, any marshaling, appraisal, valuation or other similar right that may otherwise be available under applicable Requirement of Law or any other similar rights a secured creditor may have under applicable Requirement of Law.

7.2 Obligations Unconditional

All rights, interests, agreements and obligations of the Senior Agent, the Senior Parties and the Junior Parties, respectively, hereunder shall remain in full force and effect irrespective of:

(a) any lack of validity or enforceability of any Loan Documents;

INTERCREDITOR AGREEMENT - Page 15

(b) any change in the time, manner or place of payment of, or in any other terms of, all or any of the Senior Secured Obligations or Junior Secured Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of the Senior Credit Agreement, the Junior Credit Agreement or of the terms of the Loan Documents;

(c) any exchange, release or lack of perfection of any security interest or other Lien in any Collateral or any other collateral, or any release, amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of any Secured obligation or any guarantee thereof;

(d) the commencement of any Insolvency or Liquidation Proceeding; or

(e) any other circumstances which otherwise might constitute a defense available to, or a discharge of, the Borrower or any Loan Party in respect of any Secured Obligation, or of any Junior Party in respect of this Agreement;

provided, however, that nothing in this Section 7.2 shall be construed to modify or amend the provisions of the Senior Credit Agreement governing amendments to or waivers of or under the Senior Credit Agreement or any other Senior Loan Document.

SECTION 8. MISCELLANEOUS

8.1 Conflicts

Except as expressly provided herein, in the event of any conflict between the provisions of this Agreement and the provisions of any Loan Document, the provisions of this Agreement shall govern. It is further expressly understood that the Lien subordination and other terms referred to herein shall not, as between the Loan Parties and the Secured Parties, waive, cancel, relieve the Borrower or any other Loan party from any liability or obligation, or otherwise modify any liability or obligation, that the Borrower or such Loan Party may have to the Senior Agent, any Senior Party or any Junior Party under the Senior Credit Agreement any other Loan Document.

8.2 Effectiveness

This Agreement shall become effective when executed and delivered by the Senior Agent, each Junior Agent, the Borrower and each other Loan Party from time to time party hereto and shall be effective both before and after the commencement of any Insolvency or Liquidation Proceeding. All references to the Borrower or any other Loan Party shall include the Borrower or such Loan party (as the case may be) as debtor and debtor-in-possession and any receiver or trustee for the Borrower or such Loan Party (as the case may be) in any Insolvency or Liquidation Proceeding.

8.3 Continuing Nature of this Agreement

INTERCREDITOR AGREEMENT - Page 16

This Agreement (other than the provisions Section 3.2 (Application of

Proceeds of Collateral and Other payments) and Section 5.1 (Releases; Enforcement by Senior Agent>> shall continue to be effective until all Senior Secured Obligations shall have been paid in full, and the provisions of such Sections 3.2 and 5.1 shall continue to be effective until all Senior Secured Obligations and Junior Secured Obligations have been paid in full. This is a continuing agreement of Lien subordination and the Senior Parties may continue, at any time and without notice to any Junior party, to extend credit and other financial accommodations and lend monies to or for the benefit of the Borrower on the faith hereof. Except as expressly provided herein or in the Senior Credit Agreement, each Junior Party hereby waives any right it may have under applicable law to revoke this Agreement or any of the provisions of this Agreement. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency or Liquidation Proceeding.

8.4 Amendments; Waivers

(a) No amendment, modification or waiver of any of the provisions of this Agreement by the Senior Agent or any Junior Agent shall be deemed to have been made unless executed by the Senior Agent and each Junior Agent; provided, that no such amendment, modification or waiver shall require the consent of the Borrower or any other Loan Party except to the extent provided in Section 8.4 (b).

(b) Anything herein to the contrary notwithstanding, the consent of the Borrower shall not be required for amendments, modifications or waivers of the provisions of this Agreement other than those that (i) affect any obligation or right of the Borrower or any Loan Party hereunder or that would impose any additional obligations on the Borrower or any Loan Party, (ii) change the ability of any Collateral Agent to release Collateral (or to subordinate the Liens on the Collateral of the Collateral Agents to Liens permitted under the Senior Credit Agreement), (iii) change the rights of the Borrower to make payments of interest and principal in respect of the Junior Secured Obligations or (iv) have the effect of making the Liens securing the Junior Parties *pari passu* with the Liens securing the Senior Parties. Anything herein to the contrary notwithstanding, the consent of no Loan Party (other than the Borrower in the circumstances set forth in the preceding sentence) shall be required for amendments, modifications or waivers of the provisions of this Agreement.

8.5 Notices

Any notice or other communication herein required or permitted to be given to (a) any party hereto that is also a party to the Senior Credit Agreement shall be made in accordance with the Senior Credit Agreement, (b) any party hereto that is also a party to the Junior Credit Agreement shall be made in accordance with the Junior Credit Agreement.

8.6 Further Assurances

Each of the Borrower and the other Loan parties party hereto and each Junior Agent, for itself and on behalf of each Junior Party, agrees that each Loan Party and each Junior Party shall, at the Borrower's expense, take such further action and execute and deliver to the Senior Agent and the Senior Parties such additional documents and instruments (in recordable

INTERCREDITOR AGREEMENT - Page 17

form, if requested), in each case as the Senior Agent or the other Senior Parties may reasonably request to effectuate the terms of and the subordination contemplated by this Agreement.

8.7 Governing Law

This Agreement and the rights and liabilities of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

8.8 Specific Performance

Each of the Agents and the Secured Parties may demand specific performance of this Agreement. Each of the Senior Agent, on behalf of itself and the Senior Parties, and each Junior Agent, on behalf of itself and the Junior Parties, hereby irrevocably waives any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the other Person.

8.9 Section Titles

The section titles contained in this Agreement are and shall be without substantive meaning or content of any kind whatsoever and are not a part of this Agreement, except when used to reference such sections.

8.10 Counterparts; Form and Substance Satisfactory to Junior Administrative Agent

This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which shall together constitute one and the same document. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are attached to the same document. Delivery of an executed signature page of this Agreement by facsimile transmission or by posting on the Approved Electronic Platform (as defined in each of the Senior Credit Agreement and the Junior Credit Agreement) shall be as effective as delivery of a manually executed counterpart thereof. By its execution hereof, the Junior Administrative Agent confirms that this Agreement is in form and substance satisfactory to the Junior Administrative Agent and is executed by such agent in accordance with Section 5.10 of the CNAI Junior Lien Credit Agreement.

[SIGNATURE PAGES FOLLOW]

INTERCREDITOR AGREEMENT - Page 18

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

SENIOR AGENT:

BANK OF AMERICA, N.A., as Senior Agent

By: /s/ Joy L. Bartholomew

Name: Joy L. Bartholomew

Title: Senior Vice President

Address for notices:

Bank of America, N.A.
901 Main Street, 22nd Floor
TX1-492-22-13
Dallas, Texas 75202
Attention: Loan Administration
Telecopy: (214) 209-4766

INTERCREDITOR AGREEMENT - Page 19

JUNIOR AGENT:

CITICORP NORTH AMERICA, INC.,
as Junior Administrative Agent

By: /s/ Suzanne Crymes

Name: Suzanne Crymes

Title: Vice President

CITICORP NORTH AMERICA, INC.,
as Junior Collateral Agent

By: /s/ Suzanne Crymes

Name: Suzanne Crymes

Title: Vice President

Address:

388 Greenwich Street, 19th Floor
New York, New York 10013
Attention:
Telecopy No.:
Email address:

INTERCREDITOR AGREEMENT - Page 20

AMKOR TECHNOLOGY, INC., as a Borrower

By: /s/ Kenneth T. Joyce

Name: Kenneth T. Joyce

Title: Chief Financial Officer

UNITIVE, INC., as a Borrower

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

UNITIVE, ELECTRONICS INC., as a Borrower

By: /s/ Joanne Solomon

Name: Joanne Solomon

Title: Treasurer

Address for notices to all Borrowers:

c/o Amkor Technology, Inc.
1900 South Price Road
Chandler, Arizona 85248
Attention: Treasurer
Telecopy: 480-821-2616

SYNDICATED LOAN AGREEMENT

(2005.11.28)

[Translation prepared by Baker & McKenzie]
[FOR REFERENCE ONLY]

BORROWER:

Amkor Technology Taiwan

COORDINATING ARRANGERS:

Chinatrust Commercial Bank Co., Ltd.
Ta Chong Commercial Bank Co., Ltd.

AGENT:

Chinatrust Commercial Bank Co., Ltd.

TOTAL FACILITY AMOUNT:

One Billion Eight Hundred and Forty Million
New Taiwan Dollars (NT\$1,840,000,000)

DATE:

November 30, 2005

1

SYNDICATED LOAN AGREEMENT

THIS SYNDICATED LOAN AGREEMENT (the "Agreement") is made and entered into as of November 30, 2005 by and among:

AMKOR TECHNOLOGY TAIWAN, a company organized and incorporated under the laws of the Republic of China (the "Borrower");

The banks and banking institutions listed in SCHEDULE I attached hereto (collectively, the "Banks" and severally, a "Bank");

CHINATRUST COMMERCIAL BANK CO., LTD. AND TA CHONG COMMERCIAL BANK CO., LTD., jointly acting as the coordinating arrangers of the Banks hereunder (collectively, the "Coordinating Arrangers"); and

CHINATRUST COMMERCIAL BANK CO., LTD., acting as the facility agent and security agent hereunder (the "Agent").

WITNESSTH:

WHEREAS, to finance or refinance the capital expenditure of the Borrower's project (the "Project") for developing and expanding an assembly and testing plant in Hukou, Hsinchu, and Longtan, Taoyuan, and for purchasing machinery, equipment and the relevant ancillary equipment, the Borrower has requested the Coordinating Arrangers to arrange for the Banks to extend to the Borrower a medium-term New Taiwan Dollar loan in an aggregate principal amount not to exceed One Billion Eight Hundred and Forty Million New Taiwan Dollars (NT\$1,840,000,000) (the "Facility"); and

WHEREAS, the Coordinating Arrangers have discussed the above arrangement with the Banks and obtained the Banks' consent to extend the Facility so requested to the Borrower subject to the terms and conditions of this Agreement.

ARTICLE 1 DEFINITIONS

Unless otherwise defined elsewhere in this Agreement, as used herein the following terms shall have the meanings set forth below:

2

1.1 Total Facility Amount shall mean the total amount of the Facility which the Banks commit to provide to the Borrower pursuant to this Agreement, or the amount cancelled or reduced at any time by the Banks pursuant to this Agreement.

1.2 Facility Amount shall mean the amount of loan which each Bank commits to provide to the Borrower with respect to the Facility, as shown in SCHEDULE I hereto, provided the Facility Amount shall be cancelled or reduced in accordance with the applicable provisions of this Agreement.

1.3 Majority Banks shall mean Banks whose then aggregate outstanding claims in principal not yet repaid exceed two-thirds of the then aggregate outstanding claims of all the Banks under this Agreement in principal not yet repaid or, if Borrower has not drawn any of the Facility Amount yet, Banks whose aggregate Facility Amount exceeds two-thirds of the Total Facility Amount under this Agreement.

1.4 Commitment Ratio shall mean the ratio of the Facility Amount committed by each Bank to the Total Facility Amount.

1.5 Loan shall mean each loan drawn by the Borrower pursuant to the applicable provisions of this Agreement.

1.6 Drawdown Date shall mean the date the Borrower draws a Facility Amount pursuant to this Agreement. "Initial Drawdown Date" shall mean the date the Borrower draws a Facility Amount for the first time pursuant to this Agreement.

1.7 Business Day shall mean a banking business day in the Republic of China.

1.8 Interest Payment Date shall mean the date interest on a Loan under this Agreement becomes payable by the Borrower, i.e., the last day of each Interest Period.

1.9 Interest Period shall mean the period commencing on the Initial Drawdown Date and having a duration of ninety (90) days and each ninety(90)-day period thereafter; provided, that (i) the first Interest Period with respect to each drawdown other than the Initial Drawdown shall commence on such Drawdown Date and end on the last day of the then current Interest Period as established above, (ii) the Interest Period commencing prior to any repayment date shall end on such repayment date, and (iii) unless provided by this Agreement to the contrary, if any Interest Period would otherwise end on a day which is not a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day falls in another calendar month, in which case such Interest Period shall end on the immediately preceding Business Day.

3

1.10 Reference Interest Rate shall mean, with respect to each Loan, the interest rate to be determined in the following order of priority (i.e., the interest rate in Article 1.10.2 will prevail if the interest rate in Article 1.10.1 is unavailable and if the interest rate in Article 1.10.2 is also unavailable, the interest in Article 1.10.3 will prevail):

1.10.1 The rate per annum determined on the basis of the fixing rate on 90-day commercial papers in Taiwan's primary commercial paper market as appearing on Page 51328 of the Reuters Telerate screen at or about 11:30 A.M. on the Business Day prior to the commencement of such Interest Period.

1.10.2 The rate per annum determined on the basis of the fixing rate on 90-day commercial papers in Taiwan's secondary commercial paper market as announced by International Bills Finance Corporation, Chung Hsing Bills Finance Corporation and China Bills Finance Corporation at or about 11:30 A.M. on the Business Day prior to the commencement of such Interest Period.

1.10.3 The rate per annum determined on the basis of the variable rate on three-month time deposits as posted by the Agent on the Business Day prior to the commencement of such Interest Period.

The Borrower and the Banks both agree not to raise any objection to the result of such quotations obtained by the Agent.

1.11 Interest Rate shall mean the per annum interest rate determined on the basis of the Reference Interest Rate plus 1.2%, exclusive of business tax and stamp duty, which are to be borne by the Borrower.

1.12 Compensatory Interest Rate shall mean upon the occurrence of a circumstance to which the Compensatory Interest Rate is applicable pursuant to this Agreement, the per annum interest rate determined on the basis of the base rate of the Agent plus 3% per annum, exclusive of business tax and stamp duty, which are to be borne by the Borrower.

1.13 Drawdown Period shall mean the period for which the Facility Amount is available to the Borrower for drawdown. "Expiration Date of Drawdown Period" shall mean the last day of the sixth month from the date of this Agreement or the day the Borrower draws the whole of the Facility Amount, whichever is earlier.

4

1.14 Land and Buildings shall mean collectively the land, factory buildings, and the relevant ancillary factory work facilities of the assembly and testing plant in Hukou, Xinzhu ("Plant 3") and that in Longtan, Taoyuan ("Plant 1"), which are owned by the Borrower. The details are shown in SCHEDULE II to this Agreement. "Factory Buildings" shall mean the factory buildings and relevant ancillary factory work facilities of the Land and Buildings.

1.15 Equipment shall mean the machinery, equipment and the relevant ancillary facilities purchased (including refinanced) and installed in the Factory Buildings (Plant 3) by the Borrower with money obtained from the Facility.

1.16 Mortgage Agreements shall mean collectively the Real Estate Mortgage Agreement and the Chattel Mortgage Agreement, as respectively defined in Article 9.2 of this Agreement.

1.17 Mortgages shall mean collectively a first priority real estate mortgage over the Land and Buildings ("Real Estate Mortgage") and a first priority chattel mortgage over the Equipment ("Chattel Mortgage"), as created in favor of the Agent pursuant to this Agreement.

1.18 Mortgaged Objects shall mean collectively the Mortgaged Real Estate and the Mortgaged Chattel.

1.19 Mortgaged Real Estate shall mean the Land and Buildings over which the Real Estate Mortgage has been created in favor of the Agent pursuant to this Agreement.

1.20 Mortgaged Chattel shall mean the Equipment over which the Chattel Mortgage has been created in favor of the Agent pursuant to this Agreement.

1.21 Appraisal Report (a) with regard to each drawdown, the Appraisal Report shall mean the appraisal report on the Land and Buildings issued by China Credit Information Service Ltd. on September 2, 2005; (b) with regard to the adjustment of the insurance coverage, the Appraisal Report shall mean the appraisal report on the Land and Building as of a later date issued by China Credit Information Service Ltd. or other appraiser recognized by the Agent. Net Value shall mean the net value after the deduction of the prevailing land inspection value and depreciation as determined on the basis of the government posted current value, from the appraised value of the objects described in the Appraisal Report.

1.22 Original Loan Agreements shall mean (i) the General Credit Agreement and Respective Provisions Agreement between the Borrower and Chinatrust Commercial Bank as well as the General Credit Agreement between the Borrower and Ta Chong Commercial Bank dated August 12, 2005;

and (ii) the other agreements entered into by and between the Borrower and Chinatrust Commercial Bank as well as the Borrower and Ta Chong Commercial Bank based on the credit agreements listed in (i). Original Facility shall mean the facility arising out of the Original Loan Agreement.

1.23 Original Mortgage shall mean the first priority mortgage over the Land and Buildings created by the Borrower in favor of Chinatrust Commercial Bank to secure the Original Facility.

1.24 Assignment Agreement shall be as defined in Article 9.3 of this Agreement.

1.25 Note and Note Authorization shall be as defined in Article 8.1 of this Agreement.

1.26 Guarantor shall mean the parent company of the Borrower in the United States, which is a company organized and incorporated under the laws of the State of Delaware, with address at 1900 South Price Road, Chandler, AZ 85248, U.S.A.

1.27 Letter of Guarantee shall mean the Letter of Guarantee issued by the Guarantor in such form and substance as specified in EXHIBIT 5 of this Agreement.

1.28 Security Documents shall mean collectively the following and all documents relevant to the following: Note, Note Authorization, Letter of Guarantee, Mortgage Agreements, and Assignment Agreement.

1.29 Risk Sharing Ratio shall be as defined in Article 4.6.1 of this Agreement.

1.30 Event of Default shall mean an event listed in Article 10.1 of this Agreement.

ARTICLE 2 FACILITY AMOUNT

2.1 Facility Amount and Purposes

The principal of the Total Facility Amount is [One Billion Eight Hundred and Forty Million New Taiwan Dollars (NT\$1,840,000,000)], for the purposes of financing and refinancing the Borrower's Project.

2.2 Term of Facility, Period of Drawdown, and Terms of Repayment

2.2.1 The Facility under this Agreement is a term of five years from the date of this Agreement.

2.2.2 The Facility Amount may be drawn down by installments but not on a revolving basis.

2.2.3 The Facility Amount shall be fully drawn down within six (6) months of the execution of this Agreement, if not, any balance of the Facility Amount will be automatically cancelled upon the expiration of such six-month period and may no longer be drawn once cancelled.

2.2.4 The outstanding principal of the Facility shall be repaid and decrease by ten equal repayment installments semi-annually from the last day of the sixth month after the execution of this Agreement (such last day being the day of the first installment). In the last installment all outstanding amount due and payable shall be paid in full. The date of such repayment installment is hereinafter called the "Repayment Installment Date". If such date does not fall on a Business Day, the payment may be made on the next succeeding Business Day, provided the schedule regarding the other prescribed Repayment Installment Dates will not be affected.

2.2.5 The Borrower is responsible for making timely payment as necessary in accordance with the Repayment Installment Dates and amounts prescribed in this Agreement, to cause the outstanding amount of the Facility drawn down pursuant

to this Agreement, to be repaid and decrease by installments in accordance with the provisions governing its repayment installments.

2.2.6 No Facility Amount which has been repaid and decreased in accordance with the preceding provisions may be drawn anymore. The Facility Amount advanced by each Bank shall be repaid, satisfied and accordingly decrease by a ratio of each Bank's outstanding claims under the Facility which has been drawn, to the sum of all the Banks' outstanding claims under the Facility which has been drawn (Risk Sharing Ratio). The accounts Agent shall determine the distribution on the basis of its own reasonable judgment, without objection from the Borrower and any of the Banks, if it is technically impossible for the indebtedness to be repaid, satisfied and decrease entirely by the above-cited ratio.

2.3 Drawdown

The Borrower shall draw down the Facility Amount to be advanced by each Bank, based on the Commitment Ratio of each Bank, provided the Agent shall determine the distribution portion of such drawdown amount for which the Borrower applies on the basis of its own reasonable judgment, without objection from the Borrower and any of the Banks, if it is technically impossible to draw down the Facility Amount entirely by the above-cited ratio.

2.4 Repayment and Decrease, and Cancellation, of Facility Amount

7

2.4.1 The Facility Amount under this Agreement shall be repaid and decrease, or cancelled, in accordance with the applicable provisions of this Agreement.

2.4.2 Each Bank shall perform its relevant undertakings under this Agreement based on its then valid Facility Amount and extend Loans to the Borrower pursuant to the applicable provisions of this Agreement. Notwithstanding, a Bank is not required to maintain or perform any undertaking under this Agreement if it discovers prior to performing such undertaking that such maintenance or performance will result in its violation of laws or regulations or if such Bank is precluded by other applicable laws or regulations from maintaining or performing the obligations under this Agreement (provided the Bank shall immediately notify the Borrower and Agent). If the Bank discovers after performing an undertaking that its maintenance of such undertaking constitutes or will constitute a violation of law on its part, such Bank shall immediately notify the Borrower and Agent with relevant documents sufficient to prove such violation. The Borrower shall then make prepayment or try to relieve the Bank of the relevant obligation(s) within sixty (60) Business Days of its receipt of the notice from the Bank or a longer period permitted by laws and regulations for cure. The Bank's Facility Amount shall immediately be cancelled or decrease to the extent permitted by laws and regulations (no commitment fee is required for any portion of the Facility Amount which the Borrower is precluded as a result of the above from drawing, for the period of such preclusion). The Bank must also make other arrangements for the Borrower for substitute financing under terms comparable to those offered by this Agreement, if the violation of laws or regulations mentioned above is attributable to the Bank. The Bank shall also reimburse the Borrower for any additional funding costs (subject to relevant supporting documents or evidence presented by the Borrower to substantiate its claim of additional funding costs), if the Borrower needs to raise funds by itself with costs higher than the financing costs under this Agreement as a result of the Bank's failure to arrange for substitute financing in a timely manner. However, the Bank shall still negotiate with the Borrower and to the extent permissible by laws and regulations try as best as possible to arrange for or assist the Borrower in obtaining other financing, if the above violation of laws or regulations mentioned above is not attributable to the Bank, provided neither the Agent nor the Bank is required to make any undertaking with respect to whether such other financing may be procured or not.

2.4.3 No Facility Amount under this Agreement may be cancelled for convenience absent the prior concurrence of all the Banks and the Borrower, unless otherwise provided by this Agreement.

2.4.4 The Borrower may, on not less than thirty (30) days' prior written notice to the Agent, request the Agent at any time prior to the Expiration Date of the Drawdown Period to cancel in whole or in part the balance of the Facility Amount, without premium or penalty, provided:

2.4.4.1 the amount to be cancelled each time shall be in the minimum amount of Two Hundred Million New Taiwan Dollars (NT\$200,000,000), and the excess of Two Hundred Million New Taiwan Dollars (NT\$200,000,000) shall be a multiple of Fifty Million New Taiwan Dollars (NT\$50,000,000) (unless the then entire balance of the Facility Amount is shy of Two Hundred Million New Taiwan Dollars (NT\$200,000,000), in which case such full balance must be cancelled);

2.4.4.2 the Facility Amount that is allowed to be cancelled must not have been actually drawn; and

2.4.4.3 the Borrower shall pay an indemnity to each Bank in a lump sum at the rate of 0.15% with respect to any portion of the Facility Amount which the Borrower cancels in violation of the above provisions.

2.4.5 No Facility Amount may be drawn once cancelled pursuant to this Agreement. The Facility Amount of each Bank shall decrease by its Commitment Ratio upon cancellation, provided the Agent shall determine the distribution on the basis of its own reasonable judgment, without objection from the Borrower and any of the Banks, if it is technically impossible for the Facility Amount of each Bank to decrease entirely by the above-cited ratio.

2.4.6 Unless otherwise provided by this Agreement, the Borrower may, on not less than thirty (30) days' prior written notice to the Agent, prepay in whole or in part the outstanding Facility Amount drawn (Outstanding Loan), without premium or penalty, provided:

2.4.6.1 each prepayment shall be in the minimum amount of One Hundred Million New Taiwan Dollars (NT\$100,000,000), and the excess of One Hundred Million New Taiwan Dollars (NT\$100,000,000) shall be a multiple of Fifty Million New Taiwan Dollars (NT\$50,000,000) (unless the then entire outstanding Facility Amount is shy of One Hundred Million New Taiwan Dollars (NT\$100,000,000), in which case such full outstanding amount must be prepaid);

2.4.6.2 prepayment may be made only on the Interest Payment Date;

2.4.6.3 prepayment must be made together with payment in full of all outstanding interest and other sums associated with such prepayment which are then payable; and

2.4.6.4 the Borrower shall bear all losses in fund operation and interest rate differential as suffered by each Bank from the Borrower's prepayment (subject to relevant supporting documents or evidence presented by each Bank to substantiate its claim of losses and costs).

2.4.7 Prepayments of Loans shall be applied against repayment installments of Loans in inverse order of maturity (i.e., in principle the last Loan to mature shall be first prepaid).

2.4.8 No Facility Amount may be reborrowed once prepaid pursuant to this Agreement. The Facility Amount of each Bank shall decrease by a ratio of the Bank's outstanding claims under the Facility which has been drawn, to the sum of all the Banks' outstanding claims under the Facility which has been drawn (Risk Sharing Ratio). Notwithstanding, the Agent shall determine the distribution on the basis of its own reasonable judgment, without objection from the Borrower and any of the Banks, if it is technically impossible for the Facility Amount of each Bank to decrease entirely by the above-cited ratio.

ARTICLE 3 LOAN

3.1 Commitment

3.1.1 Subject to the Borrower having complied with the conditions precedent set out in this Agreement, the Borrower may, within the Drawdown Period, draw a Loan to the extent valid, in New Taiwan Dollars, pursuant to this Agreement.

3.1.2 The Facility Amount may be drawn down by installments within the Drawdown Period, but not on a revolving basis.

3.1.3 Each Bank agrees to advance Loans under the Facility Amount to the Borrower pursuant to this Agreement.

3.1.4 Unless otherwise agreed by the Agent, the amount to be drawn by the Borrower each time shall be in the minimum amount of Two Hundred Million New Taiwan Dollars (NT\$200,000,000), and the excess of Two Hundred Million New Taiwan Dollars (NT\$200,000,000) shall be a multiple of Fifty Million New Taiwan Dollars (NT\$50,000,000), provided, however, that the amount to be drawn shall be the then entire balance of the Facility Amount if the such balance is shy of the minimum amount to be drawn, unless otherwise provided by the Agreement.

3.2 Drawdowns

3.2.1 Subject to the Borrower having totally complied with or performed the conditions precedent to drawdown as set out in this Agreement, the Borrower may at any time request, in the form of EXHIBIT 1 hereto ("Drawdown Request"), a drawdown of a Loan hereunder from the Agent, in accordance with the terms and conditions and also schedule set out in this Agreement, unless otherwise provided by the Agreement. Each Bank shall, to the extent of its Facility Amount,

10

advance payment to the Borrower by its Commitment Ratio, in the event of a request for drawdown by the Borrower, provided its obligation to advance Loans hereunder is contingent upon none of the following circumstances having occurred to the request for drawdown: (a) the time or duration of the drawdown does not conform to this Agreement; (b) the drawdown is in an amount which would cause the Loans outstanding under the Facility to exceed the then valid Total Facility Amount, or the advances outstanding hereunder of each Bank to exceed its Facility Amount; (c) the amount of the drawdown will exceed the secured debt value or commitment restriction prescribed by this Agreement; (d) the drawdown otherwise does not conform to the other requirements provided for in Article 6 of this Agreement.

3.2.2 Provided that the conditions described above have been met with respect to the requested drawdown, the Agent shall immediately accept the Drawdown Request of the Borrower on behalf of the Banks. Each Drawdown Request, once accepted by the Agent, shall be irrevocable and binding on the Borrower. The Borrower shall reimburse the Banks, at any time upon the Agent's demand, for any costs and losses incurred by the Banks in the event that the Borrower subsequently fails to continue to maintain the relevant conditions precedent to its drawdown or satisfy other conditions precedent to such drawdown to the extent that the amount of drawdown it has requested cannot be advanced in whole or in part (subject to relevant calculations or documentary evidence presented by the Bank(s) claiming such losses and costs).

3.2.3 Upon its receipt of a Drawdown Request from the Borrower, the Agent shall request each Bank by a written notice at least one Business Day prior to the Drawdown Date specified in the Drawdown Request, to advance payment according to the Agent's distribution, stating the date on which each Bank is to make available its Loan and the amount to be advanced by each Bank pursuant to the Drawdown Request. Each Bank shall, pursuant to such notice and this Agreement, make available its advance in immediately available funds not later than 12 a.m. on the Drawdown Date specified in the Drawdown Request, to the account designated by the Agent. The Agent supposedly may assume that each Bank is capable of advancing payment pursuant to the Agreement and, on the basis of such assumption, may further, but is not obligated to, make available the funds to the Borrower on schedule, unless the Agent has received a written notice from any of the Banks prior to the Drawdown Date stating that the Bank is unable to advance the Loan by its Commitment Ratio. Notwithstanding, the Agent is under no obligation to make available or advance any sum to the Borrower on behalf of the Banks, until the Agent actually receives the payment made available by the Banks pursuant to the Agreement. If the Agent makes available to the Borrower the amount of any advance to be made by any Bank which such Bank fails to make available to the Agent pursuant to the Agreement, the Borrower shall at any time upon the Agent's demand refund such amount to the Agent together with daily interest at the highest overnight loan rate posted on Reuters' PIBC page after the close of business each day, for the period from the Drawdown Date to the

date of the Agent's actual receipt of the refund.

11

3.2.4 Failure by any Bank to make available its advances pursuant to the Agreement shall not relieve the other Banks of their undertakings to make advances pursuant to the Agreement and shall not relieve the Borrower of its obligations under this Agreement, but, in no event, no other Bank or the Agent shall be liable for the default of the defaulting Bank. Any Bank which fails to make Borrower to substantiate its claim of losses and costs). The Borrower is not required to pay any commitment fee with respect to the amount not yet drawn as a result of any Bank's failure to make available funds pursuant to the Agreement.

ARTICLE 4 FEES, TERMS OF PAYMENT AND GUARANTEE OF PROCEEDS

4.1 Commitment Fee

4.1.1 A commitment fee of 0.2% per annum is payable to each Bank on the actual undrawn amount each day from the date of this Agreement to the Expiration Date of the Drawdown Period, calculated on the basis of a year of Three Hundred Sixty-Five (365) days and actual number of days elapsed. The Borrower shall pay such fee in a lump sum on the Expiration Date of the Drawdown Period, in the form of immediately available funds in New Taiwan Dollars, to the Agent, for distribution and forwarding by the Agent to the Banks pursuant to the applicable provisions of this Agreement.

4.1.2 The business tax and stamp duty arising out of the above commitment fee shall be borne by the Banks.

4.2 Loan Interest

4.2.1 The Borrower shall, on each Interest Payment Date, pay the Agent interest at the applicable Interest Rate, calculated on the basis of a year of Three Hundred Sixty-Five (365) days and actual number of days elapsed, on the then outstanding principal amount of each Loan extended by each Bank. The Borrower shall still pay the principal together with the relevant interest in full even if the date the Borrower repays the principal pursuant to the Agreement (Repayment Installment Date) is not an Interest Payment Date. The Agent will notify each Bank and the Borrower of the Interest Rate of a Loan on the date each Loan is drawn down and thereafter upon the commencement of each Interest Period, after consulting the relevant units. If there is any variation of the Reference Interest Rate, the Interest Rate will not be adjusted until the commencement date of the next Interest Period.

12

4.2.2 The Borrower shall pay interest on schedule for each Interest Period from the Initial Drawdown Date. The last day of each Interest Period shall be the Interest Payment Date. The Agent will calculate interest at the applicable Interest Rate by the actual duration of the Loan and notify the Borrower of such interest. The Borrower shall pay interest to the Agent in immediately available funds in New Taiwan Dollars on each Interest Payment Date, for distribution and forwarding by the Agent to the Banks pursuant to the applicable provisions of this Agreement.

4.2.3 The business tax and stamp duty arising out of the above interest shall be borne by the Borrower.

4.2.4 The Borrower hereby agrees enterprises engaged in banking are still required by the applicable provisions of the Value-Added and Non-Value-Added Business Tax Law to allocate 3% of their sales for writing off overdue loans or setting aside allowances for bad debts, notwithstanding the prescription by such law of a 2% business tax rate for the bank industry. Thus, the business tax which the Borrower shall bear pursuant to this Agreement remains payable at the rate of 5%. In the event of a change to the business tax rate in the future, the new rate shall apply, provided the portion associated with the required allowances for bad debts shall still be borne by the Borrower as long as the

requirement for such allowances to be set aside by enterprises engaged in banking exists.

4.3 Other Payments

The Borrower shall pay the Coordinating Arrangers and Agent all fees associated with the Coordinating Arrangers' formation of the Banks and the Agent's management of all affairs pertaining to this Agreement. The contents will be determined through agreement by the Borrower with the Coordinating Arrangers and Agent.

4.4 Terms of Payment and Compensatory Interest

4.4.1 The Borrower shall pay, pursuant to the applicable provisions of this Agreement, all sums which it is required by this Agreement or related documents to pay, in immediately available funds in New Taiwan Dollars, before 12 noon on the due date, according to the type and nature of its indebtedness, such as principal, interest or fee. All interest rates or rates under this Agreement will be rounded up to the nearest fourth decimal, and interests or fees will be rounded up to the New Taiwan Dollar.

4.4.2 If the Borrower or Guarantor makes payment in a currency other than New Taiwan Dollars or (for whatever reason) the repayment actually received by the Agent or Banks is in a currency other than New Taiwan Dollars, the above-mentioned payment or repayment will not be deemed paid pursuant to the Agreement and will not relieve the Borrower or Guarantor of its liability unless such

13

other currency has been fully converted into New Taiwan Dollars and the converted New Taiwan Dollars have been remitted to the account or place designated by the Agent; the Borrower or Guarantor shall further assume the relevant foreign exchange risk. The Borrower or Guarantor shall also be responsible for securing in a timely fashion all approvals, including foreign exchange approvals, necessary for making all relevant payments in New Taiwan Dollars, and shall make no defense based on its default on payment pursuant to the Agreement due to its failure to secure the relevant approvals. If the Agent or a Bank is required to calculate its claims in a currency other than New Taiwan Dollars for the purposes of exercising its rights, the Borrower or Guarantor shall be responsible for any shortfall and the Agent, and the Bank are further entitled to claim against the Borrower or Guarantor, if the amount after conversion into New Taiwan dollars is actually shy of the amount payable to the Agent or Bank.

4.4.3 Any sum payable may be paid on the next succeeding Business Day if the due date thereof is not a Business Day, unless such next succeeding Business Day falls in another calendar month, in which case the payment shall be made on the immediately preceding Business Day (and interest payable on such sum if such sum is principal, will be payable for the actual number of days elapsed).

4.4.4 If any of the above payments is not paid on schedule when payable, the Borrower shall make immediate payment pursuant to the Agreement along with interest to each Bank and/or the Agent at the Compensatory Interest Rate, calculated on the basis of a year of Three Hundred Sixty-Five (365) days and actual number of days elapsed, on the outstanding sum, for the period from the due date to the date of actual receipt by each Bank and/or the Agent of the payment. However, if the outstanding sum is interest, the default interest will be 10% and 20% of the sum overdue for not more than six (6) months and in excess of six (6) months respectively. The Agent may determine the amount of such payment based on its calculation from time to time and notify the determined amount to the Borrower. Within three (3) days after receiving the above-mentioned notice from the Agent, the Borrower shall immediately make the payment to the Agent for forwarding by the Agent to the Banks pursuant to the applicable provisions of this Agreement.

4.4.5 Unless otherwise provided by this Agreement, no other payment payable by the Borrower under this Agreement will carry the effect of repayment unless paid by the Agent to each Bank in accordance with this Agreement or other relevant contracts. The Agent shall distribute and forward the above payments to each Bank upon its receipt of such payments, save payments to be collected solely by the Coordinating Arrangers or the Agent, provided each Bank shall issue a

receipt or proof and directly send the same to the Borrower with respect to each payment collected by the Bank.

4.5 Cost Increase, Taxes and Change of Law

14

4.5.1 In the event a change in laws or regulations or in the interpretation of laws or regulations by the competent authority, or a direction or requirement of the competent authority, results in: (a) a change in the rate or tax base of the taxes payable by the Banks on the transaction contemplated under this Agreement or on the payments payable by the Borrower to the Banks pursuant to this Agreement (except changes in the mandatory tax rate imposed on the net income of the Banks by the R.O.C. government or the jurisdiction of the incorporation of the Banks); (b) an increase or change in the Facility, or an application of any reserve, special deposit or similar regulations to the Facility; or (c) an increase in the costs for the Banks or Agent to perform or maintain undertakings, or a decrease in the amounts otherwise receivable by the Banks or Agent under this Agreement, to the extent that the Majority Banks or Agent deems material, then the Borrower shall, upon demand by the Banks or Agent, pay within ten (10) days or before the deadline mutually agreed by the Agent and the Borrower, the additional sums to the Banks or Agent as indemnity for the increase in costs or decrease in revenue to the Banks or Agent. The impact of the above change of law shall be based upon relevant documentary evidence presented by the affected Bank(s) or Agent of the increase in costs or decrease in revenue. Notwithstanding the above, the Borrower may, on not less than fifteen (15) days' prior written notice to the Agent, prepay in whole (but not in part) the outstanding Facility Amount drawn (outstanding Loan) and is not subject to fees, penalties or any obligations under Article 2.4.6 (a), and (b), but is still subject to Article 2.4.6 (d) if the Borrower prepays the outstanding Facility Amount drawn without giving no less than thirty (30) days' prior written notice.

4.5.2 The Borrower shall neither make any withholdings or deductions off any payment which it pays pursuant to this Agreement, nor offset any payment which it pays pursuant to this Agreement against the indebtedness to any Bank. In addition to taxes which the Banks or Agent is required by the above provision to bear, if the Borrower shall be required by law to make any such withholding from any payment under this Agreement, the sum payable by the Borrower shall be increased so that after all required withholdings, including additional withholdings in response to the increase in the sum paid under this subparagraph, the Banks and Agent receive an amount equal to the sum they would have received had no such withholdings been made.

4.5.3 All other present and future taxes and fees payable or incurred from the execution or registration of this Agreement, Security Documents or other related documents shall be borne by the Borrower, unless otherwise expressly provided by this Agreement. If the Banks or Agent pays such taxes on the Borrower's behalf, the Borrower shall reimburse the exact amount within ten (10) days or before the deadline mutually agreed by the Agent and the Borrower after receipt of notification, or it shall pay interest at the Compensatory Interest Rate for the period from the date the Banks or Agent gives the above-mentioned notification to the Borrower to the date the Borrower actually pays full reimbursement.

15

4.6 Application of Payments

4.6.1 Any sums received by the Agent from its exercise of rights pursuant to this Agreement, Letter of guarantee, Mortgage Agreements, Security Documents and all other associated documents shall be applied in the following order of priority: (a) first, to all expenses and fees, including a facility fee payable to the Agent, incurred by the Agent from its exercise of rights pursuant to this Agreement, Letter of guarantee, Mortgage Agreements, Security Documents and all other associated documents, which expenses and fees have been reimbursed by neither the Borrower nor any Bank; (b) then to all outstanding fees and interests, including interests or default interests to be calculated at the Compensatory Interest Rate, payable by the Borrower to the Agent and the Banks under this Agreement; (c) then to distribution to each Bank pursuant to the

applicable provisions of this Agreement (or to the decision of the Agent in the absence of an express agreement), by the Agent on the basis of the nature of each sum received, by a ratio of each Bank's outstanding claims under the Facility which has been drawn, to the sum of all the Banks' outstanding claims under the Facility which has been drawn (Risk Sharing Ratio).

4.6.2 Unless otherwise provided by this Agreement, the Agent shall forward to the Banks pursuant to the Agreement all sums received from the Borrower that shall be forwarded to the Banks, upon actual receipt of such sums, for the Banks to apply towards the indebtedness due from the Borrower to the Banks in the order of priority prescribed by this Agreement or laws and regulations. In the event that the sums mentioned above are insufficient to pay all sums in a specific category to the relevant Banks in the same order of priority, the Agent shall distribute such sums to each Banks pro-rata to the claims to which each Bank is entitled under such category (Risk Sharing Ratio).

4.7 Facility Records

The Agent shall maintain records relevant to the Facility, documenting the drawdowns of the Facility Amount by the Borrower and the payments made by the Borrower and Guarantor to each of the Banks. Details of the outstanding sums due from the Borrower under this Agreement shall be as documented in the Agent's records above, unless the Borrower can present specific evidence of manifest errors in such records. Whether the records are compiled by the computer or manually, unless the contents are wrong and must be corrected, the Borrower agrees to acknowledge the entire contents of the records. The Borrower further agrees to issue a new negotiable instrument or certificate of claims to the Agent according to the Agent's records if any negotiable instrument or other certificate of claims provided by the Borrower to the Agent pursuant to the Agreement is lost, damaged or destroyed. The Borrower shall further lend its unconditional support at all times in the event the Agent is required by laws or regulations to report loss and proceed with other relevant formalities due to the loss, damage or destruction of any negotiable instrument or other certificate of claims.

16

ARTICLE 5 INTERESTED PARTIES

5.1 Several Obligations of the Banks

The relevant obligations of the Banks under this Agreement are all independent and several of one another. Each Bank shall perform its own undertaking to extend facilities in accordance with this Agreement. No action or inaction on the part of any Bank will result in any right or obligation on the part of another Bank. The Banks are not jointly liable with one another for the obligations under this Agreement.

5.2 Joint and Several Claims of the Banks

5.2.1 All claims of a Bank and the Agent under this Agreement and the relevant contracts against the Borrower, Guarantor and relevant obligors are joint and several claims under Article 283 of the Civil Code, notwithstanding the several and independent obligations of the Banks to perform their respective undertakings to the Borrower pursuant to this Agreement to the extent of their respective Facility Amounts. Any of the Banks and the Agent are entitled by law to claim performance in whole or in part of the above claims against the Borrower, Guarantor and relevant obligors, provided all the Banks and the Agent agree to share their rights and interests and exercise their rights under this Agreement, in accordance with the applicable provisions of this Agreement. (In other words, except in their exercise of the right to set-off under this Agreement, no Bank may take any action with respect to any matter under this Agreement absent the written concurrence of the Majority Banks, or perform any action or inaction that conflicts or is inconsistent with the decisions of the Majority Banks.)

5.2.2 The Borrower, Banks and Agent all agree that the Agent shall be payee of the Notes issued by the Borrower pursuant to this Agreement, and also the mortgagee, assignee or security right holder entitled to hold, control, manage and exercise in the capacity of a joint and several creditor pursuant to this Agreement, the Mortgage Rights, Assignment Agreement, Letter of Guarantee and other warranties provided by the Borrower pursuant to this Agreement, and to

further share the above interests with the Banks in accordance with this Agreement in the Agent's capacity of a joint and several creditor.

5.2.3 Each of the Banks and the Agent shall, pursuant to this Agreement, share the risks as well as the security interests under the Facility by the Risk Sharing Ratio applicable to each Bank.

17

ARTICLE 6 CONDITIONS PRECEDENT TO DRAWDOWN

6.1 Initial Drawdown

The Borrower's initial drawdown of the Facility Amount under this Agreement is subject to the conditions precedent that at least seven (7) Business Days prior to the requested date for such drawdown the Agent shall have received all of the following documents in form and substance satisfactory to the Agent:

6.1.1 Evidence, including, without limitation, resolutions and minutes of board of directors' meetings that the Borrower has completed all necessary internal corporate acts and is authorized to enter into, deliver and perform this Agreement, the Security Documents and other associated contracts or documents; and evidence that the person signing this Agreement, the Security Documents and other associated contracts or documents on behalf of the Borrower has been duly authorized by the Borrower;

6.1.2 The Borrower's Articles of Incorporation, business license and amended incorporation registration form, including roster of directors and supervisors;

6.1.3 Letter of guarantee issued by the Guarantor in form and substance consistent with EXHIBIT 5 of this Agreement;

6.1.4 The Guarantor's incorporation registration documents and resolutions and minutes of board of directors' meetings, that the Guarantor has completed all necessary corporate acts and is authorized to enter into, deliver and perform the Letter of guarantee and evidence that the person signing the Letter of guarantee on behalf of the Guarantor has been duly authorized by the Guarantor;

6.1.5 Evidence that the Guarantor has designated a service agent in accordance with the Letter of Guarantee.

6.1.6 Evidence that the Guarantor and other shareholder of the Borrower has increased its cash investment in the Borrower by not less than Two Hundred Million New Taiwan Dollars (NT\$200,000,000) and caused the Borrower to complete capital increase by cash, raising the Borrower's paid-in capital to Seven Billion One Hundred Eighty-Nine Million Three Hundred and Eight Thousand Four Hundred and Ninety New Taiwan Dollars (NT\$5,389,308,490);

6.1.7 Assignment Agreement duly executed by the Borrower in accordance with this Agreement;

18

6.1.8 Note and Note Authorization issued by the Borrower in accordance with this Agreement;

6.1.9 Favorable written legal opinions of the Banks' counsel on legal matters relevant to the Facility under the laws of the Republic of China, New York State and Delaware State; and

6.2 Each Drawdown

With respect to each drawdown, including the initial drawdown, of the Facility Amount by the Borrower, the obligations of the Banks to perform their undertakings pursuant to this Agreement are subject to the following conditions precedent (photocopies presented must have been certified by the document provider as true, accurate and complete copies):

6.2.1 The Agent shall have received the following documents at least five (5)

Business Days prior to the requested date for each drawdown by the Borrower (or seven (7) Business Days prior to the requested date for initial drawdown):

6.2.1.1 The Drawdown Request submitted by the Borrower in accordance with this Agreement;

6.2.1.2 The Borrower shall submit the following if it desires to draw the Facility Amount with the Land and Buildings as collateral:

6.2.1.2.1 Appraisal Report obtained by the Borrower with respect to the Land and Buildings;

6.2.1.2.2 Evidence that with respect to the Original Mortgage over the Land and Buildings, the Borrower has entered into a Real Estate Mortgage Agreement (and Supplement) in the form and content indicated in EXHIBIT 6 hereto with Chinatrust Commercial Bank as well as duly executed other relevant documents required by the Agent, and has completed the registration of the amendments to the mortgage registration amount, security scope, and valid term in connection with the mortgage over the Land and Buildings pursuant to the above-mentioned Real Estate Mortgage Agreement (and Supplement) and relevant documents.

6.2.1.2.3 Evidence that the amount of drawdown requested by the Borrower is not less than the outstanding amount of the Original Facility and such drawdown will first be used to fully repay the outstanding amount of the Original Facility.

6.2.1.2.3 Evidence that the Borrower has, with respect to the Factory Buildings, duly arranged insurances pursuant to this Agreement (the insured amount and coverage shall conform to this Agreement); assigned all rights and interests in the insurances to the Agent pursuant to the

19

Assignment Agreement, naming the Agent as the loss payee of such insurances on a priority basis; and obtained the relevant undertakings from the insurance company and delivered the same to the Agent.

6.2.1.3 The Borrower shall submit the following if it desires to draw the Facility Amount with the Equipment as collateral:

6.2.1.3.1 Evidence of drawdown of the particular Loan to obtain funds for financing the Borrower's purchase of the Equipment, including invoices, details of the equipment, import declaration, auditor's report issued by a CPA, or other relevant supporting documents demanded or recognized by the Agent, collectively called "Evidence of Drawdown"), which evidence is dated not more than twelve (12) months of the requested Drawdown Date;

6.2.1.3.2 Evidence that the Equipment has been installed and the Borrower has, pursuant to the applicable provisions of this Agreement, duly executed a Chattel Mortgage Agreement and created a first priority Chattel Mortgage capped at 145% of the amount drawn on such occasion in favor of the Agent with respect to the Equipment; and

6.2.1.3.3 Evidence that the Borrower has, with respect to the Equipment, duly arranged insurances pursuant to this Agreement (the insured amount and coverage shall conform to this Agreement); assigned all rights and interests in the insurances to the Agent pursuant to the Assignment Agreement, naming the Agent as the sole loss payee of such insurances on a priority basis; and obtained the relevant undertakings from the insurance company and delivered the same to the Agent.

6.2.2 Up until each Drawdown Date, (a) no Event of Default described in this Agreement or no possible Event of Default due to a lapse of time has occurred; (b) the representations and warranties made by the Borrower in this Agreement are all true and accurate; (c) the Borrower has fully paid all costs and sums required by this Agreement to be paid by the Borrower to each Bank; and (d) no event entitling the Banks to disrupt funding under the Facility Amount pursuant to this Agreement has occurred.

6.3 Restrictions on Commitment

The amount of Loan which the Borrower is to actually draw shall be limited as follows ("Secured Debt Value"):

6.3.1 The amount of Loan to be drawn by the Borrower with the Equipment as collateral is capped at 70% of the purchase price of the Equipment as specified on the Evidence of Drawdown after depreciation. For the purpose of such calculation:

$$\text{DEPRECIATION} = \text{PURCHASE PRICE SPECIFIED ON THE EVIDENCE OF DRAWDOWN} \\ \text{DIVIDED BY 5 (YEARS)} \times$$

$$\text{NUMBER OF MONTHS FROM THE DATE OF THE EVIDENCE OF DRAWDOWN TO THE DRAWDOWN DATE}$$

6.3.2 The amount of Loan to be drawn by the Borrower with the Land and Buildings as collateral is capped at 70% of the Net Value.

6.3.3 The entire Loan amount to be drawn by the Borrower is capped at the sum of the amounts in Articles 6.3.1 and 6.3.2.

6.3.4 Any conversion of currencies involved in the calculation of the amounts above shall be made on the basis of the exchange rate specified in the relevant import declaration.

ARTICLE 7 BORROWER'S REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants as follows:

7.1 The Borrower is a duly incorporated and legally existing company under the laws of the Republic of China with all lawful power and authority to own its assets and conduct its business.

7.2 The Borrower has obtained all necessary authorizations in accordance with the company's internal procedure to execute, deliver and perform this Agreement, the Mortgage Agreements, Security Documents and all other documents relevant to this Agreement.

7.3 The execution, delivery and performance by the Borrower of this Agreement, the Mortgage Agreements, Security Documents and all other relevant documents do not violate any law or regulation, the Articles of Incorporation or other internal rules of the Borrower, have no material adverse effect on the obligations of the Borrower under any other material contract, and do not result in a breach by the Borrower of any other material contract.

7.4 This Agreement, the Mortgage Agreements, Security Documents and all other documents relevant to this Agreement constitute legal, valid and binding obligations of the Borrower.

7.5 All Mortgaged Objects are legally registered properties of the Borrower. The Borrower is entitled and empowered to dispose of such properties. Ownership of any building or work structure within the Mortgaged Objects which has not been registered ("Unregistered Building") is also vested in the Borrower. The above objects are currently being used by the Borrower, without being leased

to others. Except to the Original Mortgage (the outstanding loan secured by the Original Mortgage shall be fully repaid after the Borrower requests the drawdown secured by the Land and Buildings) and unless otherwise agreed in this Agreement, neither the Land and Buildings nor the Equipment are subject to any lien in favor of another person, nor has the Borrower undertaken to another person to create any security interest or charge over, or otherwise disposed of, the Land and Buildings or the Equipment.

7.6 The Borrower has procured all approvals, permits, licenses required for the operation of its current business and implementation of the Project pursuant to

the applicable laws and regulations, including, without limitation, approvals, permits, licenses in connection with environmental protection, pollution control, treatment of waste etc. Such approvals, permits, licenses all continue to be in force and effect. Nothing occurs with respect to the Borrower which may result in a revocation of the above approvals, permits, licenses by the competent authority which will cause an adverse effect on the business and financial condition of the Borrower.

7.7 All statements and information in connection with the Facility, Borrower, Equipment, major shareholders of the Borrower, as contained in the Syndicated Loan Statement ("Statement") furnished by the Borrower to the Coordinating Arrangers with respect to the Facility, a copy of which was forwarded by the Coordinating Arrangers to each Bank in September 2005, and other reporting information provided by the Borrower before the execution of this Agreement appropriately reflect the Borrower's condition. The Borrower has not omitted any material fact necessary to make the statements contained herein, when taken as a whole misleading. Notwithstanding, the Borrower's financial projections and explanations, current market condition and prospects, and all relevant opinions are compiled on the basis of facts understood by the Borrower and reasonable judgment of the Borrower. Therefore, the actual results therefrom may be different from the proposed results. The representations and warranties made by the Borrower under this Article 7.7 are true and correct as of the date of this Agreement.

7.8 Except as disclosed in the financial statements or otherwise in writing by the Borrower to each Bank, there is no suit, non-litigious proceeding, arbitration, enforcement, administrative dispute proceeding or other contention involving the Borrower which is reasonably expected to have or will have a material adverse effect on the Borrower or the Facility or may impair the exercise or performance of any relevant rights or obligations under this Agreement by the Borrower.

7.9 There is no Event of Default by the Borrower and neither this Agreement nor the Facility will result in a possible Event of Default to the Borrower and it is not in default of any other contract where such default may have a material adverse effect on the Facility or the business or financial condition of the Borrower.

22

7.10 There is no petition by or against the Borrower for windup, dissolution and liquidation, bankruptcy, corporation reorganization, relief or other similar legal proceeding; nor is any of the above-mentioned proceedings underway or pending with respect to the Borrower.

7.11 Unless otherwise expounded by the Borrower in the financial statements furnished to the Agent, or otherwise advised by the Borrower to the Banks and Agent in writing prior to the execution of this Agreement, the claims of each Bank against the Borrower under this Agreement rank at least pari passu in priority of payment with all unpreferred or unsecured claims of any other person against the Borrower (except for claims mandatory preferred by law); provided, that the Agent in its capacity of a joint and several creditor and acting for the benefits of the Banks shall, at all times, from and after registration of the Mortgages contemplated by this Agreement, have a first priority security interest over the Land and Buildings and Equipment.

7.12 The CPA audited financial statements of the Borrower as at and for the period ended December 31, 2004 and the financial statements prepared by the Borrower but not audited by the CPA as at and for the period ended September 30, 2005, copies of which have been delivered to the Agent and each Bank, are correct in all material respects and have been prepared in accordance with generally accepted R.O.C. accounting principles and fairly present the financial condition and operations of the Borrower as of the date thereof and for the period then ended all in accordance with generally accepted R.O.C. accounting principles consistently applied. There are no material liabilities of the Borrower as of the date of such financial statements that are not reflected therein or in the notes thereto, except as otherwise disclosed by the Borrower to the Banks and the Agent in writing. The representations and warranties made by the Borrower under this Article 7.12 are true and correct as of the date of this Agreement.

ARTICLE 8 BORROWER'S UNDERTAKINGS

In addition to other undertakings made by the Borrower under this Agreement, the Borrower undertakes and agrees that as of the date of this Agreement and until such time that each and all of its liabilities and obligations under this Agreement, the Security Documents, and all other relevant agreements and documents have been fully discharged and performed, it shall duly perform the following obligations:

8.1 Upon executing this Agreement and prior to the initial Drawdown, the Borrower shall issue a Note stipulating the Agent as the beneficiary and the Total Facility Amount as the face value, with the expiry date being left blank (the format and contents shall be as set out in EXHIBIT 2, hereafter the

23

"Note"). The Borrower shall also issue a note authorization (the format and contents shall be as set out in EXHIBIT 3, hereafter the "Note Authorization"). The Note and the Note Authorization shall be delivered to the Agent for safekeeping, and the Borrower unconditionally and irrevocably authorizes the Agent to insert the expiry date, interest rate (being the Compensatory Interest Rate) and the commencement date of the interest period in accordance with relevant provisions of this Agreement in the event of the occurrence of an Event of Default, and to exercise all rights under the Note. As of the Note issue date, a new Note shall be issued in the same format and with the same contents but the face amount of the such new Note may be decreased to the amount equivalent to the Outstanding Loan at least once every two (2) years. The Agent and the Banks agree that the said Note and the Note Authorization shall be immediately and unconditionally returned to the Borrower when the Borrower has discharged all relevant liabilities under this Agreement and other relevant agreements.

8.2 The Borrower shall at all times: (a) maintain the existence, nature of business and scope of business of its company or other reasonable extended business within the scope of this Agreement, and maintain approvals, licenses and permits required to be obtained and maintained for the purposes of operating the said business and performing matters stipulated in this Agreement on a timely basis except where the Borrower's failure to maintain such approvals, licenses, and permits would not have adverse effects on the business or financial condition of the Borrower; (b) comply with all laws, regulations and requirements issued by all government authorities with jurisdiction over such matters (including but not limited to requirements relating to environmental protection, pollution prevention and disposal of waste products) except where the Borrower's failure to comply with laws, regulations and requirements would not have adverse effects on the business or financial condition of the Borrower; (c) prepare and keep appropriate accounting records; and (d) make timely payments of all taxes and regulatory fees payable in relation to the Borrower's company income or assets, except where such payments are contested by the Borrower through administrative remedy procedures in accordance with relevant laws and regulations and prepare sufficient reserves pursuant to the ROC GAAP; and (e) use its reasonable efforts to maintain the Project and all related facilities at all times.

8.3 The Borrower shall ensure at all times that its liabilities under this Agreement and the Security Documents shall enjoy at least the same claims ranking as any other unsecured liabilities of the Borrower (except those liabilities that enjoy a higher claims ranking according to law). In addition, after the Borrower has duly registered the relevant Mortgages in respect of the Mortgaged Objects or assigned the relevant rights or interests in accordance with the various Security Documents, the Agent (in its capacity of a joint and several creditor for the common interest of all Banks) shall enjoy a priority right of claim in respect of the said objects in accordance with this Agreement, and the Agent may share such interests with each Bank in accordance with the provisions of this Agreement.

24

8.4 The Borrower shall grant a Mortgage over the Land and Buildings and the Equipment in favor of the Agent in accordance with relevant provisions of this Agreement, and shall assign the relevant rights and benefits of insurance claims

over such Mortgaged Objects to the Agent in accordance with the Assignment Agreement. The Borrower shall also ensure that the said warranted rights are in compliance with the requirements of this Agreement at all times during the valid period of this Agreement. In order to ensure the completeness and validity of the said warranted rights, the Borrower shall execute all other necessary documents and perform all other necessary acts that should be issued according to law or generally applicable customs of the banking industry from time to time, upon the reasonable request of the Agent.

8.5 In the event of any of the following, the Borrower shall promptly notify the Agent in writing and explain the measures that it has adopted (which shall not affect any rights that the Agent or a Bank may exercise under this Agreement): (a) A dispute arises in relation to the Land and Buildings or the Equipment; (b) A license or approval obtained by the Borrower and necessary for the Project or its business operations has expired or is cancelled; (c) There is a substantive material change to the business, operations, management, personnel structure, finances or principal assets of the Borrower; (d) The Borrower has newly incurred any mid- or long-term liabilities, except shareholder loans granted by the Guarantor, in excess of the amount of Two Hundred Million New Taiwan Dollars (NTD200,000,000) or the equivalent in any foreign currency; (e) The Borrower is involved in any currently pending litigious or non-litigious action, arbitration, compulsory execution, judicial or administrative investigation, dispute or any other similar proceedings to be heard by a court, arbitration tribunal, taxation authority or any other governmental authority, and the monetary amount of its involvement is Two Hundred Million New Taiwan Dollars (NTD200,000,000) or more, or the equivalent in any foreign currency; (f) An insurance event occurs in respect of a Mortgaged Object; or (g) An Event of Default occurs.

8.6 During the valid period of this Facility and until such time that the Borrower has completely discharged all liabilities occurring under this Agreement, the Borrower may not engage in any of the following acts except with the prior written consent of the Majority Banks: (a) Sell, assign, lend, lease, remove, reconstruct, encumber, mortgage or in any other way dispose of all or part of the Mortgaged Objects (irrespective of whether such mortgages have been duly registered) (this does not apply to an act under Article 9.2.5 of this Agreement), or engage in any other act that will reduce the value of the Mortgaged Objects, or remove the Mortgaged Objects to a location other than that stipulated in the Chattel Mortgage Agreement; (b) Make a material change to its principal business items or nature of business; (c) Merge with another entity (this does not apply where the Borrower is the subsisting company, and the merger has been determined by the Majority Banks as having no detrimental effect on the finances and business of the Borrower), or conduct a spin-off over the company; (d) Sell, lease or in any other way assign or dispose of the Mortgaged Objects, including the collateral for substitution of the Mortgaged Objects pursuant to this Agreement; (e) Become

25

directly or indirectly responsible for the liabilities of another person by means of accepting the said liabilities, issue a guarantee or endorsement or by any other means, or lend the funds of the company to others, provided that this does not apply to the loans, guarantees or endorsements provided by the Borrower to the Guarantor or the Guarantor's subsidiaries.

8.7 Upon the advance written notice and reasonable request of the Agent from time to time and provided that it does not interfere with normal operations of the Borrower, the Borrower shall permit the representatives or agents of the Agent and the Banks to enter the relevant premises of the Borrower for the purposes of inspecting the various Mortgaged Objects, or reviewing or making records of extracts of various accounts, records or documents that are relevant to the Borrower's ability to perform its obligations under this Agreement, the Security Documents or other relevant agreements.

8.8 Until such time that the Borrower has discharged all of its liabilities under this Agreement, it shall adhere to the following financial standards at all times (based on the Borrower's own unaudited and uncertified half-yearly financial statements, and the annual financial statements duly audited and certified by an account; the standards shall be verified at least once every six (6) months, and shall be verified whenever the Agent deems necessary):

(a) The liquidity ratio (liquid assets divided by liquid liabilities) shall not

be less than 80%. For the purposes of calculating this ratio:

- (i) CURRENT RATIO = CURRENT ASSETS DIVIDED BY (CURRENT LIABILITIES - RELATED PARTY TRANSACTIONS)
- (ii) "RELATED PARTY TRANSACTIONS" SHALL MEAN THE AMOUNT OF LOANS GRANTED BY THE GUARANTOR TO THE BORROWER (ACCOUNTING ITEM: PAYABLE TO RELATED PARTY -- FINANCING)

(b) The debt ratio shall not exceed 100% in year 2005, 110% in year 2006, and 120% commencing from year 2007. For the purposes of calculating this ratio:

- (i) DEBT RATIO = (TOTAL LIABILITIES - RELATED PARTY TRANSACTIONS) DIVIDED BY (TANGIBLE NET WORTH + OUTSTANDING GUARANTEES & ENDORSEMENTS)
- (ii) "OUTSTANDING GUARANTEES & ENDORSEMENTS" SHALL MEAN THE OUTSTANDING AMOUNT OF GUARANTEES AND ENDORSEMENTS GRANTED BY THE BORROWER IN ACCORDANCE WITH ITS "GUARANTEES & ENDORSEMENTS REGULATIONS".

26

(c) Tangible Net Worth (Net Worth less Intangible Assets plus Related Party Transactions) shall not be less than Three Billion New Taiwan Dollars (NTD3,000,000,000).

Unless otherwise provided in this Agreement, the contents and definitions of the above accounting terminology shall be in accordance with the contents and definitions adopted by the Republic of China's Generally Accepted Accounting Principles (hereafter "ROC GAAP").

8.9.1 Within ninety (90) days of the end of each first half of the Borrower's accounting year, the Borrower shall provide the Agent (to forward to each Bank) with the internal financial statements of the Borrower for such period (where such statements are required by law to be audited and certified by an accountant, the Borrower shall also provide the audit report and relevant notes), which shall include the consolidated (not required if preparation of consolidated statements is not required by law) and unconsolidated balance sheets, profit and loss statements, and cash flow statements of the Borrower for such period, together with the same data for the same period of the preceding accounting year. The said statements shall be as detailed as reasonably possible, and the information shall be presented in New Taiwan Dollars and in accordance with ROC GAAP. Upon providing the said financial statements, the Borrower shall also attach a declaration issued by the executive financial officer (in the form set out in EXHIBIT 4), setting out calculations for the various financial standards required under this Agreement, and declaring that no Event of Default described in this Agreement has occurred.

8.9.2 Within one hundred twenty (120) days of the end of each accounting year of the Borrower, the Borrower shall provide the Agent (to forward to each Bank) with the audit report and notes in respect of the Borrower for the year, which shall include the consolidated (not required if preparation of consolidated statements is not required by law) and unconsolidated balance sheets, profit and loss statements, cash flow statements, change of shareholders equity table, and overview and profit and loss statement of long-term investments of the Borrower for such period. The said statements shall be as detailed as reasonably possible, and the information shall be presented in New Taiwan Dollars. The audit report shall be prepared and certified by an independent accounting firm approved by the Agent, in accordance with the generally applicable audit standards. Information contained in the said statements shall be prepared in accordance with generally accepted accounting principles. Upon providing the said financial statements, the Borrower shall also attach a declaration issued by the executive financial officer (in the form set out in EXHIBIT 4), setting out calculations for the various financial standards required under this Agreement, and declaring that no Event of Default described in this Agreement has occurred.

8.9.3 The Borrower shall ensure that the Guarantor will provide the financial statements of the Guarantor to the Agent to forward to each Bank, on a timely basis, in accordance with provisions of the Letter of guarantee.

27

8.9.4 At the reasonable request of the Agent from time to time, the Borrower shall provide all relevant information relating to the finances, business, operations, principal shareholder structure and assets of the Borrower to the Agent. Upon providing the various financial statements, the Borrower shall provide sufficient copies to enable the Agent to distribute a copy to each Bank. The Borrower hereby authorizes the Agent to provide each Bank with the various financial statements and information provided by the Borrower.

8.9.5 The Borrower shall ensure that the contents of the financial statements prepared by the Borrower are in compliance with the laws of the Republic of China and generally accepted accounting principles, and that the substantive contents of the documents and information relating to the Borrower, as provided by the Borrower to the Agent are true, correct and complete in all material respects.

8.10.1 The Borrower shall purchase various insurance policies in respect of the Factory Buildings, the Equipment, its general assets and related businesses, for the sums and events generally insured by companies engaged in the same kind of businesses or by other companies in the same industry with similar assets and risks. The said insurance policies shall be purchased from a reputable insurance company.

8.10.2 The Borrower shall maintain insurance for the Factory Buildings and the Equipment against the risk of fire. The said insurance shall be purchased from a reputable insurance company and the cost of insurance shall be the responsibility of the Borrower. The insured amount: (i) for the Factory Buildings shall not be less than the Net Value of the same; (ii) for the Equipment shall not be less than 110% of the amount drawn upon the Facility Amount on the basis of such Equipment. However, where the book values of the said Objects are decreased due to depreciation as of the year subsequent to the purchase of the said insurance, the insured amounts may be reduced accordingly, provided that the Borrower shall provide the Agent with a new Appraisal Report evidencing the decrease of the book value, or an audit report issued by an accountant. Insurance benefits derived from the aforementioned insurance policies shall be transferred to the Agent in accordance with the provisions of the Assignment Agreement, and the Agent shall be named as the sole beneficiary with priority. The Borrower shall also obtain a Letter of Undertaking from the relevant insurers (as detailed in the schedules attached to the Assignment Agreement) as required by the Agent. Stipulations relating to the insurance beneficiary may not be altered without the written consent of the Agent. The insurance policies shall also be annotated with the payout terms approved by the Agent. The original insurance policy and a copy of the premium payment receipt shall both be delivered to the Agent for safekeeping. The Borrower shall complete renewal of the said insurance policies

28

under the same terms prior to expiry of the said policies, and the original copy of the renewed insurance policy and the Letter of Undertaking obtained from the relevant insurers, in the format and contents required by the Agent, shall be delivered to the Agent. In the event that the Borrower fails to purchase or renew the insurances as required under this Agreement, the Agent is entitled (but not obligated) to do so on its behalf, and the related costs shall be borne by the Borrower. In the event that a Bank or the Agent makes payment on behalf of the Borrower, the Borrower shall immediately reimburse the payment upon receiving the notice from the Bank or the Agent, failing which interest shall be assessed at the Compensatory Interest Rate from the date that payment is made by the Bank or the Agent until the date of reimbursement by the Borrower.

8.11 As at the signing date of this Agreement, no shareholder of the Borrower -- other than the Guarantor -- has made any shareholders advances to the Borrower or holds any similar claims. In the event that any shareholders advances or similar claim subsequently arises in respect of any shareholders of the Borrower other than the Guarantor, the Borrower may not make any repayment or payment in respect of such shareholders advance or similar claim until such time that all liabilities under the Facility has been repaid, and the Borrower shall obtain from such advancing shareholder a Consent of Subordinate Claim in the form and content stipulated in EXHIBIT 9, and deliver the same to the Agent. The Borrower also agrees that if a shareholder of the Borrower is a subsidiary of the Guarantor and payment of any sum to such shareholder is subject to this Article

8.11, such shareholder shall not make any advances to the Borrower and the Borrower shall not borrow from such shareholder.

8.12 Where the Land and Buildings contain any unregistered buildings, the Borrower may not sell, lease or otherwise dispose of the said unregistered buildings. The Borrower warrants that where it is subsequently possible to register ownership in respect of the said unregistered buildings, the Borrower shall register a mortgage in respect of such buildings in favor of the Agent as collateral for the Facility, and that in the event of exercise of the Mortgages by the Agent, the Agent may also dispose of the said buildings.

8.13 All monies obtained by the Borrower under this Facility shall be used to finance or refinance the Project, and the Borrower may not use the said amounts for any other purpose, although the Agent and the Banks do not have any obligation to monitor the acts of the Borrower in actually using the said monies.

8.14 All representations and warranties made by the Borrower in this Agreement and the Security Documents are correct, true and complete at any time. All representations and warranties under Article 7, except for Articles 7.7 and 7.12, shall be deemed repeated on each Interest Payment Date.

29

ARTICLE 9 SUPPORT AND COLLATERAL

9.1 Letter of Guarantee

For the purpose of guaranteeing the various obligations of the Borrower under this Agreement, prior to the initial Drawdown the Borrower shall obtain a Letter of Guarantee duly signed by the Guarantor in accordance with the provisions of this Agreement and all other documents relating to the Guarantor as required under this Agreement, and deliver the same to the Agent.

9.2 Mortgage

9.2.1 For the purpose of guaranteeing the various obligations of the Borrower under this Agreement, pursuant to provisions of this Agreement the Borrower shall enter into a Real Estate Mortgage Agreement (and Supplement) in the form and content indicated in EXHIBIT 6 hereto with Chinatrust Commercial Bank as well as duly execute other relevant documents required by the Agent (hereinafter collectively referred to as "Real Estate Mortgage Agreement"). which shall grant a first priority, maximum amount real estate mortgage in respect of all of the Land and Buildings for a maximum amount not less than One Billion Eight Hundred and Forty Million New Taiwan Dollars (NTD1,840,000,000) in favor of the Agent, and shall complete the registration of the amendments to the mortgage registration amount, security scope, and valid term in connection with the mortgage over the Land and Buildings pursuant to the Real Estate Mortgage Agreement. The Agent shall hold and enjoy all rights and interests under the said Mortgage as a joint and several creditor on behalf of all Banks.

9.2.2 For the purpose of guaranteeing the various obligations of the Borrower under this Agreement, pursuant to provisions of this Agreement the Borrower shall execute a Chattel Mortgage Agreement in the form and content indicated in EXHIBIT 7 of this Agreement and any other related documents necessary for registration of mortgage with competent authority (together hereafter "Chattel Mortgage Agreement"), which shall grant in favor of the Agent a first priority, maximum amount chattel mortgage in respect of all of the Equipment, for a maximum amount not less than 145% of the amount actually drawn on the Facility in respect of the said Equipment, and shall complete the requisite registrations. The Agent shall hold and enjoy all rights and interests under the said Mortgage as a joint creditor on behalf of all Banks.

9.2.3 Upon completing registration of the Chattel Mortgage in respect of the mortgaged Equipment, the Borrower shall affix a sign to each item of the Equipment, in the manner required by

30

the Agent is mortgagee of the said item. Upon affixture of the said signs, photographs shall be taken as evidence, which photographs shall be delivered to the Agent for safekeeping within thirty (30) days of registration of the said Mortgage.

9.2.4 Registration fees and all other related taxes or fees arising from granting and registration of the aforementioned Mortgages (including any agent fees) shall be borne by the Borrower.

9.2.5 In the event that during the effective period of the Facility, the Borrower needs to upgrade its technology by retiring any Mortgaged Object and replacing it with a new one, or any Mortgaged Object becomes irreparably damaged, the Borrower may substitute the retired or damaged object ("Old Object") with a newly purchased object (hereafter "New Object" (Chinese characters), provided that the substitution of Mortgaged Objects shall comply with the following requirements:

9.2.5.1 The invoiced value of a New Object may not be less than the invoiced value of the Old Object;

9.2.5.2 The invoice date of the New Object shall not be more than one (1) year before the date that substitution is requested by the Borrower;

9.2.5.3 Where the accumulated values of Mortgaged Objects (based on invoiced values) requested for substitution by the Borrower within one (1) year does not exceed Two Hundred Million New Taiwan Dollars (NTD200,000,000), the Borrower must first obtain the written consent of the Agent before making the substitution (the Banks hereby authorizes the Agent to solely determine whether to grant consent for the substitution, without needing to separately notify the Banks or obtain their consents); however, where the accumulated values requested for substitution by the Borrower exceeds the aforementioned limit, the Borrower must first obtain the written consent of the Majority Banks.

9.2.5.4 With regard to the New Objects for the purpose of substitution pursuant to Article 9.2.5.3, the Borrower shall complete registration of change of the Mortgaged Objects and transfer of the relevant insurance benefits in accordance with the change (where the change is not registered, the Borrower must first grant a first priority Mortgage and transfer the insurance benefits in respect of the New Object pursuant to this Agreement for the same amount as the Old Object, prior to requesting the Agent to cancel the Mortgage on the Old Object). The Agent may directly proceed with alteration or cancellation of the Mortgage on the Old Object, based on the items approved by the Agent or the Majority Banks for substitution.

31

9.2.5.5 Where the Borrower is unable to produce an appropriate New Object but nonetheless needs to replace an Mortgaged Object, the Borrower may also produce a term deposit slip issued by a deposit bank approved by the Agent, with a face value no less than the invoiced value of the Old Object, and the Borrower shall grant a pledge over the said term deposit slip in favor of the Agent, in the manner required by the Agent, in place of a New Object as collateral for the Facility. The provisions in Article 9.2.5(c) and (d) above shall apply.

9.2.6 Upon a substitution of Mortgaged Objects pursuant to the provisions of Article 9.2.5 of this Agreement, the New Object after the substitution (including any pledged term deposit slips) shall be deemed to fall within the definition of the "Mortgaged Objects" under this Agreement.

9.3 Assignment Agreement

For the purpose of guaranteeing the various obligations of the Borrower under this Agreement, pursuant to provisions of this Agreement the Borrower shall execute an Assignment Agreement in the form and content indicated in EXHIBIT 8 of this Agreement ("Assignment Agreement"), which shall assign all insurance benefits in respect of the Factory Buildings and Equipment to the Agent, and shall obtain from the various relevant insurance companies the Letter of Undertaking stipulated in the said Assignment Agreement in respect of the said assignment of benefits, and deliver the same to the Agent.

9.4 Security Interests

9.4.1 Parties to this Agreement agree that: The Agent shall be the mortgagee, the benefit assignee, the insurance beneficiary or other guaranteed beneficiary in respect of the various benefits and interests that each Bank may enjoy under this Agreement concerning the Mortgaged Objects, the Assignment Agreement, the Letter of Guarantee and the Security Documents, and the Agent shall hold, control and exercise such rights and interests as a joint and several creditor, and by virtue of the joint and several creditor relationship the Banks shall proportionally enjoy the said rights and interests in accordance with the proportional risks of the Facility borne by the Banks under this Agreement.

9.4.2 Irrespective of any provisions to the contrary under this Agreement, each Bank agrees that: The various benefits and interests that each Bank may enjoy under this Agreement concerning the Mortgaged Objects, the Assignment Agreement, the Letter of Guarantee and the Security Documents shall be exercised by the Agent in accordance with the relevant provisions of this Agreement and the written instructions of the Majority Banks, for the interest of all of the Banks and the Agent; that unless otherwise provided in this Agreement, no Bank may individually exercise such benefits and interests ; and that the Agent may only exercise such benefits and interests in accordance with the instructions of the Majority Banks.

32

9.4.3 The Agent and the Banks agree that upon full discharge of all relevant liabilities under this Agreement and other related agreements by the Borrower, and except where the Agent has exercised the relevant guaranteed benefits according to this Agreement, the Security Documents under this Agreement shall be unconditionally returned to the Borrower. Where it is necessary to cancel any registrations in respect of such guaranteed benefits or undertake return procedures, the Agent is hereby fully authorized to do so on behalf of the Banks.

ARTICLE 10 DEFAULT

10.1 Event of Default:

The occurrence of any of the following shall constitute an Event of Default under this Agreement:

10.1.1 The Borrower fails to (a) make any payment of principal or interest under this Agreement or (b) make any payment due to a Bank, the Coordinating Arrangers or the Agent under this Agreement, the Security Documents or any other agreement related to this Agreement (including payment falling due under the original Agreement, or falls due prematurely by virtue of the accelerated maturity provisions stipulated below).

10.1.2 The Borrower fails to perform or violates any condition, undertaking, agreement or obligation towards any Bank, the Coordinating Arrangers or the Bank stipulated under this Agreement or the Security Documents, or performance of such condition, undertaking, agreement or obligation is to become illegal, and this Event of Default is not cured within fourteen (14) days of the earlier when (a) the Borrower first becomes aware of such failure or (b) the Borrower receives notice from the Agent to cure such default.

10.1.3 The Guarantor fails to perform or violates any condition, undertaking, agreement or obligation stipulated under the Letter of Guarantee, or performance of such condition, undertaking, agreement or obligation is to become illegal, and this Event of Default is not cured within fourteen (14) days of the earlier when (a) the Guarantor first becomes aware of such failure or (b) the Guarantor receives notice from the Agent to cure such default.

10.1.4 Any representation or warranty made by the Borrower within this Agreement or any of the Security Documents, or any other representation made in accordance with this Agreement or the Security Documents, is found to be false in a material respect when made or deemed made or is reasonably deemed by the

Majority Banks as becoming false or untrue in a material respect.

33

10.1.5 Any representation, warranty or other statement made by the Guarantor under the Letter of Guarantee is found to be false in a material respect when made or deemed made or is reasonably deemed by the Majority Banks as becoming false or untrue in a material respect.

10.1.6 (a) The Borrower (whether as a principal borrower or a guarantor) fails to repay the principal or interests of a monetary liability to any financial institution, is subject to accelerated maturity of such liability or circumstances have occurred that permit accelerated maturity of such a liability; or (b) The Borrower (whether as a principal borrower or a guarantor) is subject to accelerated maturity in respect of a monetary liability (including financial leasing, hire-purchase or the like) to any creditor other than a financial institution, or circumstances have occurred that permit accelerated maturity of such a liability, and the accumulated amount of such a liability is Two Hundred Million New Taiwan Dollars (NTD200,000,000) or more, or the equivalent in another currency.

10.1.7 The Guarantor (whether as a principal borrower or a guarantor) fails to repay the principal or interests of a monetary liability to any financial institution or is subject to accelerated maturity of such liability; or (b) The Guarantor (whether as a principal borrower or a guarantor) is subject to accelerated maturity in respect of a monetary liability (including financial leasing, hire purchase or the like) to any creditor other than a financial institution and the accumulated amount of such a liability is Thirty Million US Dollars (US\$30,000,000) or more, or the equivalent in another currency.

10.1.8 The Borrower fails to maintain any of the financial ratios stipulated in Article 8.8 of this Agreement.

10.1.9 The Borrower uses the funds draw on the Facility for a purpose other than as stipulated in this Agreement.

10.1.10 The Borrower fails to purchase and maintain the various insurances required under this Agreement in respect of the Mortgaged Objects.

10.1.11 The Borrower suspends its business for more than thirty (30) consecutive days, or for more than ninety (90) days within a one (1) year period except where such suspension is not sufficient to have a material adverse effect on the Borrower's ability to perform its obligation.

10.1.12 The Borrower gives notice in writing that it is unable to make payment when liabilities fall due, or applies (or is subject to an application) for bankruptcy, is declared bankrupt or unable to

34

repay, or applies (or is subject to an application) for restructuring of the company, is undergoing settlement under the Bankruptcy Act, liquidation, dissolution or any other similar procedures or measures, or admits to any detrimental material statements made by another person against the Borrower in such proceedings.

10.1.13 The Guarantor gives notice in writing that it is unable to make payment when liabilities fall due, or applies (or is subject to an application) for bankruptcy, is declared bankrupt or unable to repay, or applies (or is subject to an application) for restructuring of the company, is undergoing settlement under the Bankruptcy Act, liquidation, dissolution or any other similar procedures or measures, or admits to any detrimental material statements made by another person against the Guarantor in such proceedings.

10.1.14 There is serious damage or loss of a Mortgaged Object, or such Mortgaged Object is subject to compulsory use, compulsory appropriation or confiscation by

a government or competent authority which results in a detrimental impact on the Borrower's business operations, provided that if the Borrower promptly provide a sufficient New Object for substitution as requested by the Agent there shall be no Event of Default hereunder in either case.

10.1.15 (a) The Borrower ceases its operations permanently or is ordered to cease its operations permanently; (b) The Guarantor ceases its operations permanently or is ordered to cease its operations permanently; or (c) The Borrower's checks or notes are dishonored and the Borrower fails to provide sufficient cash for such dishonored checks or notes within three (3) days, or the Borrower has been blacklisted by a clearing house.

10.1.16 (a) Any part of the various guarantees or endorsements (including the Note, the Mortgages, the Assignment Agreement, and the Letter of guarantee) under this Agreement is terminated, rescinded, or becomes invalidated or unenforceable, and the Borrower fails to immediately cure the above or repay the Outstanding Loan in full; (b) A Mortgaged Object that is material to the business of the Borrower is subject to provisional attachment, provisional execution or any other preservation proceedings, compulsory execution, attachment, seizure, auction, administrative disposal by a governmental authority, restriction order or any other order in other similar proceedings; or (c) All or substantially all of the assets of the Borrower other than the Mortgaged Objects is subject to provisional attachment, provisional execution or any other preservation proceedings, compulsory execution, attachment, seizure, auction, administrative disposal by a governmental authority, confiscation, restriction order or any other order in other similar proceedings, which fails to be excluded or dismissed within fourteen (14) days and where the amount in dispute is not less than One Hundred Million New Taiwan Dollars (NTD100,000,000) or equivalent amount in other currency.

35

10.1.17 The Borrower is subject final and adverse judgments or arbitration awards rendered by the court, arbitration association, or other decisions (which are made in other similar judicial or administrative proceedings and have similar effects as final judgments) and fails to make the payment in accordance with such final and adverse judgments or arbitration awards or other decisions within fourteen (14) days after those judgments, arbitration awards or decisions are rendered.

10.1.18 The Guarantor is subject to irrevocable, final and adverse judgments or arbitration awards rendered by the court, arbitration association, or other decisions (which are made in other similar judicial or administrative proceedings and have similar effects final judgments), and fails to make the payment in accordance with such final and adverse judgments or arbitration awards or other decisions within sixty (60) days after those judgments, arbitration awards or decisions are rendered and where the amount of payment is not less than Ten Million US Dollars (US\$10,000,000) and is not sufficiently covered by insurance.

10.1.19 There is any circumstance that causes the Majority Banks, based on their professional judgment in good faith, to determine that it would have a material adverse effect on the finances or operations of the Borrower and the Guarantor taken as a whole, or ability of the Borrower and the Guarantor taken as a whole to perform their obligations under this Agreement and the Letter of Guarantee.

10.2 Identification of Default

In the event of any dispute between the Banks and the Borrower or the Guarantor, or amongst the individual Banks, as to whether an Event of Default has occurred, any Bank may request the Agent in writing to seek confirmation from the Banks, and obtain the determination of the Majority Banks.

10.3 Consequences of Default

10.3.1 Where an Event of Default has occurred, the Facility extended by the Banks to the Borrower shall immediately be suspended, and may not be drawn upon except with the consent of the Majority Banks (at which time the Agent shall notify the Borrower); where the Majority Banks resolve that repayment by the Borrower shall be pursued and the Agent is instructed in writing to do so, the

Agent shall immediately take the following steps in accordance with the written instructions of the Majority Banks: (a) notify the Borrower in writing, announcing that all outstanding amounts of the loan principal advanced, interest and any other payments payable by the Borrower to any Bank and/or the Agent under this Agreement shall fall due immediately (at which time the Borrower shall immediately repay all of the aforementioned amounts); and/or (b) exercise its rights as against the Mortgaged Objects and the various benefits and interests under the Assignment Agreement, so that proceeds from disposal of the relevant Mortgaged Objects may be used to repay any amounts

36

outstanding and payable by the Borrower in accordance with the provisions of this Agreement; and/or (c) exercise the rights of the Agent under the Note issued under this Agreement, and claim against the Borrower for payment; and/or (d) pursue the Guarantor for repayment in accordance with the provisions of the Letter of Guarantee; and/or (e) exercise any other rights granted by law, this Agreement, the Security Documents or any other relevant agreement and document; without being required to issue any further letters of demand, certificate of refusal or any notice unless otherwise provided for in this Agreement. The Borrower and the Guarantor hereby agrees to waive any and all rights to require any Bank or the Agent to issue such letter of demand, certificate of refusal or notice, to the maximum extent that such waiver is permissible by law.

10.3.2 Where an Event of Default occurs, the Borrower shall make payment of interest or penalties to the Banks and/or the Agent in respect of any amounts due but still outstanding, calculated from the date that such amounts becomes due until such time that the amounts are actually paid by the Borrower (including but not limited to the principal, interest, penalties, fees or any advances), at the Compensatory Interest Rate stipulated in this Agreement; and where any Bank and/or the Agent incurs any other costs or losses as a result of the Default of the Borrower, the Borrower shall also indemnify such Bank and/or Agent against such costs or losses in accordance with the supporting documents provided by the Bank and/or the Agent.

10.3.3 The costs incurred by the Agent in relation to the exercise of the various rights and taking of various steps mentioned above shall be shared by the Banks in accordance with the proportional risks of the Facility borne by the Banks, except where such costs have been paid by the Borrower or the Guarantor. However, where the Borrower or the Guarantor has not paid such costs, the Agent is not obliged to make such payments on behalf of the Borrower or the Guarantor, and may require the Banks to advance such payments in accordance with the proportional risks of the Facility borne by the Banks prior to making the payments.

ARTICLE 11 AGENT, COORDINATING ARRANGERS AND BANKS

11.1 In accordance with the provisions of this Agreement, the Banks shall appoint an Agent to coordinate the various matters under this Agreement and to manage the Mortgaged Objects, and shall authorize the Agent to represent the Banks in exercising their rights, in accordance with the provisions of this Agreement and other relevant agreement. However, the Agent shall do so purely in the role of the representative of the Banks; the Agent shall not be considered an agent of the Borrower, nor a trustee under a trust relationship, and the Agent: (a) does not bear any other responsibilities or obligations unless expressly stated in this Agreement; (b) shall not be responsible to the Banks in any way for any failure of the Borrower or the Guarantor to perform their obligations under this Agreement or any other relevant agreement; (c) shall not be obliged to initiate any litigious

37

proceedings or claims against the Borrower, the Guarantor or any other person in relation to this Agreement or any other relevant agreement, except in accordance with the written instructions of the Majority Banks pursuant to provisions of

this Agreement; and (d) is not obliged to take any action that the Agent, in its judgment in good faith, deems will violate the laws of the Republic of China or any other applicable laws. The Agent may retain consultants, accounting staff or agents for the purposes of performing its obligations under this Agreement, and may rely upon the professional advice given by such persons, provided that it shall not be held responsible in any way for its acts in selecting and hiring such persons in good faith, except where the Agent has committed an intentional or seriously negligent act in doing so.

11.2 Each of the Banks understands and acknowledges that it shall independently assess, inspect and be responsible for the credit records of the Borrower and the Guarantor, the values of the Mortgaged Objects, and other relevant information. Relevant risks applicable to each Bank as a result of making available the Facility shall be independently borne by such Bank. The Agent and the Coordinating Arrangers have not made any representations or guarantees regarding, nor shall be responsible in any way for, the credit records and ability to perform of the Borrower and the Guarantor, the values of the Mortgaged Objects, or any other matters relating to this Agreement.

11.3 The Agent may not take any action that is contrary to the written instructions of the Majority Banks, and shall take the legal actions in accordance with this Agreement or the law, based on the written instructions of the Majority Banks. The Agent shall not be responsible in any way to the Borrower or any Bank in respect of actions taken in accordance with the written instructions of the Majority Banks, or actions subsequently approved by the majority Banks. Unless the Majority Banks have issued a written instruction to the Agent to take a certain action, the Agent shall not be held responsible in any way for failing to take any action. Irrespective of any other provisions to the contrary in this Agreement, the Agent may refuse to take any action on behalf of the Banks until it has received confirmation that it will be satisfactorily compensated for the related costs. In addition, except for an exercise of the right of cancellation under this Agreement, no Bank may take any action individually without the written consent of the Majority Banks, nor take any action or make any omission that would conflict or be inconsistent with a decision of the Majority Banks (decisions made by the Majority Banks pursuant to relevant provisions of this Agreement shall be binding on all the Banks).

11.4 The Agent shall handle matters relating to this agreement in accordance with the provisions of this Agreement, and shall handle matters relating to the Facility Amount, the Mortgaged Objects and the exercise of rights under this Agreement in accordance with relevant provisions of this Agreement and the Security Documents. In handling such matters, the agent shall act in accordance with the provisions of this Agreement and/or the written instructions of the Majority Banks, and may (but is

38

not obliged to) exercise the same degree of care that it exercises in handling facilities granted by the Agent alone.

11.5 In respect of documents submitted to the Agent by the Banks and the Borrower in accordance with the provisions of this Agreement, the Agent shall verify the signatures and chops in accordance with normal procedures, but is not required to further examine the contents or any other aspect of such documents. In executing matters in relation to this Agreement, the Agent may rely on the validity, authenticity and correctness of the signatures and contents of relevant documents received. In addition, in making remittances to the Banks, the Agent may rely upon the correctness of the addresses and remittance accounts stipulated in respect of each Bank in SCHEDULE 1 of this Agreement.

11.6 In handling matters relating to the Facility Amount, the Agent shall apportion the Facility Amount in accordance with the proportions stipulated in this Agreement, provided that where actual calculations do not permit apportionment to be made in such a manner, the Agent may use its reasonable judgment in making the apportionment, and no Bank may object.

11.7 Unless otherwise stipulated in this Agreement, communications by the Agent in relation to performance of this Agreement may be carried out by fax, and the Agent may rely upon the authenticity and correctness of the contents of the faxed documents it receives. The Agent shall not be responsible in any way for

the termination or delay of any transmissions or receptions of communication (by telephone, fax or courier) or for any defect, error or consequences in the transmission or reception process, except where such is caused by the intentional act or serious negligence of the Agent.

11.8 Upon receiving any notices issued by the Borrower, the Agent shall notify each of the Banks. Except for notices, reports, financial reports and other requisite documents required to be delivered by the Agent to each of the Banks under this Agreement, the Agent is not obliged to provide the Banks with any other information in its possession concerning the credit record, general business and financial status of the Borrower or the Guarantor. In addition, any information noted or specified as "Classified" or "Confidential" by the Borrower shall be kept confidential by the Agent and each Bank except the information subject to the mandatory disclosure requirement of the applicable laws or under this Agreement.

11.9 During the valid period of this Agreement, the Agent, the Coordinating Arrangers or any of the Banks may engage in other transactions with the Borrower or the Guarantor, unrelated to this Facility and unaffected by this Agreement, in its role as a party other than the Agent, the Coordinating Arrangers or a Bank.

39

11.10 The Agent may notify the Borrower and each of the Banks in writing at any time that it shall resign from the position of the Agent as soon as a new Agent takes office. The Majority Banks are also entitled to substitute the Agent. Upon the resignation or substitution of an Agent, the Majority Banks are entitled to elect any of the Banks as the new Agent. Where within sixty (60) days of the resignation by the Agent or the substitution of the Agent by the Majority Banks, the Majority Banks fail to elect a new Agent or the newly elected Agent does not agree to take the office, the original Agent may select any one of the Banks as its successor, provided that the succeeding new Agent shall agree in writing that it accepts the provisions of this Agreement. The duties and rights of the original Agent shall be terminated when the new Agent takes office, provided that the original Agent may continue to collect any costs falling due but uncollected during the period of its office. This Article of this Agreement expressly stipulates that any acts taken by the original Agent prior to its duties being terminated shall remain applicable.

11.11 The Agent, upon receiving payments due to the Banks from the Borrower or the Guarantor on behalf of the common interest of the Banks, and after first offsetting various costs in accordance with this Agreement, shall distribute or apportion such payments in funds of the same type in accordance with this Agreement (where payments are to be distributed amongst the Banks, the distribution shall be made in accordance with the proportional risks of the Facility borne by each of the Banks), and shall deliver such payments to each Bank by the business day following actual receipt of the payments. The agent's obligation to distribute the said payments shall be limited to the amounts that it actually receives, and the Agent is not obliged to advance any amounts. The Agent may assume that the relevant persons with obligation to pay will make the relevant payments to the Agent in accordance with the Agreement, and may (but is not obliged to) distribute or pay such amounts to each of the Banks on the basis of such assumption and in the aforementioned manner. However, where the Agent relies on such assumption in making the payment to a Bank due to receive such payment, but subsequently finds that it has not in fact received the relevant payment, the Bank that receives the said amount from the Agent shall refund the payment immediately upon receiving the notice from the Agent, and shall pay interest to the Agent from the date that it receives the payment and until the date that refund is actually made to the Agent, calculated at the PIBC interest rate applicable on the closing of the business day that it receives the payment.

11.12 Unless the Agent has received the notice from any Bank or the Borrower concerning the occurrence of an Event of Default, which notice expressly states that it is a "notice of Event of Default", the Agent shall not be deemed to have known or has been informed as to the occurrence of an event of Default. Upon receiving the said notice, the Agent shall notify each of the Banks as soon as possible, and unless otherwise stipulated in this Agreement, the Agent shall take action with regards to the Event of Default in accordance with the instructions of the Majority Banks, provided

that following occurrence of the said Event of Default and prior to the Agent receiving substantive instructions, the Agent may (but is not obliged to) exercise the same degree of care that it would exercise in relation to a facility granted by it alone, in independently determining whether to take any action that it believes to be most advantageous to the Banks as a group in light of the Event of Default.

11.13 Any damage caused to the Borrower as a result of any act or omission of a Bank shall be the responsibility of the relevant Bank, and the Coordinating Arrangers, the Agent or each of the other Banks shall not be responsible in any way.

11.14 In the event of any damage or loss to the Agent or a Bank in the course of performance of this Agreement by the Borrower or its agent or employee, as a result of matters attributable to the Borrower or its agent or employee, the Borrower shall be liable for fully indemnifying against such damage or loss.

ARTICLE 12 SET-OFF

12.1 In the event that the Borrower fails to perform its obligations under this Agreement, the Security Documents or any other relevant agreement in connection with the Facility, the Banks and the Agent, in addition to exercising the various rights of claim under this agreement, shall also be entitled to (but are not obliged to) directly offset any monies in accounts (irrespective of whether of the same currency) held by the Borrower at the said Banks or the Agent (including their headquarters and all branches), and all claims of the Borrower against the Banks and the Agent, against the liabilities payable by the Borrower to the Banks and/or the Agent under this Agreement (the Borrower further agrees that such accounts or other claims shall be deemed to mature automatically upon such time that the right of offset is exercised by the relevant Bank or the Agent), and shall notify the Borrower of the same. Where an account held by the Borrower is a term deposit account, the relevant Bank or the Agent may directly terminate the term deposit account agreement prematurely and offset monies in the said account against the liabilities under this Agreement, notwithstanding that the deposit term has not expired; where an account is a check account, the Borrower agrees that an announcement by the Banks that all of the liabilities under the Facility are immediately due and repayable shall be a condition for termination of the check account agreement, and upon constitution of the said condition for termination, the aforementioned check account agreement shall cease to be effective, and the Bank or the Agent may directly exercise its right of offset and notify the Borrower of the same after exercising the right of offset. To the maximum degree permissible by law, an intention to exercise the right of offset by the relevant Bank or the Agent and the actual exercise of the right shall be deemed to take effect at the time that the offset is made in the books. Where the

offset amount is insufficient to offset the full amount of the liabilities of the Borrower, the Borrower shall remain liable for repaying the insufficiency.

12.2 In order to maintain the proportional repayments received by each of the Banks, where any payments received by a Bank in respect of the Facility (whether as a result of voluntary or involuntary offset by the Borrower or the Guarantor, or in any other way) exceeds the proportional repayment due to the Bank in accordance with this Agreement, the benefiting Bank shall immediately accept the assignment by the other Banks a right of claim equivalent to the amount of the excess repayment, to the extent deemed necessary by law, so that such Bank may share with the other Banks the proceeds of the additional repayment. However, where the benefiting Bank that received assignment of the right of claim is subsequently required to refund all or part of the additional repayment, the

aforementioned assignment of right of claim shall be rescinded immediately, and the consideration paid for the assignment of right of claim shall also be refunded without interest; provided that the aforementioned assignment of rights of claim between the Banks shall not affect the joint claim of the Banks against the Borrower. The Borrower and the Guarantor agree that any Bank may exercise all rights (including the right of offset), in the same manner as for other ordinary rights of claim, in respect of a right of claim purchased from another Bank in accordance with the provisions of this Agreement.

12.3 Where any other creditor of the Borrower or Guarantor compulsorily executes against any account of the Borrower or Guarantor at a Bank or the Agent, and the executing court issues an attachment order, collection order, or transfer or payment transfer order to the Bank or the Agent in respect of such account, the said Bank or the Agent is entitled to declare that the amount of the outstanding liabilities under this Agreement that is equivalent to the amount of the monies deposited by the Borrower at the said Bank or the Agent as stated on the aforementioned execution order as being subject to execution, shall automatically fall due immediately and prematurely, and the Bank or the Agent shall exercise the right of offset against such account immediately.

12.4 Each and every Bank understands that: Notwithstanding the claim of each of the Banks against the Borrower and the Guarantor under this Agreement is a joint claim, each Bank shall nonetheless be repaid and share the benefit of guarantees in accordance with their proportional share of the Facility risk, and all losses and risks relating to this Facility shall also be apportioned between and borne by the Banks in accordance with their proportional share of the Facility risk as between each of the Banks.

42

ARTICLE 13 COSTS

13.1 All reasonable legal costs and other costs incurred by the Coordinating Arrangers in respect of coordinating the Banks and preparing this Agreement, the Letter of guarantee, the Security Documents or any other related documents, as well as any subsequent amendments, additions or deletions of the relevant documents (including but not limited to the agreement execution costs and mortgage registration costs), irrespective of whether such costs are incurred prior to execution, during the term, or after the expiry of this Agreement, shall be borne by the Borrower.

13.2 All reasonable attorneys fees and legal costs incurred by a Bank and/or the Agent in exercising the rights under this Agreement, the Security Documents and other relevant agreements, as a result of an act contrary to provisions of the Agreement or an Event of Default committed by the Borrower or the Guarantor (including but not limited to litigation fees, the costs expended in obtaining a right of execution at law, costs of compulsory execution, costs of participation in a distribution, arbitration costs, the costs of forming a litigious or non-litigious settlement or executing a settlement agreement, and all other relevant costs), irrespective of whether such costs are incurred prior to execution, during the term, or after the expiry of this Agreement, shall be borne by the Borrower.

13.3 Where a Borrower fails to bear the aforementioned costs in accordance with this Agreement, the Agent may require each of the Banks to share and advance such costs in accordance with their proportional share of the Facility risk (if the Borrower has not yet made any drawdown upon the Facility Amount at the time, then the proportional commitment by each of the Banks in respect of the Facility under this Agreement), and the Agent shall take the relevant action only upon receipt of full payment from the Banks. Where the Agent has advanced the payment, the Banks shall reimburse the Agent immediately upon receiving the notice of the Agent, and the Agent may directly deduct the payment from monies to be paid to the Banks under this Agreement.

13.4 The Banks, the Coordinating Arrangers and the Agent are not obliged to advance payments on behalf of the Borrower. However, where a Bank, the Coordinating Arrangers or the Agent has done so, the Borrower shall reimburse the payment immediately upon receiving the notice from the Bank, the Coordinating Arrangers or the Agent, failing which interest at the Compensatory Interest Rate due to the Bank, the Coordinating Arrangers or the Agent shall be

calculated upon such payment from the date of advance payment by the Bank, the Coordinating Arrangers or the Agent until such time that reimbursement is actually made by the Borrower.

ARTICLE 14 NOTICES AND DELIVERY OF PAYMENTS BY AGENT

14.1 Notices made under this Agreement shall be made in writing (by letter or fax) in accordance with relevant provisions of this Agreement; in addition: (a) notices made to the Borrower or the Agent

43

shall be delivered to the address or fax number set out below in this Agreement (or any other address or fax number subsequently notified by the Borrower or the Agent in writing); (b) notices made to a Bank shall be delivered to the address or fax number of the relevant Bank as set out in SCHEDULE 1 of this Agreement (or any other address or fax number subsequently notified by the Bank in writing); (c) monies payable by the Borrower and the Agent to the Agent or to the Banks under this Agreement, if made by electronic transfer, shall be remitted to the relevant Banks or the Agent by the inter-bank remittance system to the account detailed in SCHEDULE 1 of this Agreement or detailed below. Notices delivered in person shall be deemed duly delivered when so delivered; notices sent by prepaid registered post shall be deemed duly delivered five (5) days after posting; notices sent by fax shall be confirmed by delivering written confirmations and such notices shall be deemed delivered when the written confirmations thereto have been received:

- (a) The Borrower: Amkor Technology Taiwan
- Address: No. 1, Kao-Ping Sec. Chung-Feng Rd.,
Lungtan County, Taoyuan Hsien 325
Taiwan, R.O.C.
- Telephone No: 886-3-471-9597
Fax No: 886-3-471-6419
Contact: Finance Division
- CC: Guarantor: Amkor Technology, Inc.
Address: 1900 South Price Road, Chandler, AZ 85248, U.S.A.
Telephone: (480) 821-5000
Fax: (480) 821-2389
Contact: Legal Department
- (b) The Agent: Chinatrust Commercial Bank
- Address: 7th Floor, 3 Sungshou Road, Taipei City
Telephone No: (02) 2722-2002 ext. 1127 (Ms. Cui Hui-qi, Manager)
Fax No: (02) 2722-1987 / 8780-9133
Contact: Investment Banking Department

14.2 Any party that changes its address, telephone number, fax number or remittance account shall immediately notify the Agent and other parties under this Agreement in writing. In the event that such a notice is not given in accordance with this Agreement, the changing party may not rely upon the change as against the Agent or the other parties of this Agreement.

44

ARTICLE 15 NON-WAIVER

Rights and remedies available to the Coordinating Arrangers, the Agent and the Banks under this Agreement the Security Documents and related documents shall not exclude any other rights and remedies that may be claimed by the owner of such right under the law. Postponed exercise of a right by the Coordinating Arrangers, the Agent or the Banks shall not be deemed a waiver of such right;

and the exercise of a part of the right shall not be deemed a waiver of other parts of the right.

ARTICLE 16 AMENDMENT AND ASSIGNMENT

16.1 An amendment or revision of this Agreement shall be made in writing, shall be signed by the Borrower, the Coordinating Arrangers, the Agent and each of the Banks, and shall be agreed by the Guarantor in writing. However, amendments of stipulations relating to the agreement between the Agent and the Banks, which are not directly related to the Borrower or the Guarantor, shall require only the consent of the Agent and the Majority Banks and shall be made in writing, without the need for consent of the Borrower or the Guarantor (although the Borrower and the Guarantor shall be notified of such amendment).

16.2 The Banks, the Coordinating Arrangers and the Agent agree that: Except for matters otherwise provided in this Agreement or that are expressly stipulated as requiring the consent of all the Banks and other parties, which stipulations shall apply, and matters relating to: (a) an amendment to the form, the validity period, or the Drawdown Period of the Facility Amount; (b) an amendment to the amount, the interest (fee) rate or due date of a payment; (c) the increase of the Facility Amount under this Agreement; (d) the return or cancellation of a security or collateral under Article 9 of this Agreement (except where it is made by the Agent pursuant to relevant provisions of this Agreement), or an amendment or revision of contents of Article 9 of this Agreement or the Letter of Guarantee; (e) an amendment to the definition of "Majority Banks"; or (f) an amendment to Article 16.1, 16.2 or 16.3 of this Agreement, which shall be subject to the written consent of all of the Banks; all other amendments or revisions to the exclusion of the obligations of the Borrower under this Agreement, the exclusion of liability for an Event of Default, or other matters relating to this Agreement may be so excluded, amended or revised upon the written consent of the Majority Banks (a decision by the Majority Banks in accordance with such provision shall be binding on all of the Banks and the Coordinating Arrangers).

16.3 In respect of an exclusion, amendment or revision made by the written consent of all of the Banks or the Majority Banks, each of the Banks the Coordinating Arrangers and the Agent hereby agree and unconditionally authorize the Agent to execute the relevant documents on behalf of all of

45

the Banks, the Coordinating Arrangers and the Agent, in accordance with the contents of such written consent issued by all of the Banks or the Majority Banks (acts of the Agent in accordance with this provision shall be binding on all of the Banks and the Coordinating Arrangers).

16.4 This Agreement shall be binding on the assignees or successors of a party to this Agreement, or any other person who accepts or succeeds to the rights or obligations of such party according to law; however, the Borrower and the Guarantor may not assign their rights or obligations under this Agreement without the prior written consent of the Agent and all of the banks.

16.5 A Bank may notify the Borrower and the Agent at any time (without the consent of the Borrower, the Agent or any other Bank) to amend its contractual entity for the purposes of this Facility; however, where a Bank proposes to assign its rights and/or obligations under this Agreement to a third party, it shall first obtain the consent of the Borrower, provided that the Borrower may not unreasonably refuse and such assignment will not immediately result in an increased cost or addition tax liabilities to the Borrower beyond the Borrower's liabilities provided for in this Agreement. In respect of each such assignment, the Bank proposing to assign the rights and/or obligations shall pay the Agent a processing fee of One Hundred Thousand New Taiwan Dollars (NTD100,000).

16.6 A Bank may enter into a risk sharing agreement with another person in respect of its claim under this Agreement, without being required to notify the Borrower, the Agent or any other Bank, provided that such other party of the risk sharing agreement may not directly assert any right of claim against the Borrower or any other party under this Agreement.

16.7 In addition to provisions of information according to relevant laws, from time to time a Bank may provide contents of this Agreement, or information held by it concerning the Borrower, the Guarantor or parties related to this Agreement, to an assignee of the rights under this Facility or a person sharing the risks (including persons interested in being assigned such rights or sharing such risks), the Joint Credit Information Center, a credit assessment institution, a trustee for asset securitization or a credit rating institution, other institutions that provides outsourcing services to the Agent or the Bank in accordance with the rules governing the outsourcing business promulgated by the competent authorities, or other institutions or persons, such as CPA, attorneys or real estate registration agent that provides services to the Agent or the Bank, without requiring the separate consent of the Borrower, the Guarantor or the relevant parties. However, the Agent and the Bank shall require the above-mentioned institutions or persons to keep the relevant information confidential.

16.8 During the valid term of this Facility, where the Borrower requests the consent of a Bank in respect of an amendment of terms or exclusion of relevant obligations in the event of occurrence of a

46

major circumstance, the Borrower shall, at the time that each request is submitted to the Agent: (a) pay the Agent a processing fee of Ten Thousand New Taiwan Dollars (NTD10,000), and (b) pay each of the Banks a processing fee of Ten Thousand New Taiwan Dollars (NTD10,000), irrespective of whether the request is ultimately approved. The said fees shall be paid to the agent, and then be distributed amongst the Banks by the Agent in accordance with relevant provisions of this Agreement.

ARTICLE 17 GOVERNING LAW

This Agreement shall be governed by the laws of the Republic of China. Any matters not fully stipulated within this Agreement shall be in accordance with relevant laws of the Republic of China.

ARTICLE 18 JURISDICTION

All of the parties agree that in the event of litigation arising from this Agreement, the Taipei District Court of Taiwan may have jurisdiction as the court in the first instance, provided that this article does not preclude any rights of the Agent or the Banks to undertake any other legal proceedings against the Borrower in any other courts in pursuit of repayment.

PARTIES:

BORROWER: Amkor Technology Taiwan
Chairman: /s/ Kenneth T. Joyce

COORDINATING ARRANGER, AGENT AND BANK:

Chinatrust Commercial Bank
Authorized Signatory: /s/ Authorized Signatory

COORDINATING ARRANGER AND BANK:

Ta Chong Commercial Bank
Authorized Signatory: /s/ Authorized Signatory

47

HSINCHU INTERNATIONAL BANK:

/s/ Authorized Signatory

Authorized Signatory

CHANG HWA BANK:
/s/ Authorized Signatory

Authorized Signatory

FIRST COMMERCIAL BANK:
/s/ Authorized Signatory

Authorized Signatory

SHANGHAI COMMERCIAL AND SAVING BANK:
/s/ Authorized Signatory

Authorized Signatory

CHINA UNITED TRUST AND INVESTMENT
CORPORATION:
/s/ Authorized Signatory

Authorized Signatory

TAICHUNG COMMERCIAL BANK:
/s/ Authorized Signatory

Authorized Signatory

HWATAI COMMERCIAL BANK:
/s/ Authorized Signatory

Authorized Signatory

FUHWA COMMERCIAL BANK:
/s/ Authorized Signatory

Authorized Signatory

LETTER OF GUARANTEE
(THE "GUARANTEE")

TO: CHINATRUST COMMERCIAL BANK, LTD.
as facility agent (the "Agent")
for the banks referred to in the
Loan Agreement (defined below) and
in its capacity as a joint and
several creditor

Date: November 30, 2005

Gentlemen:

The undersigned, AMKOR TECHNOLOGY, INC., is a company organized and existing under the law of the State of Delaware, with its registered offices at 1900 South Price Road, Chandler, Arizona 85248, U.S.A. (the "Guarantor").

Reference is made to that certain NT\$ 1,840,000,000 Syndicated Term Loan Agreement, dated as of November 30, 2005 (the "Loan Agreement"), entered into by and among AMKOR TECHNOLOGY TAIWAN, LTD., a company organized under the laws of the Republic of China ("R.O.C.") with its registered office at No.1 Kao-Ping Sec. Chung-Feng Rd., Lungtan County, Taoyuan Hsien 325, Taiwan, R.O.C. (the "Borrower"), the Agent and the Banks as lenders and such other parties named therein.

In consideration of the Banks' and the Agent's entering into the Loan Agreement and agreeing to advance the loans to the Borrower, the Guarantor hereby, to the greatest extent permitted by applicable law, agrees and undertakes as follows:

1. GUARANTEE. (a) Obligations. The Guarantor hereby irrevocably, absolutely and unconditionally, jointly and severally with the Borrower, as a primary obligor and not merely as a surety, guarantees the due, punctual and full payment of all indebtedness and obligations of the Borrower under the Loan Agreement, whether for principal, interest, fees or otherwise, including, without limitation, all costs and expenses of enforcement or preservation of the rights of the Banks under or pursuant to the Loan Agreement when an Event of Default (as defined in the Loan Agreement) has

- 1 -

occurred and is continuing (for purposes of this Guarantee, the "Obligations").

(b) Payment. In the event of non-payment by the Borrower of any of the Obligations when due, whether by acceleration or otherwise, the Guarantor shall, immediately on demand, pay the same to the Agent (for the account of the Banks) in New Taiwan Dollars ("Payment Currency"), in immediately available funds, to the account of the Bank (account No.107118509008) with Chinatrust Commercial Bank, Ltd. in Taipei, Taiwan, R.O.C. or to such other account and/or in such other place as the Bank may designate with notification to the Guarantor ("Payment Place"), together with interest thereon from the date of demand to the date of actual payment thereof at the default interest rate as specified in the Loan Agreement, free and clean of and without set-off or deduction for taxes or otherwise. A certificate from the Agent as to the amount of any of the Obligations due and unpaid and as to the applicable interest rate, in the absence of manifest error, shall be conclusive as against the Guarantor and the Banks.

(c) Taxes. Any and all payments to be made by the Guarantor to the Agent with respect to the Obligations shall be made free and clear of, and without deduction for, any present or future taxes or charges, whenever imposed by withholding or otherwise, all of which taxes, deductions or charges (if any) shall be borne and paid by the Guarantor. If the Guarantor shall be required by law to make any such deduction from any payment hereunder, (i) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under

this section) the Agent receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Guarantor shall make such deductions and (iii) the Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law.

(d) Payment Currency. The Guarantor acknowledges that the Obligations shall be paid in the Payment Currency (New Taiwan Dollars) and may not be discharged by an amount paid in currency other than the Payment Currency or in any place other than the Payment Place, whether pursuant to a judgment or otherwise, to the extent that the amount so paid on prompt conversion to the Payment Currency and transfer to the Payment Place, under normal banking procedures, does not yield the amount of the Payment Currency due in the Payment Place. In the event that any payment, whether pursuant to a judgment or otherwise, upon such

- 2 -

conversion and transfer, does not result in payment of such amount of the Payment Currency to the Payment Place, the Agent shall be entitled to demand immediate payment of, and shall have a separate cause of action for, the deficiency in respect of the payments due. The Guarantor agrees that it shall pay the sum due in the Payment Currency and, to the extent applicable, shall be solely responsible to obtain all required foreign exchange or other approvals required for the making of such payment. Failure by the Guarantor to obtain any such approval shall not relieve the Guarantor from its obligations to make such payment in New Taiwan Dollars. In the event the Guarantor places any other currency with the Agent for purposes of payment hereunder, such placement shall not constitute payment for purposes of calculation of interest or otherwise unless and until the sum so deposited is converted to New Taiwan Dollars and the Guarantor shall bear all risk of currency fluctuation between the time of placement and time of actual conversion and remittance thereof.

(e) Application of Payments. Notwithstanding anything herein to the contrary, payments by the Guarantor hereunder shall be applied to Obligations and other sums payable hereunder in such order of priority as specified in the Loan Agreement.

2. REPRESENTATIONS AND WARRANTIES. The Guarantor hereby represents and warrants to the Agent and the Banks that:

(a) Corporation/Authorities. (i) The Guarantor has full powers and authorities to own its properties, to carry on its business as now being conducted, and to execute, deliver and perform all of its obligations under this Guarantee; (ii) the Guarantor is duly authorized to issue this Guarantee and has taken all appropriate and necessary corporate actions to authorize the execution, delivery and performance of this Guarantee; (iii) this Guarantee constitutes the legal, valid and binding obligations of the Guarantor enforceable against the Guarantor in accordance with the terms hereof; or (iv) the execution, delivery and performance by the Guarantor of this Guarantee will not violate any of its incorporation documents or any provision of law, regulation, order, judgment, decree or award applicable to the Guarantor and will not result in a breach of, or constitute a default under, any material agreement to which the Guarantor is a party or by which it or any of its property may be bound and does not require any shareholders approval or any approval or consent of any

- 3 -

trustee or holder of any indebtedness or obligations of the Guarantor.

(b) Litigation. Except for those disclosed in the public filings made by the Guarantor in accordance with applicable laws and regulations and specifically delivered to the Agent prior to the date hereof (the "Public Filings"), as of the date hereof, there are no actions, suits or proceedings pending or threatened against the Guarantor or its properties before any court or government agency which, if determined adversely to the Guarantor, would be reasonably expected to have a material adverse effect on the Guarantor's financial condition, properties or operations.

(c) Ranking of Credit. The Guarantor's obligations hereunder rank at least pari passu in priority of payment and otherwise with all unsecured and unsubordinated indebtedness of the Guarantor except for statutory liens arising by operation of law in the ordinary course of business or those disclosed in the

Public Filings.

(d) Other Obligations. The Guarantor is not in default under any agreement to which it is a party or by which it may be bound, a default in respect of which would reasonably be expected to have a material adverse effect on the Guarantor's financial condition or operations or its ability to perform its obligations hereunder. As of the date hereof, no Event of Default (as defined under the Loan Agreement) has occurred.

(e) No Material Adverse Change. The audited financial statements of the Guarantor as at and for the period ended December 31, 2004, and the unaudited financial statements of the Guarantor as at and for the period ended September 30, 2005, copies of which have been delivered to the Agent, are complete and correct in all material respects, have been prepared in accordance with U.S. generally accepted accounting principles, and fairly present the financial condition and the results of operations of the Guarantor as of such date, and since the date of such financial statements, there has been no material adverse change in the financial condition or results of operations of the Guarantor, except for those which have been disclosed in writing to the Agent (if any).

(f) Reliance. No representation or warranty made by the Guarantor in or in connection with this Guarantee or any

- 4 -

statement in any document delivered to the Agent in connection with this Guarantee contains any untrue statement of material fact or omits any material fact necessary to make such representation, warranty or document not misleading, nor is any fact known to the Guarantor which may affect in a materially adverse manner the Guarantor's ability to conduct its business substantially as conducted on the date of this Guarantee. The foregoing representations and warranties are deemed to be made by the Guarantor by reference to the facts and circumstances then existing on the date on which the Borrower requests a drawing of the Loan ; provided, that for the purposes of Clause 2(d) the references to financial statements shall be read as references to its latest financial statements delivered to the Agent pursuant to Clause 3(e) hereof. The Guarantor acknowledges that the Agent and the Banks entered into the Loan Agreement in reliance upon this Guarantee and the representations and warranties contained herein.

3. COVENANTS. The Guarantor hereby unconditionally undertakes and covenants to the Agent that so long as any Obligations remain outstanding, it shall act as follows and carry out the following obligations:

(a) Existence. The Guarantor shall (i) maintain its corporate existence and all licenses necessary for the conduct of its business and operations or the ownership of its properties; (ii) comply with the requirements of all applicable laws, regulations, requirements and orders of all governmental authorities having jurisdiction over it, except where the failure to comply would not have adverse effects on the business or financial condition of the Guarantor; (iii) keep and maintain proper books and records; and (iv) pay and discharge all taxes, assessments and governmental charges or levies imposed upon it or its income, profits or properties, prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a lien, charge or encumbrance upon any of its properties, except for those where contested in good faith and adequate reserves therefore have been established in conformity with U.S. generally accepted accounting principles.

(b) Negative Covenants. The Guarantor shall not, without the prior written consent of the Agent (for and on behalf of the Banks): (i) change its business nature or (ii) enter into any merger or consolidation or divide-up unless (A) the Guarantor is the surviving entity of such a merger or consolidation and (B) such a merger or

- 5 -

consolidation does not adversely affect or impair the overall financial condition of the Guarantor or the Guarantor's ability to perform its obligations hereunder.

(c) Representations and Warranties. The Guarantor shall ensure that the representations and warranties contained in this Guarantee shall remain true and correct at all times and, except for those expressly otherwise provided for

herein, the representations and warranties made by the Guarantor under Article 2 hereof shall be deemed repeated on each Interest Payment Date (as defined in the Loan Agreement).

(d) Shareholding. From time to time and at all times throughout the terms of the Loan Agreement and this Guarantee, the Guarantor (i) shall beneficially own, directly and/or indirectly through its subsidiaries and/or affiliates, no less than 96.3% of the total issued and outstanding shares of the Borrower and (ii) shall maintain an effective management control over the Borrower.

(e) Financial Statements. (i) Semi-Annual Statements. Throughout the term hereof, within ninety (90) days after the end of each fiscal half-year of the Guarantor, the Guarantor shall provide the Agent (for distribution to the Banks) with copies of the Guarantor's year-to-date unaudited balance sheet (including footnotes) for such half-year, including therein its balance sheet as of the end of such fiscal half-year and statement of its income. Each of such unaudited statements shall be prepared on a consolidated basis, and the information contained therein shall be presented in accordance with U.S. generally accepted accounting principles consistently applied.

(ii) Annual Statements. Throughout the term hereof, within one hundred and twenty (120) days after the end of each fiscal year of the Guarantor, the Guarantor shall provide the Agent (for distribution to the Banks) with copies of the Guarantor's annual audited report (including footnotes) for such year, including therein its balance sheet as of the end of such fiscal year and statement of its income and statement of changes in shareholders' equity. Each of such audited reports shall be prepared on a consolidated basis and certified by a creditable independent public accounting firm in accordance with U.S. generally accepted audit standards and the information contained therein shall be presented in accordance with U.S. generally accepted accounting principles consistently applied.

- 6 -

(iii) Other Information. The Guarantor shall provide the Agent (for distribution to the Banks) with such other information concerning the financial condition, operations and assets of the Guarantor (to the extent it shall be available to the public in accordance with applicable laws or regulations or is in public domain) as the Agent may, from time to time, reasonably request. The Guarantor shall ensure that all such information provided by the Guarantor to the Agent shall be true and correct in all material aspects.

(f) Other Documents. The Guarantor shall execute all such other documents and instruments, including negotiable instruments, and do all such other acts and things as the Agent reasonably deems necessary or appropriate to carry out the intent hereof.

4. WAIVERS. The Guarantor hereby waives (i) diligence, presentment, demand, protest and notice of any kind, (ii) any right of beneficium ordinis, and (iii) any requirement that the Agent, any Bank, its assignees or its endorsees exhaust any right to take any action against the Borrower, its properties or any security, guarantee or support provided to the Agent or any Bank with respect to the Obligations.

5. CONSENT. The Guarantor hereby consents (i) to any extension of time of payment of any Obligations and any other indulgence which may be granted to the Borrower by the Agent or any Bank; (ii) to any modification or amendment of the terms or conditions of the Loan Agreement or any other agreement or document related thereto agreed by the Borrower; and (iii) to any release, modification or replacement of any security, guarantee or support provided for the Obligations.

6. NON-DISCHARGE. Except for the Guarantor's payment of the Obligations in full as provided for herein, to the greatest extent permitted by the applicable laws and regulations, the Guarantor's obligations hereunder shall not be discharged or affected by any circumstances which might constitute a discharge or defense (including, without limitation, the bankruptcy, composition or reorganization of the Borrower) or the illegality, invalidity, unenforceability, or any defect in the Obligations. The

- 7 -

intention of the Guarantor being that this Guarantee is absolute and

unconditional in all circumstance.

7. AVOIDANCE OF PAYMENTS. The Guarantor shall on demand indemnify the Agent or any Bank against any funding or other cost, loss, expense or liability (including loss of margin) sustained or incurred by the Agent or any Bank as a result of it being required for any reason (including any bankruptcy, insolvency, winding-up or similar law of any jurisdiction) to refund all or part of any amount received or recovered by it in respect of any part of the Obligations payable by the Borrower or the Guarantor and shall in any event pay to the Agent or such Bank on demand the amount so refunded by it.

8. INDEMNITY. As separate, independent and alternative stipulations, the Guarantor hereby unconditionally and irrevocably agrees that any Obligation is for any reason (whether or not now existing and whether or not now known or becoming known to any party to the Loan Agreement) not recoverable from the Borrower, shall nevertheless be recoverable from the Guarantor as if it was the sole principal debtor and shall be paid by it to the Agent (for account of the Banks) on demand.

9. SUBROGATION. Until all of the Obligations shall have been paid in full, the Guarantor shall not take any action which would prevent or interfere with the performance by the Borrower of any of the Obligations and, regardless of any payment by the Guarantor hereunder, any claims of the Guarantor against the Borrower shall not be subrogated to the claims of the Agent and the Banks; nor shall any lien or other security for or on account of the granting of this Guarantee become enforceable by the Guarantor until the Obligations have been paid in full.

10. SET-OFF. In addition to and not limited by such other rights as the Agent and the Banks may have, each of the Agent and the Banks is hereby authorized at any time and from time to time, to set-off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other indebtedness at any time owing by the Agent or any Bank to or for the credit or the account of the Guarantor ("Bank Obligations") against any and all of the obligations of the Guarantor then due and payable under this Guarantee irrespective of whether or not the currency thereof is the same and whether or not the Agent or any Bank shall have made any demand under this Guarantee

- 8 -

and although the Bank Obligations may be unmatured (the Bank Obligations shall be deemed to have matured upon any such set-off). With respect to deposits with a Bank, such Bank is authorized to terminate and withdraw such deposits, for and on behalf of the Guarantor, after occurrence of an Event of Default (as defined in the Loan Agreement), without regard to the original maturity thereof. Each Bank agrees promptly to notify the Guarantor upon any such set-off and application; provided, that the failure to give such notice shall not affect the validity of such set-off and application.

11. ENFORCEMENT COSTS. The Guarantor shall pay to the Agent (for account of the Banks), on demand, any and all costs and expenses (including without limitation attorneys fees) incurred by the Agent (for account of the Banks) in the implementation, preservation and enforcement of any and all of the Banks' rights and interests under this Guarantee including, without limitation, the costs and expenses arising from participation in any bankruptcy, reorganization or like proceedings, together with interest on such sums calculated at the default interest rate applicable to the Obligations.

12. ASSIGNMENT. This Guarantee shall be binding upon the Guarantor and its assigns and/or successors and shall inure to the benefit of the Agent, the Banks and their respective successors and assigns. Each of the Agent and the Banks may, with the notice to but without the consent of the Guarantor, transfer or assign this Guarantee, in whole or in part, to any person or entity holding or acquiring any interest in the Obligations. The Guarantor may not assign or otherwise transfer its rights or obligations hereunder without the prior written consent of the Agent and all of the Banks.

13. AMENDMENT. This Guarantee shall not be amended or modified except by written instrument duly signed by the Agent (on and on behalf of the Banks) and the Guarantor.

14. CONTINUING GUARANTEE. This Guarantee is a continuing guarantee for any and all Obligations and may not in any way be withdrawn, terminated, cancelled or replaced without the prior written consent of the Agent (for and on behalf of

the Banks).

- 9 -

15. NOTICES. Any communication, demand or notice to the Guarantor shall be deemed duly and properly made or given if made or given in writing delivered by hand or mailed by ordinary registered mail to the Guarantor at the address indicated after the Guarantor's signature hereon below or at such other address as the Guarantor may designate by notice to the Agent in writing. Any notice to the Agent shall be made in writing and delivered to the address of the Agent as set out below. Notices to the Bank shall be effective only upon the Agent's actual receipt thereof.

16. CUMULATIVE RIGHTS. The rights and remedies of the Agent under this Guarantee shall be in addition to, and not exclusive of, any rights or remedies which the Agent has under the law or any other agreement or instrument.

17. NON-WAIVER. Any failure or delay on the part of any party hereto to insist on performance of any provision, right, power or remedy hereof shall not constitute a waiver thereof or of any other provision herein contained. Any waiver of any provisions hereof by the Agent shall be valid only if made in writing and shall be strictly limited to the extent expressly stated therein and shall not constitute a waiver of any other provision hereof.

18. GOVERNING LAW; JURISDICTION. (a) Governing Law. This Guarantee shall be governed by, and construed in accordance with, the laws of the State of New York, U.S.A. (excluding the conflict of law provisions thereof).

(b) Jurisdiction. The Guarantor hereby irrevocably consents that any legal action or proceeding against the Guarantor or any of its properties or assets with respect to any of the obligations arising under or relating to this Guarantee may be brought in the Supreme Court of State of New York, County of New York, and/or in the United States District Court for the Southern District of New York, and/or the Taipei District Court in Taipei, Taiwan, R.O.C., as the Agent may elect, and the Guarantor hereby waives any objection, including without limitation, any objection to the laying of venue or any objection based upon the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action

- 10 -

or proceeding in any such court. The foregoing, however, shall not limit the rights of the Agent and each Bank to bring any legal action or proceeding or to obtain execution of judgment in any other jurisdiction or court.

(c) Process Agent. The Guarantor agrees that the process by which any suit, action or proceeding is begun may be served on it by being delivered in connection with any suit, action or proceeding in New York, U.S.A. to CT Corporation System presently located at 1633 Broadway, New York New York 10019, U.S.A. as the Guarantor's agent for service of process ("Process Agent") for the service of process in the State of New York and agrees and consents that process in any suit, action or proceeding may be served on it by delivering the same to the Process Agent, at such address or at such other address in the City, County and State of New York at which the Process Agent is then located. Nothing in this sub-Section shall affect the right of the Agent or the Banks to serve legal process in any other manner or in any other jurisdiction permitted by law.

(d) Waiver. The parties hereto waive any rights they may have to jury trial.

19. LANGUAGE AND HEADINGS. This Guarantee and all notices, demands, requests, statements or other communication to be made or given by the Guarantor hereunder shall be in the English language only. Any documents required to be delivered pursuant to this Guarantee which are not in the English language shall, if required by the Bank, be accompanied by a certified (by the Guarantor) English language translation thereof and in the event of any conflict between the original of any document and the English language translation thereof, the English language translation shall, to the greatest extent permitted by applicable laws and regulations, prevail. The headings in this Guarantee are for convenience of reference only and shall not affect the construction hereof.

20. SEVERABILITY. If any one or more of the provisions contained in this Guarantee is or shall become invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

- 11 -

THE GUARANTOR:
AMKOR TECHNOLOGY, INC.

By: /s/ Kenneth T. Joyce

Name: Kenneth T. Joyce
Title: Chief Financial Officer
ADDRESS FOR NOTICES:
1900 South Price Road
Chandler, Arizona, 85248,
U.S.A.
TEL: (480) 821-5000

Witness:

By: /s/ Joanne Solomon

ACCEPTED

THE AGENT:
CHINATRUST COMMERCIAL BANK, LTD.

By: /s/ Authorized Signatory

Name:
Title:
ADDRESS FOR NOTICES:
7F No.3 Sung-Shou Rd.
Taipei Taiwan R.O.C.
TEL: 2722-2002

- 12 -