

SECURITIES AND EXCHANGE COMMISSION  
 WASHINGTON, D.C. 20549

FORM S-8

REGISTRATION STATEMENT  
 UNDER  
 THE SECURITIES ACT OF 1933

ADVANCED MICRO DEVICES, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

94-1692300

(STATE OR OTHER JURISDICTION  
 OF INCORPORATION OR ORGANIZATION)

(I.R.S. EMPLOYER IDENTIFICATION NO.)

ONE AMD PLACE, SUNNYVALE, CALIFORNIA

94088-3453

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(ZIP CODE)

1995 STOCK PLAN OF NEXGEN, INC., AS AMENDED

ADVANCED MICRO DEVICES, INC. 1991 EMPLOYEE STOCK PURCHASE PLAN

(FULL TITLE OF THE PLANS)

THOMAS M.MCCOY  
 VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY  
 ADVANCED MICRO DEVICES, INC., ONE AMD PLACE,  
 SUNNYVALE, CALIFORNIA 94088-3453

(NAME AND ADDRESS OF AGENT FOR SERVICE)

(408) 732-2400

(TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

<TABLE>  
 <CAPTION>

CALCULATION OF REGISTRATION FEE

<S>	<C>	<C>	<C>	<C>
Title of Securities of to be Registered Registration Fee	Amount to be Registered	Proposed Maximum Offering Price per Share	Proposed Maximum Aggregate Offering Price	Amount
Common Stock, \$.01 par value \$7,538	1,076,141 (1)	\$20.31 (2)	\$21,859,114	
Common Stock, \$.01 par value \$7,705	1,100,000	\$20.31 (2)	\$22,343,750	

</TABLE>

- (1) Represents the aggregate number of shares of the Registrant's common stock issuable under the referenced plan which the Registrant has assumed in connection with the merger of NexGen, Inc. with and into the Registrant.
- (2) Estimated solely for the purpose of determining the registration fee, computed in accordance with Rule 457(h) and Rule 457(c) on the basis of the average of the reported high and low prices for the Common Stock on the New York Stock Exchange on February 8, 1996.

PART I  
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

ITEM 1. PLAN INFORMATION.\*

ITEM 2. REGISTRANT INFORMATION AND EMPLOYEE PLAN ANNUAL INFORMATION.\*

\* Information required by Part I to be contained in the Section 10(a) prospectus with respect to each plan for which this Registration Statement is filed is omitted from this Registration Statement in accordance with Rule 428 under the Securities Act of 1933 and the note to Part I of Form S-8.

PART II

ITEM 3. INCORPORATION OF DOCUMENTS BY REFERENCE

The following documents filed by the Registrant with the Securities and Exchange Commission are incorporated by reference in this Registration Statement:

a. Annual Report on Form 10-K for the fiscal year ended December 25, 1994, and Amendment No. 1 thereto on Form 10-K/A dated August 7, 1995, filed pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act");

b. Quarterly Reports on Form 10-Q for the quarters ended April 2, 1995, July 2, 1995 and October 1, 1995, and Current Reports on Form 8-K dated December 30, 1994, February 10, 1995, March 13, 1995, April 17, 1995, September 25, 1995, November 6, 1995, December 18, 1995, January 5, 1996, January 10, 1996, January 12, 1996 and January 17, 1996.

c. The description of the Registrant's Common Stock contained in the Registration Statement on Form 8-A filed September 14, 1979, under Section 12 of the Exchange Act, including any amendment or report filed for the purpose of updating such description.

All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold, or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement, and to be a part hereof from the date of filing of such documents.

ITEM 4. DESCRIPTION OF SECURITIES

Not applicable.

ITEM 5. INTEREST OF NAMED EXPERTS AND COUNSEL

Not applicable.

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ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Delaware General Corporation Law provides for the indemnification of officers and directors under certain conditions. The Bylaws of the Registrant permit indemnification to the maximum extent permitted by Delaware law. In addition, the Registrant is bound by agreements with certain of its directors and officers which obligate it to indemnify such persons in various circumstances. The Registrant has in effect a director and officer liability insurance policy indemnifying the Registrant and the officers and directors of the Registrant and officers and directors of the Registrant's subsidiaries within a specific limit for certain liabilities incurred by them, including liabilities under the Securities Act of 1933. The Registrant pays the entire premium of this policy. The Registrant's Certificate of Incorporation contains a provision which eliminates the personal liability of directors of the Registrant for monetary damages for certain breaches of fiduciary duty, as permitted by Section 102(b)(7) of the Delaware General Corporation Law.

ITEM 7. EXEMPTION FROM REGISTRATION CLAIMED

Not applicable.

ITEM 8. EXHIBITS

See Index to Exhibits.

ITEM 9. UNDERTAKINGS

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a

post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

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Provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

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Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Sunnyvale, California, on this 13th day of February, 1996.

ADVANCED MICRO DEVICES, INC.

By /s/ MARVIN D. BURKETT

-----

Marvin D. Burkett  
Senior Vice President  
Chief Financial and Administrative  
Officer and Treasurer

Power of Attorney

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KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints W.J. Sanders III and Marvin D. Burkett, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<TABLE>  
<CAPTION>

Signature -----	Title -----	Date ----
<S>	<C>	<C>
/s/ W.J. SANDERS III ----- W.J. Sanders III	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	February 14, 1996

</TABLE>

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<TABLE>  
<CAPTION>

Signature -----	Title -----	Date ----
<S>	<C>	<C>
- ----- Anthony B. Holbrook	Vice Chairman of the Board	February __, 1996
/s/ RICHARD PREVITE ----- Richard Previte	Director, President and Chief Operating Officer	February 13, 1996
/s/ S. ATIQ RAZA ----- S. Atiq Raza	Director, Vice President and Chief Technical Officer	February 13, 1996

- ----- Friedrich Baur	Director	February __, 1996
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/s/ CHARLES M. BLALACK ----- Charles M. Blalack	Director	February 13, 1996
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/s/ R. GENE BROWN ----- R. Gene Brown	Director	February 13, 1996
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- ----- Joe L. Roby	Director	February __, 1996
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/s/ LEONARD SILVERMAN ----- Leonard Silverman	Director	February 13, 1996
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/s/ MARVIN D. BURKETT ----- Marvin D. Burkett	Senior Vice President, Chief Financial and Administrative Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)	February 13, 1996
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## EXHIBIT INDEX

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<CAPTION>

Exhibit No.	Exhibit Name
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<C>	<S>
5	Opinion of Counsel; Bronson, Bronson & McKinnon
23.1	Consent of Ernst & Young LLP, Independent Auditors
23.2	Consent of Counsel (See Exhibit 5)
24	Power of Attorney (see signature pages)
99.1	1995 Stock Plan of NexGen, Inc., as amended
99.2	Advanced Micro Devices, Inc. 1991 Employee Stock Purchase Plan

</TABLE>

[BRONSON, BRONSON & MCKINNON]

February 14, 1996

Board of Directors  
Advanced Micro Devices, Inc.  
One AMD Place  
Sunnyvale, California 94088

Re: Advanced Micro Devices, Inc. 1991 Employee Stock Purchase Plan, 1995  
Stock Plan of NexGen, Inc., as amended  
-----

Gentlemen:

We refer to the Registration Statement on Form S-8 to be filed by Advanced Micro Devices, Inc. (the "Company") with the Securities and Exchange Commission under the Securities Act of 1933, as amended, relating to 1,100,000 shares of the Company's common stock, \$.01 par value ("Common Stock"), issuable under the Company's 1991 Employee Stock Purchase Plan (the "AMD ESPP"), and 1,076,141 shares of Common Stock issuable under the 1995 Stock Plan of NexGen, Inc., as amended (the "NexGen Plan"), which the Company assumed in connection with the merger of NexGen, Inc. with and into the Company. As counsel to the Company, we have examined such questions of law and such corporate records and other documents as we have considered necessary or appropriate for the purposes of this opinion. On the basis of the foregoing, we advise you that in our opinion the shares of Common Stock issuable under the AMD ESPP and the NexGen Plan have been duly and validly authorized and, when issued and sold in the manner contemplated by the respective plan, will be validly issued, fully paid, and nonassessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ Bronson, Bronson & McKinnon

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement on Form S-8 of Advanced Micro Devices, Inc. pertaining to its 1991 Employee Stock Purchase Plan and the 1995 Stock Plan of NexGen, Inc., as amended, of our report dated January 5, 1995, except for the first paragraph of Note 14, as to which the date is January 11, 1995; the fourth paragraph of Note 5, as to which the date is February 10, 1995; and the fourth paragraph of Note 6, as to which the date is February 16, 1995, with respect to the consolidated financial statements of Advanced Micro Devices, Inc. incorporated by reference in its Annual Report (Form 10-K) for the year ended December 25, 1994, and the related financial statement schedule included therein, filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

San Jose, California  
February 14, 1996

EXHIBIT 99.1

1995 STOCK PLAN OF NEXGEN, INC.

(As Amended Effective February 7, 1996)

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1995 STOCK PLAN OF NEXGEN, INC.  
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SECTION 1. ESTABLISHMENT AND PURPOSE.  
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The Plan was adopted on March 12, 1995, amended on May 10, 1995, December 8, 1995, and February 7, 1996. Its purpose is to offer selected employees, consultants and promotional representatives an opportunity to acquire a proprietary interest in the success of the Company, or to increase such interest, by purchasing Shares of the Company's Common Stock. The Plan provides both for the direct award or sale of Shares and for the grant of Options to purchase Shares. Options granted under the Plan may include Nonstatutory Options as well as ISOs intended to qualify under section 422 of the Code.

The Plan is intended to comply in all respects with Rule 16b-3 (or its successor) under the Exchange Act and shall be construed accordingly.

SECTION 2. DEFINITIONS.  
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(a) "Board of Directors" shall mean the Board of Directors of the Company,  
-----  
as constituted from time to time.

(b) "Change in Control" shall mean the occurrence of either of the  
-----  
following events:

(i) A change in the composition of the Board of Directors, as a result of which fewer than one-half of the incumbent directors are directors who either:

(A) Had been directors of the Company 24 months prior to such change; or

(B) Were elected, or nominated for election, to the Board of Directors with the affirmative votes of at least a majority of the directors who had been directors of the Company 24 months prior to such change and who were still in office at the time of the election or nomination; or

(ii) Any "person" (as such term is used in sections 13(d) and 14(d) of the Exchange Act) by the acquisition or aggregation of securities is or becomes the beneficial owner, directly or indirectly, of securities of the Company representing 50 percent or more of the combined voting power of the Company's then outstanding securities ordinarily (and apart from rights accruing under special circumstances) having the right to vote at elections of directors (the "Base Capital Stock"); except that any change in the relative beneficial ownership of the Company's securities by any person resulting solely from a reduction in the aggregate number of outstanding shares of Base Capital Stock, and

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any decrease thereafter in such person's ownership of securities, shall be disregarded until such person increases in any manner, directly or indirectly, such person's beneficial ownership of any securities of the Company. For purposes of this Paragraph (ii), the term "person" shall not include an employee benefit plan maintained by the Company.

(c) "Code" shall mean the Internal Revenue Code of 1986, as amended.  
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(d) "Committee" shall mean a committee of the Board of Directors, as  
-----  
described in Section 3(a).

(e) "Company" shall mean NexGen, Inc., a Delaware corporation, its parent  
-----  
corporation, or its successor.

(f) "Employee" shall mean:  
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(i) Any individual who is a common-law employee of the Company or of a Subsidiary;

(ii) An Outside Director; and

(iii) An independent contractor who performs services for the Company or a Subsidiary and who is not a member of the Board of Directors.

Service as an Outside Director or independent contractor shall be considered employment for all purposes of the Plan, except as provided in Section 4(a).

(g) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

(h) "Exercise Price" shall mean the amount for which one Share may be purchased upon exercise of an Option, as specified by the Committee in the applicable Stock Option Agreement.

(i) "Fair Market Value" shall mean the market price of Stock, determined by the Committee as follows:

(i) If Stock was traded over-the-counter on the date in question but was not traded on the Nasdaq system or the Nasdaq National Market System, then the Fair Market Value shall be equal to the mean between the last reported representative bid and asked prices quoted for such date by the principal automated inter-dealer quotation system on which Stock is quoted or, if Stock is not quoted on any such system, by the "Pink Sheets" published by the National Quotation Bureau, Inc.;

(ii) If Stock was traded over-the-counter on the date in question and was traded on the Nasdaq system or the Nasdaq National Market System, then the Fair Market Value

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shall be equal to the last-transaction price quoted for such date by the Nasdaq system or the Nasdaq National Market System;

(iii) If Stock was traded on a stock exchange on the date in question, then the Fair Market Value shall be equal to the closing price reported by the applicable composite-transactions report for such date; and

(iv) If none of the foregoing provisions is applicable, then the Fair Market Value shall be determined by the Committee in good faith on such basis as it deems appropriate.

In all cases, the determination of Fair Market Value by the Committee shall be conclusive and binding on all persons.

(j) "IPO" means the initial offering of Stock to the public pursuant to a registration statement filed with the Securities and Exchange Commission on Form S-1.

(k) "ISO" shall mean an employee incentive stock option described in section 422(b) of the Code.

(l) "Nonstatutory Option" shall mean a stock option not described in sections 422(b) or 423(b) of the Code.

(m) "Offeree" shall mean an individual to whom the Committee has offered the right to acquire Shares under the Plan (other than upon exercise of an Option).

(n) "Option" shall mean an ISO or Nonstatutory Option granted under the Plan and entitling the holder to purchase Shares.

(o) "Optionee" shall mean an individual who holds an Option.

(p) "Outside Director" shall mean a member of the Board of Directors who is not a common-law employee of the Company or of a Subsidiary.

(q) "Plan" shall mean this 1995 Stock Plan of NexGen, Inc., as it may be amended from time to time.

(r) "Purchase Price" shall mean the consideration for which one Share may

be acquired under the Plan (other than upon exercise of an Option), as specified by the Committee.

(s) "Service" shall mean service as an Employee.  
-----

(t) "Share" shall mean one share of Stock, as adjusted in accordance with  
-----  
Section 9 (if applicable).

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(u) "Stock" shall mean the Common Stock of the Company.  
-----

(v) "Stock Option Agreement" shall mean the agreement between the Company  
-----  
and an Optionee which contains the terms, conditions and restrictions pertaining to his or her Option.

(w) "Stock Purchase Agreement" shall mean the agreement between the  
-----  
Company and an Offeree who acquires Shares under the Plan which contains the terms, conditions and restrictions pertaining to the acquisition of such Shares.

(x) "Subsidiary" shall mean any corporation, if the Company and/or one or  
-----  
more other Subsidiaries own not less than 50 percent of the total combined voting power of all classes of outstanding stock of such corporation. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(y) "Total and Permanent Disability" shall mean that the Optionee is  
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unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted, or can be expected to last, for a continuous period of not less than one year.

(z) "Vesting Start Date," in the case of an Outside Director, shall mean  
-----  
the latest of:

(i) The date of the IPO;

(ii) The earliest date when the Outside Director no longer holds unexercisable options to purchase more than 10,000 Shares that were granted to him or her by the Company prior to the IPO; or

(iii) The date when the Outside Director first joins the Board of Directors.

### SECTION 3. ADMINISTRATION.

-----  
(a) Committee Membership. The Plan shall be administered by the  
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Committee. The Committee shall consist of two or more members of the Board of Directors who meet the requirements established from time to time by:

(i) The Securities and Exchange Commission for plans intended to qualify for exemptions under Rule 16b-3 (or its successor) under the Exchange Act; and

(ii) The Internal Revenue Service for plans intended to qualify for an exemption under section 162(m) (4) (C) of the Code.

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An Outside Director shall not fail to meet such requirements solely because he or she receives the Nonstatutory Options described in Section 4(b). The Board of Directors may appoint a separate committee, consisting of one or more members of the Board of Directors who need not meet such requirements. Such committee may administer the Plan with respect to Employees who are not officers or directors of the Company, may grant Shares and Options under the Plan to such Employees and may determine the timing, number of Shares and other terms of such grants.

(b) Committee Procedures. The Board of Directors shall designate one of  
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the members of the Committee as chairman. The Committee may hold meetings at such times and places as it shall determine. The acts of a majority of the Committee members present at meetings at which a quorum exists, or acts reduced to or approved in writing by all Committee members, shall be valid acts of the Committee.

(c) Committee Responsibilities. Subject to the provisions of the Plan,

the Committee shall have full authority and discretion to take the following actions:

(i) To interpret the Plan and to apply its provisions;

(ii) To adopt, amend or rescind rules, procedures and forms relating to the Plan;

(iii) To authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan;

(iv) To determine when Shares are to be awarded or offered for sale and when Options are to be granted under the Plan;

(v) To select the Offerees and Optionees;

(vi) To determine the number of Shares to be offered to each Offeree or to be made subject to each Option;

(vii) To prescribe the terms and conditions of each award or sale of Shares, including (without limitation) the Purchase Price, and to specify the provisions of the Stock Purchase Agreement relating to such award or sale;

(viii) To prescribe the terms and conditions of each Option, including (without limitation) the Exercise Price, to determine whether such Option is to be classified as an ISO or as a Nonstatutory Option, and to specify the provisions of the Stock Option Agreement relating to such Option;

(ix) To amend any outstanding Stock Purchase Agreement or Stock Option Agreement, subject to applicable legal

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restrictions and to the consent of the Offeree or Optionee who entered into such agreement;

(x) To prescribe the consideration for the grant of each Option or other right under the Plan and to determine the sufficiency of such consideration; and

(xi) To take any other actions deemed necessary or advisable for the administration of the Plan.

All decisions, interpretations and other actions of the Committee shall be final and binding on all Offerees, all Optionees, and all persons deriving their rights from an Offeree or Optionee. No member of the Committee shall be liable for any action that he or she has taken or has failed to take in good faith with respect to the Plan, any Option, or any right to acquire Shares under the Plan.

#### SECTION 4. ELIGIBILITY.

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(a) General Rules. Only Employees (including, without limitation,

independent contractors who are not members of the Board of Directors) shall be eligible for designation as Optionees or Offerees by the Committee. In addition, only Employees who are common-law employees of the Company or a Subsidiary shall be eligible for the grant of ISOs. Employees who are Outside Directors shall only be eligible for the grant of the Nonstatutory Options described in Subsection (b) below.

(b) Outside Directors. Any other provision of the Plan notwithstanding,

Outside Directors shall not participate in the Plan after February 7, 1996, although Options granted to Outside Directors prior to such date shall continue to be governed by the Plan as in effect prior to February 7, 1996.

(c) Ten-Percent Stockholders. An Employee who owns more than 10 percent

of the total combined voting power of all classes of outstanding stock of the Company or any of its Subsidiaries shall not be eligible for the grant of an ISO unless:

(i) The Exercise Price is at least 110 percent of the Fair Market Value of a Share on the date of grant; and

(ii) Such ISO by its terms is not exercisable after the expiration of five years from the date of grant.

(d) Attribution Rules. For purposes of Subsection (c) above, in

-----  
determining stock ownership, an Employee shall be deemed to own the stock owned, directly or indirectly, by or for such Employee's brothers, sisters, spouse, ancestors and lineal descendants. Stock owned, directly or indirectly, by or for a corporation, partnership, estate or trust shall be deemed to be owned proportionately by or for its stockholders, partners or

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beneficiaries. Stock with respect to which such Employee holds an option shall not be counted.

(e) Outstanding Stock. For purposes of Subsection (c) above, "outstanding  
-----  
stock" shall include all stock actually issued and outstanding immediately after the grant. "Outstanding stock" shall not include shares authorized for issuance under outstanding options held by the Employee or by any other person.

SECTION 5. STOCK SUBJECT TO PLAN.  
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(a) Basic Limitation. Shares offered under the Plan shall be authorized  
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but unissued Shares or treasury Shares. The aggregate number of Shares which is issued under the Plan (upon exercise of Options or other rights to acquire Shares) shall not exceed 2,250,741 Shares; provided that the number of Shares which is issued under the Plan upon exercise of ISOs shall in no event exceed 1,200,000 Shares during the entire term of the Plan. All limitations under this Subsection (a) shall be subject to adjustment pursuant to Section 9. The number of Shares which are subject to Options or other rights outstanding at any time under the Plan shall not exceed the number of Shares which then remain available for issuance under the Plan. The Company, during the term of the Plan, shall at all times reserve and keep available sufficient Shares to satisfy the requirements of the Plan.

(b) Additional Shares. In the event that any outstanding option granted  
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under this Plan or the 1987 Employee Stock Plan of NexGen, Inc. (the "Prior Plan") for any reason expires or is cancelled or otherwise terminated, the Shares allocable to the unexercised portion of such option shall become available for the purposes of this Plan. In the event that Shares issued under this Plan or the Prior Plan are reacquired by the Company pursuant to a forfeiture provision, a right of repurchase or a right of first refusal, such Shares shall become available for the purposes of this Plan.

SECTION 6. TERMS AND CONDITIONS OF AWARDS OR SALES.  
-----

(a) Stock Purchase Agreement. Each award or sale of Shares under the Plan  
-----  
(other than upon exercise of an Option) shall be evidenced by a Stock Purchase Agreement between the Offeree and the Company. Such award or sale shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan and which the Committee deems appropriate for inclusion in a Stock Purchase Agreement. The provisions of the various Stock Purchase Agreements entered into under the Plan need not be identical.

(b) Duration of Offers and Nontransferability of Rights. Any right to  
-----  
acquire Shares under the Plan (other than an Option) shall automatically expire if not exercised by the Offeree within 30 days after the grant of such right was communicated to the

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Offeree by the Committee. Such right shall not be transferable and shall be exercisable only by the Offeree to whom such right was granted.

(c) Purchase Price. The Purchase Price of Shares to be offered under the  
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Plan shall not be less than the par value of such Shares. Subject to the preceding sentence, the Purchase Price shall be determined by the Committee at its sole discretion. The Purchase Price shall be payable in a form described in Section 8.

(d) Withholding Taxes. As a condition to the award, sale or vesting of  
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Shares, the Offeree shall make such arrangements as the Committee may require for the satisfaction of any federal, state, local or foreign withholding tax obligations that arise in connection with such Shares. The Committee may permit the Offeree to satisfy all or part of his or her tax obligations related to such Shares by having the Company withhold a portion of any Shares that otherwise would be issued to him or her or by surrendering any Shares that previously were acquired by him or her. The Shares withheld or surrendered shall be valued at

their Fair Market Value on the date when taxes otherwise would be withheld in cash. The payment of taxes by assigning Shares to the Company, if permitted by the Committee, shall be subject to such restrictions as the Committee may impose, including any restrictions required by rules of the Securities and Exchange Commission.

(e) Restrictions on Transfer of Shares. Any Shares awarded or sold under

the Plan shall be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Stock Purchase Agreement and shall apply in addition to any general restrictions that may apply to all holders of Shares.

SECTION 7. TERMS AND CONDITIONS OF OPTIONS.

(a) Stock Option Agreement. Each grant of an Option under the Plan shall

be evidenced by a Stock Option Agreement executed by the Optionee and the Company. Such Option shall be subject to all applicable terms and conditions of the Plan and may be subject to any other terms and conditions which are not inconsistent with the Plan and which the Committee deems appropriate for inclusion in a Stock Option Agreement. The provisions of the various Stock Option Agreements entered into under the Plan need not be identical.

(b) Number of Shares. Each Stock Option Agreement shall specify the

number of Shares that are subject to the Option and shall provide for the adjustment of such number in accordance

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with Section 9. Options granted to any Optionee in a single calendar year shall in no event cover more than 500,000 Shares, subject to adjustment in accordance with Section 9. The Stock Option Agreement shall also specify whether the Option is an ISO or a Nonstatutory Option.

(c) Exercise Price. Each Stock Option Agreement shall specify the

Exercise Price. The Exercise Price of an ISO shall not be less than 100 percent of the Fair Market Value of a Share on the date of grant, except as otherwise provided in Section 4(c). The Exercise Price of a Nonstatutory Option shall not be less than the par value of a Share. Subject to the preceding two sentences, the Exercise Price under any Option shall be determined by the Committee at its sole discretion. The Exercise Price shall be payable in a form described in Section 8.

(d) Withholding Taxes. As a condition to the exercise of an Option, the

Optionee shall make such arrangements as the Committee may require for the satisfaction of any federal, state, local or foreign withholding tax obligations that arise in connection with such exercise. The Optionee shall also make such arrangements as the Committee may require for the satisfaction of any federal, state, local or foreign withholding tax obligations that may arise in connection with the disposition of Shares acquired by exercising an Option. The Committee may permit the Optionee to satisfy all or part of his or her tax obligations related to the Option by having the Company withhold a portion of any Shares that otherwise would be issued to him or her or by surrendering any Shares that previously were acquired by him or her. Such Shares shall be valued at their Fair Market Value on the date when taxes otherwise would be withheld in cash. The payment of taxes by assigning Shares to the Company, if permitted by the Committee, shall be subject to such restrictions as the Committee may impose, including any restrictions required by rules of the Securities and Exchange Commission.

(e) Exercisability. Each Stock Option Agreement shall specify the date

when all or any installment of the Option is to become exercisable. The vesting of any Option shall be determined by the Committee at its sole discretion. Each Stock Option Agreement shall provide for immediate exercisability of the entire Option in the event of a Change in Control or in the event of the Optionee's death or Total and Permanent Disability. A Stock Option Agreement may also provide for accelerated exercisability in the event of the Optionee's retirement or upon other events.

(f) Term. Each Stock Option Agreement shall specify the term of the

Option. The term of an ISO shall not exceed 10 years from the date of grant, except as otherwise provided in Section 4(c). Subject to the preceding sentence, the Committee at its sole discretion shall determine when an Option is to expire. A Stock Option Agreement may provide that the Option will expire

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before the end of its normal term in the event that the Optionee's Service terminates.

(g) Nontransferability. During an Optionee's lifetime, such Optionee's

Option(s) shall be exercisable only by him or her and shall not be transferable. In the event of an Optionee's death, such Optionee's Option(s) shall not be transferable other than by will, by written beneficiary designation or by the laws of descent and distribution.

(h) No Rights as a Stockholder. An Optionee, or a transferee of an

Optionee, shall have no rights as a stockholder with respect to any Shares covered by his or her Option until the date of the issuance of a stock certificate for such Shares. No adjustments shall be made, except as provided in Section 9.

(i) Modification, Extension and Renewal of Options. Within the

limitations of the Plan, the Committee may modify, extend or renew outstanding Options or may accept the cancellation of outstanding Options (to the extent not previously exercised) in return for the grant of new Options at the same or a different price. The foregoing notwithstanding, no modification of an Option shall, without the consent of the Optionee, impair such Optionee's rights or increase his or her obligations under such Option.

(j) Restrictions on Transfer of Shares. Any Shares issued upon exercise

of an Option may be subject to such special forfeiture conditions, rights of repurchase, rights of first refusal and other transfer restrictions as the Committee may determine. Such restrictions shall be set forth in the applicable Stock Option Agreement and shall apply in addition to any general restrictions that may apply to all holders of Shares.

#### SECTION 8. PAYMENT FOR SHARES.

(a) General Rule. The entire Purchase Price or Exercise Price of Shares

issued under the Plan shall be payable in lawful money of the United States of America at the time when such Shares are purchased, except as follows:

(i) Stock Purchases. In the case of Shares sold under the terms of a

Stock Purchase Agreement subject to the Plan, payment shall be made only pursuant to the express provisions of such Stock Purchase Agreement. However, the Committee (at its sole discretion) may specify in the Stock Purchase Agreement that payment may be made in one or both of the forms described in Subsections (e) and (f) below.

(ii) ISOs. In the case of an ISO granted under the Plan, payment

shall be made only pursuant to the express provisions of the applicable Stock Option Agreement. However, the Committee (at its sole discretion) may specify in

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the Stock Option Agreement that payment may be made pursuant to Subsections (b), (c), (d) or (f) below.

(iii) Nonstatutory Options. In the case of a Nonstatutory Option

granted under the Plan, the Committee (at its sole discretion) may accept payment pursuant to Subsections (b), (c), (d) or (f) below.

(b) Surrender of Stock. To the extent that this Subsection (b) is

applicable, payment may be made all or in part with Shares which have already been owned by the Optionee or his or her representative for more than 12 months and which are surrendered to the Company in good form for transfer. Such Shares shall be valued at their Fair Market Value on the date when the new Shares are purchased under the Plan.

(c) Exercise/Sale. To the extent that this Subsection (c) is applicable,

payment may be made by the delivery (on a form prescribed by the Company) of an irrevocable direction to a securities broker approved by the Company to sell Shares and to deliver all or part of the sales proceeds to the Company in payment of all or part of the Exercise Price and any withholding taxes.

(d) Exercise/Pledge. To the extent that this Subsection (d) is

applicable, payment may be made by the delivery (on a form prescribed by the Company) of an irrevocable direction to pledge Shares to a securities broker or

lender approved by the Company, as security for a loan, and to deliver all or part of the loan proceeds to the Company in payment of all or part of the Exercise Price and any withholding taxes.

(e) Services Rendered. To the extent that this Subsection (e) is

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applicable, Shares may be awarded under the Plan in consideration of services rendered to the Company or a Subsidiary prior to the award. If Shares are awarded without the payment of a Purchase Price in cash, the Committee shall make a determination (at the time of the award) of the value of the services rendered by the Offeree and the sufficiency of the consideration to meet the requirements of Section 6(c).

(f) Promissory Note. To the extent that this Subsection (f) is

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applicable, a portion of the Purchase Price or Exercise Price, as the case may be, of Shares issued under the Plan may be payable by a full-recourse promissory note, provided that (i) the par value of such Shares must be paid in lawful money of the United States of America at the time when such Shares are purchased, (ii) the Shares are security for payment of the principal amount of the promissory note and interest thereon and (iii) the interest rate payable under the terms of the promissory note shall be no less than the minimum rate (if any) required to avoid the imputation of additional interest under the Code. Subject to the foregoing, the Committee (at its sole

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discretion) shall specify the term, interest rate, amortization requirements (if any) and other provisions of such note.

#### SECTION 9. ADJUSTMENT OF SHARES.

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(a) General. In the event of a subdivision of the outstanding Stock, a

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declaration of a dividend payable in Shares, a declaration of a dividend payable in a form other than Shares in an amount that has a material effect on the value of Shares, a combination or consolidation of the outstanding Stock (by reclassification or otherwise) into a lesser number of Shares, a recapitalization, a spinoff or a similar occurrence, the Committee shall make appropriate adjustments in one or more of:

(i) The number of Shares available under Section 5 for future grants;

(ii) The limit set forth in Section 7(b);

(iii) The number of Nonstatutory Options to be granted to Outside Directors under Section 4(b);

(iv) The number of Shares covered by each outstanding Option; or

(v) The Exercise Price under each outstanding Option.

(b) Reorganizations. In the event that the Company is a party to a merger

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or other reorganization, outstanding Options shall be subject to the agreement of merger or reorganization. Such agreement may provide, without limitation, for the assumption of outstanding Options by the surviving corporation or its parent, for their continuation by the Company (if the Company is a surviving corporation), for payment of a cash settlement equal to the difference between the amount to be paid for one Share under such agreement and the Exercise Price, or for the acceleration of their exercisability followed by the cancellation of Options not exercised, in all cases without the Optionees' consent. Any cancellation shall not occur until after such acceleration is effective and Optionees have been notified of such acceleration.

(c) Reservation of Rights. Except as provided in this Section 9, an

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Optionee or Offeree shall have no rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend or any other increase or decrease in the number of shares of stock of any class. Any issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number or Exercise Price of Shares subject to an Option. The grant of an Option pursuant to the Plan shall not affect in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or

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business structure, to merge or consolidate or to dissolve, liquidate, sell or transfer all or any part of its business or assets.

#### SECTION 10. SECURITIES LAWS.



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Shares shall not be issued under the Plan unless the issuance and delivery of such Shares complies with (or is exempt from) all applicable requirements of law, including (without limitation) the Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, state securities laws and regulations, and the regulations of any stock exchange on which the Company's securities may then be listed.

SECTION 11. NO RETENTION RIGHTS.  
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Neither the Plan nor any Option shall be deemed to give any individual a right to remain an employee or consultant of the Company or a Subsidiary. The Company and its Subsidiaries reserve the right to terminate the service of any employee or consultant at any time, with or without cause, subject to applicable laws and a written employment agreement (if any).

SECTION 12. DURATION AND AMENDMENTS.  
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(a) Term of the Plan. The Plan, as set forth herein, shall become  
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effective as of May 10, 1995. The Plan, if not extended, shall terminate automatically on March 11, 2005. It may be terminated on any earlier date pursuant to Subsection (b) below.

(b) Right to Amend or Terminate the Plan. The Board of Directors may  
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amend, suspend or terminate the Plan at any time and for any reason, except that the provisions of Section 4(b) relating to the amount, price and timing of grants to Outside Directors shall not be amended more than once in any six-month period. An amendment of the Plan shall be subject to the approval of the Company's stockholders only to the extent required by applicable laws or regulations.

(c) Effect of Amendment or Termination. No Shares shall be issued or sold  
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under the Plan after the termination thereof, except upon exercise of an Option granted prior to such termination. The termination of the Plan, or any amendment thereof, shall not affect any Share previously issued or any Option previously granted under the Plan.

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SECTION 13. EXECUTION.  
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To record the amendment of the Plan by the Board of Directors on February 7, 1996, the Company has caused its authorized officer to execute the same.

ADVANCED MICRO DEVICES, INC., AS  
SUCCESSOR TO NEXGEN, INC.

By \_\_\_\_\_  
Thomas M. McCoy, Vice President,  
General Counsel and Secretary

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ADVANCED MICRO DEVICES, INC.  
1991 EMPLOYEE STOCK PURCHASE PLAN

The following constitutes the provisions of Advanced Micro Devices, Inc. 1991 Employee Stock Purchase Plan (herein called the "Plan"). As used herein the terms "Corporation" and "AMD" refer to Advanced Micro Devices, Inc., and, where appropriate, any Participating Subsidiary of Advanced Micro Devices, Inc.

1. Purpose. The purpose of the Plan is to foster continued cordial employee relations by providing employees of the Corporation and Participating Subsidiaries with an opportunity to purchase Common Stock of the Corporation through payroll deductions. It is the intention of the Corporation that the Plan qualify as an "employee stock purchase plan" under Section 423 of the Internal Revenue Code of 1986, as amended (the "Code"). The provisions of the Plan shall be construed so as to extend and limit participation in a manner consistent with the requirements of that section of the Code and the regulations promulgated thereunder.

2. Definitions.

(a) "Board" means the Board of Directors of the Corporation.

(b) "Business Day" means a day on which AMD Common Stock is publicly traded.

(c) "Committee" means the committee designated by the board to administer this Plan.

(d) "Compensation" means salaries, overtime, shift differential and lead pay. Bonuses, special awards, sales commissions, cash profit sharing, income attributable to the exercise of a compensatory stock option or warrant, reimbursements and allowances are excluded.

(e) "Employee" means any person, including an officer, customarily employed for at least twenty (20) hours per week and more than five (5) months in a calendar year by the Corporation or its Participating Subsidiaries.

(f) "Participating Subsidiary" means any subsidiary (determined by reference to Section 424 of the Code) designated by the Board to be a participating subsidiary.

(g) "Offering Period" shall have meaning assigned by paragraph 4.

(h) "Option Grant Date" means the first Business Day of each Offering Period of the Plan.

(i) "Purchase Date" means the last Business Day of each Offering Period of the Plan.

3. Eligibility. Any Employee who shall be employed by the Corporation or its Participating Subsidiaries on the first day of an Offering Period, shall be eligible to participate in such Offering Period under the Plan, subject to the requirements of paragraph 5 and the limitations imposed by Section 423(b) of the Code.

4. Offering period. Absent action by the Board, each Offering Period shall extend for three calendar months commencing on the first Business Day on or after February 1, May 1, August 1 and November 1 of each year and ending on the last Business Day of the third month. The initial Offering Period under this plan shall be a four-month period commencing on April 1, 1991 and ending on July 31, 1991.

5. Participation.

(a) An eligible Employee may become a participant in the Plan by completing a subscription agreement authorizing payroll deduction on the form provided by the Corporation and filing it with the designated Corporation office not later than the 15th day of the month prior to a new Offering Period; provided that participants who go on a leave of absence are subject to the special rules set forth in paragraph 10(c) hereof; and provided further that an Employee who commences employment in the month prior to a new Offering Period may complete a subscription agreement on the date he commences employment. An Employee who becomes eligible to participate in the Plan after an Option Grant Date may not participate until the next Offering Period.

(b) Payroll deductions for a participant shall commence with the first payroll following the Option Grant Date and shall end with the Purchase Date of the offering, unless sooner terminated by the participant as provided in paragraph 10, or by the Corporation.

#### 6. Payroll Deductions

(a) At the time a participant files his subscription agreement, he shall elect to have payroll deductions made on each payday during the Offering Period at a rate not exceeding ten percent (10%) of the Compensation which he would otherwise receive on such payday, provided that the aggregate of such payroll deductions during the Offering Period shall not exceed ten percent (10%) of the aggregate Compensation which he would otherwise have received during said Offering Period. The Committee shall determine whether the amount to be deducted from each paycheck is to be designated as a specific dollar amount, or as a percentage of the eligible Compensation being paid on such payday, or as either, and may also establish a minimum percentage or amount for such payroll deductions.

(b) All payroll deductions authorized by a participant shall be credited to his account under the Plan. A participant may not make any additional payments into such account.

(c) A participant may discontinue his preparation in the Plan as provided in paragraph 10, and may decrease or increase the rate of his payroll deductions a maximum of once during the Offering Period by completing and filing with the Corporation a new authorization for payroll deduction. The change in rate shall become effective no later than fifteen (15) days after the Corporation's receipt of the new authorization.

#### 7. Grant of Option

(a) On each Option Grant Date, each participant in the Plan shall be granted an option to purchase (at the per share option price) the number of shares of the Corporation's Common Stock determined by dividing: (i) thirty percent (30%) of the participant's Pay by (ii) eighty-five percent (85%) of the fair market value of a share of the Corporation's Common Stock on such Option Grant Date; but in no event shall such number be greater than the amount permitted under Section 7(b) of this Plan. Fair market value of a share of the Corporation's Common Stock shall be determined as provided in Section 7(c) herein. In calculating under this section the number of shares subject to option for the next Offering Period, and for purposes of calculating the foregoing limit, Pay for a current Offering Period shall mean: (1) Five Hundred Seventy (570) times the sum of (a) the participant's hourly wage rate in effect on the first day of the current Offering Period plus (b) the participant's average hourly overtime for the preceding Offering Period; plus (2) the amount of Compensation deferred from a prior Offering Period and which will be paid to the participant during the current Offering Period.

(b) Exceptions. Any provisions of the Plan to the contrary notwithstanding, any option granted to an Employee shall be limited so that:

(i) immediately after the grant, such employee would not own stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock of the Corporation or of any subsidiary of the Corporation (including stock which the employee may purchase under outstanding options, and stock the ownership of which is attributed to the employee under Section 424(d) of the Code), and

(ii) the Employee's rights to purchase shares under all employee stock purchase plans of the Corporation and its subsidiaries shall not accrue (i.e., become exercisable) at a rate which exceeds twenty-five thousand dollars (\$25,000) of the fair market value of such shares (determined at the time such option is granted) for each calendar year in which such option is outstanding at any time.

(c) The option price per share of such shares shall be the lower of: (i) 85% of the fair market value of a share of the Corporation's Common Stock at the Option Grant Date; or (ii) 85% of the fair market value of the Corporation's Common Stock at the Purchase Date. The fair market value of the Corporation's Common Stock on said dates shall be the closing price on the New York Stock Exchange for such date, or if no sale is made on such date, the corresponding closing price on the first preceding date on which the Corporation's Common Stock was sold.

(d) Any excess contributions remaining in the Employee's account after the purchase of the shares on the Purchase Date will be returned to the employee, or may be credited against future payroll deductions.

8. Exercise of Option. Unless a participant withdraws from the Plan as provided in paragraph 10, his option for the purchase of shares will be

exercised automatically for the number of whole shares which the accumulated payroll deductions in his account could purchase at the applicable option price on the Purchase Date. During his lifetime, a participant's option to purchase shares hereunder is exercisable only by him. Options granted with respect to the initial Offering Period of April 1, 1991 through July 31, 1991 shall not be exercisable unless stockholders approve this Plan prior to February 12, 1992.

9. Delivery. As promptly as practicable after the Purchase Date of each offering, the Corporation shall arrange the delivery to each participant, as appropriate, of a certificate representing the number of whole shares purchased on exercise of his option.

10. Withdrawal; Termination of Employment.

(a) A participant may withdraw all, but not less than all, the payroll deductions credited to his account under the Plan at any time prior to the Purchase Date by giving written notice to the Corporation on a form provided for such purpose. All of the participant's payroll deductions credited to his account will be paid to him promptly after receipt of his notice of withdrawal, his option for the current period will be automatically cancelled, and no further payroll deductions for the purchase of shares will be made during the Offering Period.

(b) Upon termination of the participant's employment for any reason, including retirement, permanent disability or death, the payroll deductions credited to his account will be returned to him or, in the case of his death, to the person or persons entitled thereto under paragraph 14, and his option will be automatically canceled.

(c) In the event an Employee fails to remain in the continuous employ of the Corporation or its subsidiaries for customarily at least twenty (20) hours per week during an Offering Period, he will be deemed to have elected to withdraw from the Plan and the payroll deductions credited to his account will be returned to him and his option cancelled; provided that a participant who goes on an unpaid leave of absence shall be permitted to remain in the Plan with respect to an Offering Period which commenced prior to the beginning of such leave of absence. If such participant is not guaranteed reemployment by contract or statute and the leave of absence extends beyond 90 days, such participant shall be deemed to have terminated employment on the 91st day of such leave of absence. Payroll deductions for a participant who has been on an unpaid leave of absence will resume at the same rate as in effect prior to such leave upon return to work unless changed by such participant or unless the participant has been on an unpaid leave of absence either throughout an entire Offering Period or for more than ninety (90) days, in which cases the participant shall not be permitted to re-enter the Plan until a subscription agreement is filed with respect to a subsequent Offering Period which commences after such participant has returned to work from the unpaid leave of absence.

(d) A participant's withdrawal from an offering will not have any effect upon his eligibility to participate in a succeeding offering or in any similar plan which may hereafter be adopted by the Corporation.

(e) Any other provision of the Plan notwithstanding, an Employee who is subject to Section 16 of the Securities Exchange Act of 1934 shall not resume contributions under the Plan for a period of at least six months after discontinuing his or her contributions. This subsection (e) shall be applicable only to the extent required by Rule 16b-3 (or its successor) under the Securities Exchange Act of 1934.

11. No Interest. No interest shall accrue on the payroll deductions of a participant in the Plan.

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12. Stock.

(a) The maximum number of shares of the Corporation's Common Stock which may be sold pursuant to options exercised under the Plan shall be three million six hundred thousand (3,600,000) shares, subject to adjustment upon changes in capitalization of the Corporation as provided in paragraph 18. The shares to be sold to participants in the Plan may be, at the election of the Corporation, either treasury shares or shares authorized by unissued. In addition, the officers of the Corporation are authorized to acquire shares of the Corporation's Common Stock in the open market for resale under this Plan. If the total number of shares which would otherwise be subject to options granted pursuant to paragraph 7(a) hereof at the Option Grant Date exceeds the number of shares then available under the Plan (after deduction of all shares for which options have been exercised or are then outstanding), the Corporation shall make a pro rata allocation of the shares remaining available for option grant in as uniform and equitable a manner as is practicable. In such event, the Corporation may reduce the rate of payroll deductions as appropriate.

(b) The participant will have no interest or voting right in shares covered by his option until such option has been exercised.

(c) Shares to be delivered to a participant under the Plan will be registered in the name of the participant.

### 13. Administration.

(a) The Plan shall be administered by the Board or a committee appointed by the Board (the "Committee"). The Board may from time to time remove members from or add members to the Committee. Vacancies on the Committee, however caused, shall be filled by the Board. Acts taken or approved by a majority of the Committee at which a quorum is present, or acts approved in writing by all members of the Committee, shall be the valid acts of the Committee. The Plan shall be administered in a manner that assures all participants the same rights and privileges.

(b) The administration, interpretation or application of the Plan by the Board or its Committee shall be final, conclusive and binding upon all participants. Members of the Board or the Committee who are eligible Employees are permitted to participate in the Plan.

(c) No member of the Board or the Committee shall be liable for any action or determination made in good faith with respect to the Plan or any option granted under it. In addition to such other rights of indemnification as they may have as directors or as members of the Committee, the members of the Committee shall be indemnified by the Corporation against the reasonable expenses, including attorney's fees actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any option granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Committee member is liable for negligence or misconduct in the performance of his duties; provided that within sixty (60) days after institution of any such action, suit or proceeding the Committee member seeking indemnification shall in writing offer the Corporation the opportunity, at its own expense, to handle and defend the same.

(d) All costs and expenses incurred in administering the Plan shall be paid by the Corporation. The Board or the Committee, if any is appointed, may request advice or assistance or employ such other persons as are necessary for proper administration of the Plan.

### 14. Designation of Beneficiary.

(a) A participant may file a written designation of a beneficiary who is to receive any shares and cash, if any, from the participant's account under the Plan in the event of such participant's death subsequent to the Purchase Date but prior to delivery to him of such shares and cash. In addition, a participant may file a

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written designation of beneficiary who is to receive any cash from the participant's account under the Plan in the event of such participant's death prior to the Purchase Date.

(b) Such designation of beneficiary may be changed by the participant at any time by written notice. In the event of the death of a participant in the absence of a valid designation of a beneficiary who is living at the time of such participant's death, the Corporation shall deliver such shares and/or cash in accordance with the participant's designation of beneficiaries under the Advanced Micro Devices, Inc. Deferred Profit Sharing Plan; or, in the absence of such designation, to the executor or administrator of the estate of the participant; or if no such executor or administrator has been appointed (to the knowledge of the Corporation), the Corporation, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the participant; or if no spouse, dependent or relative is known to the Corporation, then to such other person as the Corporation may designate.

15. Transferability. Neither payroll deduction credited to a participant's account nor any rights with regard to the exercise of an option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in paragraph 14 hereof) by the participant. Any such attempt at assignment, transfer, pledge or other disposition, shall be void and without effect, except that the Corporation may treat such act as an election to withdraw funds in accordance with paragraph 10.

16. Use of Funds. All payroll deductions received or held by the Corporation under the Plan may be used by the Corporation for any corporate purpose, and the Corporation shall not be obligated to segregate such payroll deductions.

17. Statements. Statements of account will be given to participating employees promptly following each Purchase Date, which statements will set forth the amounts of payroll deductions, the per share purchase price, the number of shares purchased and any excess contributions.

18. Changes in Capitalization. In the event of any stock dividend, stock split, spin-off, recapitalization, merger, consolidation, exchange of shares or the like, the number of shares then subject to option and the number of authorized shares remaining available to be sold shall be increased or decreased appropriately, with such other adjustment as may be deemed necessary or equitable by the Board.

19. Amendment. The Board of Directors may at any time amend the Plan. No such amendment may make any change in any option previously granted which adversely affects the rights of any participant without such participant's consent. No amendment for which stockholder approval is required shall be effective unless such approval is obtained within the required time period. Whether stockholder approval is required shall be determined by the Committee and consistent with Securities and Exchange Commission Rule 16b-3 (or its successor), the Code or the stock exchange(s) on which the Corporation's shares are listed, as such rules are in effect at the time the plan amendment becomes effective.

20. Termination. The Board of Directors of Advanced Micro Devices, Inc. may at any time terminate the Plan. No such termination will affect options previously granted. Unless sooner terminated by the Board, this Plan shall terminate February 1, 2001.

21. Notices. All notices or other communications by a participant to the Corporation in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Corporation at the location, or by the person, designated by the Corporation for the receipt thereof.

22. Government and Other Regulations. The Plan, and the grant and exercise of the rights to purchase shares hereunder, and the Corporation's obligation to sell and deliver shares upon the exercise of rights to purchase shares, shall be subject to all applicable federal, state and foreign laws, rules and regulations, and to such approvals by any regulatory or government agency as may, in the opinion of counsel for the Corporation, be required. Any amendments requiring stockholder approval shall take effect only subject to such approval.

23. Applicable Law. The interpretation, performance and enforcement of this Plan shall be governed by the laws of the State of California.