

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D

UNDER THE SECURITIES EXCHANGE ACT OF 1934
(AMENDMENT NO. 18)

VLSI TECHNOLOGY, INC.
(NAME OF ISSUER)

COMMON STOCK
(TITLE OF CLASS OF SECURITIES)

918270-10-9
(CUSIP NUMBER)

F. THOMAS DUNLAP, JR.
VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY
INTEL CORPORATION
2200 MISSION COLLEGE BOULEVARD
SANTA CLARA, CA 95052
TELEPHONE: (408) 765-8080
(NAME, ADDRESS AND TELEPHONE NUMBER OF PERSON
AUTHORIZED TO RECEIVE NOTICES AND COMMUNICATIONS)

AUGUST 25, 1995
(DATE OF EVENT WHICH REQUIRES
FILING OF THIS STATEMENT)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b) (3) or (4), check the following box. []

Check the following box if a fee is being paid with this statement. []

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act.

(Continued on following pages)

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1. NAME OF REPORTING PERSON Intel Corporation
S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-1672743

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a) []
(b) []

3. SEC USE ONLY

4. SOURCE OF FUNDS WC

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2 (d) OR 2 (e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

<TABLE>

<S>	<C>	<C>
NUMBER OF SHARES BENEFICIALLY OWNED BY	7. SOLE VOTING POWER	2,677,604
	8. SHARED VOTING POWER	N/A

EACH REPORTING PERSON WITH	9.	SOLE DISPOSITIVE POWER	2,677,604
	10.	SHARED DISPOSITIVE POWER	N/A

</TABLE>

11.	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	2,677,604
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12.	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	[]
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13.	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	6.47%
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14.	TYPE OF REPORTING PERSON	CO
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Intel Corporation ("Intel" or the "Reporting Person") hereby amends its statement on Schedule 13D filed with the Securities and Exchange Commission on July 8, 1992 (the "Initial Statement") and previously amended on August 25, 1992, August 5, 1994, January 31, 1995, February 3, 1995, February 6, 1995, February 14, 1995, February 17, 1995, March 2, 1995, March 9, 1995, March 13, 1995, March 20, 1995, April 12, 1995, April 14, 1995, April 18, 1995, April 28, 1995, May 17, 1995, and May 25, 1995, with respect to the common stock (the "Common Stock") of VLSI Technology, Inc. ("VLSI" or the "Issuer").

Item 5. Interests in Securities of the Issuer.

<TABLE>

<S>	<C>
(a)	Number of Shares Beneficially Owned: 2,677,604 shares
	Right to Acquire: 0 shares
	Percent of Class: 6.47% (based upon 41,403,953 shares of common stock outstanding as reported by VLSI in its Form 10-Q for the quarter ended June 30, 1995)
(b)	Sole Power to Vote, Direct the Vote of, or Dispose of Shares: 2,677,604 shares
(c)	Recent Transactions: Pursuant to the terms of that certain Warrant dated as of August 25, 1992, on August 25, 1995, Intel exercised its right to purchase 2,677,604 shares of VLSI Common Stock for an aggregate exercise price of \$31,301,190.76. The exercise price was paid out of the general working capital of Intel.
(d)	Rights with Respect to Dividends or Sales Proceeds: N/A
(e)	Date of Cessation of Five Percent Beneficial Ownership: N/A

Item 7. Material to be Filed as Exhibits.

- *Exhibit 1 Intel/VLSI Stock and Warrant Purchase Agreement
- *Exhibit 2 Intel/VLSI Joint Press Release Dated July 8, 1992
- *Exhibit 3.1 Schedule of Call and Put Options
- *Exhibit 3.2.1 Schedule to International Swaps and Derivatives Association ("ISDA") Form Master Agreement (1992 version) dated as of April 15, 1993 between Union Bank of Switzerland and Intel Corporation
- *Exhibit 3.2.2 Form of Confirmation between Union Bank of Switzerland and Intel Corporation
- *Exhibit 3.3.1 Schedule to ISDA Form Interest Rate and Currency Exchange Agreement (1987 version), dated as of February 8, 1993 between Swiss Bank Corporation and Intel Corporation
- *Exhibit 3.3.2 Form of Confirmation between Swiss Bank Corporation

and Intel Corporation

Exhibit 3.4.1 Schedule to ISDA Form Master Agreement (1992 version)
dated as of March 1, 1995 between Lehman Brothers
Finance S.A. ("Lehman") and Intel Corporation

Exhibit 3.4.2 Form of Confirmation between Lehman and Intel
Corporation

*Exhibit 4 Resolution Regarding Signature Authority

</TABLE>

* Previously filed.

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SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I
certify that the information set forth in this statement is true, complete and
correct.

Dated as of August 25, 1995.

INTEL CORPORATION

By /s/ F. THOMAS DUNLAP, JR.

F. Thomas Dunlap, Jr.
Vice President, General Counsel
and Secretary

EXHIBIT 3.4.1
SCHEDULE
TO THE
MASTER AGREEMENT
dated as of March 1, 1995

between LEHMAN BROTHERS FINANCE S.A., a Swiss corporation ("Party A") and INTEL CORPORATION, a Delaware corporation ("Party B").

PART 1

TERMINATION PROVISIONS

In this Agreement:-

(a) SPECIFIED ENTITY means in relation to Party A for the purpose of:-

Section 5(a) (v), Lehman Brothers Holdings Inc. ("Holdings").

Section 5(a) (vi), Holdings.

Section 5(a) (vii), Holdings.

Section 5(b) (iv), Holdings.

in relation to Party B for the purpose of:-

Section 5(a) (v), Not Applicable.

Section 5(a) (vi), Not Applicable.

Section 5(a) (vii), Not Applicable.

Section 5(b) (iv), Not Applicable.

(b) SPECIFIED TRANSACTION will have the meaning specified in Section 14 of this Agreement.

(c) The CROSS DEFAULT provisions of Section 5(a) (vi) will apply to Party A and Party B.

The following provisions apply:-

SPECIFIED INDEBTEDNESS will have the meaning specified in Section 14.

THRESHOLD AMOUNT means two percent (2%) of the Stockholders' Equity of Holdings, in the case of Party A and Holdings (or its equivalent in any other currency), and two percent (2%) of the Stockholders' Equity of Party B, in the case of Party B (or its equivalent in any other currency).

(d) The CREDIT EVENT UPON MERGER provisions of Section 5(b) (iv) will apply to Party A and Party B.

(e) The AUTOMATIC EARLY TERMINATION provision of Section 6(a) will not apply to either Party A or Party B, provided that where there is an Event of Default under Section 5(a) (vii) (1), (3), (4), (5), (6) or, to the extent analogous thereto, (8), and the Defaulting Party is governed by a system of law that does not permit termination to take place after the occurrence of such Event of Default, then the Automatic Early Termination provisions of Section 6(a) will apply.

(f) PAYMENTS ON EARLY TERMINATION. For the purpose of Section 6(e) of this Agreement, Market Quotation and the Second Method will apply.

(g) TERMINATION CURRENCY means United States Dollars ("USD").

(h) ADDITIONAL TERMINATION EVENTS will apply. The following shall constitute an Additional Termination Event:

Party A fails to deliver or to maintain Collateral when and in the amounts required under the terms of the Pledge Agreement or the security interest purported to be created in the Collateral received by Party B thereunder ceases to be, or is not, a valid and perfected first security interest in such Collateral, and such failure continues one New York Business Day after notice is given to Party A by Party B.

For the purposes of the foregoing Additional Termination Event, the

Affected Party shall be Party A.

PART 2

TAX REPRESENTATIONS

PAYER REPRESENTATIONS. For the purpose of Section 3(e) of this Agreement, Party A will make the following representation and Party B will make the following representation:-

It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 2(e), 6(d)(ii) or 6(e) of this Agreement) to be made by it to the other party under this Agreement. In making this representation, it may rely on:-

- (i) the accuracy of any representation made by the other party pursuant to Section 3(f) of this Agreement;
- (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of this Agreement and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of this Agreement; and

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- (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of this Agreement, provided that it shall not be a breach of this representation where reliance is placed on clause (ii) and the other party does not deliver a form or document under Section 4(a)(iii) of this Agreement by reason of material prejudice to its legal or commercial position.

PAYEE REPRESENTATIONS. For the purpose of Section 3(f) of this Agreement, Party A represents and warrants as follows:-

Party A is not engaged in a trade or business in the United States through a permanent establishment (as such term is defined in The Convention between the United States and the Swiss Confederation for the avoidance of double taxation with respect to taxes on income, dated May 24, 1951) situated therein.

PART 3

DOCUMENTS TO BE DELIVERED

For the purpose of Section 4(a):-

(a) Tax forms, documents or certificates to be delivered are:-

<TABLE> <CAPTION> PARTY REQUIRED TO DELIVER DOCUMENT -----	FORM/DOCUMENT/CERTIFICATE -----	DATE BY WHICH TO BE DELIVERED -----
<S> Party A	<C> IRS Form 1001	<C> Upon execution of this Agreement
Party A	Other tax forms	Promptly upon the earlier of (i) reasonable demand by Party B or (ii) learning that the form or document is required.
Party B	Tax Forms	Promptly upon the earlier of (i) reasonable demand by Party A or (ii) learning that the form or document is required.

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(b) Other documents to be delivered are:-

<TABLE> <CAPTION> PARTY REQUIRED TO DELIVER DOCUMENT	FORM/DOCUMENT/CERTIFICATE	DATE BY WHICH TO BE DELIVERED	COVERED BY SECTION 3(d) REPRESENTATION
--	---------------------------	----------------------------------	--

<S> Party A and Party B	<C> The Pledge Agreement listed in Part 4, Section (f).	<C> Upon execution of this Agreement. Yes
Party A	An incumbency certificate with respect to the signatory of this Agreement, the Pledge Agreement and the Guarantee.	Upon execution of this Agreement. Yes
Party A	A duly executed Guarantee of Lehman Brothers Holdings Inc.	Upon execution of this Agreement. No
Party B	An incumbency certificate with respect to the signatory of this Agreement and the Pledge Agreement.	Upon execution of this Agreement. Yes

</TABLE>

PART 4

MISCELLANEOUS

(a) ADDRESSES FOR NOTICES. For the purpose of Section 12(a) of this Agreement:

Address for notices or communications to Party A:-

Address: 13 Route de Florissant, P.O. Box 280, 1211 Geneva 12, Switzerland

Attention: Financial Controller

Telex No: 428345 Answerback: LBF CH

Facsimile No.: 4122-789-1929 Telephone No.: 4122-789-0789

(For all purposes)

Address for notices or communications to Party B:-

Address: 2200 Mission College Boulevard, Mail Stop RN6-26, Santa Clara, CA 95052

Attention: Eddie Lee

Facsimile No.: (408) 765-1611 Telephone No.: (408) 765-1235

(For all purposes)

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(b) PROCESS AGENT. For the purpose of Section 13(c):-

Party A appoints as its Process Agent - Lehman Brothers Inc.
3 World Financial Center
New York, NY 10285

Party B appoints as its Process Agent - Not Applicable.

(c) OFFICES. The provisions of Section 10(a) will not apply to this Agreement.

(d) MULTIBRANCH PARTY. For the purpose of Section 10(c):

Party A is not a Multibranch Party.

Party B is not a Multibranch Party.

(e) CALCULATION AGENT. The Calculation Agent is Party A, unless otherwise specified in a Confirmation in relation to the relevant Transaction.

(f) CREDIT SUPPORT DOCUMENT. Details of any Credit Support Document, each of which are incorporated by reference in, and made part of, this Agreement and each Confirmation (unless provided otherwise in a Confirmation) as if set forth in full in this Agreement or such Confirmation:

(i) In the case of Party A, a Guarantee dated the date hereof by Lehman Brothers Holdings Inc. in favor of Party B as beneficiary

thereof, as annexed hereto as Exhibit A.

(ii) In the case of Party A, a Pledge Agreement dated as of the date hereof between Party A and Party B, as annexed hereto as Exhibit B.

(g) CREDIT SUPPORT PROVIDER.

Credit Support Provider means in relation to Party A: Holdings.

Credit Support Provider means in relation to Party B: Not Applicable.

(h) GOVERNING LAW. This Agreement will be governed by and construed in accordance with New York law.

(i) NETTING OF PAYMENTS. Subparagraph (ii) of Section 2(c) of this Agreement will not apply to any Transactions (in each case starting from the date of this Agreement).

(j) AFFILIATE will have the meaning specified in Section 14 of this Agreement.

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PART 5

OTHER PROVISIONS

(a) STOCKHOLDERS' EQUITY. means with respect to an entity, at any time, the sum at such time of (i) its capital stock (including preferred stock) outstanding, taken at par value, (ii) its capital surplus and (iii) its retained earnings, minus (iv) treasury stock, each to be determined in accordance with generally accepted accounting principles.

(b) TAX FORMS. means any form or document that may be required or reasonably requested in order to allow the other party to make a payment under the Transaction without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate.

(c) RECORD KEEPING. Each party represents and warrants to the other that it shall maintain this Agreement, this Schedule and all Confirmations issued pursuant hereto with its records of binding business transactions.

(d) DEFINITIONS AND ADDENDA. (i) This Agreement, each Confirmation, and each Transaction are subject to the 1991 ISDA Definitions as amended, supplemented, updated, restated, and superseded from time to time (the "1991 Definitions"), Paragraph (4) of the May 1989 Addendum to Schedule to Interest Rate and Currency Exchange Agreement (the "Cap Addendum"), and Paragraph (5) of the July 1990 Addendum to Schedule to Interest Rate and Currency Exchange Agreement (the "Options Addendum"), each as published by the International Swaps and Derivatives Association, Inc. (formerly known as the International Swap Dealers Association, Inc.) ("ISDA"), and will be governed in all respects by the 1991 Definitions and such paragraphs of the Cap Addendum and Options Addendum (except that references to "Swap Transactions" in the 1991 Definitions and such paragraphs of the Cap Addendum and Options Addendum will be deemed to be references to "Transactions"). The 1991 Definitions and such paragraphs of the Cap Addendum and Options Addendum, as so modified, are incorporated by reference in, and made part of, this Agreement and each Confirmation as if set forth in full in this Agreement and such Confirmations. In the event of any inconsistency between the provisions of this Agreement, the 1991 Definitions, or such paragraphs of the Cap Addendum or Options Addendum, this Agreement will prevail. In the event of any inconsistency between the provisions of any Confirmation and this Agreement, the 1991 Definitions, or such paragraphs of the Cap Addendum or Options Addendum, such Confirmation will prevail for the purpose of the relevant Transaction.

(e) CONFIRMATIONS. Confirmations for each Transaction entered into hereunder shall be sent by Party A to Party B and shall be in a form mutually agreed to by the parties.

(f) TRANSFER. For the purposes of Section 7, the following phrase "which consent shall not be unreasonably withheld" shall be inserted on the third line thereof, after the word "party," and before the word "except."

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(g) ADDITIONAL REPRESENTATIONS. Section 3 is hereby amended by adding the following additional Subsections:

(i) NO AGENCY. It is entering into this Agreement and each Transaction as principal (and not as agent or in any other capacity, fiduciary or otherwise).

(ii) ELIGIBLE SWAP PARTICIPANT. It is an "eligible swap participant" as defined in the Part 35 Regulations of the U.S. Commodity Futures Trading Commission.

(iii) LINE OF BUSINESS. It has entered into this Agreement (including each Transaction evidenced hereby) in connection with its line of business (including financial intermediation services) or the financing of its business.

The foregoing representations and agreements shall be representation and agreements for all purposes of this Agreement, including without limitation Sections 3, 4, 5(a) (ii), and 5(a) (iv) hereof.

(h) Annex I to Schedule to the Master Agreement is incorporated herein and shall constitute part hereof.

(i) NOTICES. For the purposes of subsections (iii) and (v) of Section 12(a), the date of receipt shall be presumed to be the date sent if sent on a Local Business Day or, if not sent on a Local business Day, the date of receipt shall be presumed to be the first Local Business Day following the date sent.

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(j) SERVICE OF PROCESS. The penultimate sentence of Section 13(c) shall be amended by adding the following language at the end thereof: "if permitted in the jurisdiction where the proceedings are initiated and in the jurisdiction where service is to be made."

The parties executing this Schedule have executed the Agreement and have agreed as to the contents of this Schedule.

LEHMAN BROTHERS FINANCE S.A.

INTEL CORPORATION

By: /s/Marcelle Corsat

By: /s/Arvind Sodhani

Title: Fonde de Pouvoir

Title: Vice President and Treasurer

Date: _____

Date: _____

By: /s/Enrique Rojas

Title: Mandataire Commercial

Date: _____

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ANNEX I TO SCHEDULE TO THE MASTER AGREEMENT

With respect to all equity-related Transactions governed by the Agreement, the following provisions shall apply:

1. EXERCISE OF OVER-THE-COUNTER EQUITY OPTIONS

(1) If "Multiple Exercise" is not specified in a Confirmation as applicable, the Buyer may on any Seller Business Day during the Exercise Period give notice exercising all (but not some only) of the Options comprising the Option Transaction.

(2) If "Multiple Exercise" is specified in a Confirmation as applicable, the Buyer may on any Seller Business Day during the Exercise Period give notice exercising some or all of the Options comprising the Option Transaction which have not been previously exercised, subject to the following:

(a) if a "Maximum Number of Options" is specified in the Confirmation, then no more Options than the number specified

may be exercised on any Exercise Date other than pursuant to paragraph (5) below;

(b) if a "Minimum Number of Options" is specified in the Confirmation, then no fewer Options than the number specified may be exercised on any Exercise Date other than pursuant to paragraph (5) below; and

- (3) The Buyer may exercise Options either by notifying the Seller by telephone of such exercise or by giving notice in writing. If the Options are exercised by telephone, the Buyer must confirm such exercise in writing by the end of the Seller Business Day following the date the Options are exercised. When exercising and/or confirming exercise, the Buyer must specify (i) the relevant Exercise Date, which must be an Exchange Business Day during the Exercise Period on or after the date on which the relevant Options are effectively settled pursuant to clause 2 below, and (ii) if Multiple Exercise applies, the number of Options being exercised. If the Confirmation specifies that the Buyer has the right to elect to apply Cash Settlement or Physical Settlement, the Buyer must specify at the time of exercise which will apply to the Options exercised, in the absence of which election Cash Settlement will apply as provided in clause 2(3). If the Confirmation specifies that the Seller has the right to elect to apply Cash Settlement or Physical Settlement, the Seller must confirm in writing which will apply by the end of the Seller Business Day following the date the Option is exercised in the absence of which notice Cash Settlement will apply as provided in clause 2(3).
- (4) If the Options are exercised by telephone, exercise must occur between 9:00 a.m. and 2:00 p.m. (local time in the city where the Seller is located or such other time and/or city specified in the relevant Confirmation). If the Options are exercised by notice in writing then, notwithstanding Section 12 of the Agreement, that notice is effective at the time it is received by the Seller, except that any notice received after 2:00 p.m. (local time in the city where the Seller is located or such other time and/or city specified in the relevant

Confirmation) will be deemed effective at 9:00 a.m. on the following Seller Business Day, provided that such day falls within the Exercise Period.

- (5) All Options to which Cash Settlement applies which remain unexercised on the Expiration Date will be deemed automatically exercised on the Expiration Date. All Options to which Physical Settlement applies will, subject to paragraph (6) below, be deemed automatically exercised on the Expiration Date provided that, in the case of a Put Option, the Market Value is less than or equal to 99.75 per cent of the Strike Price and, in the case of a Call Option the Market Value is equal to or greater than 100.25 per cent of the Strike Price. Otherwise, the Options will expire unexercised, the Seller having no further obligation in respect of such Options.
- (6) If the Calculation Agent determines in good faith that a Market Value cannot be determined on the Expiration Date then, in relation to all Options to which Physical Settlement applies, the Options will not be automatically exercised and will, unless exercised, expire unexercised, the Seller having no further obligation in respect of such Options; provided, however, that if the Calculation Agent can determine that, in the case of a Put Option, the Market Value is less than or equal to 99.75 per cent of the Strike Price or, in the case of a Call Option, the Market Value is equal to or greater than 100.25 per cent of the Strike Price, then the Options will be deemed automatically exercised on the Expiration Date.
2. SETTLEMENT
- (1) With respect to each Option Transaction, the Buyer will pay the Premium, as specified, to the Seller on the Premium Payment Date(s), as specified in the Confirmation.
- (2) It is a condition precedent to the enforceability of any Option Transaction, that the Premium shall have been paid in accordance with clause 2(1).
- (3) If "Cash Settlement" and not "Physical Settlement" is specified in a Confirmation, Cash Settlement will apply to all Options exercised under the relevant Option Transaction. If "Physical Settlement" and not "Cash Settlement" is specified, Physical Settlement will apply to all Options exercised under the relevant Option Transaction. If both are specified in a Confirmation, the Buyer or, as the case may be, the Seller as specified in the Confirmation will have the right to elect whether Cash Settlement or Physical Settlement will apply to the relevant Options

exercised, provided that if (a) the Buyer or, as the case may be, the Seller fails to elect which will apply or (b) if the relevant Options remain unexercised on the Expiration Date, then Cash Settlement will apply to those Options. If neither "Cash Settlement" nor "Physical Settlement" is specified in a Confirmation, Cash Settlement will apply.

- (4) With respect to each exercised Option to which Cash Settlement applies, the Seller will pay the Cash Settlement Amount to the Buyer on the relevant Cash Settlement Payment Date.

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- (5) With respect to each exercised Put Option to which Physical Settlement applies, the Buyer will deliver to the Seller the Underlying Shares in the case of a Share Option, or Underlying Basket, in the case of a Basket Option, represented by that Put Option. The Buyer will make such delivery on the relevant Physical Settlement Delivery Date against payment by the Seller to the Buyer of the relevant Physical Settlement Purchase Amount.
- (6) With respect to each exercised Call Option to which Physical Settlement applies, the Seller will deliver to the Buyer the Underlying Shares, in the case of a Share Option, or Underlying Basket, in the case of a Basket Option, represented by that Call Option. The Seller will make such delivery on the relevant Physical Settlement Delivery Date against payment by the Buyer to the Seller of the relevant Physical Settlement Purchase Amount.
- (7) The obligations of each party to make payments or deliver or accept delivery of Underlying Shares or the Underlying Basket in respect of any equity-related Transaction are subject to the condition precedent that no Event of Default or Potential Event of Default with respect to the other party has occurred and is continuing. Notwithstanding the foregoing sentence, if at any time and so long as one of the parties hereto shall have satisfied in full all its payment obligations to the other party in respect of any Transactions or otherwise, and shall at the time have no future payment obligations, whether absolute or contingent, to such other party, then the obligation of such other party to make payments or delivery to, or to accept delivery from, such party shall not be subject to such condition precedent.
- (8) Delivery of any Underlying Shares or Underlying Basket will be made not later than the due date to the relevant account notified to the delivering party for that purpose and/or in the manner, and after payment by the party accepting delivery of the securities of all stamp, stamp duty reserve, registration or documentary tax, customary for delivery of such securities in the market where the Quotation Exchange is situated, together with appropriate instruments of transfer and any such other instruments as may be required to vest title in the party accepting delivery of the Underlying Shares or Underlying Basket.

3. MARKET DISRUPTION

- (1) With respect to any equity-related Transaction, except for an Option to which Physical Settlement applies, if the Calculation Agent determines in good faith that a Market Disruption Event has occurred on any relevant Valuation Date, then the Valuation Date will be postponed to the first succeeding Exchange Business Day on which there is no Market Disruption Event. If there is a Market Disruption Event on each of the five Exchange Business Days immediately following the original Valuation Date, then the fifth Exchange Business Day will be the Valuation Date, notwithstanding the Market Disruption Event. In that case the Calculation Agent will calculate the payment amount in respect of the Valuation Date as follows:
- (a) In the case of an Index-related Transaction, the Calculation Agent will determine the relevant Index Value on that day in accordance with the formula for and method of calculating the Underlying Index last in effect prior to the

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commencement of the event or condition constituting or giving rise to the Market Disruption Event by using its estimate in good faith of the Market Value on that day of each equity security comprising the Underlying Index; and

- (b) In the case of a Transaction based upon Underlying shares or Selected Securities, the Calculation Agent will use its estimate in good faith of the Market Value on that day of the relevant Underlying Shares or Selected Securities, as applicable.

(2) With respect to any exercised Option to which Physical Settlement applies, if the Calculation Agent determines in good faith that a Market Disruption Event has occurred on the Valuation Date, then the Physical Settlement Delivery Date will be postponed to the next succeeding Exchange Business Days on which there is no Market Disruption Event.

(3) The Calculation Agent will as soon as practicable (and in any event no later than the next Exchange Business Day) notify the parties or the other party, as the case may be, of the existence or occurrence of a Market Disruption Event on any Valuation Date.

4. DISCONTINUANCE OR MODIFICATION OF UNDERLYING INDEX

(1) With respect to an Index-related Transaction, if the relevant Underlying Index is (a) not calculated and announced by the agreed sponsor but is calculated and announced by a successor sponsor or third party acceptable to the Calculation Agent or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Underlying Index, and which, in the determination of the Calculation Agent, is substantially similar to the Underlying Index, then the Underlying Index will be deemed to be the index so calculated and announced by that successor sponsor or third party or that successor index, as the case may be.

(2) With respect to an Index-related Transaction, if (a) on or prior to any Valuation Date the Underlying Index sponsor or third party makes a material change in the formula for or method of calculating the relevant Underlying Index or in any other way materially modifies the Underlying Index (other than a modification prescribed in that formula or method to maintain the Underlying Index in the event of changes in constituent shares and capitalization and other routine events) or (b) on any Valuation Date the Underlying Index sponsor or third party fails to calculate and announce the Underlying Index, then the Calculation Agent will calculate the payment amount using, in lieu of a published level for the Underlying Index, the level for that Underlying Index as at that Valuation Date as determined by the Calculation Agent in accordance with the formula for and method of calculating the Underlying Index last in effect prior to that change or failure, but using only those equity securities that comprised the Underlying Index immediately prior to that change or failure (other than those equity securities that have since ceased to be listed on the relevant Market Disruption Exchange).

5. CORRECTIONS

With respect to any equity-related Transaction, except for an Option to which Physical Settlement applies, if the level of the relevant Underlying Index or the price quoted on the Quotation Exchange and used or to be used by the Calculation Agent to determine the payment amount is subsequently corrected and the correction published by the Underlying Index sponsor (or a successor sponsor or third party) or, as the case may be, the Quotation Exchange, and that correction is published within 30 days of the original publication and the difference between the amount payable under the relevant Underlying Index in the original publication and the amount payable under the Underlying Index in the corrected publication is at least \$500, either party may notify the other party of (a) that correction and (b) the amount that is payable as a result of that correction. In respect of that Transaction, the failure to pay the correct amount, in good faith and without actual notice of a relevant correction will not constitute an Event of Default. If a party gives notice no later than 30 days after publication of a correction that an additional amount is payable, the party that incorrectly either received or retained such additional amount will pay to the other party that amount, together with interest on that amount at the Non-default Rate from the period from and including the day on which a payment incorrectly was (or was not) made to but excluding the day of payment of the refund or payment resulting from that correction.

6. ADJUSTMENTS

(1) If, on or prior to an Exercise Date, a company whose equity share is an Underlying Share or Selected Security in respect of any equity-related Transaction:

(a) effects any reorganization, consolidation, sub-division or any other alteration of its share capital; or

- (b) offers for subscription to existing shareholders on a preferential basis new shares or securities convertible into new shares or rights, options or warrants to subscribe for or purchase new shares; or
- (c) issues new shares credited as fully paid (or equivalent) to existing shareholders on the basis of capitalized profits or reserves or distributes other assets, excluding a cash dividend or a distribution of assets in lieu of a cash dividend which, in either case, would have been made to existing shareholders out of profits available for distribution or otherwise in the normal course of business of the company; or
- (d) consolidates or merges with any other company (other than a wholly-owned subsidiary of the company); or
- (e) effects or allows to be effected any event having an analogous effect to those described above, or there occurs any event of a type for which adjustments are customarily made in respect of traded options on equity shares of the company or,

if none, traded options on the equity shares of other companies in the same jurisdiction;

then the Calculation Agent will, as soon as reasonably practicable after it becomes aware of the relevant action by the company, make whatever adjustments to the economic terms of the Transaction as it determines in good faith are necessary to preserve the economic equivalent of the obligations the Seller, in the case of an Option Transaction, or otherwise the relevant party would have had under that Transaction had the relevant event occurred immediately prior to the date the parties entered into that Transaction.

- (2) The Calculation Agent will as soon as practicable after its determination of the relevant adjustments to be made under paragraph (1) above (and in any event no later than the next Exchange Business Day) notify the parties or the other party, as the case may be, of the adjustments to be made.

7. TAKEOVERS

If, on any date on or prior to an Exercise Date, in the case of an Option, or the Termination Date, in the case of an equity-related swap or other equity-related Transaction, a Takeover Offer becomes or is declared wholly unconditional or otherwise becomes effective (such date being referred to as the "Takeover Date") with respect to (i) any of the Underlying Shares or Selected Securities, as the case may be, or (ii) equity shares of the same class as the Underlying Shares or Selected Securities, as the case may be (in each case, the "Takeover Shares"), then:

- (a) with respect to an equity-related swap where the consideration for the Takeover Shares consists solely of other than equity shares, the Exchange Business Day immediately after the Takeover Date will be deemed to have been designated an Early Termination Date (with both parties as Affected Parties) with respect to that portion of the affected Transaction attributable to the Takeover Shares.
- (b) with respect to an American style Share Option where the consideration for the Takeover Shares consists solely of other than equity shares, (i) all unexercised Options comprising the Option Transaction will be deemed automatically exercised on the Exchange Business Day immediately after the Takeover Date and (ii) the Strike Price Differential thereunder will be calculated by setting the price of the Underlying Shares at the USD equivalent of the consideration for which the Takeover Shares are tendered, as determined by the Calculation Agent on the Takeover Date, (the "Takeover Price") (i.e., the excess of (A) the Strike Price over the Takeover Price, in the case of a Put Option, and (B) the Takeover Price over the Strike Price, in the case of a Call Option).
- (c) with respect to a European style Share Option where the consideration for the Takeover Shares consists solely of other than equity shares, (i) all unexercised Options comprising the Option Transaction will be deemed automatically exercised on the Expiration Date thereunder and (ii) the Strike Price Differential thereunder

will be calculated by setting the price of the Underlying Shares at the USD equivalent of the consideration for which the Takeover Shares are tendered, as determined by the Calculation Agent on the Takeover Date, (the "Takeover Price") (i.e., the excess of (A) the Strike Price over the Takeover Price, in the case of a Put Option, and (B) the Takeover Price over the Strike Price, in the case of a Call Option).

- (d) with respect to either an American style or a European style Basket Option where the consideration for the Takeover Shares consists solely of other than equity shares, (i) the Option Transaction shall be adjusted such that the Takeover Shares are no longer included within the Underlying Basket and (ii) the Strike Price for that Option Transaction shall be reduced by the product of (A) the Takeover Price and (B) the number of Takeover Shares included within the Underlying Basket. The Market Value of the Underlying Basket, after the Takeover Date, shall be calculated without regard to the Takeover Shares, which shares shall no longer be Selected Securities, and no cash payment shall be paid in respect of the Selected Securities removed from the Underlying Basket. In addition, the Calculation Agent will make whatever further adjustments to the Option Transaction as it determines in good faith are necessary to preserve for the parties the economic equivalent of the Option Transaction.
- (e) with respect to an equity-related swap where the consideration for the Takeover Shares consists, in whole or in part, of other equity shares (the "New Shares"), the Confirmation for the Swap Transaction will specify that either (i) the Swap Transaction will continue with the New Shares constituting Selected Securities only if agreeable to both parties, or (ii) the Swap Transaction will continue on the New Shares only if it is economically feasible for Lehman Brothers Finance S.A. to maintain its hedge with respect to the New Shares, and, in either case, the Calculation Agent will make whatever further adjustments to the Swap Transaction as it determines in good faith are necessary to preserve for the parties the economic equivalent of the Swap Transaction.
- (f) with respect to either an American style or a European style Share Option where the consideration for the Takeover Shares consists, in whole or in part, of other equity shares (the "New Shares"), the New Shares will be substituted for the Takeover Shares to the extent that the New Shares are substantially similar in yield, volatility and liquidity to the Takeover Shares; in addition, the Calculation Agent will make whatever adjustments to the Option Transaction as it determines in good faith are necessary to preserve for the parties the economic equivalent of such Option Transaction.
- (g) with respect to either an American style or a European style Basket Option where the consideration for the Takeover Shares consists, in whole or in part, of other equity shares (the "New Shares"), the New Shares will be substituted for the Takeover Shares in the Underlying Basket, provided that the New Shares are substantially similar in yield, volatility and liquidity to the Takeover Shares. To the

extent that the New Shares are not substantially similar in yield, volatility and liquidity to the Takeover Shares, then the Option Transaction will be adjusted in accordance with the provisions of subparagraph (d) above.

8. ADDITIONAL REPRESENTATIONS

Each party represents (which representation will be deemed to be repeated by that party on each date that a Transaction is entered into) to the other party that:

- (a) it is entering into such Transaction as principal and not as agent of any person; and
- (b) it has sufficient knowledge and experience as to be able to evaluate the merits and risks of entering into each Transaction, is acting in reliance upon its own judgment or upon professional advice obtained independently of the other party as to those merits and risks (including, where relevant, its judgment of the correct tax and accounting treatment of

each Transaction) and is not relying upon the views or advice of the other party.

(c) At the time of each delivery of Underlying Shares or Underlying Basket made under this Agreement, the party required to deliver those Underlying Shares or Underlying Basket will be deemed to represent to the other party that (i) it is the legal and beneficial owner of those Underlying Shares or Selected Securities comprising such Underlying Basket free from all liens, charges, equities, rights of pre-emption or other security interests or encumbrances whatsoever and (ii) it has the right to transfer those Underlying Shares or Selected Securities comprising such Underlying Basket on the terms of this Agreement.

9. ADDITIONAL EVENT OF DEFAULT

In addition to the Events of Default set forth in Section 5 of the Agreement, the occurrence at any time with respect to a party of the following event shall constitute an Event of Default: failure by the party to deliver or accept delivery of, when due, any Underlying Shares or Underlying Basket (or any part thereof) which it is required to deliver or accept delivery of under this Agreement if such failure is not remedied on or before the next Exchange Business Day after notice of such failure to deliver or accept delivery is given to the party.

10. DEFINITIONS

Notwithstanding anything contained in the Definitions or Section 14 of the Agreement, the following terms shall have the meanings specified below with respect to all equity-related Transactions:

"American Option" means an Option Transaction specified as such in the relevant Confirmation.

"Automatic Exercise" has the meaning set forth in the relevant Confirmation.

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"Basket Option" means an Option relating to an Underlying Basket of Selected Securities, one Basket Option representing the aggregate of the Underlying Basket (the relevant number of Selected Securities being specified in the relevant Confirmation as Component Shares).

"Buyer" means the party buying or holding the Option Transaction.

"Call Option" means an Option specified as such in the relevant Confirmation.

"Cash Settlement" means, in relation to an Option, that the Option will be settled by payment of the Cash Settlement Amount (if any), in accordance with the provisions of clause 2.

"Cash Settlement Amount" means, the Settlement Currency Equivalent of the amount determined by the Calculation Agent equal to the product of (a) the number of Options exercised and (b) the Strike Price Differential or the Strike Level Differential, as the case may be.

"Cash Settlement Payment Date" means the day specified as such in the relevant Confirmation or, if none is specified, the fifth Exchange Business Day (which also must be a Currency Business Day or, if not, the first following Currency Business Day) after the relevant Valuation Date.

"Component Shares" means the number of shares of Selected Securities comprising an Underlying Basket.

"Confirmation" means a letter agreement or telex relating to a Transaction in such form as the parties may agree, issued by LBF to the other party confirming the terms and conditions of the Transaction.

"Conversion Rate" means the rate of exchange determined in accordance with the relevant Confirmation.

"Currency Business Day" means, unless otherwise specified in the relevant Confirmation, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the principal financial center(s) specified in the relevant Confirmation or, if none is specified, in the principal financial center(s) for the currency in which such payment is required to be made under this Agreement.

"European Option" means an Option Transaction specified as such in the

relevant Confirmation.

"Exchange Business Day" means, unless otherwise specified in the relevant Confirmation, a day that is (or but for the occurrence of a Market Disruption Event would have been) a trading day on the relevant Market Disruption Exchange(s) other than a day on which trading on any Market Disruption Exchange is scheduled to close prior to its regular weekday closing time.

"Exercise Date" means the Seller Business Day during the Exercise Period on which the Option is exercised or deemed to be exercised pursuant to clause 1.

"Exercise Period" means, in relation to a European Option, the Expiration Date and, in relation to an American Option, any Seller Business Day from, and including, the Trade Date to, and including, the Expiration Date.

"Expiration Date" means the date specified in the relevant Confirmation or, if that date is not both a Seller Business Day and an Exchange Business Day, the next following day that is both a Seller Business Day and an Exchange Business Day.

"Index Option" means an Option relating to the Underlying Index specified in the relevant Confirmation.

"Index Value" means at any time of any day, the level of the Underlying Index at that time on that day as determined by the Calculation Agent in accordance with the provisions of this Agreement.

"Integral Multiple" means the number (if any) specified in the relevant Confirmation.

"Market Disruption Event" means:

- (a) with respect to any equity-related Transaction, except for an Option to which Physical Settlement applies, the suspension of, or material limitation (as determined by the Calculation Agent) imposed on, trading on any Market Disruption Exchange during the Market Disruption Period, in:
 - (i) in the case of an Index-related Transaction, (1) equity securities included in the Underlying Index the value of which comprises 20 percent or more of the value of the equity securities comprising the Underlying Index (determined immediately before the suspension or material limitation) or (2) any futures or options contract on the Underlying Index; or
 - (ii) in the case of a Transaction based upon Selected Securities, (1) any of the Selected Securities or (2) any options contract on any of the Selected Securities or (3) any futures or options contract on the Related Index; or
 - (iii) in the case of a Transaction based upon Underlying Shares, (1) the Underlying Shares or (2) any options contract on the Underlying Shares, and
- (b) with respect to an Option Transaction to which Physical Settlement applies, the existence or occurrence on the Exercise Date as determined by the party due to deliver the Underlying Shares or Underlying Basket, such existence or occurrence to be confirmed by the Calculation Agent, of the suspension of or material limitation imposed on trading in (i) in the case of a Share Option, the Underlying Shares or (ii) in the case of a Basket Option, any of the Selected Securities.

For the purpose of determining whether a Market Disruption Event exists at any time, with respect to an Index-related Transaction, if trading in a security included in the Underlying Index is suspended or materially limited at that time, then the relevant percentage contribution of that security to the level of the Underlying Index shall be based on a comparison of (i) the portion of the level of the Underlying Index attributable to that security relative to (ii) the overall level of the Underlying Index, in each case immediately before that suspension or material limitation. The Calculation Agent shall as soon as practicable (and in no event later than the next Exchange

Business Day) notify the parties of the existence or occurrence of a Market Disruption Event on any day that but for the occurrence or existence of a Market Disruption Event would have been a Valuation Date.

"Market Disruption Exchange(s)" means the stock exchange(s) and/or options exchange(s) and/or futures exchange(s) specified in the relevant Confirmation.

"Market Disruption Period" means the period specified in the relevant Confirmation ending at the Valuation Time during which there occurs or exists any of the Market Disruption Events specified in the relevant Confirmation.

"Market Value" as of any date, means a price determined by the Calculation Agent as follows: (i) if the Underlying Shares or Selected Securities are quoted on a Quotation Exchange, the price per share of such Underlying Shares or Selected Securities (having regard to the number of shares of each equity security being valued for purposes of this Agreement) quoted by the Quotation Exchange as of the Valuation Time on such date and (ii) if the Underlying Shares or Selected Securities are not so quoted as of the Valuation Time on such date, the price per share estimated in good faith by the Calculation Agent that could be obtained for such Underlying Shares or Selected Securities (having regard to the number of shares of each equity security being valued for purposes of this Agreement); and any reference in this Agreement to Market Value will, in the case of an Underlying Basket, be a reference to the sum of the Market Values for the Component Shares of each of the Selected Securities comprising the Underlying Basket.

"Maximum Number of Options" means the number specified in the relevant Confirmation.

"Minimum Number of Options" means the number specified in the relevant Confirmation.

"Multiple Exercise" has the meaning set out in clause 1(2).

"Notice of Exercise and Written Confirmation" has the meaning set forth in the relevant Confirmation.

"Option" means one unit of exercise of an Option Transaction.

"Option Transaction" means any one or more over-the-counter equity option transactions.

"Physical Settlement" means the Option will be settled by delivery of the Underlying Shares or Underlying Basket, in accordance with the provisions of clause 2.

"Physical Settlement Delivery Date" means, subject to clause 2, the day specified in the relevant Confirmation or, if none is specified, the fifth Exchange Business Day (which also must be a Currency Business Day or, if not, the first following Currency Business Day) after the relevant Valuation Date.

"Physical Settlement Purchase Amount" means the Settlement Currency Equivalent of the amount equal to the Strike Price multiplied by the product of the number of Options exercised and the Share Entitlement per Option (as defined in the relevant Confirmation), provided that if on the relevant Exercise Date (a) the Underlying Shares or Selected Securities are quoted cum-dividend but the party delivering the Underlying Shares or Selected Securities receives the relevant dividend or (b) the Underlying Shares or Selected Securities are quoted ex-dividend but the party accepting delivery of the Underlying Shares or Selected Securities receives the relevant dividend, then in either case the party which receives the dividend shall within two Currency Business Days of receiving the dividend account to the other party for the dividend amount received by paying such dividend amount (net of any withholding tax, stamp tax, or any other tax, duties, fees or commissions payable in respect of such dividend amount), to the account specified for payment by the other party in the relevant Confirmation.

"Premium Payment Date(s)" means the date or dates specified in the relevant Confirmation, provided that if any such date is not a Currency Business Day it will be the Currency Business Day next following such date.

"Put Option" means an Option specified as such in the relevant Confirmation.

"Quotation Exchange" means the stock exchange or recognized securities

market specified in the relevant Confirmation or, if none is specified, the stock exchange or recognized securities market on which the relevant equity security is principally traded.

"Related Index" means the index specified in the relevant Confirmation.

"Selected Securities" means the securities comprising an Underlying Basket.

"Seller" means the party selling or writing an Option Transaction.

"Seller Business Day" means, unless otherwise specified in the relevant Confirmation, any day on which the Seller is open for equities business.

"Settlement Currency" means the currency (if any) specified in the relevant Confirmation.

"Settlement Currency Equivalent" means, in respect of any amount denominated in the Settlement Currency, such amount and, in respect of any amount denominated in any other currency, the amount in the Settlement Currency determined by the Calculation Agent by converting the other currency amount into the Settlement Currency at the Conversion Rate.

"Share Entitlement per Option" means the number of equity shares allocated to each Option, as specified in the relevant Confirmation.

"Share Option" means an Option relating to the Underlying Shares specified in the relevant Confirmation.

"Strike Level" means, in relation to an Index Option, the level of the Underlying Index specified in the relevant Confirmation.

"Strike Level Differential" means, in the case of an Index Option, a number determined by the Calculation Agent equal to the greater of:

(i) the excess at the Valuation Time on the relevant Valuation Date of (a) in the case of a Put Option, the Strike Level over the Index Value or (b) in the case of a Call Option, the Index Value over the Strike Level and, in each case, multiplied by one unit of the Underlying Currency; and

(ii) zero.

"Strike Price" means, in relation to a Basket Option or a Share Option, the price per Option specified in the relevant Confirmation.

"Strike Price Differential" means, in the case of a Basket Option or a Share Option, a price determined by the Calculation Agent equal to the greater of:

(i) the excess at the Valuation Time on the relevant Valuation Date of (a) in the case of a Put Option, the Strike Price over the Market Value or (b) in the case of a Call Option, the Market Value over the Strike Price and, in each case, multiplied by the Share Entitlement per Option; and

(ii) zero.

"Takeover Offer" means any acquisition or offer as a result of which any person (including any Government or any agency, authority or other entity controlled by any Government) acquires or offers to acquire, whether by a series of transactions over a period of time or not, shares of the class of shares comprising the Underlying Shares or Selected Securities or interests in such shares and which (either alone or taken together with shares or interests in shares held or acquired by persons acting in concert with such person) amount to 50 per cent or more of the nominal value of the outstanding shares of that class.

"Trade Date" means the day specified as such in the relevant Confirmation.

"Underlying Currency" means the currency specified in the relevant Confirmation or, if none is specified, the currency (i) in the case of an Index Option or Basket Option, in which the underlying equity share values comprising the relevant index or basket are normally expressed or to which they are converted for the purposes of compiling the index

or valuing the basket or (ii) in the case of a Share Option, in which the relevant share is normally quoted on the principal market on which it is traded.

"Underlying Basket" means the aggregate Component Shares of Selected Securities specified as such in the relevant Confirmation.

"Underlying Index" means the index of equity shares specified as such in the relevant Confirmation.

"Underlying Shares" means the equity shares specified as such in the relevant Confirmation.

"Valuation Date" means the day specified as such in the relevant Confirmation.

"Valuation Time" means the time on the Valuation Date, as specified in the relevant Confirmation.

EXHIBIT 3.4.2
FORM OF CONFIRMATION

Intel Corporation
2200 Mission College Blvd.
Mail Stop RN6-26
Santa Clara, CA 95052-8119
Attn: Eddie Lee
Telecopier No.: 408-765-1611
Telephone No.: 408-765-1235

Master No.: INTL0126
LBF Reference No.: [omitted]

Gentlemen:

The purpose of this letter agreement (this "Confirmation") is to confirm the terms and conditions of the Transaction entered into between us on the Trade Date specified below (the "Option Transaction"). This letter agreement constitutes a "Confirmation" as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 1991 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. (formerly known as the International Swap Dealers Association, Inc.) ("ISDA"), are incorporated into this Confirmation. In the event of any inconsistency between those definitions and provisions and this Confirmation, this Confirmation will govern.

1. This Confirmation supplements, forms part of, and is subject to, the ISDA Master Agreement dated as of March 1, 1995 (the "Agreement"), between Lehman Brothers Finance S.A. ("LBF") and Intel Corporation ("Counterparty"). All provisions contained in the Agreement govern this Confirmation except as expressly modified below. In addition, this Confirmation shall itself evidence a complete and binding agreement between you and us as to the terms and conditions of the Option Transaction to which this Confirmation relates.

2. The terms of the Option Transaction to which this Confirmation relates are as follows:

<TABLE>

<S>	<C>
GENERAL TERMS:	
Agent:	Lehman Brothers Inc. is confirming as agent for both Buyer and Seller
Trade Date:	_____
Option Style:	European Option
Option Type:	[Put/Call] Option
Seller:	LBF
Buyer:	Counterparty
Underlying Shares:	VLSI Technology, Inc.
Underlying Currency:	USD
Quotation Exchange:	The Ndaq NMS
Number of Options:	_____
Share Entitlement per Option:	1 Underlying Share

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Strike Price:	USD _____
Premium:	USD _____
Premium Payment Date:	_____

Exchange Business Day:	A day that is (or, but for the occurrence of a Market Disruption Event, would have been) a trading day on the relevant Market Disruption Exchange(s) other than a day
on	which trading on any Market Disruption Exchange(s) is scheduled to close prior to its regular weekday closing time.
Seller Business Day:	Any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in New York and Geneva.
Currency Business Day:	Any day on which commercial banks are open for business (including dealings in foreign exchange and
foreign	currency deposits) in the principal financial center(s)
for the	Settlement Currency.
Calculation Agent:	Lehman Brothers Inc., whose determinations and calculations shall be binding in the absence of manifest error.
EXERCISE:	
Exercise Period:	The Expiration Date
Expiration Date:	_____
Exercise Date:	The Seller Business Day during the Exercise Period on which that Option is or is deemed to be exercised.
Automatic Exercise:	If, at the Valuation Time on the Expiration Date, the Option is in-the-money, then the Option shall be deemed automatically exercised unless the Buyer notifies the Seller to the contrary.
Multiple Exercise:	Inapplicable
Seller's telephone or facsimile number and contact details for purposes of giving notice:	[omitted]
VALUATION:	
Valuation Time:	At 4:00 p.m. (local time in New York)
</TABLE>	
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Valuation Date:	The Exercise Date, provided that such day is also an Exchange Business Day; otherwise, the Valuation Date
shall	be the first following day that is an Exchange Business Day. If there is a Market Disruption Event on that day, then the Valuation Date will be postponed to the first succeeding Exchange Business Day on which there is no Market Disruption Event. If there is a Market Disruption Event on each of the five Exchange Business Days immediately following the original Valuation Date, then the fifth Exchange Business Day will be the Valuation Date, notwithstanding the Market Disruption Event. In that case the Calculation Agent will use its estimate in good faith of the market value on that day of the Underlying Shares.
Market	Disruption Event: The occurrence or existence during the Market Disruption Period that ends at the close of the
Market	Disruption Exchange(s) on the Valuation Date of any of
the	following events, in the determination of the Calculation Agent:
trading in	The suspension of or material limitation imposed on
the	(1) the Underlying Shares or (2) any options contracts on Underlying Shares.
Market Disruption Period:	One-half hour

Market Disruption Exchange(s) :

The Quotation Exchange

SETTLEMENT:

Method of Settlement:

Cash Settlement

Settlement Currency:

The Underlying Currency

Cash Settlement:

Seller shall pay to Buyer the Cash Settlement Amount, if any, on the Cash Settlement Payment Date for all Options exercised or deemed exercised.

Cash Settlement Amount:

An amount, as calculated by the Calculation Agent, equal to the Number of Options multiplied by the Strike Price Differential multiplied by the Share Entitlement per

Strike Price Differential:

An amount equal to the greater of (i) the excess of the Strike Price over the price of the Underlying Shares, as quoted by the Quotation Exchange, at the Valuation Time the Valuation Date, and (ii) zero.

Cash Settlement Payment Date:

Five (5) Exchange Business Days (the last one of which must be a Currency Business Day, or if not, the next Currency Business Day) after the Valuation Date.

</TABLE>

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OTHER PROVISIONS:

Counterparty Representation:

Counterparty represents that (i) it is not entering into the Option Transaction on behalf of or for the accounts of any other person or entity, and will not transfer or assign its obligations under the Option Transaction or any portion of such obligations to any other person or entity except in compliance with applicable laws and the terms of the Option Transaction; (ii) it is authorized to enter into the Option Transaction and such action does not violate any laws of its jurisdiction of organization or residence or the terms of any agreement to which it is a party; and (iii) it has reached its own conclusions about the Option Transaction, and any legal, regulatory, tax, accounting or economic consequences arising from the Option Transaction, and has concluded that the Option Transaction is suitable in light of its own investment objectives, financial capabilities and expertise.

Settlement Provision:

a) Seller's obligations to Buyer under this Option Transaction, if any, shall not accrue until Buyer has paid the Premium in full.

b) All payments under this Option Transaction will be made without any deduction or withholding for or on account of any withholding tax, stamp tax, or any other tax, duties, fees or commissions required by any applicable law.

Offices:

Inapplicable.

Governing Law:

New York.

part,	Transfer:	Neither party may transfer any Option, in whole or in
		without the prior written consent of the non-transferring
		party, which consent shall not be unreasonably withheld.
as	Guarantee:	Lehman Brothers Holdings Inc. shall unconditionally
		guarantee to Counterparty the due and punctual payment of
		all amounts payable by LBF under this Option Transaction
		such payments become due and payable.
as	Collateralized Transaction:	This Option Transaction shall be a "Collateralized
		Transaction" for purposes of the Pledge Agreement dated
		of April 11, 1994, between LBF and Counterparty.
that	Takeover Offer:	For purposes of this Option Transaction, the term
of		"Takeover Offer" shall have the meaning given thereto in
more".		Annex I to the Schedule to the Master Agreement, except
		the words "50 percent or more" in the second to last line
		such definition shall be replaced with "100 percent or

ACCOUNT DETAILS:

[omitted]

LBF's payment instructions:

Counterparty's payment instructions:

[omitted]

</TABLE>

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Please confirm that the foregoing correctly sets forth the terms of our agreement by executing the copy of this Confirmation enclosed for that purpose and returning it to us or by sending to us a letter substantially similar to this letter, which letter sets forth the material terms of the Option Transaction to which this Confirmation relates and indicates your agreement to those terms.

Yours sincerely,

LEHMAN BROTHERS FINANCE S.A.

By: _____

Name:

Title:

By: _____

Name:

Title:

Confirmed as of the date
first above written:

INTEL CORPORATION

By: _____

Name:

Title:

Execution time will be furnished upon Counterparty's written request.