

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 2)*

ON Semiconductor Corporation

(Name of Issuer)

Common Stock, par value \$0.01 per share

(Title of Class of Securities)

682189 10 5

(CUSIP Number)

Michael L. Ryan
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
(212) 225-2000

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

November 10, 2005

(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 that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d -1(e), 240.13d -1(f) or 240.13d -1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d -7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

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 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 682189 10 5

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON

TPG ON Holdings LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP*

(a)
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS*

Not applicable

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	SHARED VOTING POWER 49,364,080 (See Items 4 and 5)
	9	SOLE DISPOSITIVE POWER
	10	SHARED DISPOSITIVE POWER 49,364,080 (See Items 4 and 5)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 49,364,080 (See Items 4 and 5)	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* T	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 16.1% (See Items 4 and 5)	
14	TYPE OF REPORTING PERSON* OO (Limited Liability Company)	

CUSIP No. 682189 10 5		
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1	NAME OF REPORTING PERSON S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON TPG Semiconductor Holdings LLC	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) o (b) o	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* Not applicable	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) o	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER
	8	SHARED VOTING POWER 111,858,369 (See Items 4 and 5)
	9	SOLE DISPOSITIVE POWER
	10	SHARED DISPOSITIVE POWER 111,858,369 (See Items 4 and 5)
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 111,858,369 (See Items 4 and 5)	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES* x	

13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 36.6% (See Items 4 and 5)
14	TYPE OF REPORTING PERSON* OO (Limited Liability Company)

Except as specifically amended and supplemented by this Amendment No. 2, all other provisions of the Schedule 13D filed by TPG ON Holdings LLC (“ON Holdings”) on September 17, 2001 (the “Original Schedule 13D”), as amended and supplemented by Amendment No. 1 filed on February 10, 2004 (“Amendment No. 1”, and, together with the Original Schedule 13D, the “Schedule 13D”), remain in full force and effect. Capitalized terms used herein and not otherwise defined shall have the same meanings ascribed to them in the Original Schedule 13D and Amendment No. 1.

Item 2. Identity and Background

This Amendment No. 2 amends and restates Item 2 of the Schedule 13D in its entirety as set forth below:

“This statement is filed by ON Holdings and TPG Semi (the “Reporting Persons”). Additionally, information is included herein with respect to TPG Partners II, L.P. (“Partners”), TPG Parallel II, L.P. (“Parallel”), TPG Investors II, L.P. (“Investors”), TPG 1999 Equity Partners II, L.P. (“TPG 1999”), TPG GenPar II, L.P. (“GenPar”) and TPG Advisors II, Inc. (“Advisors” and, together with Partners, Parallel, Investors, TPG 1999 and GenPar, the “Controlling Persons”). Because (i) GenPar is the sole general partner of each of Partners, Parallel and Investors, (ii) Advisors is the sole general partner of GenPar and TPG 1999, and (iii) Partners, Parallel, Investors and TPG 1999 are members of each of the Reporting Persons, the Controlling Persons may be deemed, pursuant to Rule 13d-3 of the Act, to be the beneficial owners of all of the shares of Common Stock beneficially owned by the Reporting Persons. The Reporting Persons and the Controlling Persons are sometimes hereinafter collectively referred to as the “Filing Parties.” The Filing Parties are making this single, joint filing because they may be deemed to constitute a “group” within the meaning of Section 13(d)(3) of the Act, although neither the fact of this filing nor anything contained herein shall be deemed to be an admission by the Filing Parties that such a group exists. A copy of the Joint Filing Agreement of the Filing Parties is attached to Amendment No. 1.

The address of the principal business offices of the Filing Parties is as follows: 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102.

The Reporting Persons are Delaware limited liability companies (of which the members include Partners, Parallel, Investors and TPG 1999) that were organized to effect the transactions described under Item 4 below and have not engaged in any activities other than those incident to their formation and such transactions. Partners is a Delaware limited partnership engaged in making investments in securities of public and private corporations. Parallel, Investors and TPG 1999 are Delaware limited partnerships engaged in making investments in entities in which Partners invests. GenPar is a Delaware limited partnership whose principal business is to serve as the general partner of Partners, Parallel, Investors and other related entities engaged in making investments in securities of public and private corporations. Advisors is a Delaware corporation whose principal business is to serve as the General Partner of GenPar and TPG 1999. The executive officers and directors of Advisors are David Bonderman (director and President), James Coulter (director and Vice President), William Price (director and Vice President),

John Viola (Vice President and Treasurer), Thomas E. Reinhart (Vice President), James O’Brien (Vice President), Richard A. Ekleberry (Vice President), Jonathan Coslet (Vice President) and David Spuria (Vice President and Secretary) each of whom is a natural person. No other persons control the Filing Parties.

David Bonderman has his business address at 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102. Mr. Bonderman’s principal occupation is as a director and President of Advisors.

James Coulter has his business address at 345 California Street, Suite 3300, San Francisco, California 94104. Mr. Coulter’s principal occupation is as a director and Vice President of Advisors.

William Price has his business address at 345 California Street, Suite 3300, San Francisco, California 94104. Mr. Price’s principal occupation is as a director and Vice President of Advisors.

John Viola has his business address at 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102. Mr. Viola’s principal occupation is as a Vice President and Treasurer of Advisors.

Thomas E. Reinhart has his business address at 345 California Street, Suite 3300, San Francisco, California 94104. Mr. Reinhart’s principal occupation is as a Vice President of Advisors.

James O'Brien has his business address at 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102. Mr. O'Brien's principal occupation is as a Vice President of Advisors.

Richard A. Ekleberry has his business address at 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102. Mr. Ekleberry's principal occupation is as a Vice President of Advisors.

Jonathan Coslet has his business address at 345 California Street, Suite 3300, San Francisco, California 94104. Mr. Coslet's principal occupation is as a Vice President of Advisors.

David Spuria has his business address at 301 Commerce Street, Suite 3300, Fort Worth, Texas 76102. Mr. Spuria's principal occupation is as a Vice President and Secretary of Advisors.

During the last five years, none of the Filing Parties and, to the best knowledge of the Filing Parties, none of the executive officers or directors of Advisors has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

During the last five years, none of the Filing Parties and, to the best knowledge of the Filing Parties, none of the executive officers or directors of Advisors has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating

activities subject to, federal or state securities laws or finding any violation with respect to such laws.

All natural persons listed in item 2 are citizens of the United States.”

Item 4. Purpose of Transaction.

This Amendment No. 2 supplements Item 4 of the Schedule 13D by inserting the following paragraphs immediately before the second to last paragraph of Item 4 of the Schedule 13D and amends Item 4 of the Schedule 13D by deleting the last sentence of the last paragraph of Item 4 of the Schedule 13D:

“*Conversion of Series A Preferred Stock.* Effective as of November 10, 2005, ON Holdings converted all of its 10,000 shares of Series A Preferred Stock plus accumulated and unpaid dividends into 49,364,080 shares of Common Stock (the “Conversion Shares”) pursuant to the terms of the Certificate of Designations of the Series A Preferred Stock.

Conversion and Termination Agreement. Effective as of November 10, 2005, the Company and ON Holdings entered into a Conversion and Termination Agreement (the “Conversion and Termination Agreement”) pursuant to which the Company agreed, as an inducement to ON Holdings to convert its Series A Preferred Stock, to issue ON Holdings an additional 3,949,126 shares of Common Stock (the “Inducement Shares”) equal to 8% of the Conversion Shares. The Company will issue the Inducement Shares to ON Holdings following appropriate clearance under NASDAQ Marketplace Rules. The Conversion and Termination Agreement also provides that ON Holdings and the Company will amend the Registration Rights Agreement to provide for the registration of the Inducement Shares.

The provisions of the Conversion and Termination Agreement are set forth in the document filed as Exhibit 12 to this statement and are incorporated herein in their entirety by reference in response to this Item 4. The foregoing description of the terms and provisions of this document is a summary only, and is qualified in its entirety by reference to such document.”

Item 5. Interest in Securities of the Issuer.

This Amendment No. 2 amends and restates Item 5 of the Schedule 13D in its entirety as set forth below:

“(a) ON Holdings may be deemed to beneficially own up to 49,364,080 shares of Common Stock, representing in the aggregate approximately 16.1% of the outstanding shares of Common Stock.

TPG Semi may be deemed to beneficially own 111,858,369 shares of Common Stock, representing in the aggregate approximately 36.6% of the outstanding shares of Common Stock.

The Filing Parties, collectively and individually, may be deemed to beneficially own up to 161,222,449 shares of Common Stock,

representing in the aggregate approximately 52.7% of the outstanding shares of Common Stock.

The foregoing percentage calculations are based on a total of 305,956,705 shares of Common Stock outstanding, comprised of (1) the 256,592,625 shares of Common Stock outstanding as of September 30, 2005, as set forth in the Quarterly Report on Form 10-Q filed by the Company with the Commission on November 4, 2005, and (2) the 49,364,080 Conversion Shares issued on November 10, 2005.

(b) ON Holdings has the following:

- (i) sole power to vote or to direct the vote: -0-
- (ii) shared power to vote or to direct the vote: 49,364,080
- (iii) sole power to dispose or to direct the disposition of : -0-
- (iv) shared power to dispose or to direct the disposition of: 49,364,080

TPG Semi has the following:

- (i) sole power to vote or to direct the vote: -0-
- (ii) shared power to vote or to direct the vote: 111,858,369
- (iii) sole power to dispose or to direct the disposition of : -0-
- (iv) shared power to dispose or to direct the disposition of: 111,858,369

The Filing Parties, collectively and individually, may be deemed to have the following:

- (v) sole power to vote or to direct the vote: -0-
- (vi) shared power to vote or to direct the vote: 161,222,449
- (vii) sole power to dispose or to direct the disposition of : -0-
- (viii) shared power to dispose or to direct the disposition of: 161,222,449

(c) Except as described herein, no transactions in shares of Common Stock were effected during the past 60 days by any of the Filing Parties or to the best of their knowledge, any of the individuals identified in Item 2.

(d) Not applicable

(e) Not applicable”

Item 7. Material to be filed as Exhibits.

This Amendment No. 2 supplements Item 7 of the Schedule 13D by adding Exhibit 12.

Exhibit 12 Conversion and Termination Agreement, dated as of November 10, 2005, by and between ON Semiconductor Corporation and TPG ON Holdings LLC.

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.

November 14, 2005

TPG ON Holdings LLC

By: _____

Name: David A. Spuria

Title: Vice President

TPG Semiconductor Holdings LLC

By: _____

Name: David A. Spuria

Title: Vice President

CONVERSION AND TERMINATION AGREEMENT

THIS CONVERSION AND TERMINATION AGREEMENT (this "**Agreement**") is made as of the 10th day of November, 2005, by and between ON Semiconductor Corporation, a Delaware corporation (the "**Company**"), and TPG ON Holdings LLC, a Delaware limited liability company ("**TPG**" or the "**Investor**").

RECITALS

WHEREAS, the Company and the Investor are parties to an Investment Agreement, dated as of September 7, 2001 (the "**Investment Agreement**"), pursuant to which the Investor purchased from the Company 10,000 shares of the Company's Series A Cumulative Convertible Preferred Stock (the "**Preferred Stock**"), with a stated value of \$10,000 per share (the "**Stated Value**") and having the rights, preferences, privileges and restrictions set forth in the Certificate of Designations relating to the Preferred Stock (as amended as of the date hereof, the "**Certificate of Designations**");

WHEREAS, pursuant to Section VIII of the Certificate of Designations, each share of Preferred Stock may be converted, at the option of the holder, into that number of fully paid and nonassessable shares of Common Stock equal to the quotient of (i) the sum of (A) the Stated Value plus (B) all unpaid dividends accumulated on such share of Preferred Stock to the Conversion Date whether or not such dividends have been declared ((A) and (B) collectively, the "**Accumulated Value**"), divided by (ii) the Conversion Price in effect on the Conversion Date;

WHEREAS, subject to and upon the terms and conditions of this Agreement, the Investor has agreed to convert all outstanding shares of Preferred Stock into 49,364,080 shares of Common Stock (the "**Conversion Shares**") on and as of the date hereof (the "**Conversion Date**") in accordance with Section VIII of the Certificate of Designations and, simultaneously with the execution and delivery hereof, has submitted a notice of conversion of the Preferred Stock in the form of Exhibit A hereto and delivered to the Company the certificate(s) representing all outstanding shares of Preferred Stock;

WHEREAS, as an inducement to the Investor agreeing to the conversion of the Preferred Stock, the Investor has required that the Company agree, and the Company has agreed, to issue to the Investor an additional 3,949,126 shares of Common Stock on the Conversion Date (the "**Inducement Shares**"), which number of shares is equal to 8% of the Conversion Shares, and to amend the Registration Rights Agreement to provide for the registration of the Inducement Shares together with the Conversion Shares; and

WHEREAS, in connection with the conversion of the Preferred Stock, the Company and the Investor have agreed to terminate all existing agreements, whether written or oral, express or implied, relating to the Preferred Stock (other than this Agreement and the Registration Rights Agreement).

NOW, THEREFORE, in consideration of the foregoing, the mutual promises contained herein, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, intending to be legally bound hereby, the parties agree as follows:

ARTICLE 1

DEFINITIONS; INTERPRETATION

2.1 **Certain Definitions.** Capitalized terms used but not otherwise defined herein have the meanings assigned thereto in the Investment Agreement.

2.2 **Defined Terms.** As used in this Agreement, the following terms shall have the following meanings:

“**Common Stock**” means the Company’s common stock, \$0.01 par value per share.

“**Conversion Date**” means the date of this Agreement.

“**Deferred Issuance Date**” means the date that is five trading days after the earlier of (i) the date that the Company receives written or oral confirmation from Nasdaq that stockholder approval is not required with respect to the issuance of the Inducement Shares and (ii) in the event that such approval is required, the date that the required stockholder approval is obtained.

“**Registration Rights Agreement**” means that certain Registration Rights Agreement, dated as of September 7, 2001, between the Company and the Investor.

2.3 **Interpretation.** When a reference is made in this Agreement to Exhibits or Sections, such reference shall be to an Exhibit or Section of this Agreement. Unless otherwise indicated the words “include,” “includes” and “including” when used herein shall be deemed in each case to be followed by the words “without limitation.” The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

ARTICLE 2

CONVERSION

2.1 **Conversion.** Simultaneously with the execution and delivery hereof, the Investor shall have delivered to the Company an irrevocable notice of conversion of the Preferred Stock in the form of Exhibit A hereto, accompanied by stock certificate(s) representing all outstanding shares of Preferred Stock, and the Preferred Stock shall be converted in accordance with Section VIII of the Certificate of Designations into 49,364,080 shares of Common Stock as of the Conversion Date, based on a Conversion Price of \$2.82 and Accumulated Value of \$139,206,707 as of the Conversion Date. The Conversion Shares shall be issued in the manner provided in Section VIII of the Certificate of Designations.

2.2 **Inducement Shares.**

(a) In consideration of the conversion of the Preferred Stock, simultaneously with the issuance of the Conversion Shares or at such later date as is provided in Section 2.2(b) hereof, the Company shall issue to the Investor 3,949,126 shares of Common Stock, representing the Inducement Shares

(b) In the event that the Company concludes, in consultation with legal counsel, that approval of the Company's stockholders may be required under NASD Rules with respect to the issuance of the Inducement Shares, the Company may defer the issuance of the Inducement Shares until the Deferred Issuance Date. If the Company elects to defer the issuance of the Inducement Shares until the Deferred Issuance Date, the Company shall (i) use its best efforts to obtain confirmation from Nasdaq that such stockholder approval is not required and (ii) if applicable, use its best efforts to obtain such stockholder approval until such approval is duly obtained by the Company and take all action necessary to present such matter for stockholder approval at each meeting of stockholders of the Company, annual or otherwise, held after the execution of this Agreement. Each meeting of stockholders at which such matter is considered is referred to herein as a "**Stockholder Meeting**". The Company shall use its best efforts to obtain the required approval of its stockholders of the issuance of the Inducement Shares at each Stockholder Meeting, it being understood that, except as provided in the following sentence, the Company shall have no obligation to call a special meeting for the purpose of obtaining such stockholder approval. Upon written request of the Investor to the Company delivered at any time on or prior to December 31, 2005, the Company shall file with the Commission a Proxy Statement no later than 30 days after the date of such request, and the Company shall use its best efforts to hold a Stockholder Meeting no later than 90 days after the date of such request.

(c) Any such Proxy Statement shall contain the recommendation of the Board of Directors that the stockholders approve the issuance of the Inducement Shares. The Company shall notify the Investor promptly of the receipt by it of any comments from the Commission or its staff and of any request by the Commission for amendments or supplements to such Proxy Statement or for additional information, and will supply the Investor with copies of all correspondence between the Company and its representatives, on the one hand, and the Commission or the members of its staff or of any other Governmental Entities, on the other hand, with respect to such Proxy Statement. The Company shall give the Investor and its counsel a reasonable opportunity to review and comment on those portions of such Proxy Statement describing or referring to the proposal relating to the issuance of the Inducement Shares or any member of the Investor Group (the "**Investor Information**") prior to the filing of the Proxy Statement with the Commission and shall give the Investor and its counsel a reasonable opportunity to review and comment on all amendments and supplements to the Investor Information and all responses to requests for additional information and replies to comments prior to their being filed with, or sent to, the Commission with respect to the Investor Information. The Company shall give reasonable consideration to any comments the Investor or its counsel may provide with respect to the Investor Information or any amendment or supplement thereto.

(d) The Company hereby represents and warrants to the Investor that any such Proxy Statement, as of the date it is mailed to stockholders of the Company and as of the date of the relevant Stockholder Meeting, will not include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that this Section 2.2(d) shall not apply to any information provided to the Company in writing by any member of the Investor Group with respect to such member expressly for inclusion in the Proxy Statement.

ARTICLE 3

TERMINATION; AMENDMENT

3.1 **Termination.** Subject to and upon the terms and conditions of this Agreement, effective upon the execution and delivery hereof, the Investment Agreement and, except for the Registration Rights Agreement, each other agreement prior to the Conversion Date relating to the Preferred Stock, whether written or oral, express or implied, between the Company and the Investor shall be terminated and shall be of no further force or effect.

3.2 **Amendment to Registration Rights Agreement.** Promptly following the execution and delivery hereof, the Company and the Investor shall enter into an amendment to the Registration Rights Agreement, pursuant to which the Company shall agree to register the Inducement Shares in the manner provided therein.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES

Each of the Company and TPG represents and warrants to the other parties as follows:

4.1 **Authority Relative to this Agreement.** This Agreement and each other agreement, document or instrument required to be delivered pursuant hereto, constitutes the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms. Such party has the requisite right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and such action has been duly authorized by all necessary action by the respective board of directors, stockholders, members and manager of each such party, subject to the receipt of any approval of the Company's stockholders as may be required under NASD Rules.

4.2 **No Conflicts.** Subject to the receipt of any approval of the Company's stockholders as may be required under NASD Rules, to the knowledge of such party, neither the execution and delivery of this Agreement nor the consummation or performance by such party of any of the transactions contemplated by this Agreement will:

(a) breach (i) any provision of any of the organizational documents of such party or (ii) any resolution or ordinance adopted by the board of directors (or other governing body performing similar functions) or the stockholders, members or manager of such party;

(b) breach or give any Governmental Entity or other person the right to challenge any of the transactions contemplated by this Agreement or to exercise any remedy or obtain any relief under any Law by which such party may be bound or affected; or

(c) breach any provision of, or give any person the right to declare a default or exercise any remedy under, or to accelerate the maturity or performance of, or payment under, or to cancel, terminate or modify, any note, bond, mortgage, indenture, contract, agreement, lease, license, permit, franchise or other instrument, obligation or understanding, oral or written, to which such party is a party or by which any of its assets may be bound or affected.

4.3 **Consents.** Such party is not required to give any notice to or obtain any consent from any person in connection with the execution and delivery of this Agreement or the

consummation or performance of any of the transactions contemplated hereby, except for those which have been obtained on or prior to the date hereof and except for approval of the Company's stockholders as may be required under NASD Rules.

4.4 **Absence of Litigation.** There is no pending legal proceeding that has been commenced against such party and that challenges, or may have the effect of preventing, delaying, making illegal or otherwise interfering with, any of the transactions contemplated by this Agreement. To the knowledge of such party, no such legal proceeding has been threatened.

ARTICLE 5

GENERAL PROVISIONS

5.1 **Notices.** All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by overnight commercial delivery service, or sent via telecopy (receipt confirmed) to the parties at the following addresses or telecopy numbers (or at such other address or telecopy numbers for a party as shall be specified by like notice):

(a) if to the Company, to:
ON Semiconductor Corporation
5005 East McDowell Road
Phoenix, Arizona 85008
Attention: General Counsel
Facsimile No.: (602) 244-5601

(b) if to TPG, to:
TPG ON Holdings LLC
301 Commerce Street
Suite 3300
Fort Worth, Texas 76102
Attention: David Spuria
Facsimile No.: (817) 850-4080

5.2 **Fees and Expenses.** All fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such expenses whether or not the transactions contemplated by this Agreement are consummated.

5.3 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that all parties need not sign the same counterpart.

5.4 **Entire Agreement; Third Party Beneficiaries.** This Agreement, the Registration Rights Agreement and the documents and instruments and other agreements among the parties hereto as contemplated by or referred to herein and therein: (a) constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof; and (b) are not intended to confer upon any other person any rights or remedies hereunder.

5.5 **Severability.** If any provision of this Agreement, or the application thereof, becomes or is declared by a court of competent jurisdiction to be illegal, void or unenforceable, the remainder of this Agreement will continue in full force and effect and the application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the fullest extent possible, the economic, business and other purposes of such void or unenforceable provision.

5.6 **Governing Law.** This Agreement will be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed within the State of New York, without regard to the principles of conflicts of laws.

5.7 **Parties Bound.** All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by, the parties hereto and their respective successors and assigns.

5.8 **Assignment.** No party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other parties. Subject to the preceding sentence, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any purported assignment in violation of this Section 5.8 shall be void.

5.9 **Further Actions.** The parties hereto agree to execute all contracts, agreements and documents and to take all actions necessary to comply with the provisions of this Agreement and the intent hereof. Without limiting the foregoing, in the event that the issuance of the Inducement Shares does not occur on or prior to March 31, 2006, the Company shall use its best efforts to obtain such consents from its lenders as may be required to permit the issuance of the Inducement Shares after such date under applicable credit agreements or other loan facilities.

5.10 **Exhibits.** All exhibits attached hereto are incorporated herein by reference and made a part hereof as if fully rewritten or reproduced herein.

[signatures on following page]

IN WITNESS WHEREOF, the parties hereto have caused this Conversion and Termination Agreement to be executed by their duly authorized representatives as of the date first written above.

ON SEMICONDUCTOR CORPORATION

By: /s/ Donald Colvin
Name: Donald Colvin
Title: Senior Vice President and Chief Financial Officer

TPG ON HOLDINGS LLC

By: /s/ David Spuria
Name: David Spuria
Title: Vice President
