

**THE IT GROUP, INC.  
LOAN AGREEMENT**

THIS LOAN AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_, by and among The IT Group, Inc., a corporation duly organized and existing under the laws of the State of Delaware (the “Company”) and \_\_\_\_\_, an officer of the Company (“Borrower ”). Capitalized terms used but not otherwise defined in this Agreement that are defined in the Program (as defined below) shall have the meanings specified in the Program.

W I T N E S S E T H:

WHEREAS, the Company has adopted the Ownership Guidelines which require designated employees of the Company or an affiliate to own a specified number of securities of the Company; and

WHEREAS, Borrower is an employee subject to the Ownership Guidelines; and

WHEREAS, the Company has adopted The IT Group, Inc. Executive Stock Ownership Program (the “Program”) to be administered by the Compensation Committee of the Board of Directors of the Company (the “Committee”); and

WHEREAS, the Committee has notified Borrower that he/she is eligible to participate in the Program, the terms of which allow Borrower to borrow money from the Company to apply toward the purchase of shares of the Company’s Common Stock in satisfaction of the Ownership Guidelines; and

WHEREAS, Borrower desires to participate in the Program; and

WHEREAS, Borrower desires to obtain a term loan as further described below (the “Loan”) to be used as financing for the purchase of shares of the Company’s Common Stock; and

WHEREAS, Borrower is willing and has agreed to execute all documents necessary to evidence his/her obligations to the Company, including but not limited to a promissory note evidencing the Loan (the “Promissory Note”).

NOW, THEREFORE, in consideration of the promises and agreements herein exchanged, the sufficiency and mutuality of which are jointly acknowledged, the parties hereto do hereby agree as follows:

**ARTICLE I**

**THE LOAN**

Section 1.1 **LOAN**. Subject to the terms and conditions of this Agreement, and for the consideration and purposes herein set forth, on the Closing Date, the Company agrees to extend to Borrower the Loan in the amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_), as

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increased under Sections 1.4 and 1.5 hereof. The term of this Agreement shall commence on the execution of this Agreement and end on the Maturity Date as defined in the Promissory Note unless such Maturity Date is accelerated in accordance with Section 1.6.2 or Section 1.7 hereof.

Section 1.2 PROMISSORY NOTE. The Loan shall be evidenced by and payable on the terms and conditions set forth in the Promissory Note, a copy of which is attached as Exhibit A and incorporated herein by this reference.

Section 1.3 INTEREST RATE. The Promissory Note shall bear interest at a fixed rate of interest equal to the Applicable Federal Rate in effect on \_\_\_\_\_, 199\_\_, which was \_\_\_\_\_ percent (\_\_\_\_%) per annum.

Section 1.4 PRINCIPAL AMOUNT. The principal amount of the Promissory Note shall be as stated therein. The principal amount of the Promissory Note shall be increased by all accrued and interest unpaid as of the Maturity Date on the Promissory Note under Section 1.5.

Section 1.5 INTEREST. Interest shall accrue on the unpaid principal balance of the Promissory Note compounded semiannually with an interest rate as set forth in Section 1.3 herein from the date of the Promissory Note until final payment of the Promissory Note. Such interest shall be payable on the Maturity Date unless maturity of the Promissory Note is accelerated in accordance with Section 1.6.2 or Section 1.7.

Section 1.6 MANDATORY REPAYMENTS OF PRINCIPAL.

1.6.1 The principal amount of the Promissory Note shall be due on the Maturity Date unless maturity of the Promissory Note is accelerated in accordance with Section 1.6.2 or Section 1.7.

1.6.2 Notwithstanding the foregoing, the unpaid principal amount and accrued interest on the Promissory Note shall be due in full at the following times upon occurrence of the following events:

(a) Termination of Employment of Borrower. In the event Borrower's employment is terminated for Cause prior to the Maturity Date, the outstanding interest and principal payments under this Promissory Note shall become immediately due and payable on the Termination Date. In the event Borrower terminates his or her employment with the Company and all affiliates voluntarily prior to the Maturity Date, any outstanding interest and principal payments under this Promissory Note shall become immediately due and payable on the Termination Date. Subject to Section 1.6.2 (d), below, in the event Borrower's employment is terminated involuntarily (other than for Cause) by the Company or an affiliate prior to the Maturity Date, any outstanding interest and principal payments under this Promissory Note shall become due and payable no later than seven (7) months following the Termination Date.

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(b) Retirement of Borrower. In the event Borrower's employment terminates on or after his or her Retirement Date prior to the Maturity Date, any outstanding balance (including accrued and unpaid interest) under this Promissory Note shall become due and payable no later than thirteen (13) months following the Retirement Date.

(c) Death or Disability of Borrower. In the event Borrower dies or becomes Permanently Disabled prior to the Maturity Date, any outstanding balance (including accrued and unpaid interest) under this Promissory Note shall become due and payable no later than thirteen (13) months following the date of death or the Disability Date.

(d) Change of Control. In the event an involuntary termination of employment, other than for Cause, occurs within 18 months of a Change of Control and prior to Maturity Date, any outstanding balance (including accrued and unpaid interest) under this Promissory Note shall become immediately due and payable on the Termination Date.

Section 1.7 OPTIONAL PREPAYMENTS. The Loan may be prepaid in whole or in part at any time. Any partial prepayments shall be applied first to accrued and unpaid interest, and then to principal.

Section 1.8 SECURITY. The Loan is unsecured.

Section 1.9 RECOURSE. The Loan is full recourse, and neither collection nor enforcement of the Loan is limited to any particular assets of Borrower.

## ARTICLE II

### BORROWER'S REPRESENTATIONS AND WARRANTIES

To induce the Company to enter into and extend and advance funds to Borrower pursuant to this Agreement, in addition to any other warranties set forth herein, Borrower hereby warrants and represents to the Company as follows, acknowledging that the Company is relying on the truth and accuracy of the following representations and warranties in entering into this Agreement with Borrower:

Section 2.1 VALIDITY. This Agreement has been duly executed by Borrower and constitutes Borrower's valid and binding obligation enforceable against Borrower in accordance with its terms.

Section 2.2 ADEQUATE RESOURCES. Borrower currently has, or on the dates upon which payments are due under the Promissory Note reasonably expects to have, adequate personal financial resources from which to repay the Loan.

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## ARTICLE III

### DEFAULT; REMEDIES; WAIVER

Section 3.1 EVENTS OF DEFAULT. The following events shall constitute Events of Default under this Agreement:

3.1.1 Failure to Pay. If Borrower fails to pay any amount of principal or interest as required herein, when such amount becomes due, and such failure continues, in whole or in part, for 90 days after the date such payment was due.

3.1.2 Insolvency or Bankruptcy. Borrower becomes insolvent or unable to pay his debts as such debts become due, or Borrower files a voluntary petition in bankruptcy or has an involuntary petition for bankruptcy filed against him or her.

Section 3.2 REMEDIES. Upon the occurrence of either Event of Default under Section 3.1 hereof, the Company shall have the following remedies:

3.2.1 Insolvency or Bankruptcy. If such event is an Event of Default specified in Section 3.1.2 above, the Loan and all other amounts owing under this Agreement and Promissory Note shall immediately become due and payable.

3.2.2 Failure to Pay. If such default is an Event of Default specified in Section 3.1.1, the Company may, by 30 days' prior written notice to Borrower, declare the Loan and all other amounts owing under this Agreement and the Promissory Note to be due and payable in full, whereupon the same shall immediately become due and payable.

3.2.3 Other Remedies; Setoff. The Company may exercise any and all other remedies granted to it under this Agreement or at law. Without limiting the generality of the foregoing, the Company shall have the right to setoff any amount due hereunder against any amount owed by Borrower to Company.

3.2.4 Remedies Not Exclusive. In addition to the foregoing remedies, the Company shall have all the rights and remedies available to it under applicable law.

Section 3.3 NONWAIVER. The failure of the Company, for any reason, to declare a default, or to enforce or insist on the strict performance of the covenants of this Agreement, or to seek any redress available to the Company under this Agreement, shall not be deemed a waiver of such default or of strict performance of any covenant, obligation or condition of this Agreement, nor prevent a subsequent act by Borrower from having all the force and effect of any original default or breach.

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**ARTICLE IV**

**GENERAL PROVISIONS**

Section 4.1 ASSIGNABILITY. Borrower's rights and interests under this Agreement (a) may not be sold, assigned, transferred, pledged, hypothecated, gifted, bequeathed or otherwise disposed of to any other party by Borrower or any beneficiary, executor, administrator, heir, distributee or other person claiming under such Borrower, and (b) shall not be subject to execution, attachment or similar process. Any attempted sale, assignment, transfer, pledge, hypothecation, gift, bequest or other disposition of such rights, interests or benefits contrary to the foregoing provisions of this Section shall be null and void and without effect.

Section 4.2 MODIFICATION. This Agreement may only be amended, modified, or supplemented by written agreement executed by the Company and Borrower.

Section 4.3 NOTICES. Any notice or demand given under the terms of this Agreement shall be deemed delivered when mailed via United States certified mail, addressed to the other party, at the following address:

COMPANY:

Corporate Secretary  
The IT Group, Inc.  
2790 Mossdale Boulevard  
Monroeville, PA 15146

BORROWER:

Alternatively, notice or demand given under the terms of this Agreement may be given by hand delivery to the other party. If to Company, such delivery will be effective when actually delivered to: Corporate Secretary, The IT Group, Inc., 2790 Mosside Boulevard, Monroeville, PA 15146; if to Borrower, when delivered to the same address as listed above for mailing to Borrower.

Section 4.4 BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

Section 4.5 ATTORNEY'S FEES. In the event any action or suit is taken or instituted to enforce this Agreement or the Promissory Note, the prevailing party shall be entitled to receive

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from the defaulting party all costs, expenses and fees, including reasonable attorney's fees, incurred by the prevailing party in enforcing this Agreement or the Promissory Note.

Section 4.6 TERMINATION. This Agreement shall be of no further force and effect when the Loan and all obligations owed to the Company by Borrower in connection with this Agreement have been satisfied.

Section 4.7 SEVERABILITY. In the event that any provision of this Agreement is found to be invalid or otherwise unenforceable by a court or other tribunal of competent jurisdiction, such invalidity or unenforceability shall not be construed as rendering any other provision contained herein invalid or unenforceable, and all such other provisions shall be given full force and effect to the same extent as though the invalid and unenforceable provision was not contained herein.

Section 4.8 INCORPORATION OF EXHIBITS. All exhibits referred to in this Agreement are incorporated by reference and made a part of the terms, provisions and covenants of this Agreement.

Section 4.9 GOVERNING LAW. This Agreement shall be governed by and construed and enforced in accordance and with the laws of the State of Delaware, without regard to the application of the conflicts of law provisions thereof.

Section 4.10 CUMULATIVE REMEDIES. All the Company's rights and remedies, whether evidenced under the terms of this Agreement or any other document or instrument referred to herein are cumulative and are not intended to exclude any other remedies or means of redress to which the Company may be entitled by statute or otherwise.

IN WITNESS WHEREOF, the parties have executed this Loan Agreement on the day and year first above written.

**THE IT GROUP, INC.**

By: \_\_\_\_\_

Title: Senior Vice President, Human Resources

**BORROWER**

By: \_\_\_\_\_