

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

AMR CORPORATION AMERICAN AIRLINES, INC.

(EXACT NAME OF REGISTRANTS AS SPECIFIED IN THEIR CHARTERS)

DELAWARE DELAWARE

(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)

75-1825172 13-1502798

(I.R.S. EMPLOYER IDENTIFICATION NUMBER)

P.O. BOX 619616

DALLAS/FORT WORTH AIRPORT, TEXAS 75261-9616

(817) 963-1234

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANTS' PRINCIPAL EXECUTIVE OFFICES)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to time after the effective date of this registration statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. []

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT(1)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE
4.25% Senior Convertible Notes due 2023 of AMR Corporation	\$300,000,000(2)	100%	\$300,000,000(2)	\$24,270
Common Stock, par value \$1.00 per share, of AMR Corporation	17,283,000(3)	(4)	(4)	(4)
Guarantee of American Airlines, Inc.	(5)	(5)	(5)	(5)

(1) Estimated solely for purposes of calculating the registration fee pursuant to Rule 457(o) under the Securities Act. Exclusive of accrued interest, if any.

(2) Represents the aggregate principal amount of AMR Corporation's 4.25% Senior Convertible Notes due 2023.

(3) Represents 17,283,000 shares of AMR Corporation's common stock issuable upon conversion of the notes at the initial conversion rate of 57.61 shares of common stock per each \$1,000 principal amount of notes. In addition,

pursuant to Rule 416 under the Securities Act, the amount to be registered includes an indeterminate number of shares of common stock as may be issued, as a result of the anti-dilution provisions of the notes, from time to time upon conversion of the notes to prevent dilution resulting from stock splits, stock dividends, recapitalization or similar events.

- (4) Pursuant to Rule 457(i) under the Securities Act, no registration fee is payable with respect to the shares of common stock issuable upon conversion of the notes because no additional consideration is payable in connection with the holder's exercise of the conversion right.
- (5) American Airlines, Inc. has guaranteed all payments, including principal and interest, on the notes being registered hereunder. Pursuant to Rule 457(n) under the Securities Act, no registration fee is required with respect to this guarantee.

THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES AND EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

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THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED OCTOBER 24, 2003

PROSPECTUS

\$300,000,000
AMR CORPORATION
4.25% Senior Convertible Notes due 2023
Guaranteed by
American Airlines, Inc.

Common Stock Issuable Upon Conversion of
the 4.25% Senior Convertible Notes due 2023

AMR Corporation issued \$300,000,000 principal amount of its Senior Convertible Notes due 2023 in a private placement in September 2003. This prospectus will be used by selling securityholders to resell their notes and the common stock issuable upon conversion of the notes. We will not receive any of the proceeds from the sale of these securities.

The notes and the shares of common stock issuable upon conversion of the notes may be sold from time to time by and for the account of the selling securityholders named in this prospectus or in supplements to this prospectus. The selling securityholders may sell all or a portion of the notes or the shares of common stock issuable upon conversion of the notes from time to time in market transactions, in negotiated transactions or otherwise, and at prices and on terms which will be determined by the then prevailing market price for the notes or shares of common stock or at negotiated prices directly or through a broker or brokers, who may act as agent or as principal, or by a combination of such methods of sale. See "Plan of Distribution" on page 47 for additional information on the methods of sale.

Interest on the notes at the rate of 4.25% per year is payable semiannually in arrears on March 23 and September 23 of each year, beginning March 23, 2004. The notes will mature on September 23, 2023. The notes are unsecured senior obligations and rank equal in right of payment with our existing and future unsecured and unsubordinated indebtedness. Our wholly-owned subsidiary, American Airlines, Inc., is guaranteeing the notes on an unsecured senior basis. The guarantee ranks equal in right of payment with all existing and future unsecured and unsubordinated indebtedness of American Airlines, Inc.

Holders may convert each \$1,000 principal amount of notes into 57.61 shares of our common stock, subject to adjustment, only if (1) the closing sale price of our common stock reaches, or the trading price of the notes falls below, specified thresholds, (2) the notes are called for redemption, or (3) specified corporate transactions have occurred. Upon conversion, we will have the right to deliver, in lieu of our common stock, cash or a combination of cash and common stock in an amount described in this prospectus. Our common stock currently trades on the New York Stock Exchange under the symbol "AMR." On October 23, 2003 the last reported sale price of our common stock on the New York Stock Exchange was \$13.25 per share.

Holders may require us to purchase all or a portion of their notes on each of September 23, 2008, 2013 and 2018 at a price equal to 100% of the principal amount of the notes being purchased plus, in each case, accrued and unpaid interest, if any, to the date of purchase. In addition, if a change in control occurs, each holder may require us to purchase all or a portion of such holder's notes at a price equal to 100% of the principal amount of the notes being purchased plus accrued and unpaid interest, if any, to the date of purchase. In either event, we may choose to pay the purchase price of such notes in cash or common stock or a combination of cash and common stock.

We may redeem for cash all or a portion of the notes at any time on or after September 23, 2008, at a price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest, if any, to the redemption date.

INVESTING IN THE NOTES OR SHARES OF COMMON STOCK INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 7.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2003

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS PROSPECTUS AND THOSE DOCUMENTS INCORPORATED BY REFERENCE HEREIN. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH DIFFERENT INFORMATION. IF ANYONE PROVIDES YOU WITH DIFFERENT OR INCONSISTENT INFORMATION, YOU SHOULD NOT RELY ON IT. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, THE SECURITIES OFFERED BY THIS PROSPECTUS IN ANY JURISDICTION TO OR FROM ANY PERSON TO WHOM OR FROM WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION OF AN OFFER IN SUCH JURISDICTION. YOU SHOULD NOT ASSUME THAT THE INFORMATION CONTAINED IN THIS PROSPECTUS OR ANY DOCUMENT INCORPORATED BY REFERENCE IS ACCURATE AS OF ANY DATE OTHER THAN THE DATE ON THE FRONT COVER OF THE APPLICABLE DOCUMENT. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY DISTRIBUTION OF SECURITIES PURSUANT TO THIS PROSPECTUS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION SET FORTH OR INCORPORATED INTO THIS PROSPECTUS BY REFERENCE OR IN OUR AFFAIRS SINCE THE DATE OF THIS PROSPECTUS. OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THAT DATE.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 that we and our subsidiary, American Airlines, Inc., filed jointly with the Securities and Exchange Commission (the "SEC") using a "shelf" registration or continuous offering process. Under this shelf process, selling securityholders may from time to time sell the securities described in this prospectus in one or more offerings.

This prospectus provides you with a general description of the securities that the selling securityholders may offer. Each time a selling securityholder sells securities, the selling securityholders are required to provide you with a prospectus and/or a prospectus supplement containing specific information about the selling securityholder and the terms of the securities being offered. A prospectus supplement may include other special considerations applicable to those securities. The prospectus supplement may also add, update or change information in this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in that prospectus supplement. You should read carefully both this prospectus

and any prospectus supplement together with the additional information described under the heading "Where You Can Find More Information."

The registration statement containing this prospectus, including the exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement, including the exhibits, can be read on the SEC web site or at the SEC offices mentioned under the heading "Where You Can Find More Information."

References in this prospectus to "AMR," the "Company," "we," "us" and "our" refer to AMR Corporation together with its subsidiaries, unless otherwise specified.

WHERE YOU CAN FIND MORE INFORMATION

We and American Airlines, Inc. file annual, quarterly and special reports, proxy statements (in the case of AMR Corporation only) and other information with the SEC. This information may be read and copied at the Public Reference Room of the SEC at 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. Information regarding the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. Our SEC filings also are available from the SEC's Internet site at <http://www.sec.gov>, which contains reports, proxy and information statements, and other information regarding issuers that file electronically.

We "incorporate by reference" in this prospectus certain documents that we and American Airlines, Inc. file with the SEC, which means:

- we can disclose important information to you by referring you to those documents;
- information incorporated by reference is considered to be part of this prospectus, even though it is not repeated in this prospectus; and
- information that we and American Airlines, Inc. file later with the SEC will automatically update and supersede this prospectus.

We incorporate by reference the documents listed below and all documents that AMR or American Airlines, Inc. files with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") after the date of this prospectus and prior to the termination of this offering, other than current reports (or portions thereof) furnished under Items 9 or 12 of Form 8-K:

- Annual Reports of AMR and of American Airlines, Inc. on Form 10-K for the year ended December 31, 2002;
- Quarterly Reports of AMR and American Airlines, Inc. on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003;
- Current Reports of AMR on Form 8-K filed on January 22, 2003, April 1, 2003 (two Reports filed on this date), April 17, 2003 (Report with respect to labor matters), April 23, 2003, April 25, 2003, May 2, 2003, June 11, 2003, June 25, 2003, July 3, 2003 (8-K/A), July 16, 2003, August 1, 2003, September 18, 2003 and October 22, 2003; and
- Current Reports of American Airlines, Inc. on Form 8-K filed on January 22, 2003, April 1, 2003 (two Reports filed on this date), April 17, 2003, April 23, 2003, April 25, 2003, June 12, 2003, June 25, 2003, July 3, 2003 (8-K/A), July 16, 2003, August 1, 2003 and October 22, 2003.

You may obtain a copy of these filings (other than their exhibits, unless those exhibits are specifically incorporated by reference in the filings) at no cost by writing or telephoning us at the following address:

Corporate Secretary
AMR Corporation
P.O. Box 619616, Mail Drop 5675
Dallas/Fort Worth Airport, Texas 75261-9616
(817) 967-1254

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference contain various "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Exchange Act, which represent our expectations or beliefs concerning future events. When used in this prospectus and in documents incorporated herein by reference, the words "believes," "expects," "plans," "anticipates," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements include, without limitation, our expectations concerning operations and financial conditions, including changes in capacity, revenues, and costs, expectations as to future financing needs, overall economic conditions and plans and objectives for future operations, the impact on us of the events of September 11, 2001 and of our results of operations for the past two years and the sufficiency of our financial resources to absorb that impact. Other forward-looking statements include statements which do not relate solely to historical facts, such as, without limitation, statements which discuss the possible future effects of current known trends or uncertainties, or which indicate that the future effects of known trends or uncertainties cannot be predicted, guaranteed, or assured.

All forward-looking statements in this prospectus and the documents incorporated by reference are based upon information available to us on the date of this prospectus or such document. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise. Forward-looking statements are subject to a number of factors that could cause actual results to differ materially from our expectations.

The following factors, in addition to other possible factors not listed, could cause our actual results to differ materially from those expressed in forward-looking statements: the uncertain financial and business environment we face, the struggling economy, high fuel prices and the availability of fuel, the residual effects of the war in Iraq, conflicts in the Middle East, historically low fare levels and the general competitive environment, our ability to implement our restructuring program and the effect of the program on our operational performance and service levels, uncertainties with respect to our international operations, changes in our business strategy, actions by U.S. or foreign government agencies, the possible occurrence of additional terrorist attacks, another outbreak of SARS, our or American Airlines, Inc.'s inability to satisfy existing liquidity requirements or other covenants in certain of our or American Airlines, Inc.'s credit agreements, and the availability of future financing.

Additional information concerning these and other factors is contained in our and American Airlines, Inc.'s SEC filings, including but not limited to our and American Airlines, Inc.'s Quarterly Reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003 and our and American Airlines, Inc.'s Annual Reports on Form 10-K for the year ended December 31, 2002.

SUMMARY

This summary contains basic information about us and this offering. Because it is a summary, it does not contain all of the information that you should consider before investing. You should read this entire prospectus carefully, including the section entitled "Risk Factors" and the documents incorporated by reference in this prospectus, including any incorporated after the date of this prospectus, before making an investment decision.

AMR CORPORATION

AMR Corporation was incorporated in October 1982. AMR's operations fall almost entirely in the airline industry. AMR's principal subsidiary, American Airlines, Inc., was founded in 1934. On April 9, 2001, American Airlines, Inc. (through a wholly owned subsidiary, TWA Airlines LLC ("TWA LLC")) purchased substantially all of the assets and assumed certain liabilities of Trans World Airlines, Inc. ("TWA"), the eighth largest U.S. carrier. American Airlines, Inc., including TWA LLC (collectively, "American"), is the largest scheduled passenger airline in the world. At the end of 2002, American provided scheduled jet service to more than 152 destinations throughout North America, the Caribbean, Latin America, Europe and the Pacific. American is also one of the largest scheduled air freight carriers in the world, providing a wide range of freight and mail services to shippers throughout its system.

In addition, AMR Eagle Holding Corporation, a wholly-owned subsidiary of AMR, owns two regional airlines which do business as "American Eagle" -- American Eagle Airlines, Inc. and Executive Airlines, Inc. (collectively the "American Eagle Carriers"). In addition, American contracts with two independently owned regional airlines which do business as the "AmericanConnection" (the "AmericanConnection Carriers"). The American Eagle Carriers and the AmericanConnection Carriers provide connecting service from eight of American's high-traffic cities to smaller markets throughout the United States, Canada, the Bahamas and the Caribbean.

AMR Investment Services, Inc., a wholly-owned subsidiary of AMR ("AMR Investment"), is responsible for the investment and oversight of the assets of AMR's defined benefit and defined contribution plans, as well as its short-term investments.

The postal address for AMR's and American's principal executive offices is P.O. Box 619616, Dallas/Fort Worth Airport, Texas 75261-9616 (Telephone: 817-963-1234). Our Internet address is <http://www.amrcorp.com>. Information on our website is not incorporated into this prospectus and is not a part of this prospectus.

THE NOTES

This prospectus relates to resales of \$300,000,000 aggregate principal amount of the notes and 17,283,000 shares of our common stock issuable upon conversion of the notes at the initial conversion rate, plus an indeterminate number of additional shares of common stock that may be issued from time to time upon conversion of the notes as a result of antidilution adjustments, in circumstances described in this prospectus.

The following is a brief summary of the terms of the notes. For a more complete description of the notes, see "Description of the Notes" in this prospectus.

Issuer..... AMR Corporation.

Notes offered..... \$300,000,000 aggregate principal amount of 4.25% Senior Convertible Notes due 2023.

Maturity..... September 23, 2023.

Interest..... 4.25% per year, payable semiannually in arrears on March 23 and September 23 of each year, beginning March 23, 2004. The amount of interest payable is calculated using a 360-day year comprised of twelve 30-day months.

Guarantee..... The notes are unconditionally guaranteed by American Airlines, Inc.

Ranking..... The notes are our unsecured senior obligations and rank equal in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness.

The American Airlines, Inc. guarantee is an unsecured senior obligation of American Airlines, Inc. and ranks equal in right of payment with all existing and future unsecured and unsubordinated indebtedness of American Airlines, Inc. The notes and the guarantee are effectively subordinated to all existing and future secured debt of AMR Corporation and American Airlines, Inc., respectively, to the extent of the security for such secured debt.

As of September 30, 2003, there was approximately \$13.9 billion of long-term debt (including current maturities) and obligations under capital leases (including current obligations) of AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries. As of September 30, 2003, \$10.5 billion of the long-term debt (including current maturities) of AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries was secured. Since September 30, 2003, AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries have incurred additional indebtedness. AMR Corporation, American Airlines, Inc. and their respective subsidiaries may incur substantial additional debt, including secured

debt, in the future.

In addition, the notes and the guarantee are "structurally subordinated" to all existing and future liabilities (including debt and trade payables) of the existing and future subsidiaries of AMR Corporation (other than American Airlines, Inc.) and American Airlines, Inc., respectively.

Conversion rights..... For each \$1,000 principal amount of notes surrendered for conversion, if the conditions for conversion are satisfied, a holder will receive 57.61 shares of our common stock, subject to adjustment. In lieu of delivering shares of our common stock upon conversion of all or any portion of our notes, we may elect to pay holders surrendering notes cash or a combination of cash and shares of our common stock for the notes surrendered. If we elect to pay holders cash for their notes, the payment will be based on the average closing sale price of our common stock for the five consecutive trading days immediately following either:

- the date of our notice of our election to deliver cash, which we must give within two business days after receiving a conversion notice, unless we have earlier given notice of redemption as described in this prospectus; or
- the conversion date, if we have given notice of redemption specifying that we intend to deliver cash upon conversion thereafter.

The conversion rate may be adjusted for certain reasons, but will not be adjusted for accrued and unpaid interest. Upon conversion, a holder will not receive any payment representing any accrued and unpaid interest. Instead, accrued and unpaid interest will be deemed paid by the shares of common stock received by the holder on conversion.

Holders may surrender notes for conversion into our shares of common stock in any calendar quarter commencing after September 30, 2003 if the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 120% of the conversion price per share of common stock on the last trading day of such preceding calendar quarter. If the foregoing condition is satisfied, then the notes will be convertible at any time thereafter at the option of the holder, through maturity. The conversion price per share as of any day will equal \$1,000 divided by the conversion rate (initially 57.61, but subject to the adjustments described herein, including any adjustments

to the conversion rate through that day).

Holders may also surrender notes for conversion during the five business day period after any five consecutive trading day period in which the trading price per \$1,000 principal amount of notes for each day of that trading day period was less than 98% of the product of the closing sale price for our common stock and the number of shares of common stock issuable upon conversion of \$1,000 principal amount of notes; if on the date of any such conversion, the closing sale price of our common stock is greater than the conversion price, then holders will receive, in lieu of common stock based on the conversion price, cash or common stock or a combination of cash and common stock, at our option, with a value equal to the principal amount of such notes, plus accrued and unpaid interest, if any, as of the conversion date. See "Description of the Notes -- Conversion Rights."

Notes or portions of notes in integral multiples of \$1,000 principal amount called for redemption may be surrendered for conversion until the close of business on the second business day prior to the redemption date. In addition, if we make certain distributions to our stockholders, or if we are a party to certain consolidations, mergers or binding share exchanges, in addition to any adjustment to the conversion rate as a result of such distribution, consolidation, merger or exchange, notes may be surrendered for conversion, as provided in "Description of the Notes -- Conversion Rights." The ability to surrender notes for conversion will expire at the close of business on September 17, 2023.

Redemption of notes at our option..... We may redeem for cash all or a portion of the notes at any time on or after September 23, 2008, at redemption prices equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest, if any, to the applicable redemption date. See "Description of the Notes -- Redemption of Notes at Our Option."

Purchase of the notes by AMR at option of the holder..... Holders may require us to purchase all or a portion of their notes on each of September 23, 2008, 2013 and 2018 at a price equal to 100% of the principal amount of notes being purchased, plus, in each case, accrued and unpaid interest, if any, to the purchase date.

We may, at our option, choose to pay the purchase price in cash or shares of our common stock or in a combination of cash and shares of our common stock. See "Description of the Notes -- Purchase of Notes by AMR at the Option of the Holder."

Change in control..... Upon a change in control of AMR or American Airlines, Inc., holders may require us to purchase all or a portion of their notes at a price equal to 100% of the principal amount of the notes being purchased plus accrued and unpaid interest, if any, to the date of purchase. See "Description of the Notes -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder" for a description of the events that would constitute such a "change in control." We may at our option choose to pay the purchase price for any such notes in cash or shares of common stock or any combination thereof.

DTC eligibility..... The notes were issued in fully registered book-entry form and are represented by one or more permanent global notes without coupons. Global notes are deposited with a custodian for and registered in the name of a nominee of DTC. Beneficial interests in global notes are shown on, and transfers thereof are effected only through, records maintained by DTC and its direct and indirect participants, and your interest in any global note may not be exchanged for certificated notes, except in limited circumstances described herein. See "Description of the Notes -- Book-Entry System."

Registration rights..... We and American Airlines, Inc., for the benefit of holders, have agreed to file with the SEC within 90 days after the date of the original issuance of the notes, a shelf registration statement, of which this prospectus is a part, covering resales of the notes and the shares of our common stock issuable upon conversion of the notes. We have agreed to use our reasonable efforts to cause the shelf registration statement to become effective within 180 days after the original issuance and keep such shelf registration statement effective until the earlier of (i) the sale pursuant to the shelf registration statement of all the notes and the shares of common stock issuable upon conversion of the notes, and (ii) the expiration of the holding period applicable to such securities held by non-affiliates of AMR under Rule 144(k) under the Securities Act, or any successor provision, subject to certain permitted exceptions. See "Description of the Notes -- Registration Rights."

Sinking fund..... None.

Trading..... We do not intend to list the notes on any national securities exchange. The notes are currently eligible for trading on the Private Offerings, Resales and Trading through Automated Linkages ("PORTAL") system of the National Association of Securities Dealers, Inc.; however, notes sold using this prospectus will no longer be eligible for trading on PORTAL. The notes are securities for which there is currently no public market.

Common Stock..... Our common stock is traded on the New York Stock Exchange under the symbol "AMR."

Use of proceeds..... The selling securityholders will receive all of the proceeds from the sale of the notes and the common stock issuable upon conversion of the notes offered by this prospectus. We will not receive any proceeds. For more information, see "Use of Proceeds."

RISK FACTORS

In considering whether to purchase the notes, you should carefully consider all the information we have included or incorporated by reference in this prospectus, including but not limited to, our and American's reports on Form 10-K for the year ended December 31, 2002 and our and American's reports on Form 10-Q for the quarters ended March 31, 2003, June 30, 2003 and September 30, 2003. In addition, you should carefully consider the risk factors described below, along with any risk factors that may be included in a supplement to this prospectus or in our future reports to the SEC.

RISK FACTORS RELATING TO AMR AND AMERICAN

As used in these Risk Factors Relating to AMR and American, the word "American" refers only to American Airlines, Inc., and does not include any current or future subsidiary of American Airlines, Inc.

WE HAVE INCURRED SIGNIFICANT LOSSES.

We incurred operating losses of approximately \$617 million in the first nine months of 2003, \$3.3 billion in 2002 and \$2.5 billion in 2001. We incurred net losses of approximately \$1.1 billion in the first nine months of 2003, \$3.5 billion in 2002 and \$1.8 billion in 2001. Our 2003 results include the benefit of \$358 million in security costs reimbursements we received in May under the Emergency Wartime Supplemental Appropriations Act, 2003.

In addition to the residual effects of the September 11, 2001 terrorist attacks, the war in Iraq and concerns about another outbreak of SARS, our revenues continue to be negatively impacted by the economic slowdown (seen largely in decreased business travel), reduced fares and increased competition. We need to see a combination of continued improvement in the revenue environment, cost reductions and productivity improvements before we can return to sustained profitability at acceptable levels.

WE NEED TO RAISE ADDITIONAL FUNDS TO MAINTAIN SUFFICIENT LIQUIDITY.

Our recent losses, coupled with capital expenditures, have significantly reduced our liquidity at a time when the savings from our cost reduction program are phasing in, our revenues are depressed relative to historical levels and our access to the capital markets is more limited than in the past. Moreover, we will need additional liquidity because we have significant debt obligations maturing in the next several years, including \$154 million in the fourth quarter of 2003, \$594 million in 2004, \$1.4 billion in 2005 (including \$834 million drawn under American's bank credit facility), \$1.2 billion in 2006 and \$1.1 billion in 2007, as well as substantial, and increasing, pension funding obligations. Our 2003 minimum required contributions to our defined benefit pension plans were approximately \$186 million (all of which had been contributed by September 15, 2003) and our estimated 2004 minimum required contributions to our defined benefit pension plans are between \$550 and \$650 million. In addition, in 2003, we have contributed \$145 million to our defined contribution pension plans. Due to uncertainties regarding significant assumptions involved in estimating future required contributions, such as pension plan benefit levels, interest rate levels and the amount and timing of asset returns, we are not able to reasonably estimate the amount of future required contributions to our defined benefit contribution plans beyond 2004. However, based on the current regulatory environment and market conditions, we expect our 2005 minimum required pension contributions to our defined benefit pension plans to significantly exceed our 2004 minimum required contributions.

To maintain sufficient liquidity as our cost savings phase in and we implement our plan to return to sustained profitability, we will need continued access to additional funding, most likely through a combination of financings (such as that resulted from issuance of the notes) and asset sales. We cannot be sure that our recent unit revenue improvements will continue or that we will be able to raise such financing or effect such sales on acceptable terms. In particular, if our revenue environment deteriorates beyond normal seasonal trends, or we are unable to access the capital markets or sell assets, we may be unable to fund our obligations and sustain our operations.

In addition, a covenant in American's \$834 million bank credit facility (which is fully drawn) requires American to maintain at all times at least \$1 billion of available unrestricted cash and short-term investments. While at September 30, 2003, we had \$2.7 billion of available cash and short-term investments (and an additional \$540

million of restricted cash and short-term investments), we cannot be sure that we will continue to satisfy this liquidity covenant until the amounts outstanding under the bank credit facility are repaid. Failure to do so would result in a default under our bank credit facility and a significant amount of our other debt.

LINGERING EFFECTS OF TERRORIST ATTACKS, WAR IN IRAQ, WEAK U.S. ECONOMY AND SARS CONCERNS HAVE DEPRESSED DEMAND FOR AIR TRAVEL, PARTICULARLY BUSINESS TRAVEL.

A combination of factors has depressed the demand for air travel and, in particular, business travel. Because we have in recent years tailored our network, product, schedule and pricing strategies to the business travel market, reduced demand for business travel has affected us more than most other carriers. These factors include the lingering effects of the September 11, 2001 terrorist attacks, the war in Iraq, the weak U.S. economy and, to a lesser extent, concerns about another outbreak of SARS. The terrorist attacks of September 11, 2001 accelerated and exacerbated an existing trend of decreased demand and reduced industry revenues. Additional terrorist attacks, even if not directed at the airline industry, the fear of such attacks (which could escalate at times of international crises or U.S. military involvement in overseas hostilities), or continuing weakness in the U.S. and global economy or other events that affect travel, particularly business travel, could have a material adverse impact on our business, financial condition and results of operations, and on the airline industry in general.

OUR REDUCED PRICING POWER ADVERSELY AFFECTS OUR ABILITY TO ACHIEVE ADEQUATE PRICING, ESPECIALLY WITH RESPECT TO BUSINESS TRAVEL.

We have reduced pricing power, resulting mainly from greater cost sensitivity on the part of travelers, especially business travelers, and increasing competition from low cost carriers. The percentage of our routes on which we compete with carriers having substantially lower operating costs has grown significantly over the past decade. We now compete with low cost carriers on most of our domestic network. At the same time, the continuous increase in pricing transparency resulting from the use of the Internet has enabled cost conscious customers to more easily obtain the lowest fare on any given route.

WE COMPETE WITH CARRIERS NOW OR RECENTLY IN BANKRUPTCY, WHICH MAY BE A COMPETITIVE DISADVANTAGE.

We must compete with carriers that have recently reorganized or are reorganizing under the protection of Chapter 11 of the Bankruptcy Code, including United Airlines, the second largest air carrier. It is possible that our other competitors may seek to reorganize in or out of Chapter 11. Successful completion of such reorganizations could present us with competitors with operating costs derived from renegotiated labor, supply, and financing contracts that may be below our reduced cost structure. In addition, in the past, air carriers involved in reorganizations have often undertaken substantial fare discounting to maintain cash flows and to enhance customer loyalty. Fare sales (including fare sales initiated by carriers in reorganization) have been significant and widespread and have further lowered yields for all carriers, including us. These competitive pressures may limit our ability to adequately price our services and could have a material adverse impact on our business, financial condition and results of operations.

OUR CREDIT RATINGS ARE BELOW INVESTMENT GRADE AND OUR ACCESS TO THE CAPITAL MARKETS IS MORE LIMITED AND ON LESS FAVORABLE TERMS THAN IN THE PAST.

Since the September 11, 2001 terrorist attacks, AMR's senior unsecured rating has been lowered by Moody's from Baa3 to Caa2, and AMR's senior unsecured credit rating has been lowered by Standard & Poor's from BBB- to CCC (recently increased from CC). The ratings on American's debt have also been lowered. These reductions have increased our borrowing costs and limited the borrowing options available to us. Additional significant reductions in AMR's or American's credit ratings would further increase borrowing or other costs and further restrict the availability of future financing. Moody's has given AMR and American a negative ratings outlook, while Standard & Poor's has given us a stable outlook.

Our ability to obtain future financing or to sell assets may also be adversely affected because we have fewer unencumbered assets available to us than in years past. In recent years, we have encumbered a large portion of our aircraft assets (including virtually all of our aircraft eligible for the benefits of Section 1110 of the

Bankruptcy Code). While we have other unencumbered assets that could be encumbered or sold, our ability to borrow on or sell those assets on acceptable terms is uncertain, and in any event those assets may not maintain their current market value.

WE ARE BEING ADVERSELY AFFECTED BY INCREASES IN FUEL PRICES.

Our operations are significantly affected by the price and availability of jet fuel. During the first nine months of 2003, our aircraft fuel expense increased 10.5%, or \$197 million, compared to the first nine months of 2002, due primarily to a 18.3% increase in American's average price per gallon of fuel. Due to the competitive nature of the airline industry, our ability to pass on increased fuel prices to our customers by increasing fares is uncertain. Likewise, any potential benefit of lower fuel prices may be offset by increased fare competition and lower revenues for all air carriers.

As of September 30, 2003, we had hedged approximately 28% of our expected fuel needs for the remainder of 2003, approximately 20% of our expected first quarter 2004 fuel needs, and an insignificant percentage of our expected fuel needs beyond March 31, 2004. Beginning in March 2003, we revised our hedging strategy and, in June 2003, terminated substantially all of our contracts with maturities beyond March 2004. Commencing in October 2003, the Company began to enter into new fuel hedging contracts with maturities beyond March 2004 for a portion of its future fuel requirements.

While we do not currently anticipate a significant reduction in fuel availability, dependency on foreign imports of crude oil and the possibility of changes in government policy on jet fuel production, transportation and marketing make it impossible to predict the future availability of jet fuel. If there are new outbreaks of hostilities or other conflicts in oil producing areas or elsewhere, there could be reductions in the production and/or importation of crude oil and/or significant increases in the cost of fuel. If there were major reductions in the availability of jet fuel or significant increases in its cost, our business, as well as that of the entire industry, would be adversely affected.

OUR INSURANCE COSTS HAVE INCREASED SUBSTANTIALLY AND FURTHER INCREASES IN INSURANCE COSTS OR REDUCTIONS IN COVERAGE COULD HAVE A MATERIAL ADVERSE IMPACT ON US.

We carry insurance for public liability, passenger liability, property damage and all-risk coverage for damage to our aircraft. As a result of the September 11, 2001 terrorist attacks, aviation insurers have significantly reduced the amount of insurance coverage available to commercial air carriers for liability to persons other than employees or passengers for claims resulting from acts of terrorism, war or similar events (war-risk coverage). At the same time, they have significantly increased the premiums for such coverage as well as for aviation insurance in general. The U.S. government has provided commercial war-risk insurance for U.S. based airlines until December 10, 2003, covering losses to crew members, passengers, third parties and aircraft. We believe this insurance coverage will be extended beyond December 10, 2003 because the Emergency Wartime Supplemental Appropriations Act, 2003 provides for the insurance to remain in place until August 31, 2004, and the Department of Transportation has stated its intent to do so. In addition, the Secretary of Transportation may extend the policy until December 31, 2004, at his discretion. However, there is no assurance that it will be extended. In the event the U.S. government sponsored insurance is not so extended or the commercial insurance carriers further reduce the amount of insurance coverage available to us or significantly increase the cost of aviation insurance, our business, financial condition and results of operations would be materially adversely affected.

OUR INDEBTEDNESS AND OTHER OBLIGATIONS ARE SUBSTANTIAL AND COULD AFFECT OUR BUSINESS.

We have now and will continue to have a significant amount of indebtedness. As of September 30, 2003, we had approximately \$13.9 billion of long-term debt (including current maturities) and obligations under capital leases (including current obligations). AMR, American and their respective subsidiaries may incur substantial additional debt, including secured debt, in the future. Our substantial indebtedness could have important consequences. For example, it could:

- limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions and general corporate purposes;

- require us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness, thereby reducing the funds available to us for other purposes;
- make us more vulnerable to economic downturns, limit our ability to withstand competitive pressures and reduce our flexibility in responding to changing business and economic conditions; and
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate.

Any of the foregoing could adversely affect our business and our ability to service our debt, including the notes.

THE AIRLINE INDUSTRY IS FIERCELY COMPETITIVE.

On most of our domestic non-stop routes, we face competing service from at least one, and sometimes more than one, domestic airline, including: AirTran, Alaska Airlines, America West Airlines, Continental Airlines, Delta, JetBlue, Northwest Airlines, Southwest Airlines, United Airlines and US Airways, and their affiliated regional carriers. We face even greater competition between cities that require a connection, where all major airlines may compete via their respective hubs. We also compete with national, regional, all-cargo and charter carriers and, particularly on shorter routes, ground transportation, as well as with foreign airlines and numerous U.S. carriers on our international routes. On all of our routes, pricing decisions are affected, in large part, by competition from other airlines. On most of our domestic network, we compete with airlines that have cost structures significantly lower than ours and can therefore operate profitably at lower fare levels.

We also encounter substantial price competition. Historically, fare discounting by competitors has affected our financial results negatively because we are generally required to match competitors' fares to maintain passenger traffic. During recent years, a number of new low cost carriers have entered the domestic market, and several major airlines have implemented efforts to lower their cost structures.

OUR BUSINESS IS SUBJECT TO EXTENSIVE GOVERNMENT REGULATION.

Airlines are subject to extensive regulatory requirements that result in significant costs. For example, the Federal Aviation Administration from time to time issues directives and other regulations relating to the maintenance and operation of aircraft, and compliance with those requirements drives significant expenditures. These requirements cover, among other things, modifications to improve cockpit security, enhanced ground proximity warning systems, McDonnell Douglas MD-80 metal-mylar insulation replacement, McDonnell Douglas MD-80 main landing gear piston improvements, Boeing 757 and Boeing 767 pylon improvements, Boeing 737 elevator and rudder improvements, inspections to monitor Airbus A300 vertical stabilizers and Airbus A300 structural improvements. We expect to continue incurring expenses to comply with these requirements and other FAA regulations.

Additional laws, regulations, taxes and airport rates and charges have been proposed from time to time that could significantly increase the cost of airline operations or reduce revenues. For example, the Aviation and Transportation Security Act, which became law in November 2001, mandates the federalization of certain airport security procedures and imposes additional security requirements on airlines. In addition, the ability of U.S. carriers to operate international routes is subject to change because the applicable arrangements between the United States and foreign governments may be amended from time to time, or because appropriate slots or facilities are not made available. We cannot provide assurance that laws or regulations enacted in the future will not adversely affect us.

RISK FACTORS RELATED TO THE NOTES

As used in the description of these Risk Factors Related to the Notes, the words "AMR" and "American" refer only to AMR Corporation and American Airlines, Inc., respectively, and do not include any current or future subsidiary of either corporation.

THE NOTES ARE UNSECURED, ARE EFFECTIVELY SUBORDINATED TO AMR'S AND AMERICAN'S SECURED INDEBTEDNESS, AND ARE STRUCTURALLY SUBORDINATED TO OBLIGATIONS OF AMR'S AND AMERICAN'S SUBSIDIARIES.

The notes and the American guarantee represent unsecured senior obligations and rank equal in right of payment with all the existing and future unsecured and unsubordinated indebtedness of AMR and American, respectively. However, the notes and the American guarantee are effectively subordinated to all existing and future secured debt of AMR and American, respectively, to the extent of the security for such secured debt. As of September 30, 2003, there was approximately \$13.9 billion of long-term debt (including current maturities) and obligations under capital leases (including current obligations) of AMR, American and their consolidated subsidiaries. As of September 30, 2003, \$10.5 billion of the long-term debt (including current maturities) of AMR, American and their consolidated subsidiaries was secured. Since September 30, 2003, AMR, American and their consolidated subsidiaries have incurred additional indebtedness. AMR, American and their respective subsidiaries may incur substantial additional debt, including secured debt, in the future. In the event of any distribution or payment of assets in any foreclosure, dissolution, winding-up, liquidation, reorganization, or other bankruptcy proceeding involving AMR or American, holders of secured indebtedness will have a prior claim to those assets that constitute their collateral. Holders of the notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the notes, and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. In any of the foregoing events, there would likely not be sufficient assets to pay the full amounts due on the notes and, if so, holders of notes would receive less, ratably, than holders of secured indebtedness.

In addition, the notes and the American guarantee are "structurally subordinated" to all existing and future liabilities (including debt and trade payables) of the existing and future subsidiaries of AMR (other than American) and American, respectively. Such subordination occurs because, as a general matter, claims of creditors of a subsidiary which is not a guarantor of parent company debt, including trade creditors, will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of its parent company.

Moreover, if we fail to deliver our common stock upon conversion of a note and thereafter become the subject of bankruptcy proceedings, a holder's claim for damages arising from such failure could be subordinated to all of our and our subsidiaries' existing and future obligations.

WE ARE DEPENDENT ON OUR SUBSIDIARIES BECAUSE OF OUR HOLDING COMPANY STRUCTURE.

AMR conducts all of its business through its wholly owned operating subsidiaries, including American. AMR does not maintain a borrowing facility and is dependent on the cash flow generated by the operations of its subsidiaries and on dividends and other payments to it from its subsidiaries to meet its liquidity needs and debt service obligations, including payment of the notes. American is a separate and distinct legal entity and although it has unconditionally guaranteed payment of the notes, due to limitations and restrictions in its debt instruments, it may be unable to pay any amounts due on its guarantee or to provide AMR with funds for AMR's payment obligations on the notes, by dividend, distribution, loan or other payment. No other subsidiary of AMR or American is guaranteeing the notes. Future borrowings by AMR, American and AMR's other subsidiaries may include additional restrictions. In addition, under applicable state law, American and AMR's other subsidiaries may be limited in the amounts they are permitted to pay as dividends on their capital stock.

THE NOTES DO NOT HAVE THE BENEFIT OF RESTRICTIVE COVENANTS.

AMR, American and their respective subsidiaries are not restricted by the notes or the indenture from incurring indebtedness. In addition, the notes and the indenture do not restrict the ability of AMR, American or their respective subsidiaries to incur liens or otherwise encumber or sell their assets. Engaging in such a transaction may

have the effect of reducing the amount of proceeds distributable to holders of the notes in connection with any distribution or payment of assets in any foreclosure, dissolution, winding-up, liquidation, reorganization or other bankruptcy proceeding involving AMR or American. In addition, the indenture governing the notes does not contain any financial or operating covenants or restrictions on the payments of dividends or the issuance or repurchase of securities by AMR, American or any of their respective subsidiaries.

WE MAY NOT BE ABLE TO PURCHASE THE NOTES UPON AN AGREED PURCHASE DATE OR A CHANGE IN CONTROL, AND MAY NOT BE OBLIGATED TO PURCHASE THE NOTES UPON CERTAIN TRANSACTIONS.

On each of September 23, 2008, 2013 and 2018, holders of the notes may require AMR to purchase their notes. In addition, holders of the notes may require AMR to purchase their notes upon a change in control as defined in the indenture. AMR and American might not have sufficient funds to make the required purchase of the notes and may be required to secure third-party financing to do so. However, AMR and American may not be able to obtain such financing on acceptable terms, or at all. Moreover, AMR's ability to fund a required purchase of the notes upon a change in control or to secure third-party financing to do so may be adversely affected to the extent that AMR's or its subsidiaries' current or future debt instruments also require the repayment of such debt upon the occurrence of such a change in control. In addition, AMR's ability to repurchase the notes when required, including upon a change in control under the indenture, may be restricted by law or by the terms of agreements to which AMR or its subsidiaries are now and may hereafter be parties. The failure to repurchase the notes when required would constitute an event of default under the indenture, which might in turn constitute a default under the terms of other indebtedness of AMR or its subsidiaries. Further, certain important corporate events, such as a spin-off transaction, a reorganization or a leveraged recapitalization that would increase the level of AMR's indebtedness, may not constitute a change in control under the indenture and would not trigger AMR's obligation to repurchase the notes. See "Description of Notes -- Purchase of Notes by AMR at the Option of the Holder" and "-- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder."

BECAUSE THERE IS NO PUBLIC MARKET FOR THE NOTES, AND THE NOTES ARE SUBJECT TO TRANSFER RESTRICTIONS, HOLDERS MAY NOT BE ABLE TO RESELL THE NOTES EASILY OR AT A FAVORABLE PRICE.

The notes are a new issue of securities for which there is no trading market. Although the notes are currently eligible for trading on PORTAL, any notes resold under this prospectus will no longer be eligible for trading on PORTAL. We do not intend to apply for listing of the notes on any securities exchange or other stock market. Although the initial purchaser of the notes has advised us that it intends to make a market for the notes, it is not obligated to do so. The initial purchaser could stop making a market in the notes at any time without notice. Accordingly, a market for the notes may not develop, and we are not certain of the liquidity of any market that may develop, the ability of holders to sell their notes or the price at which holders would be able to sell their notes. If a market were to develop, the market price for the notes may be adversely affected by, among other factors, changes in our financial performance or prospects, changes in our credit ratings, changes in the overall market for similar securities, changes in interest rates and the financial performance or prospects of other airlines.

We have the right, pursuant to the registration rights agreement, to suspend the use of the shelf registration statement of which this prospectus is a part in certain circumstances. During such a suspension, holders would not be able to sell any notes or shares of common stock issuable upon conversion of the notes. See "Description of the Notes -- Registration Rights."

WE EXPECT THAT THE TRADING VALUE OF THE NOTES WILL BE SIGNIFICANTLY AFFECTED BY THE PRICE OF OUR COMMON STOCK AND THE AVAILABILITY OF SHARES FOR SALE IN THE MARKET.

The market price of the notes is expected to be significantly affected by the market price of our common stock, which has been volatile. This may result in greater volatility in the trading value of the notes than would be expected for nonconvertible debt securities we issue.

The sale or availability for sale of substantial amounts of our common stock also could adversely impact its price. AMR maintains various plans providing for the grant of stock options, stock appreciation rights, restricted stock, deferred stock, stock purchase rights and other stock-based awards. As of September 30, 2003, under such plans approximately 74.6 million shares of common stock were subject to outstanding options, deferred stock

awards and other stock-based awards. This includes approximately 37.9 million shares subject to options issued to employees (excluding officers) pursuant to the modified labor agreements entered into in April 2003, which will vest over a three year period and expire on April 17, 2013. In addition, AMR issued approximately 2.5 million shares of our common stock to certain vendors, lessors, lenders and suppliers with whom AMR and its subsidiaries have reached concessionary agreements.

UNDER FRAUDULENT CONVEYANCE LAWS, A COURT COULD VOID OBLIGATIONS UNDER THE AMERICAN GUARANTEE.

Under the federal bankruptcy laws and comparable provisions of state fraudulent conveyance or fraudulent transfer laws, a court could void obligations under the American guarantee, subordinate those obligations to pari passu or more junior obligations of American or require holders of the notes to repay any payments made pursuant to the guarantee, if an unpaid creditor or representative of creditors, such as a trustee in bankruptcy of American as a debtor-in-possession, claims that the guarantee constituted a fraudulent conveyance or fraudulent transfer. For this claim to succeed, the claimant must generally show that:

- American did not receive fair consideration or reasonably equivalent value in exchange for the guarantee; and
- at the time the guarantee was issued, American:
 - was insolvent;
 - was rendered insolvent by reason of the guarantee;
 - was engaged in a business or transaction for which its remaining assets constituted unreasonably small capital; or
 - intended to incur, or believed that it would incur, debts beyond its ability to pay them as the debts matured.

The measure of insolvency for these purposes will depend upon the law of the jurisdiction being applied. Generally, however, an obligor will be considered insolvent for these purposes if:

- the sum of its debts, including contingent liabilities, was greater than the saleable value of all of its assets at a fair valuation;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

Moreover, regardless of solvency, a court could void an incurrence of indebtedness, including under the American guarantee, if it determined that the transaction was made with intent to hinder, delay or defraud American's creditors.

USE OF PROCEEDS

The selling securityholders will receive all of the proceeds from the sale of the notes and the common stock issuable upon conversion of the notes offered by this prospectus. We will not receive any proceeds. We used the net proceeds from the initial issuance of the notes for working capital and general corporate purposes. See "Selling Securityholders" for a list of entities receiving proceeds from the sale of the notes and the common stock issuable upon conversion of the notes.

PRICE RANGE OF OUR COMMON STOCK

Our common stock is traded on the New York Stock Exchange ("NYSE") under the symbol "AMR." The following table sets forth for the periods indicated below the high and low closing prices for our common stock as reported by the New York Stock Exchange.

	HIGH	LOW
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FISCAL YEAR ENDED DECEMBER 31, 2001		
First Quarter	\$43.75	\$31.06
Second Quarter	39.38	33.24
Third Quarter	37.94	17.90
Fourth Quarter	23.34	16.49
FISCAL YEAR ENDED DECEMBER 31, 2002		
First Quarter	\$29.05	\$21.92
Second Quarter	25.56	16.00
Third Quarter	15.93	3.60
Fourth Quarter	8.25	3.15
FISCAL YEAR ENDING DECEMBER 31, 2003		
First Quarter	\$ 6.95	\$ 1.41
Second Quarter	11.32	3.00
Third Quarter	13.23	8.04
Fourth Quarter (through October 23, 2003)	14.90	11.67

In March 2003, Standard and Poor's removed our common stock from the S&P 500 index.

DIVIDEND POLICY

We have paid no cash dividends on our common stock and have no current intention of doing so. Any future determination to pay cash dividends will be at the discretion of our board of directors, subject to applicable limitations under Delaware law, and will be dependent upon our results of operations, financial condition, contractual restrictions and other factors deemed relevant by our board of directors.

RATIOS OF EARNINGS TO FIXED CHARGES

The following table sets forth the ratios of earnings to fixed charges of AMR and of American for the periods indicated:

	YEAR ENDED DECEMBER 31,					NINE MONTHS ENDED
	1998	1999	2000	2001	2002	SEPTEMBER 30, 2003
Ratio of Earnings to Fixed Charges						
AMR	2.55	1.72	1.87	(1)	(3)	(5)
American	2.82	1.95	2.07	(2)	(4)	(6)

(1) For the year ended December 31, 2001, AMR earnings were not sufficient to cover fixed charges. We needed additional earnings of \$2,900 million to achieve a ratio of earnings to fixed charges of 1.0.

(2) In April 2001, the board of directors of American approved the unconditional guarantee by American (the "American Guarantee") of the existing debt obligations of AMR. As such, as of December 31, 2001, American unconditionally guaranteed through the life of the related obligations approximately \$676 million of unsecured debt and approximately \$573 million of secured debt. The impact of these unconditional guarantees is not included in the above computation. For the year ended December 31, 2001, earnings were not sufficient to cover fixed charges. American needed additional earnings of \$2,584 million to achieve a ratio of earnings to fixed charges of 1.0.

(3) For the year ended December 31, 2002, AMR earnings were not sufficient to cover fixed charges. We needed additional earnings of \$3,946 million to achieve a ratio of earnings to fixed charges of 1.0.

(4) At December 31, 2002, American's exposure under the American Guarantee was approximately \$636 million with respect to unsecured debt and approximately \$538 million with respect to secured debt. For the year ended December 31, 2002, earnings were not sufficient to cover fixed charges. American needed additional earnings of \$3,749 million to achieve a ratio of earnings to fixed charges of 1.0.

(5) For the nine months ended September 30, 2003, AMR earnings were not sufficient to cover fixed charges. We needed additional earnings of \$1,171 million to achieve a ratio of earnings to fixed charges of 1.0.

(6) At September 30, 2003, American's exposure under the American Guarantee was approximately \$936 million with respect to unsecured debt and approximately \$503 million with respect to secured debt. For the nine months ended September 30, 2003, earnings were not sufficient to cover fixed charges. American needed additional earnings of \$1,239 million to achieve a ratio of earnings to fixed charges of 1.0.

For purposes of the table, "earnings" represents consolidated income from continuing operations before income taxes, extraordinary items, cumulative effect of accounting change and fixed charges (excluding interest capitalized). "Fixed charges" consists of interest expense (including interest capitalized), amortization of debt expense and the portion of rental expense we deem representative of the interest factor.

DESCRIPTION OF THE NOTES

We issued the notes under an indenture, dated as of September 23, 2003, among us, as issuer, American Airlines, Inc., as guarantor, and Wilmington Trust Company, as trustee. The following summarizes the material provisions of the notes. The following description does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the indenture and the notes, which we urge you to read because they, and not this description, define your rights as a note holder. A copy of the indenture is available upon request to us. As used in this description of the notes, the words "we," "us," "our," or "AMR" refer only to AMR Corporation and do not include any current or future subsidiary of AMR Corporation, and references to "American Airlines, Inc." refer only to American Airlines, Inc. and do not include any current or future subsidiary of American Airlines, Inc.

GENERAL

The notes are limited to \$300,000,000 aggregate principal amount. The notes will mature on September 23, 2023. The notes are in denominations of \$1,000 and integral multiples of \$1,000. The notes are payable at the principal corporate trust office of the paying agent, which initially is an office or agency of the trustee, or an office or agency maintained by us for such purpose, in the Borough of Manhattan, The City of New York.

The notes bear interest at the rate of 4.25% per year from the issue date or from the most recent date to which interest has been paid or provided for. Interest will be payable semiannually in arrears on March 23 and September 23 of each year, commencing on March 23, 2004, to holders of record at the close of business on the March 8 or September 8 immediately preceding such interest payment date. Each payment of interest on the notes will include interest accrued through the day before the applicable interest payment date (or purchase, redemption or, in certain circumstances, conversion date, as the case may be). Any payment required to be made on any day that is not a business day will be made on the next succeeding business day as if made on the date such payment was due and no interest will accrue for the period from and after the interest payment date, maturity date, purchase date or repurchase date, as the case may be, to the date of payment on the next succeeding business day. The amount of interest will be calculated using a 360-day year comprised of twelve 30-day months.

Interest will cease to accrue on a note upon its maturity, conversion, purchase by us at the option of a holder or redemption. We may not reissue a note that has matured or been converted, purchased by us at your option, redeemed or otherwise cancelled, except for registration of transfer, exchange or replacement of such note.

Notes may be presented for conversion at the office of the conversion agent and for exchange or registration of transfer at the office of the registrar. The conversion agent and the registrar shall initially be the trustee. No service charge will be made for any registration of transfer or exchange of notes. However, we may require the holder to pay any tax, assessment or other governmental charge payable as a result of such transfer or exchange.

The indenture does not limit the amount of other indebtedness or securities that may be issued by us or any of our subsidiaries. The indenture does not contain any financial covenants or restrictions on the payment of dividends, the incurrence of senior debt, securing our debt or the issuance or repurchase of our securities (other than the notes). The indenture contains no covenants or other provisions to afford protection to holders of notes in the event of a highly leveraged transaction or a change in control except to the extent described under " -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder."

GUARANTEE

American Airlines, Inc. unconditionally guarantees, on an unsecured basis, the performance and full and punctual payment when due, whether at stated maturity or otherwise, of all our obligations under the indenture (including obligations to the trustee) and the notes, whether for payment of principal of or interest on or any additional amounts in respect of the notes, expenses, indemnification or otherwise. American Airlines, Inc. agrees to pay, in addition to the amount stated above, any and all costs and expenses incurred by the trustee or the holders

in enforcing their rights under the note guarantee. The guarantee is limited in amount to an amount not to exceed the maximum amount that can be guaranteed by American Airlines, Inc. without rendering the guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

RANKING

The notes are our unsecured senior obligations and rank equal in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness. The American Airlines, Inc. guarantee is an unsecured senior obligation of American Airlines, Inc. and ranks equal in right of payment with all existing and future unsecured and unsubordinated indebtedness of American Airlines, Inc. The notes and the guarantee are effectively subordinated to all existing and future secured debt of AMR Corporation and American Airlines, Inc., respectively, to the extent of the security for such secured debt.

As of September 30, 2003, there was approximately \$13.9 billion of long-term debt (including current maturities) and obligations under capital leases (including current obligations) of AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries. As of September 30, 2003, \$10.5 billion of the long-term debt (including current maturities) of AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries was secured. Since September 30, 2003, AMR Corporation, American Airlines, Inc. and their consolidated subsidiaries have incurred additional indebtedness. AMR Corporation, American Airlines, Inc. and their respective subsidiaries may incur substantial additional debt, including secured debt, in the future.

In addition, the notes and the guarantee are "structurally subordinated" to all existing and future liabilities (including debt and trade payables) of the existing and future subsidiaries of AMR Corporation (other than American Airlines, Inc.) and American Airlines, Inc., respectively.

CONVERSION RIGHTS

A holder may convert notes, in multiples of \$1,000 principal amount, into common stock only if at least one of the conditions described below is satisfied. In addition, a holder may convert a note only until the close of business on the second business day prior to the redemption date if we call a note for redemption. A note for which a holder has delivered a purchase notice or a change in control purchase notice requiring us to purchase the note, as described below, may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

The initial conversion rate is 57.61 shares of common stock per each \$1,000 principal amount of notes, subject to adjustment upon the occurrence of certain events described below (the "conversion rate"). A holder of a note otherwise entitled to a fractional share will receive cash equal to the applicable portion of the closing sale price of our common stock on the trading day immediately preceding the conversion date. Upon a conversion, we will have the option to deliver cash, shares of our common stock or a combination of cash and shares of our common stock as described below. The ability to surrender notes for conversion will expire at the close of business on September 17, 2023.

To convert a note into shares of common stock, a holder must:

- complete and manually sign a conversion notice, a form of which is on the back of the note, and deliver the conversion notice to the conversion agent;
- surrender the note to the conversion agent;
- if required by the conversion agent, furnish appropriate endorsements and transfer documents; and
- if required, pay all transfer or similar taxes.

If the notes are not in certificated form, a holder's notice must comply with appropriate DTC procedures.

On conversion of a note, except as described below, a holder will not receive any payment representing accrued and unpaid interest. Delivery to the holder of the full number of shares of common stock into which the note is convertible (or, at our option, cash in lieu thereof), together with any cash payment of such holder's fractional shares, will be deemed to satisfy:

- our obligation to pay the full principal amount of the note; and
- except as described below, our obligation to pay accrued and unpaid interest attributable to the period from the issue date through the conversion date.

As a result, except as described below, accrued and unpaid interest is deemed paid in full rather than cancelled, extinguished or forfeited. Holders of notes surrendered for conversion during the period from the close of business on any regular record date next preceding any interest payment date to the opening of business of such interest payment date will receive the semiannual interest payable on such notes on the corresponding interest payment date notwithstanding the conversion at any time after the close of business on such regular record date. Notes surrendered for conversion by a holder during the period from the close of business on any regular record date to the opening of business on the next interest payment date, except for notes to be redeemed within this period, must be accompanied by payment of an amount equal to the interest that the holder is to receive on the notes so converted.

In lieu of delivery of shares of our common stock upon notice of conversion of any notes (for all or any portion of the notes), we may elect to pay holders surrendering notes an amount in cash for each \$1,000 principal amount of notes equal to the average closing sale price of our common stock for the five consecutive trading days immediately following either (a) the date of our notice of our election to deliver cash as described below, if we have not given notice of redemption, or (b) the conversion date, if we have given notice of redemption specifying that we intend to deliver cash upon conversion thereafter, in either case multiplied by the conversion rate in effect on that date. We will inform the holders through the trustee no later than two business days following the date on which we receive a conversion notice of our election to deliver shares of our common stock or to pay cash in lieu of delivery of the shares, unless we have already informed holders of our election in connection with our optional redemption of the notes as described under " -- Redemption of Notes at Our Option." If we elect to deliver all of such payment in shares of our common stock, the shares will be delivered through the conversion agent no later than the fifth business day following the conversion date. If we elect to pay all or a portion of such payment in cash, the payment, including any delivery of our common stock, will be made to holders surrendering notes no later than the tenth business day following the applicable conversion date. If an event of default, as described under " -- Events of Default and Acceleration" below (other than a default in a cash payment upon conversion of the notes), has occurred and is continuing, we may not pay cash upon conversion of any notes or portion of a note (other than cash for fractional shares).

For a discussion of the tax treatment of a holder surrendering notes for conversion, see "Certain United States Federal Income Tax Considerations -- Conversion of Notes."

A "business day" is any weekday that is not a day on which banking institutions in the city of New York are authorized or obligated to close. A "trading day" is any day on which the NYSE is open for trading or, if the applicable security is admitted for trading or quoted on the NASDAQ National Market, a day on which trades may be made on such market or, if the applicable security is not so listed, admitted for trading or quoted, any business day.

The conversion rate will not be adjusted for accrued and unpaid interest. We will, however, adjust the conversion rate, as provided in the indenture, for:

- (1) dividends or distributions on our common stock payable in our common stock or other capital stock of AMR;
- (2) subdivisions, combinations or certain reclassifications of our common stock;

(3) distributions to all holders of our common stock of certain rights to purchase our common stock for a period expiring within 60 days of such distribution at a price per share less than the then current sale price (as defined in the indenture); provided however that if such rights are exercisable only upon the occurrence of a triggering event, then the conversion price will not be adjusted until such triggering event occurs;

(4) distributions to all holders of our common stock of cash, assets (including shares of capital stock of a subsidiary), or debt securities issued by us (but excluding those rights, dividends and distributions referred to above); and

(5) the purchase of our common stock pursuant to a tender offer or exchange offer for our common stock (excluding odd lots of common stock) made by us or any of our subsidiaries to the extent that the cash and value of any other consideration included in the payment per share of common stock exceeds the closing sale price per share of our common stock on the trading day next succeeding the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer; provided that for purposes of this paragraph, purchases pursuant to a stock buyback program shall not constitute a tender or exchange offer.

However, no adjustment to the conversion rate need be made if holders of the notes may participate in the transaction without conversion or in certain other cases.

In the event that we elect to make a distribution to all holders of shares of our common stock pursuant to clause (3) or (4) of the preceding paragraph, which, in the case of clause (4), has a per share value equal to more than 15% of the closing sale price of our shares of common stock on the day preceding the declaration date for such distribution, we will be required to give notice to the holders of notes at least 20 days prior to the date for such distribution and, upon the giving of such notice, the notes may be surrendered for conversion at any time until the close of business on the business day prior to the date of distribution or until we announce that such distribution will not take place.

In the event that we pay a dividend or make a distribution on shares of our common stock consisting of capital stock of, or similar equity interests in, a subsidiary or other business unit of ours, the conversion rate will be adjusted based on the market value of the securities so distributed relative to the market value of our common stock, in each case based on the average closing sale prices of those securities for the ten trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the securities are then listed or quoted or, if not so listed or quoted, otherwise as provided in the indenture.

The indenture permits us to increase the conversion rate from time to time.

In addition, the indenture provides that upon conversion of the notes, the holders of such notes will receive, in addition to the shares of common stock issuable upon such conversion, the rights related to such common stock pursuant to any future shareholder rights plan, whether or not such rights have separated from the common stock at the time of such conversion. However, there shall not be any adjustment to the conversion privilege or conversion rate as a result of:

- the issuance of the rights;
- the distribution of separate certificates representing the rights;
- the exercise or redemption of such rights in accordance with any rights agreement; or
- the termination or invalidation of the rights.

Holders of the notes may, in certain circumstances, be deemed to have received a distribution subject to United States federal income tax as a dividend upon:

- a taxable distribution to holders of common stock which results in an adjustment of the conversion rate;
- an increase in the conversion rate at our discretion; or
- failure to adjust the conversion rate in some instances.

See "Certain United States Federal Income Tax Considerations -- Constructive Dividend."

If we are a party to a consolidation, merger or binding share exchange or a transfer of all or substantially all of our assets pursuant to which our common stock is converted to cash, securities or other assets, the right to convert a note into common stock may be changed into a right to convert it into the kind and amount of securities, cash or other assets of AMR or another person which the holder would have received if the holder had converted the holder's note immediately prior to the applicable record date for the transaction. See " -- Conversion Upon Occurrence of Certain Corporate Transactions" below. However, if such transaction constitutes a change in control of AMR, the holder also will be able to require us to purchase all or a portion of such holder's notes as described under " -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder."

No adjustment in the conversion rate is required unless such adjustment would require a change of at least 1% of the conversion rate then in effect; provided that any adjustment that would otherwise be required to be made shall be carried forward and taken into account in any subsequent adjustment.

Except as stated above, the conversion rate will not be adjusted for the issuance of common stock or any securities convertible into or exchangeable for common stock or carrying the right to purchase any of the foregoing.

The conversion agent will, on our behalf, determine if the notes are convertible and notify the trustee and us accordingly. If one or more of the conditions to the conversion of the notes has been satisfied as described below, we will promptly notify the holders of the notes thereof and use our reasonable best efforts to post this information on our website or otherwise publicly disclose this information.

Conversion Based on Common Stock Price. Holders may surrender notes for conversion into our shares of common stock in any calendar quarter commencing after September 30, 2003 if the closing sale price of our common stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is more than 120% of the conversion price per share of common stock on the last trading day of such preceding calendar quarter. If the foregoing condition is satisfied, then the notes will be convertible at any time thereafter at the option of the holder, through maturity.

The conversion price per share as of any day is equal to \$1,000 divided by the number of shares of common stock issuable upon conversion on that day of a note with a principal amount of \$1,000. The closing sale price of our common stock on any trading day means the closing per share sale price (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date on the NYSE or other principal national securities exchange on which the common stock is listed or, if our common stock is not listed on a national securities exchange, as reported by the NASDAQ National Market or otherwise as provided in the indenture.

Conversion Based on Trading Price of the Notes. Holders may surrender notes for conversion prior to maturity during the five business day period after any five consecutive trading day period in which the "trading price" per \$1,000 principal amount of notes, as determined following a request by a holder of notes in accordance with the procedures described below, for each day of that trading day period was less than 98% of the product of the closing sale price of our common stock and the number of shares of common stock issuable upon conversion of \$1,000 principal amount of notes (the "trading price condition").

If on the date of any conversion pursuant to the trading price condition, the closing sale price of our common stock is greater than the conversion price, then holders will receive, in lieu of common stock based on the conversion price, cash or common stock or a combination of cash and common stock, at our option, with a value

equal to the principal amount of such notes, plus accrued and unpaid interest, if any, as of the conversion date ("Principal Value Conversion"). We will notify holders that surrender their notes for conversion, if it is a Principal Value Conversion, by the second trading day following the date of conversion, whether we will pay them all or a portion of the principal amount of such notes, plus accrued and unpaid interest, if any, in cash, common stock or a combination of cash and common stock, and in what percentage. Any common stock delivered upon a Principal Value Conversion will be valued at the greater of the conversion price on the conversion date and the applicable stock price as of the conversion date. We will pay such holders any portion of the principal amount of such notes, plus accrued and unpaid interest, if any, to be paid in cash and deliver common stock with respect to any portion of the principal amount of such notes, plus accrued and unpaid interest, if any, to be paid in common stock no later than the third business day following the determination of the applicable stock price.

The "applicable stock price" means, in respect of a date of determination, the average of the closing sale price per share of common stock over the five-trading day period starting the third trading day following such date of determination.

The "trading price" of the notes on any date of determination means the average of the secondary market bid quotations obtained by the trustee for \$5 million principal amount of the notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers we select; provided that if three such bids cannot reasonably be obtained by the trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the trustee, that one bid shall be used. If the trustee cannot reasonably obtain at least one bid for \$5 million principal amount of the notes from a nationally recognized securities dealer, then the trading price per \$1,000 principal amount of notes will be deemed to be less than 98% of the product of the closing sale price of our common stock and the number of shares issuable upon conversion of \$1,000 principal amount of the notes.

In connection with any conversion upon satisfaction of the above trading pricing condition, the trustee shall have no obligation to determine the trading price of the notes unless we have requested such determination; and we shall have no obligation to make such request unless a holder of the notes provides us with reasonable evidence that the trading price per \$1,000 principal amount of notes would be less than 98% of the product of the closing sale price of our common stock and the number of shares of common stock issuable upon conversion of \$1,000 principal amount of the notes. At such time, we shall instruct the trustee to determine the trading price of the notes beginning on the next trading day and on each successive trading day until the trading price per \$1,000 principal amount of the notes is greater than 98% of the product of the closing sale price of our common stock and the number of shares issuable upon conversion of \$1,000 principal amount of the notes.

Conversion Based on Redemption. A holder may surrender for conversion a note called for redemption at any time prior to the close of business on the second business day immediately preceding the redemption date, even if it is not otherwise convertible at such time. A note for which a holder has delivered a purchase notice or a change in control purchase notice, as described below, requiring us to purchase such note may be surrendered for conversion only if such notice is withdrawn in accordance with the indenture.

Conversion Upon Occurrence of Certain Corporate Transactions. If we are party to a consolidation, merger or binding share exchange or a transfer of all or substantially all of our assets pursuant to which our common stock is to be converted to cash, securities or other assets, a note may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of the transaction until 15 days after the actual effective date of such transaction, and at the effective date, the right to convert a note into common stock will be changed into a right to convert it into the kind and amount of securities, cash or other assets of AMR or another person which the holder would have received if the holder had converted the holder's notes immediately prior to the applicable record date for the transaction. If such transaction also constitutes a change in control of AMR or of American Airlines, Inc., the holder also will be able to require us to purchase all or a portion of such holder's notes as described under " -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder."

The notes are also convertible upon the occurrence of certain distributions resulting in an adjustment to the conversion price as described above under " -- Conversion Rights."

REDEMPTION OF NOTES AT OUR OPTION

No sinking fund is provided for the notes. Prior to September 23, 2008, we cannot redeem the notes at our option. Beginning on September 23, 2008, we may redeem the notes for cash, as a whole at any time or from time to time in part. We will give not less than 30 days' or more than 60 days' notice of redemption by mail to holders of notes.

If redeemed at our option, the notes will be redeemed at a price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest, if any, on such notes to the applicable redemption date.

If less than all of the outstanding notes are to be redeemed, the trustee will select the notes to be redeemed in principal amounts of \$1,000 or integral multiples of \$1,000. In this case, the trustee may select the notes by lot, pro rata or by any other method the trustee considers fair and appropriate. If a portion of a holder's notes is selected for partial redemption and the holder converts a portion of the notes, the converted portion will be deemed to be the portion selected for redemption.

If the redemption notice is given and funds deposited as required, then interest will cease to accrue on and after the redemption date on the notes or portions of such notes called for redemption.

PURCHASE OF NOTES BY AMR AT THE OPTION OF THE HOLDER

On each of September 23, 2008, 2013 and 2018, a holder of a note has the right to require us to purchase, at a price equal to 100% of the principal amount of the note being purchased plus accrued and unpaid interest, if any, to the purchase date, any outstanding note for which a written purchase notice has been properly delivered by the holder and not withdrawn, subject to certain additional conditions. Holders may submit their written purchase notice to the paying agent at any time from the opening of business on the date that is 20 business days prior to such purchase date until the close of business on the second business day immediately preceding such purchase date. As described in the "Risk Factors" section of this prospectus under the caption "We may not be able to purchase the notes upon an agreed purchase date or a change in control, and may not be obligated to purchase the notes upon certain transactions," we may not have funds sufficient to purchase notes when we are required to do so.

We may, at our option, elect to pay the purchase price in cash or shares of common stock, or any combination thereof, provided that we may elect to terminate our right to pay common stock, in whole or in part, for any note at any time in our sole discretion. For a discussion of the tax treatment of a holder receiving cash, common stock or any combination thereof, see "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

We will be required to give notice on a date not less than 20 business days prior to each purchase date to all holders at their addresses shown in the register of the registrar, and to beneficial owners as required by applicable law, stating among other things:

- the amount of the purchase price;
- whether we will pay the purchase price of the notes in cash or common stock or any combination thereof, specifying the percentages of each;
- if we elect to pay in common stock, the method of calculation of the market price of the common stock; and
- the procedures that holders must follow to require us to purchase their notes.

The purchase notice given by each holder electing to require us to purchase notes shall state:

- if certificated notes have been issued, the certificate numbers of the holder's notes to be delivered for purchase;

- the portion of the principal amount of notes to be purchased, which must be \$1,000 or an integral multiple of \$1,000;
- that the notes are to be purchased by us pursuant to the applicable provisions of the notes; and
- in the event we elect, pursuant to the notice that we are required to give, to pay the purchase price in common stock, in whole or in part, but the purchase price is ultimately to be paid to the holder entirely in cash because any of the conditions to payment of the purchase price or portion of the purchase price in common stock is not satisfied prior to the close of business on the purchase date, as described below, whether the holder elects:
 - to withdraw the purchase notice as to some or all of the notes to which it relates; or
 - to receive cash in respect of the entire purchase price for all notes or portions of notes subject to such purchase notice.

If the notes are not in certificated form, a holder's notice must comply with appropriate DTC procedures.

If we elect to pay the purchase price for the notes subject to the purchase notice in common stock, in whole or in part, but such purchase price is ultimately to be paid to a holder entirely in cash because we have not satisfied one or more of the conditions to payment of the purchase price in common stock prior to the close of business on the purchase date, a holder shall be deemed to have elected to receive cash in respect of the entire purchase price for all such notes unless such holder has properly notified us of its election to withdraw the purchase notice. For a discussion of the tax treatment of a holder receiving cash instead of common stock, see "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

Any purchase notice may be withdrawn, in whole or in part, by the holder by a written notice of withdrawal delivered to the paying agent prior to the close of business on the business day prior to the purchase date.

The notice of withdrawal shall state:

- the principal amount being withdrawn;
- if certificated notes have been issued, the certificate numbers of the notes being withdrawn; and
- the principal amount, if any, of the notes that remain subject to the purchase notice.

If the notes are not in certificated form, a holder's notice must comply with appropriate DTC procedures.

If we elect to pay the purchase price, in whole or in part, in shares of our common stock, the number of such shares we deliver shall be equal to the portion of the purchase price to be paid in common stock divided by the market price of a share of common stock.

We will pay cash based on the market price for all fractional shares of common stock in the event we elect to deliver common stock in payment, in whole or in part, of the purchase price. See "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

The "market price" of our common stock shall be an amount equal to the average of the closing sale prices of our common stock for the five trading-day period ending on the third business day prior to the applicable purchase date, or, if such business day is not a trading day, then on the last trading day prior to such business day, appropriately adjusted to take into account any occurrence during that period that would result in an adjustment of the conversion rate with respect to the common stock.

Because the market price of our common stock is determined prior to the applicable purchase date, holders of notes bear the market risk with respect to the value of the common stock to be received from the date such market

price is determined to such purchase date. We may pay the purchase price or any portion of the purchase price in common stock only if the information necessary to calculate the market price is published in a daily newspaper of national circulation.

Upon determination of the actual number of shares of common stock to be paid as the purchase price for the notes in accordance with the foregoing provisions, we will promptly issue a press release and publish such information on our website.

Our right to purchase notes, in whole or in part, with common stock is subject to our satisfying various conditions, including:

- listing the common stock on the NYSE or listing on a national securities exchange or admission for trading of the common stock on NASDAQ;
- the registration of the common stock under the Securities Act and the Exchange Act, if required; and
- any necessary qualification or registration under applicable state securities law or the availability of an exemption from such qualification and registration.

If such conditions are not satisfied with respect to a holder prior to the close of business on the purchase date, we will pay the purchase price of the notes of the holder entirely in cash. See "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option." We may not change the form or components or percentages of components of consideration to be paid for the notes once we have given the notice that we are required to give to holders of notes, except as described in the first sentence of this paragraph.

In connection with any purchase offer, we will:

- comply with the provisions of Rule 13e-4 and any other tender offer rules under the Exchange Act to the extent that such provisions are then applicable; and
- file Schedule TO or other schedule to the extent that they are required under the Exchange Act.

Payment of the purchase price for a note for which a purchase notice has been delivered and not validly withdrawn is conditioned upon delivery of the note, together with necessary endorsements, to the paying agent at any time after delivery of the purchase notice. Payment of the purchase price for the note will be made as soon as practicable following the later of the purchase date or the time of delivery of the note.

If the paying agent holds money or securities sufficient to pay the purchase price of a note on the business day following the purchase date in accordance with the terms of the indenture, then, immediately after the purchase date, the note will cease to be outstanding and interest on such note will cease to accrue, whether or not the note is delivered to the paying agent. Thereafter, all other rights of the holder shall terminate, other than the right to receive the purchase price upon delivery of the note.

No notes may be purchased for cash at the option of holders if there has occurred and is continuing an event of default with respect to the notes, other than a default in the payment of the purchase price with respect to such notes.

CHANGE IN CONTROL PERMITS PURCHASE OF NOTES BY AMR AT THE OPTION OF THE HOLDER

In the event of a change in control of AMR or American Airlines, Inc., each holder will have the right, at the holder's option, subject to the terms and conditions of the indenture, to require AMR to purchase all or any portion of the holder's notes. However, the principal amount submitted for purchase by a holder must be \$1,000 or an integral multiple of \$1,000. As described in the "Risk Factors" section of this prospectus under the caption "We may not be able to purchase the notes upon an agreed purchase date or a change in control, and may not be obligated

to purchase the notes upon certain transactions," we may not have funds sufficient to purchase notes when we are required to do so.

We are required to purchase the notes as of a date set by us that is no later than 30 business days after the occurrence of such change in control at a price equal to 100% of the principal amount of the notes being purchased plus accrued and unpaid interest, if any, on such notes to such date of purchase.

Instead of paying the purchase price in cash, we may, at our option, pay the purchase price in shares of our common stock, or a combination of cash and shares of our common stock, provided that we may elect to terminate our right to pay common stock, in whole or in part, for any note at any time in our sole discretion. The number of shares of our common stock a holder will receive will equal the purchase price (less any amounts paid in cash) divided by 97 1/2% of the market price of our common stock. See " -- Purchase of Notes by AMR at the Option of the Holder" for a description of the manner in which the market price of our common stock is determined. However, we may not pay in shares of our common stock unless we satisfy certain conditions prior to the purchase date as provided in the indenture. For a discussion of the tax treatment of a holder receiving cash, common stock or any combination thereof, see "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

Within 15 days after the occurrence of a change in control, AMR is obligated to mail to the trustee and to all holders of notes at their addresses shown in the register of the registrar and to beneficial owners as required by applicable law a notice regarding the change in control, which notice shall state, among other things:

- the events causing a change in control;
- the date of such change in control;
- the last date on which the purchase right may be exercised;
- the change in control purchase price;
- whether we will pay the purchase price of the notes in cash or common stock or any combination thereof, specifying the percentages of each;
- if we elect to pay in common stock, the method of calculation of the market price of the common stock;
- the change in control purchase date;
- the name and address of the paying agent and the conversion agent;
- the conversion rate and any adjustments to the conversion rate resulting from such change in control;
- that notes with respect to which a change in control purchase notice is given by the holder may be converted only if the change in control purchase notice has been withdrawn in accordance with the terms of the indenture; and
- the procedures that holders must follow to exercise these rights.

To exercise this right, the holder must deliver a written notice to the paying agent prior to the close of business on the second business day prior to the change in control purchase date. The required purchase notice upon a change in control shall state:

- if certificated notes have been issued, the certificate numbers of the notes to be delivered by the holder;

- the portion of the principal amount of notes to be purchased, which portion must be \$1,000 or an integral multiple of \$1,000;
- that we are to purchase such notes pursuant to the applicable provisions of the notes; and
- in the event we elect, pursuant to the notice that we are required to give, to pay the purchase price in common stock, in whole or in part, but the purchase price is ultimately to be paid to the holder entirely in cash because any of the conditions in the indenture to payment of the purchase price or portion of the purchase price in common stock is not satisfied prior to the close of business on the purchase date, whether the holder elects:
 - to withdraw the purchase notice as to some or all of the notes to which it relates; or
 - to receive cash in respect of the entire purchase price for all notes or portions of notes subject to such purchase notice.

If the notes are not in certificated form, a holder's notice must comply with appropriate DTC procedures.

If we elect to pay the purchase price for the notes subject to the purchase notice in common stock, in whole or in part, but such purchase price is ultimately to be paid to a holder entirely in cash because we have not satisfied one or more of the conditions to payment of the purchase price in common stock prior to the close of business on the purchase date, a holder shall be deemed to have elected to receive cash in respect of the entire purchase price for all such notes unless such holder has properly notified us of its election to withdraw the purchase notice. For a discussion of the tax treatment of a holder receiving cash instead of common stock, see "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

Any such change in control purchase notice may be withdrawn, in whole or in part, by the holder by a written notice of withdrawal delivered to the paying agent prior to the close of business on the business day prior to the change in control purchase date.

The notice of withdrawal shall state:

- the principal amount being withdrawn;
- if certificated notes have been issued, the certificate numbers of the notes being withdrawn; and
- the principal amount, if any, of the notes that remain subject to a change in control purchase notice.

If the notes are not in certificated form, a holder's notice must comply with appropriate DTC procedures.

Payment of the change in control purchase price for a note for which a change in control purchase notice has been delivered and not validly withdrawn is conditioned upon delivery of the note, together with necessary endorsements, to the paying agent at any time after the delivery of such change in control purchase notice. Payment of the change in control purchase price for such note will be made promptly following the later of the change in control purchase date or the time of delivery of such note.

We will pay cash based on the market price for all fractional shares of common stock in the event we elect to deliver common stock in payment, in whole or in part, of the purchase price. See "Certain United States Federal Income Tax Considerations -- Our Purchase of Notes at Your Option or Redemption at Our Option."

Because the market price of our common stock is determined prior to the applicable purchase date, holders of notes bear the market risk with respect to the value of the common stock to be received from the date such market price is determined to such purchase date. We may pay the purchase price or any portion of the purchase price in common stock only if the information necessary to calculate the market price is published in a daily newspaper of national circulation.

If the paying agent holds money or securities sufficient to pay the change in control purchase price of a note on the business day following the change in control purchase date in accordance with the terms of the indenture, then immediately after the change in control purchase date, the note will cease to be outstanding and interest on the note will cease to accrue, whether or not the note is delivered to the paying agent. Thereafter, all other rights of the holder shall terminate, other than the right to receive the change in control purchase price upon delivery of the note.

Under the indenture, a "change in control" will be deemed to have occurred at the time any of the following occurs:

(1) any "person" or "group" within the meaning of Section 13(d) of the Exchange Act other than AMR, any subsidiary of AMR or American Airlines, Inc., or any employee benefit plan of AMR, American Airlines, Inc. or any of their respective subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of AMR's common equity representing more than 50% of the voting power of AMR's common equity entitled to vote generally in the election of directors;

(2) any "person" or "group" within the meaning of Section 13(d) of the Exchange Act other than AMR, any subsidiary of AMR or American Airlines, Inc., or any employee benefit plan of AMR, American Airlines, Inc. or any of their respective subsidiaries, becomes (whether by purchase, share exchange, consolidation, merger or otherwise) the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of American Airlines, Inc.'s common equity representing more than 50% of the voting power of American Airlines, Inc.'s common equity entitled to vote generally in the election of directors; provided, however, that if such person or group became such a direct or indirect "beneficial owner" of American Airlines, Inc.'s common equity as a result of a transaction involving AMR that does not otherwise constitute a change in control under this provision, then any beneficial ownership of American Airlines, Inc.'s common stock by such person or group shall not be a change in control under this clause (2);

(3) consummation of any share exchange, consolidation or merger of AMR pursuant to which our common stock will be converted into cash, securities or other property or any sale, lease or other transfer in one transaction or a series of transactions of all or substantially all of the consolidated assets of either AMR and its subsidiaries, taken as a whole, or American Airlines, Inc. and its subsidiaries, taken as a whole, to any person other than AMR, American Airlines, Inc. or one or more of our respective subsidiaries; provided, however, that a transaction where the holders of AMR's or American Airlines, Inc.'s common equity immediately prior to such transaction have, directly or indirectly, more than 50% of the aggregate voting power of all classes of common equity of the continuing or surviving corporation or transferee entitled to vote generally in the election of directors immediately after such event shall not be a change in control;

(4) during any period of 12 consecutive months, individuals who at the beginning of such period constitute AMR's Board of Directors (together with any new director whose election by AMR's Board of Directors or whose nomination for election by AMR's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously approved) cease for any reason (other than death or disability) to constitute a majority of the directors then in office; or

(5) during any period of 12 consecutive months, individuals who at the beginning of such period constitute American Airlines, Inc.'s Board of Directors (together with any new director whose election by American Airlines, Inc.'s Board of Directors or whose nomination for election by American Airlines, Inc.'s stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously approved) cease for any reason (other than death or disability) to constitute a majority of the directors then in office.

A change in control will not be deemed to have occurred in respect of any of the foregoing, however, if either:

(1) the closing sale price of our common stock for any five trading days within the 10 consecutive trading days ending immediately before the later of the change in control or the public announcement thereof equals or exceeds 105% of the conversion price of the notes in effect immediately before the change in control or the public announcement thereof; or

(2) at least 90% of the consideration, excluding cash payments for fractional shares, in the transaction or transactions constituting the change in control consists of shares of capital stock traded on a national securities exchange or quoted on the Nasdaq National Market or which will be so traded or quoted when issued or exchanged in connection with a change in control (these securities being referred to as "publicly traded securities") and as a result of this transaction or transactions the notes become convertible into such publicly traded securities, excluding cash payments for fractional shares.

For purposes of the above paragraph, the term capital stock of any person means any and all shares (including ordinary shares or American Depositary Shares), interests, participations or other equivalents however designated of corporate stock or other equity participations, including partnership interests, whether general or limited, of such person and any rights (other than debt securities convertible or exchangeable into an equity interest), warrants or options to acquire an equity interest in such person.

In connection with any purchase offer, we will:

- comply with the provisions of Rule 13e-4, and any other tender offer rules under the Exchange Act to the extent that such provisions are then applicable; and
- file Schedule TO or other schedule to the extent that they are required under the Exchange Act.

The change in control purchase feature of the notes may, in certain circumstances, make more difficult a takeover or discourage a potential acquiror. The change in control purchase feature, however, is not the result of our knowledge of any specific effort:

- to accumulate shares of common stock;
- to obtain control of us by means of a merger, tender offer, solicitation or otherwise; or
- as part of a plan by management to adopt a series of anti-takeover provisions.

Instead, the change in control purchase feature is a standard term contained in other offerings of securities similar to the notes that have been marketed by the initial purchaser. The terms of the change in control purchase feature resulted from negotiations between the initial purchaser and us.

We could, in the future, enter into certain transactions, including certain highly leveraged transactions, mergers or recapitalizations, that would not constitute a change in control with respect to the change in control purchase feature of the notes but that would increase the amount of our or our subsidiaries' outstanding indebtedness.

No notes may be purchased at the option of holders upon a change in control if there has occurred and is continuing an event of default with respect to the notes, other than a default in the payment of the change in control purchase price with respect to such notes.

EVENTS OF DEFAULT AND ACCELERATION

The following are events of default under the indenture:

- default in the payment of any principal amount at maturity, redemption price, purchase price, or change in control purchase price due with respect to the notes, when the same becomes due and payable;
- default in payment of any interest under the notes, which default continues for 30 days;
- our failure to comply with any of our agreements in the notes or the indenture upon our receipt of notice of such default from the trustee or to us and the trustee from holders of not less than 25% in aggregate principal amount of the notes then outstanding, and our failure to cure (or obtain a waiver of) such default within 60 days after we receive such notice;
- default resulting in acceleration of other indebtedness of AMR Corporation or American Airlines, Inc. for borrowed money where the aggregate principal amount with respect to which the acceleration has occurred exceeds \$50 million, and such acceleration has not been rescinded or annulled within a period of 10 days after written notice to us by the trustee or to us and the trustee by the holders of at least 25% in aggregate principal amount of the notes then outstanding; provided that such event of default will be cured or waived if the default that resulted in the acceleration of such other indebtedness is cured or waived;
- the American Airlines, Inc. guarantee ceases to be in full force and effect or is declared null and void or American Airlines, Inc. denies that it has any further liability under the guarantee, or gives notice to such effect (other than by reason of the termination of the indenture or the release of the guarantee in accordance with the indenture), and such condition shall have continued for a period of 30 days after written notice of such failure requiring American Airlines, Inc. or us to remedy the same shall have been given to us by the trustee or to us and the trustee by the holders of 25% in aggregate principal amount of the notes then outstanding; or
- certain events of bankruptcy, insolvency or reorganization affecting us or American Airlines, Inc.

If an event of default shall have happened and be continuing, either the trustee or the holders of not less than 25% in aggregate principal amount of the notes then outstanding may declare by written notice to us (and to the trustee if notice is given by such holders) 100% of the principal amount of the notes, plus any accrued and unpaid interest through the date of such declaration, to be immediately due and payable. In the case of certain events of bankruptcy or insolvency, 100% of the principal amount of the notes plus any accrued and unpaid interest through the occurrence of such event shall automatically become and be immediately due and payable.

Holder of the notes may not enforce the indenture or the notes except as provided in the indenture. Subject to the provisions of the indenture relating to the duties of the trustee, the trustee is under no obligation to exercise any of its rights or powers under the indenture at the request, order or direction of any of the holders, unless such holders have offered to the trustee security or an indemnity satisfactory to it against any cost, expense or liability. Subject to all provisions of the indenture and applicable law, the holders of a majority in aggregate principal amount of the notes then outstanding have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee. If a default or event of default occurs and is continuing and is known to the trustee, the indenture requires the trustee to mail a notice of default or event of default to each holder within 90 days after the trustee obtains knowledge of such default or event of default. However, the trustee may withhold from the holders notice of any continuing default or event of default (except a default or event of default in the payment of principal amount at maturity, accrued and unpaid interest, or redemption price, purchase price or change in control purchase price, if applicable, on the notes) if it determines in good faith that withholding notice is in their interest. The holders of a majority in aggregate principal amount of the notes then outstanding by written notice to the trustee may rescind any acceleration of the notes and its consequences if all existing events of default (other than the nonpayment of the principal amount of,

and accrued and unpaid interest, if any, on, the notes that have become due solely by virtue of such acceleration) have been cured or waived and if the rescission would not conflict with any judgment or decree of any court of competent jurisdiction. No such rescission will affect any subsequent default or event of default or impair any right consequent thereto.

A holder of notes may pursue any remedy under the indenture only if:

- the holder gives the trustee written notice of a continuing event of default on the notes;
- the holders of at least 25% in aggregate principal amount of the notes then outstanding make a written request to the trustee to pursue the remedy;
- such holders offer to the trustee indemnity reasonably satisfactory to the trustee;
- the trustee fails to act for a period of 60 days after the receipt of notice and offer of indemnity; and
- during that 60-day period, the holders of a majority in principal amount of the notes then outstanding do not give the trustee a direction inconsistent with the request.

This provision does not, however, affect the right of a holder of notes to sue for enforcement of the payment of the principal amount or accrued and unpaid interest, if any, or redemption price, purchase price or change in control purchase price, if applicable, on the holder's note on or after the respective due dates expressed in its note or the holder's right to convert its note in accordance with the indenture.

We will file annually with the trustee a certificate as to AMR's compliance with all terms, provisions and conditions of the indenture.

MERGERS AND SALES OF ASSETS

The indenture provides that we may not consolidate with or merge into any person or sell, convey or transfer our properties and assets substantially as an entirety to another person unless:

- the resulting, surviving or transferee person is a person organized and existing under the laws of the United States, any state thereof or the District of Columbia, and such person (if other than us) assumes all our obligations under the notes and the indenture;
- after giving effect to the transaction no event of default, and no event that, after notice or passage of time, would become an event of default, has occurred and is continuing; and
- other conditions described in the indenture are met.

Upon the assumption of our obligations by such person in such circumstances, subject to certain exceptions, we shall be discharged from all obligations under the notes and the indenture. The indenture also provides that American Airlines, Inc. may not consolidate with or merge into any person or sell, convey or transfer its properties and assets substantially as an entirety to another person unless the surviving person assumes the obligations of American Airlines, Inc. as guarantor and the surviving person is organized and existing under the laws of the United States, any state thereof or the District of Columbia.

Although such transactions are permitted under the indenture, certain of the foregoing transactions occurring could constitute a change in control permitting each holder to require us to purchase the notes of such holder as described above.

MODIFICATION

The trustee and we may modify or amend the indenture or the notes with the consent of the holders of not less than a majority in aggregate principal amount of the notes then outstanding. However, the consent of the holder of each outstanding note that would be affected by such modification or amendment would be required to:

- alter the interest rate or the manner of calculation of interest on any note or change the time of payment of interest;
- make any note payable in money or securities other than as stated in the note;
- change the stated maturity of any note;
- reduce the principal amount, redemption price, purchase price or change in control purchase price with respect to any note;
- make any change that adversely affects the rights of such a holder to convert any note;
- make any change that adversely affects the right of such a holder to require us to purchase a note;
- impair the right to institute suit for the enforcement of any payment with respect to the notes, or under the American Airlines, Inc. guarantee, or with respect to conversion of the notes;
- reduce the percentage in principal amount of the outstanding notes the consent of whose holders is required for modification or amendment of the indenture or for waiver of compliance with certain provisions of the indenture or waiver of certain defaults; and
- release American Airlines, Inc. from any of its obligations under its guarantee other than in accordance with the terms of the indenture.

Without the consent of any holder of notes, the trustee and we may modify or amend the indenture for any of the following purposes:

- to evidence a successor to us or American Airlines, Inc., and the assumption by that successor of our or American Airlines, Inc.'s obligations under the indenture, the notes or the guarantee, as applicable;
- to add to our covenants for the benefit of the holders of the notes or to surrender any right or power conferred upon us;
- to make any change to comply with the Trust Indenture Act of 1939, as amended, or to comply with any requirement of the SEC in connection with the qualification of the indenture under the Trust Indenture Act of 1939, as amended, or as necessary in connection with the registration of the notes and the shares of common stock issuable upon conversion of the notes under the Securities Act;
- to add additional events of default;
- to add or change any provisions to such extent as is necessary to permit or facilitate the issuance of and trading of the notes in global form;
- to evidence and provide for the acceptance of the appointment under the indenture of separate or successor trustees;
- to increase the conversion rate;

- to make any change that would provide any additional rights or benefits to the holders of notes;
- to modify the restrictions on, and procedures for, resale and other transfers of notes or the shares of common stock issuable upon conversion of notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;
- to secure our obligations in respect of the notes or the indenture;
- to cure any ambiguity or inconsistency or correct any mistake in the indenture or the notes; or
- to make any other change that does not materially adversely affect the rights of any holder of the notes.

The holders of a majority in principal amount of the outstanding notes may, on behalf of all the holders of all notes:

- waive compliance by us with restrictive provisions of the indenture, as detailed in the indenture; and
- waive any past default under the indenture and its consequences, except a default in the payment of the principal amount, accrued and unpaid interest, redemption price, purchase price or change in control purchase price or obligation to deliver common stock upon conversion with respect to any note or in respect of any provision which under the indenture cannot be modified or amended without the consent of the holder of each outstanding note affected thereby.

DISCHARGE OF THE INDENTURE

We may satisfy and discharge our obligations under the indenture by delivering to the trustee for cancellation all outstanding notes or by depositing with the trustee, the paying agent or the conversion agent, if applicable, after the notes have become due and payable, whether at stated maturity or any redemption date, or any purchase date, or a change in control purchase date, or upon conversion or otherwise, cash or shares of common stock (as applicable under the terms of the indenture) sufficient to pay all of the outstanding notes and paying all other sums payable under the indenture.

CALCULATIONS IN RESPECT OF NOTES

We are responsible for making all calculations called for under the notes. These calculations include, but are not limited to, determination of the market prices of our common stock. We will make all these calculations in good faith and, absent manifest error, our calculations will be final and binding on holders of notes. We will provide a schedule of our calculations to the trustee, and the trustee is entitled to rely upon the accuracy of our calculations without independent verification.

LIMITATIONS OF CLAIMS IN BANKRUPTCY

If a bankruptcy proceeding is commenced in respect of AMR or American Airlines, Inc., the claim of a holder of a note is, under Title 11 of the United States Code, limited to the principal amount of the note, together with any accrued and unpaid interest on such note as of the date of the commencement of the proceeding.

GOVERNING LAW

The indenture, the notes and the guarantee are governed by, and construed in accordance with, the law of the State of New York.

INFORMATION CONCERNING THE TRUSTEE

Wilmington Trust Company is the trustee, registrar, paying agent and conversion agent under the indenture for the notes. Wilmington Trust Company acts as trustee with respect to certain other financing transactions of ours

and of our affiliates. Wilmington Trust Company may from time to time provide banking or other services to us and our affiliates.

BOOK-ENTRY SYSTEM

Except as described in "-- Exchange of Global Securities" below, the notes were only issued in the form of global securities held in book-entry form. DTC or its nominee is the sole registered holder of the notes for all purposes under the indenture. Owners of beneficial interests in the notes represented by the global securities hold their interests pursuant to the procedures and practices of DTC. As a result, beneficial interests in any such securities are shown on, and may only be transferred through, records maintained by DTC and its direct and indirect participants and any such interest may not be exchanged for certificated securities, except in limited circumstances. Owners of beneficial interests must exercise any rights in respect of their interests, including any right to convert or require purchase of their interests in the notes, in accordance with the procedures and practices of DTC. Beneficial owners are not holders and are not entitled to any rights under the global securities or the indenture. AMR and the trustee, and any of their respective agents, may treat DTC as the sole holder and registered owner of the global securities. Neither AMR nor the trustee has any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the notes held by DTC or its nominee, or for maintaining, supervising, or reviewing any records relating to such beneficial ownership interests or for the performance by DTC or any DTC direct or indirect participant of their respective obligations under the rules, regulations, and procedures creating and affecting DTC and its operations or any other statutory, regulatory, contractual, or customary procedures governing their operations.

EXCHANGE OF GLOBAL SECURITIES

Notes represented by a global security are exchangeable for certificated securities with the same terms only if:

- DTC is unwilling or unable to continue as depository or if DTC ceases to be a clearing agency registered under the Exchange Act and a successor depository is not appointed by us within 90 days;
- we decide to discontinue use of the system of book-entry transfer through DTC (or any successor depository); or
- an event of default under the indenture occurs and is continuing.

DTC has advised us as follows: DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC facilitates the settlement of transactions among its participants through electronic computerized book-entry changes in participants' accounts, eliminating the need for physical movement of securities certificates. DTC's participants include securities brokers and dealers, including the initial purchaser, banks, trust companies, clearing corporations and other organizations, some of whom and/or their representatives, own DTC. Access to DTC's book-entry system is also available to others, such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly.

NO RECOURSE AGAINST OTHERS

None of the directors, officers, employees, stockholders or affiliates, as such, of AMR or American Airlines, Inc. shall have any liability or any obligations under the notes or the indenture, or the American Airlines, Inc. guarantee, as the case may be, or for any claim based on, in respect of or by reason of such obligations or the creation of such obligations. Each holder by accepting a note waives and releases all such liability. The waiver and release are part of the consideration for the notes.

REGISTRATION RIGHTS

We and American Airlines, Inc. entered into a registration rights agreement with the initial purchaser pursuant to which we have, at our expense, for the benefit of the holders, filed with the SEC within 90 days after the first date of original issuance of the notes, a shelf registration statement, of which this prospectus is a part, covering resale of the notes and the shares of common stock issued upon conversion of the notes. We will use our reasonable efforts to cause the shelf registration statement to become effective within 180 days of such first date of original issuance, and to keep a shelf registration statement effective until the earlier of (i) the sale pursuant to a shelf registration statement of all the securities registered thereunder and (ii) the expiration of the holding period applicable to such securities held by persons that are not affiliates of AMR under Rule 144(k) under the Securities Act or any successor provision, subject to certain permitted exceptions. We may suspend the use of a prospectus that is part of a shelf registration statement under certain circumstances relating to corporate developments, public filings with the SEC and similar events for a period not to exceed 45 days in any three-month period and not to exceed an aggregate of 120 days in any 12-month period. We have agreed to pay predetermined liquidated damages as described herein ("liquidated damages") to holders of the notes if a shelf registration statement is not timely filed or made effective or if the prospectus is unavailable for periods in excess of those permitted above. Such liquidated damages will accrue until such failure to file or become effective or unavailability is cured, in respect of any notes whose sale is restricted, at a rate per year equal to 0.25% for the first 90-day period after the occurrence of such event and 0.50% thereafter of the principal amount. So long as the failure to file or become effective or unavailability continues, we will pay liquidated damages in cash on March 23 and September 23 of each year to the holders of record of the notes on the immediately preceding March 8 or September 8. When such registration default is cured, accrued and unpaid liquidated damages will be paid in cash to the record holder as of the date of such cure.

A holder who sells notes and shares of common stock issued upon conversion of the notes pursuant to the shelf registration statement generally is required to be named as a selling securityholder in the related prospectus, deliver a prospectus to purchasers and be bound by certain provisions of the registration rights agreement that are applicable to such holder, including certain indemnification provisions. We will pay all expenses of a shelf registration statement, provide to each registered holder copies of such prospectus, notify each registered holder when the shelf registration statement has become effective and take certain other actions as are required to permit, subject to the foregoing, unrestricted resales of the notes and the shares of common stock issued upon conversion of the notes. If the securities are sold through underwriters, broker-dealers or agents, the selling securityholders will be responsible for underwriting discounts or commissions or agents' commissions and transfer taxes, if any.

We agreed in the registration rights agreement to give notice to all holders of the filing and effectiveness of a shelf registration statement by release made to Reuters Economic Services, Bloomberg Business News or other reasonable means of distribution. Holders are required to complete and deliver a questionnaire prior to being named as a selling securityholder in the related prospectus. Upon receipt of such a completed questionnaire, together with such other information as may be reasonably requested by us from a holder following the effectiveness of a shelf registration statement, we will, as promptly as practicable, file such amendments to a shelf registration statement or supplements to a related prospectus as are necessary to permit such holder to deliver such prospectus to purchasers of notes and our shares of common stock issuable upon conversion of the notes, subject to our right to suspend the use of the prospectus as described above. Any holder that does not complete and deliver a questionnaire or provide such other information will not be named as a selling securityholder in the shelf registration statement and the related prospectus and therefore will not be permitted to sell the notes or our shares of common stock issuable upon conversion of the notes pursuant to the shelf registration statement.

THE SUMMARY HEREIN OF CERTAIN PROVISIONS OF THE REGISTRATION RIGHTS AGREEMENT IS SUBJECT TO, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO, ALL THE PROVISIONS OF THE REGISTRATION RIGHTS AGREEMENT, A COPY OF WHICH IS FILED AS AN EXHIBIT TO THE SHELF REGISTRATION STATEMENT OF WHICH THIS PROSPECTUS IS A PART.

DESCRIPTION OF OUR CAPITAL STOCK

The following statements with respect to our capital stock are summaries and are subject to the detailed provisions of AMR's certificate of incorporation, as amended (the "Certificate of Incorporation"), and by-laws, as amended (the "By-Laws"). These statements do not purport to be complete or to give full effect to the provisions of statutory or common law, and are subject to, and are qualified in their entirety by reference to, the terms of the Certificate of Incorporation and the By-Laws, copies of which are filed as exhibits to the registration statement of which this prospectus is a part.

The Certificate of Incorporation authorizes us to issue 750,000,000 shares of common stock and 20,000,000 shares of preferred stock. On October 21, 2003, 159,347,481 shares of our common stock were outstanding. The Certificate of Incorporation authorizes our board of directors to provide for the issuance of shares of preferred stock, from time to time, in one or more series, and to fix any voting powers, full or limited, and the designation, preferences and relative, participating, optional or other special rights, applicable to the shares to be included in any such series and any qualifications, limitations or restrictions thereon. No shares of our preferred stock are outstanding as of the date hereof.

VOTING RIGHTS

The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Except as otherwise provided by law, the holders of our common stock vote as one class. The shares of our common stock do not have cumulative voting rights. As a result, subject to the voting rights, if any, of the holders of any shares of our preferred stock which may at the time be outstanding, the holders of common stock entitled to exercise more than 50% of the voting rights in an election of directors can elect 100% of the directors to be elected if they choose to do so. In such event, the holders of the remaining shares of our common stock voting for the election of directors will not be able to elect any persons to the board of directors.

DELAWARE GENERAL CORPORATION LAW SECTION 203

As a corporation organized under the laws of the State of Delaware, we are subject to Section 203 of the Delaware General Corporation Law (the "DGCL") which restricts certain business combinations between us and an "interested stockholder" (in general, a stockholder owning 15% or more of our outstanding voting stock) or its affiliates or associates for a period of three years following the date on which the stockholder becomes an "interested stockholder." The restrictions do not apply if (i) prior to an interested stockholder becoming such, the board of directors approves either the business combination or the transaction in which the stockholder becomes an interested stockholder, (ii) upon consummation of the transaction in which any person becomes an interested stockholder, such interested stockholder owns at least 85% of our voting stock outstanding at the time the transaction commences (excluding shares owned by certain employee stock ownership plans and persons who are both directors and officers of the Company) or (iii) on or subsequent to the date an interested stockholder becomes such, the business combination is both approved by the board of directors and authorized at an annual or special meeting of our stockholders, not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock not owned by the interested stockholder.

LIQUIDATION RIGHTS AND OTHER PROVISIONS

Subject to the prior rights of creditors and the holders of any preferred stock which may be outstanding from time to time, the holders of our common stock are entitled in the event of liquidation, dissolution or winding up to share pro rata in the distribution of all remaining assets.

The holders of our common stock are entitled to such dividends as our board of directors may declare from time to time from legally available funds subject to the preferential rights of the holders of any shares of our preferred stock that we may issue in the future. See "Dividend Policy."

The common stock is not liable to any calls or assessments and is not convertible into any other securities. The Certificate of Incorporation provides that the private property of the stockholders shall not be subject to the

payment of corporate debts. There are no redemption or sinking funds provisions applicable to the common stock, and the Certificate of Incorporation provides that there shall be no preemptive rights.

The Certificate of Incorporation provides that our directors shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the directors' duty of loyalty to the Company or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper personal benefit. Section 174 of the DGCL specifies conditions under which directors of Delaware corporations may be liable for unlawful dividends or unlawful stock purchases or redemptions.

The transfer agent and registrar for the common stock is EquiServe Trust Company, N.A.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following summary discusses certain material U.S. federal income tax consequences to U.S. holders relating to the purchase, ownership, and disposition of the notes and the shares of common stock that may be received upon conversion or repurchase of the notes. A "U.S. holder" means a beneficial owner of a note or common stock that is for U.S. federal income tax purposes:

- a citizen or resident alien individual of the United States;
- a corporation (or any entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States or any political subdivision of the United States;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

This summary deals only with notes and shares of common stock held as capital assets (generally, property held for investment). This summary does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of its own particular circumstances, nor does it deal with special situations, such as:

- tax consequences to U.S. holders who may be subject to special tax treatment, such as dealers in securities or currencies, banks, insurance companies, tax-exempt entities and traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- tax consequences to persons holding notes or common stock as part of a hedging, integrated, constructive sale or conversion transaction or a straddle;
- tax consequences to U.S. holders whose "functional currency" is not the U.S. dollar;
- alternative minimum tax consequences, if any; or
- any state, local or foreign tax consequences.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), Treasury regulations, rulings and judicial decisions as of the date hereof. Those authorities may be changed, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. There can be no assurance that the Internal Revenue Service (the "IRS") will not challenge one or more of the tax consequences discussed herein. If a partnership holds our notes or common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership (or any entity treated as a partnership for U.S. federal income tax purposes) holding our notes or common stock, you should consult your own tax advisers. Whether a note is treated as debt (and not equity) for U.S. federal income tax purposes is an inherently factual question and no single factor is determinative. We will treat the notes as indebtedness for U.S. federal income tax purposes and the following discussion assumes that such treatment will be respected.

IF YOU ARE CONSIDERING THE PURCHASE OF NOTES, YOU SHOULD CONSULT YOUR OWN TAX ADVISERS CONCERNING THE U.S. FEDERAL TAX CONSEQUENCES, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION, TO YOU IN LIGHT OF YOUR OWN PARTICULAR CIRCUMSTANCES.

REGISTRATION OF NOTES

The registration of the notes pursuant to the registration statement will not constitute a taxable event to U.S. holders. Consequently, no gain or loss will be recognized by a U.S. holder upon such registration. A U.S. holder's holding period of a registered note will include the holder's holding period of the note while unregistered, and a U.S. holder's tax basis in a registered note will be the same as the holder's tax basis in the note immediately before the registration of such note.

INTEREST AND ORIGINAL ISSUE DISCOUNT

Stated interest payable on the notes generally will be included in gross income of a U.S. holder as ordinary interest income at the time accrued or received, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

The "stated redemption price at maturity" of the notes (generally, the sum of all payments required under the notes other than payments of stated interest) exceeded their "issue price" (generally, the first price at which a substantial amount of notes were sold for money (excluding sales to bond houses, brokers or similar persons or organizations acting as underwriters, placement agents or wholesalers)) by more than the applicable de minimis amount and, thus, the notes were issued with original issue discount ("OID"). A U.S. holder will be required to include such OID in gross income as it accrues through September 23, 2008, in accordance with a constant-yield method based on a compounding of interest, prior to the receipt of cash payments attributable to this income. A U.S. holder's adjusted tax basis in the notes will be increased by the amount of OID previously included in income (including in the year of disposition).

PREMIUM

If you purchase a note for an amount that is greater than its "adjusted issue price" but equal to or less than the sum of all amounts (other than payments of stated interest) payable on the note after the purchase date, you will be considered to have purchased such note at an "acquisition premium." The amount of OID that you must include in your gross income with respect to such note for any taxable year will be reduced by the portion of such "acquisition premium" properly allocable to such year. For this purpose, the "adjusted issue price" of a note generally will be the "issue price" of the note (as described above under "-- Interest and Original Issue Discount") plus the amount of OID includible in the gross income of any holder of the note (determined without regard to any "acquisition premium" or "premium") prior to the date you purchase the note. If you purchase a note for an amount that exceeds the sum of all amounts (other than stated interest) payable on the note after the purchase date, you will not be required to include any OID on the note in income.

If your tax basis in a note (reduced by the value of the right to convert the note into our common stock) exceeds the sum of all amounts (other than stated interest) payable on the note after the date you purchase the note, you will be considered to have purchased the note at a "premium." You generally may elect to amortize such "premium" over the remaining term of the note on a constant-yield method as an offset to interest income. If you make this election, you will be required to reduce your adjusted tax basis in the note by the amount of the "premium" amortized. This election will also apply to all debt obligations held or subsequently acquired by you on or after the first day of the first taxable year to which the election applies. You may not revoke the election without the consent of the IRS. If you do not make this election, the amount of the "premium" will decrease the gain or increase the loss you would otherwise recognize on disposition of the note. You should consult your own tax advisers before making this election.

LIQUIDATED DAMAGES

We may be required to make payments of liquidated damages if we do not file or cause to be declared effective a registration statement, or if such statement is unavailable for certain specified periods, all as described under "Description of the Notes -- Registration Rights." We intend to take the position for U.S. federal income tax purposes that any payments of liquidated damages should be taxable to you as additional ordinary income only when received or accrued, in accordance with your method of tax accounting. This position is based in part on the

assumption that, as of the date of issuance of the notes, the possibility that liquidated damages will have to be paid is a "remote" or "incidental" contingency within the meaning of applicable U.S. Treasury regulations. Our determination that such possibility is a remote or incidental contingency is binding on you, unless you explicitly disclose that you are taking a different position to the IRS on your tax return for the year during which you acquire the note. However, the IRS may take a contrary position from that described above, which could affect the timing and character of both your income from the notes and our deductions with respect to the notes.

IF WE DO FAIL TO FILE OR CAUSE TO BE DECLARED EFFECTIVE A REGISTRATION STATEMENT OR IT DOES BECOME UNAVAILABLE, YOU SHOULD CONSULT YOUR OWN TAX ADVISERS CONCERNING THE APPROPRIATE TAX TREATMENT OF THE NOTES AND THE PAYMENT OF LIQUIDATED DAMAGES WITH RESPECT TO THE NOTES.

SALE, EXCHANGE, REDEMPTION OR OTHER DISPOSITION OF NOTES

Except as provided below under "-- Conversion of Notes" and "-- Our Purchase of Notes at Your Option or Redemption at Our Option," you generally will recognize gain or loss upon the sale, exchange, redemption or other disposition of a note equal to the difference between the amount realized upon the sale, exchange, redemption or other disposition (except to the extent such amount is attributable to accrued interest, which will be taxable as ordinary income to the extent not previously includible in income) and your adjusted tax basis in the note. Any gain or loss recognized on a disposition of the note will be capital gain or loss, except as described below under "-- Market Discount." If you are an individual and have held the note for more than one year at the time of the sale, exchange, redemption or other disposition, such capital gain generally will be subject to tax at a maximum rate of 15% through December 31, 2008, after which time the maximum rate is scheduled to revert to 20%. Limitations apply to the deduction of capital losses.

CONVERSION OF NOTES

Except to the extent of (i) common stock received with respect to accrued interest not previously includible in income, which will be taxable as ordinary income, and (ii) cash received in lieu of a fractional share of common stock, you will not recognize any income, gain or loss on the conversion of notes solely into common stock. Cash received in lieu of a fractional share of common stock generally should be treated as a payment in exchange for such fractional share. The amount of gain or loss on the deemed sale of such fractional share will be equal to the difference between the amount of cash you receive in respect of such fractional share and the portion of your adjusted tax basis in the note that is allocable to the fractional share. The tax basis of the common stock received upon a conversion, other than to the extent received with respect to accrued interest, will equal the adjusted tax basis of the note (except to the extent allocable to any fractional share) that was converted into common stock. The tax basis of the common stock received upon a conversion with respect to accrued interest will equal the fair market value of such stock. Your holding period for common stock generally will include the period during which you held the notes. To the extent any common stock issued upon a conversion is allocable to accrued interest or OID, however, your holding period for such common stock may commence on the day following the date of delivery of common stock.

If you receive a combination of common stock and cash (other than cash attributable to a fractional share of common stock), the tax treatment is not entirely certain. The fair market value of cash and common stock received with respect to accrued interest will be taxable as ordinary income to the extent not previously includible in income. Additionally, you may be required to recognize gain, if any, in an amount equal to the lesser of (1) the cash received or (2) the excess of the fair market value of the common stock and cash received over your adjusted basis in the note at the time of conversion, in each case other than any cash and common stock received with respect to accrued interest, and may not be able to recognize a loss. To the extent allocable to accrued "market discount", if any, that has not previously been included in gross income (see "-- Market Discount", below), such gain may be treated as ordinary interest income. Your tax basis in the common stock, other than to the extent received with respect to accrued interest, generally would be equal to your adjusted basis in the note at the time of conversion, increased by the amount of gain recognized, if any, and reduced by the amount of cash received (other than cash received with respect to accrued interest). Your tax basis in the common stock received upon a conversion with respect to accrued interest would equal the fair market value of such stock. Cash received in lieu of a fractional share of common stock generally would be treated in the same manner as described in the preceding paragraph. Alternatively, your receipt of cash and common stock upon conversion may be treated as a sale of a portion of the note for cash and a

conversion of the remainder of the note. In such event, the cash received would be treated as proceeds from a sale of a portion of the note, as described above under "-- Sale, Exchange, Redemption or Other Disposition of Notes," and the common stock would be treated as received upon a conversion of a portion of the note, as described above in the preceding paragraph. Under this alternative, your tax basis in the note would be allocated between the portion treated as converted into common stock (including any fractional share treated as received) and the portion treated as sold for cash. Under either alternative, your holding period for the common stock generally would include your holding period for the converted note. To the extent that any common stock is allocable to accrued interest or OID, however, your holding period for such common stock may commence on the day following the date of delivery of the common stock. You should consult your own tax advisers regarding the tax consequences of receiving a combination of common stock and cash upon conversion.

If you receive solely cash in exchange for your note upon conversion, your gain or loss will be determined in the same manner as if you disposed of the note in a taxable disposition (as described above under "-- Sale, Exchange, Redemption or Other Disposition of Notes").

OUR PURCHASE OF NOTES AT YOUR OPTION OR REDEMPTION AT OUR OPTION

If you require us to purchase a note as described above under "Description of the Notes -- Purchase of Notes by AMR at the Option of the Holder" or "Description of the Notes -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder" and we issue shares of our common stock plus cash in lieu of any fractional share of common stock in full satisfaction of the purchase price, our purchase of the note should be treated in the same manner as a conversion of the note solely into common stock, as described above under "-- Conversion of Notes."

If you require us to purchase a note as described above under "Description of the Notes -- Purchase of Notes by AMR at the Option of the Holder" or "Description of the Notes -- Change in Control Permits Purchase of Notes by AMR at the Option of the Holder" and we deliver a combination of cash and shares of our common stock in payment of the purchase price (other than cash attributable to a fractional share of common stock), the tax treatment is not entirely certain. The fair market value of cash and common stock received with respect to accrued interest will be taxable as ordinary income to the extent not previously includible in income. Additionally, you may be required to recognize gain, if any, in an amount equal to the lesser of (1) the cash received or (2) the excess of the fair market value of the common stock and cash received over your adjusted basis in the note at the time of purchase by us, in each case other than any cash and common stock received with respect to accrued interest, and may not be able to recognize a loss. To the extent allocable to accrued "market discount", if any, that has not previously been included in gross income (see "-- Market Discount", below), such gain may be treated as ordinary interest income. Your tax basis in the common stock, other than to the extent received with respect to accrued interest, generally would be equal to your adjusted basis in the note at the time of our purchase, increased by the amount of gain recognized, if any, and reduced by the amount of cash received (other than cash received with respect to accrued interest). Your tax basis in the common stock received at the time of our purchase with respect to accrued interest would equal the fair market value of such stock. Cash received in lieu of a fractional share of common stock generally would be treated in the same manner as described above in the first paragraph under "-- Conversion of Notes." Alternatively, your receipt of cash and common stock upon our purchase of a note may be treated as a sale of a portion of the note for cash and an exchange of the remainder of the note for common stock. In such event, the cash received would be treated as proceeds from a sale of a portion of the note, as described above under "-- Sale, Exchange, Redemption or Other Disposition of Notes," and the common stock would be treated as received upon an exchange of a portion of the note, as described above in the first paragraph under "-- Conversion of Notes." Under this alternative, your tax basis in the note would be allocated between the portion treated as exchanged for common stock (including any fractional share treated as received) and the portion treated as sold for cash. Under either alternative, your holding period for the common stock generally should include your holding period for the note purchased by us. To the extent that any common stock is allocable to accrued interest or OID, however, your holding period for such common stock may commence on the day following the date of delivery of the common stock. You should consult your own tax advisers regarding the tax consequences of receiving a combination of common stock and cash upon a purchase of a note by us.

If we elect to exercise our option to redeem a note or if you elect to require us to purchase a note and, in either event, we deliver to you cash in full satisfaction of the redemption or purchase price, the redemption or

purchase will be treated the same as a sale of the note, as described above under "--Sale, Exchange, Redemption or Other Disposition of Notes."

MARKET DISCOUNT

If you purchase a note for an amount that is less than its "revised issue price", then, unless a de minimis exception applies, the amount of the difference between your purchase price and the "revised issue price" will be treated as "market discount." "Revised issue price" means the sum of the "issue price" of the note, as described above under "-- Interest and Original Issue Discount", and the aggregate amount of OID includible in the income of all holders for periods before your purchase of the note (determined without regard to any "acquisition premium" or "premium", as described above under "-- Premium"). Under the de minimis exception, if the "market discount" is less than 1/4 of one percent of the stated redemption price at maturity multiplied by the number of complete years to maturity after your purchase of the note, you will not be subject to the "market discount" rules described below.

If you are treated as acquiring a note at a "market discount", you generally will be required to treat any payment (other than stated interest) on, or any gain realized on the gift, sale, exchange, redemption or other disposition of, the note as ordinary interest income to the extent of the "market discount" that has accrued and has not previously been included in your income as of such time. You also may be required to defer the deduction of all or a portion of any interest paid or accrued on indebtedness incurred or maintained to purchase or carry the note. "Market discount" generally accrues ratably during the period from the date of acquisition to the maturity date of the note, unless you make an irrevocable election to accrue on a constant-yield method. Your tax basis in the note will be increased by the amount of "market discount" included in income.

Alternatively, you may elect (with respect to the note and all your other "market discount" obligations acquired on or after the first day of the first taxable year to which such election applies) to include "market discount" in income currently as it accrues. If such an election is made, the rules described above treating certain payments and gain as ordinary interest income and requiring the deferral of certain interest deductions will not apply, and your tax basis in the note will be increased by the amount of "market discount" included in income. You may not revoke the election without the consent of the IRS. You should consult your own tax advisers before making this election.

If you convert, or require us to purchase, a note with accrued "market discount" that has not previously been included in gross income and we issue shares of our common stock to you in full or partial satisfaction, a ratable portion of such "market discount" will be allocated to each share of such common stock. The amount of "market discount" allocable to such common stock may be taxable as ordinary income upon a sale or other disposition of such common stock.

CONSTRUCTIVE DIVIDEND

The conversion price of the notes will be adjusted in certain circumstances. See "Description of the Notes -- Conversion Rights." Under section 305(c) of the Code, adjustments (or failures to make adjustments) that have the effect of increasing your proportionate interest in our assets or earnings may in some circumstances result in a deemed distribution to you. Any deemed distribution will be taxable as a dividend to the extent it is treated as paid from our current or accumulated earnings and profits.

DIVIDENDS ON COMMON STOCK

If, after you convert a note into common stock, we make a distribution of cash or other property (other than certain pro rata distributions of our common stock) in respect of that stock, the distribution will be treated as a dividend to the extent it is paid from our current or accumulated earnings and profits. If the distribution exceeds our current and accumulated earnings and profits, the excess will be treated first as a tax-free return of your investment, up to your basis in such common stock. Any remaining excess will be treated as capital gain, except as described above under "-- Market Discount." If you are an individual, the amount of any such distribution treated as a dividend generally will be taxable at a maximum rate of 15% through December 31, 2008, after which time

dividends will be taxable at the regular rates for ordinary income. If you are a corporation, you may be able to claim a deduction for a portion of any distribution received that is treated as a dividend.

SALE OR OTHER DISPOSITION OF COMMON STOCK

You will generally recognize capital gain or loss on a sale or other disposition of common stock, except as described above under "-- Market Discount." Your gain or loss will equal the difference between the proceeds you received and your adjusted tax basis in the common stock. The proceeds received will include the amount of any cash and the fair market value of any other property received for the common stock. If you are an individual and your holding period for the common stock at the time of the sale or other disposition exceeds one year, such capital gain generally will be subject to tax at a maximum rate of 15% through December 31, 2008, after which time the maximum rate is scheduled to revert to 20%. Limitations apply to the deduction of capital losses.

INFORMATION REPORTING AND BACKUP WITHHOLDING

In general, information reporting requirements will apply to certain payments to a U.S. holder of principal and interest on the notes (and the amount of OID accruing for federal income tax purposes), dividends paid on the common stock, and the proceeds of sale of a note or share of common stock unless you are an exempt recipient (such as a corporation). Backup withholding tax will apply to such payments if you fail to provide your taxpayer identification number or certification of exempt status or fail to report in full dividend and interest income. The backup withholding rate for 2003 is 28%.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability provided the required information is furnished on a timely basis to the IRS.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the notes by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of the Code or ERISA (collectively, "Similar Laws"), and entities whose underlying assets are considered to include "plan assets" of such plans, accounts and arrangements (each, a "Plan").

GENERAL FIDUCIARY MATTERS

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an "ERISA Plan") and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such a Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

PROHIBITED TRANSACTION ISSUES

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engaged in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and the Code.

The acquisition and/or holding of the notes by an ERISA Plan with respect to which AMR, American Airlines, Inc. or the initial purchaser is considered a party in interest or a disqualified person, and the conversion of the notes by an ERISA Plan with respect to which AMR or American Airlines, Inc. is considered a party in interest or disqualified person, may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the notes are acquired and held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or "PTCEs," that may apply to the acquisition, holding and conversion of the notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Because of the foregoing, the notes should not be purchased or held by any person investing "plan assets" of any Plan, unless such purchase, holding and conversion will not constitute a non-exempt prohibited transaction under ERISA and the Code or similar violation of any applicable Similar Laws.

REPRESENTATION

Accordingly, by acceptance of the notes, each purchaser and subsequent transferee of the notes will be deemed to have represented and warranted that either (1) no portion of the assets used by such purchaser or

transferee to acquire and hold the notes constitutes assets of any Plan or (2) the purchase, holding and conversion of the notes by such purchaser or transferee will not constitute a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all-inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the notes.

SELLING SECURITYHOLDERS

The notes were originally issued to Citigroup Global Markets Inc., as initial purchaser, in a private placement that closed on September 23, 2003. The initial purchaser has advised us that the notes were resold in transactions exempt from the registration requirements of the Securities Act to "qualified institutional buyers," as defined by Rule 144A under the Securities Act. Selling securityholders, including their transferees, pledgees, donees or successors, may from time to time offer and sell pursuant to this prospectus any or all of the notes and the common stock into which the notes are convertible.

No offer or sale under this prospectus may be made by a holder of the securities unless that holder is listed in the table in this prospectus or until that holder has notified us and a supplement to this prospectus has been filed or an amendment to the related registration statement has become effective. We will supplement or amend this prospectus to include additional selling securityholders as promptly as is reasonably practicable after additional selling securityholders provide to us a questionnaire containing all required information.

The following table, which we have prepared based on information provided to us by the applicable selling securityholder, sets forth the name, principal amount of notes, and number of shares of common stock beneficially owned by the selling securityholders intending to sell notes or common stock and the principal amount of notes or shares of common stock to be offered. Unless set forth below, none of the selling securityholders selling in connection with this prospectus has held any position or office with, been employed by, or otherwise has had a material relationship with us or any of our predecessors or affiliates during the three years prior to the date of this prospectus. Citigroup Global Markets Inc. and certain of its affiliates have engaged and may engage in investment banking transactions with us.

NAME	PRINCIPAL AMOUNT OF NOTES BENEFICIALLY OWNED THAT MAY BE SOLD	NUMBER OF SHARES OF COMMON STOCK OWNED PRIOR TO CONVERSION	NUMBER OF SHARES OF COMMON STOCK THAT MAY BE SOLD HEREBY(1)	NUMBER OF SHARES OF COMMON STOCK OWNED AFTER OFFERING	PERCENTAGE OF COMMON STOCK OUTSTANDING OWNED AFTER OFFERING(2)
[Holder]	[]	[]	[]	[]	[]
Any other holder of notes or future transferee, pledgee, donee, or successor of any such holder(3).....	\$ []	[]	[]	[]	[]
Total.....	\$ []	[]	[]	[]	[]

(1) Assumes conversion of all of the holder's notes at a conversion rate of 57.61 shares of our common stock per \$1,000 principal amount of the notes. This conversion rate, however, will be subject to adjustment as described under "Description of the Notes -- Conversion Rights." As a result, the number of shares of our common stock issuable upon conversion of the notes may increase or decrease in the future. Excludes shares of common stock that may be issued by us upon the repurchase of the notes and fractional shares. Holders will receive a cash adjustment for any fractional share amount resulting from conversion of the notes, as described under "Descriptions of the Notes -- Conversion Rights."

- (2) Calculated based on 159,347,481 shares of common stock outstanding as of October 21, 2003. In calculating this amount for each holder, we treated as outstanding the number of shares of common stock issuable upon conversion of all of that holder's notes but we did not assume conversion of any other holder's notes.
- (3) Information about other selling securityholders will be set forth in one or more prospectus supplements, if required. Assumes that any other holders of notes, or any future transferees, pledgees, donees, or successors of or from any such other holders of notes, do not beneficially own any common stock other than the common stock issuable upon conversion of the notes at the initial conversion rate.

We prepared this table based on the information supplied to us by the selling securityholders named in the table above on or before [], 2003, and we have not sought to verify such information.

The selling securityholders listed in the above table may have sold, transferred or otherwise disposed of, in transactions exempt from the registration requirements of the Securities Act, some or all of their notes or shares of our common stock issuable upon conversion of the notes since the date on which the information in the above table was provided to us. Moreover, information about the selling securityholders may change over time. We will set forth in prospectus supplements or amendments to this prospectus, if and when necessary, any changed information given to us by the selling securityholders. From time to time, additional information concerning ownership of the notes and the shares of common stock issuable upon conversion of the notes may rest with holders not named in the table above and of whom we are unaware.

Because the selling securityholders may offer all or some of their notes or the shares of our common stock issuable upon conversion of the notes from time to time, we cannot estimate the amount of the notes or number of shares of our common stock that will be held by the selling securityholders upon the termination of any particular offering by such selling securityholder. Please refer to "Plan of Distribution."

PLAN OF DISTRIBUTION

We are registering the notes and the shares of common stock issuable upon conversion of the notes covered by this prospectus to permit securityholders to conduct secondary trading of these securities from time to time after the date of this prospectus. We will not receive any of the proceeds of the sale of the notes and the shares of common stock issuable upon conversion of the notes offered by this prospectus. The aggregate proceeds to the selling securityholders from the sale of the notes or the shares of common stock issuable upon conversion of the notes will be the purchase price of the notes or the shares of common stock issuable upon conversion of the notes less any discounts, commissions and transfer taxes, if any. The selling securityholders reserve the right to accept and, together with their agents, to reject, any proposed purchase of notes or common stock issuable upon conversion of the notes to be made directly or through agents.

The notes and the shares of common stock issuable upon conversion of the notes may be sold from time to time to purchasers:

- directly by the selling securityholders and their successors, which includes their transferees, pledgees or donees or their successors, or
- through underwriters, broker-dealers or agents who may receive compensation in the form of discounts, concessions or commissions from the selling securityholders or the purchasers of the notes and the shares of common stock issuable upon conversion of the notes. These discounts, concessions or commissions may be in excess of those customary in the types of transactions involved.

The selling securityholders and any underwriters, broker-dealers or agents who participate in the distribution of the notes and the shares of common stock issuable upon conversion of the notes may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act. Any selling securityholder which is a broker-dealer or an affiliate of a broker-dealer will be deemed to be an "underwriter" within the meaning of Section 2(11) of the Securities Act, unless such selling securityholder purchased in the ordinary course of business and at the time of its purchase of the notes to be resold, did not have any agreements or understandings, directly or indirectly, with any person to distribute the notes. As a result, any profits on the sale of the notes and the shares of common stock issuable upon conversion of the notes by selling securityholders who are deemed to be underwriters and any discounts, commissions or concessions received by any such broker-dealers or agents who are deemed to be underwriters will be deemed to be underwriting discounts and commissions under the Securities Act. Selling securityholders who are deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to prospectus delivery requirements of the Securities Act and to certain statutory liabilities, including, but not limited to, those relating to Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Exchange Act.

If the notes and the shares of common stock issuable upon conversion of the notes are sold through underwriters or broker-dealers, the selling securityholders will be responsible for underwriting discounts or commissions or agent's commissions.

The notes and the shares of common stock issuable upon conversion of the notes may be sold in one or more transactions at:

- fixed prices;
- prevailing market prices at the time of sale;
- prices related to such prevailing market prices;
- varying prices determined at the time of sale; or
- negotiated prices.

These sales may be effected in transactions:

- on any national securities exchange or quotation service on which the notes and the shares of common stock issuable upon conversion of the notes may be listed or quoted at the time of the sale, including the NYSE in the case of the common stock;
- in the over-the-counter market;
- in transactions otherwise than on such exchanges or services or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise; or
- through the settlement of short sales.

These transactions may include block transactions or crosses. Crosses are transactions in which the same broker acts as an agent on both sides of the trade.

The selling securityholders or their successors in interest may from time to time pledge or grant a security interest in some or all of the notes or shares of common stock issuable upon conversions of the notes and, if the selling securityholders default in the performance of their secured obligation, the pledgees or secured parties may offer and sell the notes or shares of common stock issuable upon conversion of the notes from time to time under this prospectus; however, in the event of a pledge or the default on the performance of a secured obligation by the selling securityholders, in order for the notes or shares of common stock issuable upon conversion of the notes to be sold under this registration statement, unless permitted by law, we must distribute a prospectus supplement and/or an amendment to the registration statement of which this prospectus is a part amending the list of selling securityholders to include the pledgee, transferee, secured party or other successors in interest as selling securityholders under this prospectus.

In connection with the sales of the notes and the shares of common stock issuable upon conversion of the notes or otherwise, the selling securityholders may enter into hedging transactions with broker-dealers or other financial institutions. These broker-dealers or other financial institutions may in turn engage in short sales of the notes or the shares of common stock issuable upon conversion of the notes in the course of hedging their positions. The selling securityholders may also (1) sell the notes and shares of common stock issuable upon conversion of the notes short and deliver notes and the shares of common stock issuable upon conversion of the notes to close out short positions, or (2) loan or pledge the notes or the shares of common stock issuable upon conversion of the notes to broker-dealers that in turn may sell the notes and the shares of common stock issuable upon conversion of the notes.

A short sale of the notes or the shares of common stock issuable upon conversion of the notes by a broker-dealer, financial institution or selling securityholder would involve the sale of such notes or shares of common stock issuable upon conversion of the notes that are not owned, and therefore must be borrowed, in order to make delivery of the security in connection with such sale. In connection with a short sale of the notes or the shares of common stock issuable upon conversion of the notes a broker-dealer, financial institution or selling securityholder may purchase the notes or our common stock on the open market to cover positions created by short sales. In determining the source of the notes or shares of common stock to close out such short positions, the broker-dealer, financial institution or selling securityholders may consider, among other things, the price of shares of the notes or common stock available for purchase in the open market.

At the time a particular offering of the notes or shares of common stock issuable upon conversion of the notes is made, if required, a post-effective amendment to the registration statement of which this prospectus is a part will be filed, or a prospectus supplement will be distributed, which will set forth the names of the selling securityholders, the aggregate amount and type of securities being offered and the terms of the offering, including, to the extent required, (1) the name or names of any underwriters, broker-dealers or agents, (2) any discounts, commissions and other terms constituting compensation from the selling securityholders and (3) any discounts, commissions or concessions allowed or reallocated to be paid to broker-dealers.

Our common stock trades on the NYSE under the symbol "AMR." The notes are currently eligible for trading on the PORTAL system of the National Association of Securities Dealers, Inc.; however, notes sold using this prospectus will no longer be eligible for trading on PORTAL. We do not intend to apply for listing of the notes on any securities exchange or other stock market. Accordingly, a market for the notes may not develop and we are not certain of the liquidity of any market that may develop, the ability of holders to sell their notes or the price at which holders would be able to sell their notes. See "Risk Factors - Risk Factors Related to the Notes."

We cannot assure you that any selling securityholder will sell any or all of the notes or the shares of common stock issuable upon conversion of the notes with this prospectus. Further, we cannot assure you that any such selling securityholder will not transfer, devise or gift the notes and the shares of common stock issuable upon conversion of the notes by other means not described in this prospectus. In addition, any notes or shares of common stock issuable upon conversion of the notes covered by this prospectus that qualify for sale under Rule 144 or Rule 144A of the Securities Act may be sold under Rule 144 or Rule 144A rather than under this prospectus.

The notes and the shares of common stock issuable upon conversion of the notes may be sold in some states only through registered or licensed brokers or dealers. In addition, in some states the notes and shares of common stock issuable upon conversion of the notes may not be sold unless they have been registered or qualified for sale or the sale is entitled to an exemption from registration.

The selling securityholders and any other person participating in the sale of notes or the shares of common stock issuable upon conversion of the notes will be subject to the Exchange Act and the rules and regulations thereunder. The Exchange Act rules include, without limitation, Regulation M, which may limit the timing of purchases and sales of any of the notes and the shares of common stock issuable upon conversion of the notes by the selling securityholders and any other such person. In addition, Regulation M of the Exchange Act may restrict the ability of any person engaged in the distribution of the notes and the shares of common stock issuable upon conversion of the notes to engage in market-making activities with respect to the particular notes and the shares of common stock issuable upon conversion of the notes being distributed for a period of up to five business days before the commencement of such distribution. This may affect the marketability of the notes and the shares of common stock issuable upon conversion of the notes and the ability of any person or entity to engage in market-making activities with respect to the notes and the shares of common stock issuable upon conversion of the notes.

Under the registration rights agreement filed as an exhibit to the registration statement of which this prospectus is a part, we and the selling securityholders will be indemnified by the other against certain liabilities, including certain liabilities under the Securities Act, or will be entitled to contribution in connection with these liabilities.

We have agreed to pay substantially all of the expenses incidental to the registration, offering and sale of the notes and shares of common stock issuable upon conversion of the notes to the public other than underwriting discounts or commissions or agent's commissions and transfer taxes, if any, and certain legal expenses of the selling securityholders.

LEGAL OPINION

The validity of the notes and the shares of common stock issuable upon conversion of the notes will be passed upon for us by Debevoise & Plimpton, 919 Third Avenue, New York, NY, 10022.

EXPERTS

The consolidated financial statements and schedules of AMR and American Airlines, Inc. included in AMR's and American Airlines, Inc.'s Annual Reports on Form 10-K for the year ended December 31, 2002, incorporated by reference in this prospectus, have been audited by Ernst & Young LLP, independent auditors, as set forth in their reports (which contain an explanatory paragraph describing conditions that raise substantial doubt about AMR's and American Airlines, Inc.'s ability to continue as a going concern as described in Note 2 to the AMR and American Airlines, Inc. consolidated financial statements) appearing therein. Such consolidated financial statements and schedules are, and audited consolidated financial statements to be included in subsequently filed documents will be, incorporated herein in reliance upon the reports of Ernst & Young LLP pertaining to such consolidated financial statements (to the extent covered by consents filed with the SEC) given on the authority of such firm as experts in accounting and auditing.

\$300,000,000

AMR CORPORATION

4.25% Senior Convertible Notes due 2023
Guaranteed by
American Airlines, Inc.

Common Stock Issuable Upon Conversion of
the 4.25% Senior Convertible Notes due 2023

Prospectus

[Date]

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION.

The following table sets forth the expenses expected to be incurred by us in connection with the offering described in this registration statement. All amounts are estimated except the registration fee. If the securities are sold through underwriters, broker-dealers or agents, the selling securityholders will be responsible for underwriting discounts or commissions or agents' commissions and transfer taxes, if any.

Registration fee	\$ 24,270
Trustee fees and expenses	\$ 4,500
Printing costs for registration statement, prospectus and related documents	\$ 50,000
Accounting fees and expenses	\$ 20,000
Legal fees and expenses (including Blue Sky fees)	\$ 90,000
Miscellaneous	\$ 5,000

Total	\$ 193,770
	=====

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Section 145 of the DGCL provides in regard to indemnification of directors and officers as follows:

Section 145. Indemnification of officers, directors, employees and agents; insurance

(a) A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the person's conduct was unlawful.

(b) A corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) To the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this section, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(d) Any indemnification under subsections (a) and (b) of this section (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the present or former director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in subsections (a) and (b) of this section. Such determination shall be made, with respect to a person who is a director or officer at the time of such determination, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (4) by the stockholders.

(e) Expenses (including attorneys' fees) incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in this section. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the corporation deems appropriate.

(f) The indemnification and advancement of expenses provided by, or granted pursuant to, the other subsections of this section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office.

(g) A corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under this section.

(h) For purposes of this section, references to "the corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under this section with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued.

(i) For purposes of this section, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this section.

(j) The indemnification and advancement of expenses provided by, or granted pursuant to, this section shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(k) The Court of Chancery is hereby vested with exclusive jurisdiction to hear and determine all actions for advancement of expenses or indemnification brought under this section or under any bylaw, agreement, vote of stockholders or disinterested directors, or otherwise. The Court of Chancery may summarily determine a corporation's obligation to advance expenses (including attorneys' fees).

Article VII of each of AMR's and of American Airlines, Inc.'s by-laws provide in regard to indemnification of directors and officers as follows:

Section 1. Nature of Indemnity. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he is or was or has agreed to become a director or officer of the corporation, or is or was serving or has agreed to serve at the request of the corporation as a director or officer, of another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, and may indemnify any person who was or is a party or is threatened to be made a party to such an action by reason of the fact that he is or was or has agreed to become an employee or agent of the corporation, or is or was serving or has agreed to serve at the request of the corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf in connection with such action, suit or proceeding and any appeal therefrom, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding had no reasonable cause to believe his conduct was unlawful; except that in the case of an action or suit by or in the right of the corporation to procure a judgment in its favor (1) such indemnification shall be limited to expenses (including attorneys' fees) actually and reasonably incurred by such person in the defense or settlement of such action or suit, and (2) no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

Section 2. Successful Defense. To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 hereof or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 3. Determination That Indemnification Is Proper. (a) Any indemnification of a director or officer of the corporation under Section 1 hereof (unless ordered by a court) shall be made by the corporation unless a determination is made that indemnification of the director or officer is not proper in the circumstances because he has not met the applicable standard of conduct set forth in Section 1 hereof. Such determination shall be made, with respect to a director or officer, (1) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (2) by a committee of such directors designated by a majority vote of such directors, even though less than a

quorum, or (3) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (4) by the stockholders.

(b) Any indemnification of an employee or agent of the corporation (who is not also a director or officer of the corporation) under Section 1 hereof (unless ordered by a court) may be made by the corporation upon a determination that indemnification of the employee or agent is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 1 hereof. Such determination, in the case of an employee or agent, may be made (1) in accordance with the procedures outlined in the second sentence of this Section 3(a), or (2) by an officer of the corporation, upon delegation of such authority by a majority of the Board of Directors.

Section 4. Advance Payment of Expenses. Expenses (including attorneys' fees) incurred by a director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the corporation as authorized in this Article. Such expenses (including attorneys' fees) incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the corporation deems appropriate. The board of directors may authorize the corporation's counsel to represent a director, officer, employee or agent in any action, suit or proceeding, whether or not the corporation is a party to such action, suit or proceeding.

Section 5. Procedure for Indemnification of Directors or Officers. Any indemnification of a director or officer of the corporation under Sections 1 and 2, or advance of costs, charges and expenses of a director or officer under Section 4 of this Article, shall be made promptly, and in any event within 60 days, upon the written request of the director or officer. If the corporation fails to respond within 60 days, then the request for indemnification shall be deemed to be approved. The right to indemnification or advances as granted by this Article shall be enforceable by the director or officer in any court of competent jurisdiction if the corporation denies such request, in whole or in part. Such person's costs and expenses incurred in connection with successfully establishing his right to indemnification, in whole or in part, in any such action shall also be indemnified by the corporation. It shall be a defense to any such action (other than an action brought to enforce a claim for the advance of costs, charges and expenses under Section 4 of this Article where the required undertaking, if any, has been received by the corporation) that the claimant has not met the standard of conduct set forth in Section 1 of this Article, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its board of directors or a committee thereof, its independent legal counsel, and its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1 of this Article, nor the fact that there has been an actual determination by the corporation (including its board of directors or a committee thereof, its independent legal counsel, and its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 6. Survival; Preservation of Other Rights. The foregoing indemnification provisions shall be deemed to be a contract between the corporation and each director, officer, employee and agent who serves in such capacity at any time while these provisions as well as the relevant provisions of the Delaware Corporation Law are in effect and any repeal or modification thereof shall not affect any right or obligation then existing with respect to any state of facts then or previously existing or any action, suit, or proceeding previously or thereafter brought or threatened based in whole or in part upon any such state of facts. Such a "contract right" may not be modified retroactively without the consent of such director, officer, employee or agent.

The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director,

officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. Insurance. The corporation shall purchase and maintain insurance on behalf of any person who is or was or has agreed to become a director or officer of the corporation, or is or was serving at the request of the corporation as director or officer of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him or on his behalf in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article, provided that such insurance is available on acceptable terms, which determination shall be made by a vote of a majority of the entire board of directors.

Section 8. Savings Clause. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director or officer and may indemnify each employee or agent of the corporation as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the corporation, to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and to the full extent permitted by applicable law.

Section 102(b)(7) of the DGCL provides in regard to the limitation of liability of directors and officers as follows:

(b) In addition to the matters required to be set forth in the certificate of incorporation by subsection (a) of this section, the certificate of incorporation may also contain any or all of the following matters:

* * * *

(7) A provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director: (i) For any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of this title; or (iv) for any transaction from which the director derived an improper personal benefit. No such provision shall eliminate or limit the liability of a director for any act or omission occurring prior to the date when such provision becomes effective. All references in this paragraph to a director shall also be deemed to refer (x) to a member of the governing body of a corporation which is not authorized to issue capital stock, and (y) to such other person or persons, if any, who, pursuant to a provision of the certificate of incorporation in accordance with Section 141(a) of this title, exercise or perform any of the powers or duties otherwise conferred or imposed upon the board of directors by this title.

Article Ninth of each of AMR's and of American Airlines, Inc.'s certificates of incorporation provide in regard to the limitation of liability of directors and officers as follows:

NINTH: No director of the corporation shall be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit.

AMR's and American Airlines, Inc.'s directors and officers are also insured against claims arising out of the performance of their duties in such capacities.

ITEM 16. EXHIBITS.

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----
3.1	Certificate of Incorporation of AMR Corporation, as amended (filed as Exhibit 4(a) to AMR Corporation's Registration Statement on Form S-4, File No. 33-55191, with amendments filed as Exhibit 3.1 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
3.2	By-Laws of AMR Corporation, amended as of April 24, 2003 (filed as Exhibit 3.2 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
4.1	Registration Rights Agreement, dated as of September 23, 2003, among AMR Corporation, American Airlines, Inc., as Guarantor, and Citigroup Global Markets Inc., as Initial Purchaser.
4.2	Indenture, dated as of September 23, 2003, among AMR Corporation, American Airlines, Inc., as Guarantor, and Wilmington Trust Company, as Trustee.
4.3	Form of 4.25% Senior Convertible Note due 2023 (included as Exhibit A-1 to the Indenture filed herewith as Exhibit 4.2).
4.4	Form of Guarantee (included as Exhibit A-2 to the Indenture filed herewith as Exhibit 4.2).
4.5	Specimen of Common Stock Certificate (filed as Exhibit 4(c) to AMR Corporation's Registration Statement on Form S-3, File No. 33-38393, and incorporated herein by reference).
5.1	Validity Opinion of Debevoise & Plimpton.
8.1	Tax Opinion of Debevoise & Plimpton.
12.1	Statement regarding computation of ratio of earnings to fixed charges for each year in the five-year period ended December 31, 2002 (filed as Exhibit 12 to AMR Corporation's Annual Report on Form 10-K for the year ended December 31, 2002, and incorporated herein by reference).
12.2	Statement regarding computation of ratio of earnings to fixed charges for the nine months ended September 30, 2003 and 2002 (filed as Exhibit 12 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
12.3	Statement regarding computation of ratio of earnings to fixed charges for each year in the five-year period ended December 31, 2002 (filed as Exhibit 12 to American Airlines, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002, and incorporated herein by reference).
12.4	Statement regarding computation of ratio of earnings to fixed charges for the nine months ended September 30, 2003 and 2002 (filed as Exhibit 12 to American Airlines, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).

EXHIBIT NUMBER	DESCRIPTION OF DOCUMENT
23.1	Consent of Ernst & Young LLP.
23.2	Consents of Debevoise & Plimpton (included in Exhibit 5.1 and Exhibit 8.1).
24.1	Powers of Attorney (AMR Corporation).
24.2	Powers of Attorney (American Airlines, Inc.).
25.1	Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Wilmington Trust Company, as Trustee under the Indenture.

ITEM 17. UNDERTAKINGS

(a) Rule 415 Offering.

The undersigned registrants hereby undertake:

(1) To file, during any period in which offers or sales are being made of the securities registered hereby, a post-effective amendment to this registration statement:

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

(ii) to reflect in the prospectus any facts or events arising after the effective date of this 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 this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

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

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) above do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the SEC by the registrants pursuant to section 13 or section 15(d) of the Exchange Act that are incorporated by reference in this registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, 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) Filings Incorporating Subsequent Exchange Act Documents by Reference.

The undersigned registrants hereby undertake that, for purposes of determining any liability under the Securities Act, each filing of the registrants' annual reports pursuant to section 13(a) or section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Exchange Act) that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Acceleration of Effective Date.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrants pursuant to the foregoing provisions, or otherwise, the registrants have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrants of expenses incurred or paid by a director, officer or controlling person of the registrants 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 registrants will, unless in the opinion of their counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by them is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, AMR Corporation certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fort Worth, State of Texas, on this 24 day of October, 2003.

AMR CORPORATION

By /s/ Gary F. Kennedy

 GARY F. KENNEDY
 Senior Vice President and General Counsel

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.

SIGNATURE -----	TITLE -----	DATE ----
/s/ Gerard J. Arpey ----- Gerard J. Arpey	President, Chief Executive Officer and Director (Principal Executive Officer)	October 24, 2003
/s/ Jeffrey C. Campbell ----- Jeffrey C. Campbell	Senior Vice President-Finance and Chief Financial Officer (Principal Financial and Accounting Officer)	October 24, 2003
* -----		
Edward A. Brennan	Director	
* -----		
John W. Bachmann	Director	
* -----		
David L. Boren	Director	
* -----		
Armando M. Codina	Director	
* -----		
Earl G. Graves	Director	
* -----		
Ann McLaughlin Korologos	Director	
* -----		
Michael A. Miles	Director	
* -----		
Philip J. Purcell	Director	

*

Joe M. Rodgers

Director

*

Judith Rodin

Director

*

Roger T. Staubach

Director

*By: /s/ Gary F. Kennedy

Attorney-in-Fact

October 24, 2003

Gary F. Kennedy

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, American Airlines, Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Fort Worth, State of Texas, on this 24 day of October, 2003.

AMERICAN AIRLINES, INC.

By /s/ Gary F. Kennedy

 GARY F. KENNEDY
 Senior Vice President and General Counsel

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.

SIGNATURE -----	TITLE -----	DATE ----
/s/ Gerard J. Arpey ----- Gerard J. Arpey	President, Chief Executive Officer and Director (Principal Executive Officer)	October 24, 2003
/s/ Jeffrey C. Campbell ----- Jeffrey C. Campbell	Senior Vice President-Finance and Chief Financial Officer (Principal Financial and Accounting Officer)	October 24, 2003
* ----- Edward A. Brennan	Director	
* ----- John W. Bachmann	Director	
* ----- David L. Boren	Director	
* ----- Armando M. Codina	Director	
* ----- Earl G. Graves	Director	
* ----- Ann McLaughlin Korologos	Director	
* ----- Michael A. Miles	Director	
* ----- Philip J. Purcell	Director	

*

Joe M. Rodgers

Director

*

Judith Rodin

Director

*

Roger T. Staubach

Director

*By: /s/ Gary F. Kennedy

Attorney-in-Fact

October 24, 2003

Gary F. Kennedy

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION OF DOCUMENT -----
3.1	Certificate of Incorporation of AMR Corporation, as amended (filed as Exhibit 4(a) to AMR Corporation's Registration Statement on Form S-4, File No. 33-55191, with amendments filed as Exhibit 3.1 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
3.2	By-Laws of AMR Corporation, amended as of April 24, 2003 (filed as Exhibit 3.2 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
4.1	Registration Rights Agreement, dated as of September 23, 2003, among AMR Corporation, American Airlines, Inc., as Guarantor, and Citigroup Global Markets Inc., as Initial Purchaser.
4.2	Indenture, dated as of September 23, 2003, among AMR Corporation, American Airlines, Inc., as Guarantor, and Wilmington Trust Company, as Trustee.
4.3	Form of 4.25% Senior Convertible Note due 2023 (included as Exhibit A-1 to the Indenture filed herewith as Exhibit 4.2).
4.4	Form of Guarantee (included as Exhibit A-2 to the Indenture filed herewith as Exhibit 4.2).
4.5	Specimen of Common Stock Certificate (filed as Exhibit 4(c) to AMR Corporation's Registration Statement on Form S-3, File No. 33-38393, and incorporated herein by reference).
5.1	Validity Opinion of Debevoise & Plimpton.
8.1	Tax Opinion of Debevoise & Plimpton.
12.1	Statement regarding computation of ratio of earnings to fixed charges for each year in the five-year period ended December 31, 2002 (filed as Exhibit 12 to AMR Corporation's Annual Report on Form 10-K for the year ended December 31, 2002, and incorporated herein by reference).
12.2	Statement regarding computation of ratio of earnings to fixed charges for the nine months ended September 30, 2003 and 2002 (filed as Exhibit 12 to AMR Corporation's Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).
12.3	Statement regarding computation of ratio of earnings to fixed charges for each year in the five-year period ended December 31, 2002 (filed as Exhibit 12 to American Airlines, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2002, and incorporated herein by reference).
12.4	Statement regarding computation of ratio of earnings to fixed charges for the nine months ended September 30, 2003 and 2002 (filed as Exhibit 12 to American Airlines, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2003, and incorporated herein by reference).

- 23.1 Consent of Ernst & Young LLP.
- 23.2 Consents of Debevoise & Plimpton (included in Exhibit 5.1 and Exhibit 8.1).
- 24.1 Powers of Attorney (AMR Corporation).
- 24.2 Powers of Attorney (American Airlines, Inc.).
- 25.1 Form T-1 Statement of Eligibility and Qualification under the Trust Indenture Act of 1939 of Wilmington Trust Company, as Trustee under the Indenture.

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "Agreement") is made and entered into as of September 23, 2003 among AMR Corporation, a Delaware corporation (the "Company"), American Airlines, Inc., a wholly-owned subsidiary of the Company (the "Guarantor" and, together with the Company, the "Issuers") and Citigroup Global Markets Inc. (the "Initial Purchaser"), pursuant to the Purchase Agreement dated September 17, 2003 (the "Purchase Agreement") between the Issuers and the Initial Purchaser. In order to induce the Initial Purchaser to enter into the Purchase Agreement, the Issuers have agreed to provide the registration rights set forth in this Agreement. The execution of this Agreement is a condition to the closing under the Purchase Agreement.

The Issuers agree with the Initial Purchaser, (i) for its benefit as the Initial Purchaser and (ii) for the benefit of the beneficial owners (including the Initial Purchaser) from time to time of the Notes (as defined herein), guaranteed by the Guarantor (the "Guarantee"), the Notes and the Guarantee are collectively referenced to herein as the "Securities," and the beneficial owners from time to time of the Underlying Common Stock (as defined herein) issued upon conversion of the Notes (each of the foregoing a "Holder" and together the "Holders"), as follows:

SECTION 1. Definitions. Capitalized terms used herein without definition shall have their respective meanings set forth in the Purchase Agreement. In addition to the terms that are defined elsewhere in this Agreement, the following terms shall have the following meanings:

"Affiliate," with respect to any specified person, has the meaning specified in Rule 144.

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close.

"Common Stock" means any shares of the common stock, \$1.00 par value per share, of the Company and any other shares of common stock as may constitute "Common Stock" for purposes of the Indenture, including the Underlying Common Stock.

"Conversion Rate" has the meaning assigned to such term in the Indenture.

"Damages Accrual Period" has the meaning specified in Section 2(e) hereof.

"Damages Payment Date" means each March 23 and September 23.

"Deferral Notice" has the meaning specified in Section 3(i) hereof.

"Deferral Period" has the meaning specified in Section 3(i) hereof.

"Effectiveness Deadline Date" has the meaning specified in Section 2(a) hereof.

"Effectiveness Period" means the period of two years (the holding period applicable to the Registrable Securities held by persons that are not Affiliates of the Company under Rule 144(k) under the Securities Act) from the Issue Date or such shorter period ending on the date that all Registrable Securities have ceased to be Registrable Securities.

"Event" has the meaning specified in Section 2(e) hereof.

"Event Date" has the meaning specified in Section 2(e) hereof.

"Event Termination Date" has the meaning specified in Section 2(e) hereof.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder.

"Filing Deadline Date" has the meaning specified in Section 2(a) hereof.

"guarantee" means, as applied to any obligation, (i) a guarantee (other than by endorsement of negotiable instruments for collection in the ordinary course of business), direct or indirect, in any manner, of any part or all of such obligation and (ii) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such obligation, including, without limiting the foregoing, the payment of amounts drawn down by letters of credit.

"Guarantor" has the meaning specified in the introductory paragraph hereto.

"Holder" has the meaning specified in the second paragraph of this Agreement.

"Indenture" means the Indenture dated as of the date hereof between the Issuers and Wilmington Trust Company, as trustee, pursuant to which the Notes are being issued.

"Initial Purchaser" means Citigroup Global Markets Inc.

"Initial Shelf Registration Statement" has the meaning specified in Section 2(a) hereof.

"Issue Date" means September 23, 2003.

"Liquidated Damages Amount" has the meaning specified in Section 2(e) hereof.

"Material Event" has the meaning specified in Section 3(i) hereof.

"Notes" means the 4.25% Senior Convertible Notes due 2023 of the Company to be purchased pursuant to the Purchase Agreement.

"Notice and Questionnaire" means a written notice delivered to the Company containing substantially the information called for by the Selling Securityholder Notice and Questionnaire attached as Annex A to the Offering Memorandum of the Company dated September 17, 2003 relating to the Notes.

"Notice Holder" means on any date, any Holder that has delivered a Notice and Questionnaire to the Issuers on or prior to such date.

"Prospectus" means the prospectus included in any Registration Statement (including, without limitation, a prospectus that discloses information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 415 promulgated under the Securities Act), as amended or supplemented by any amendment or prospectus supplement, including post-effective amendments, and all materials incorporated by reference or explicitly deemed to be incorporated by reference in such Prospectus.

"Purchase Agreement" has the meaning specified in the first paragraph of this Agreement.

"Record Holder" means, with respect to any Damages Payment Date relating to any Note or shares of Underlying Common Stock as to which any Liquidated Damages Amount has accrued, the registered holder of such Note or such shares of Underlying Common Stock, as the case may be, on the 15th day immediately prior to the next succeeding Damages Payment Date.

"Registrable Securities" means the Notes and the Underlying Common Stock and any security issued with respect thereto upon any stock dividend, split, merger or similar event until, in the case of any such security, the earliest of (i) its effective registration under the Securities Act and resale in accordance with the Registration Statement covering it, (ii) expiration of the holding period that would be applicable thereto under Rule 144(k) were it not held by an Affiliate of the Issuers, or (iii) its sale to the public pursuant to Rule 144.

"Registration Expenses" has the meaning specified in Section 5 hereof.

"Registration Statement" means any registration statement of the Issuers that covers any of the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such registration statement, including post-effective amendments, all exhibits, and all materials incorporated by reference or explicitly deemed to be incorporated by reference in such registration statement.

"Restricted Securities" has the meaning assigned to such term in Rule 144.

"Rule 144" means Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the SEC having substantially the same effect as such Rule.

"Rule 144A" means Rule 144A under the Securities Act, as such Rule may be amended from time to time, or any similar or successor rule or regulation hereafter adopted by the SEC having substantially the same effect as such Rule.

"SEC" means the United States Securities and Exchange Commission.

"Securities" has the meaning specified in the introductory paragraphs hereto.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated by the SEC thereunder.

"Shelf Registration Statement" has the meaning specified in Section 2(a) hereof.

"Subsequent Shelf Registration Statement" has the meaning specified in Section 2(b) hereof.

"TIA" means the Trust Indenture Act of 1939, as amended.

"Trustee" means Wilmington Trust Company (or any successor entity), the Trustee under the Indenture.

"Underlying Common Stock" means the Common Stock into which the Notes are convertible or issued upon any such conversion.

SECTION 2. Shelf Registration.

(a) The Issuers shall prepare and file or cause to be prepared and filed with the SEC no later than a date which is 90 days after the Issue Date (the "Filing Deadline Date") a Registration Statement for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act (a "Shelf Registration Statement") relating to the offer and sale from time to time by Holders of all of the Registrable Securities (the "Initial Shelf Registration Statement"). The Initial Shelf Registration Statement shall be on Form S-3 or another appropriate form permitting registration of such Registrable Securities for resale by such Holders in accordance with the methods of distribution reasonably elected by the Holders and set forth in the Initial Shelf Registration Statement; provided that in no event will such method(s) of distribution take the form of an underwritten offering of the Registrable Securities without the prior agreement of the Issuers. The Issuers shall use reasonable efforts to cause the Initial Shelf Registration Statement to be declared effective under the Securities Act no later than the date (the "Effectiveness Deadline Date") that is 180 days after the Issue Date, and to keep the Initial Shelf Registration Statement (or any Subsequent Shelf Registration Statement) continuously effective under the Securities Act until the expiration of the Effectiveness Period. Each Holder that became a Notice Holder on or prior to the date ten Business Days prior to the time that the Initial Shelf Registration

Statement became effective shall be named as a selling securityholder in the Initial Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus to purchasers of Registrable Securities in accordance with applicable law (other than laws not generally applicable to all such Holders). Notwithstanding the foregoing, no Holder shall be entitled to have the Registrable Securities held by it covered by such Shelf Registration Statement unless such Holder has provided a Notice and Questionnaire in accordance with Section 2(d) and is in compliance with Section 4. Except as described in the Offering Memorandum, none of the Issuers' securityholders (other than the Holders of Registrable Securities) shall have the right to include any of the Issuers' securities in the Shelf Registration Statement.

(b) If the Initial Shelf Registration Statement or any Subsequent Shelf Registration Statement ceases to be effective for any reason at any time during the Effectiveness Period, the Issuers shall use reasonable efforts to obtain the prompt withdrawal of any order suspending the effectiveness thereof, and in any event shall within 30 days of such cessation of effectiveness amend the Shelf Registration Statement in a manner reasonably expected by the Issuers to obtain the withdrawal of the order suspending the effectiveness thereof, or file an additional Shelf Registration Statement covering all of the securities that as of the date of such filing are Registrable Securities (a "Subsequent Shelf Registration Statement"). If a Subsequent Shelf Registration Statement is filed, the Issuers shall use reasonable efforts to cause the Subsequent Shelf Registration Statement to become effective as promptly as is reasonably practicable after such filing or, if filed during a Deferral Period, after the expiration of such Deferral Period, and to keep such Registration Statement (or subsequent Shelf Registration Statement) continuously effective until the end of the Effectiveness Period.

(c) The Issuers shall supplement and amend the Shelf Registration Statement if required by the rules, regulations or instructions applicable to the registration form used by the Issuers for such Shelf Registration Statement, if required by the Securities Act or, to the extent to which the Issuers do not reasonably object, as reasonably requested by the Initial Purchaser or by the Trustee on behalf of the registered Holders.

(d) Each Holder of Registrable Securities agrees that if such Holder wishes to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus, it will do so only in accordance with this Section 2(d) and Section 3(i) and Section 4. Each Holder of Registrable Securities wishing to sell Registrable Securities pursuant to a Shelf Registration Statement and related Prospectus shall deliver a Notice and Questionnaire to the Issuers at least five (5) Business Days prior to any intended distribution of Registrable Securities under the Shelf Registration Statement. From and after the date the Initial Shelf Registration Statement is declared effective, the Issuers shall, as promptly as is reasonably practicable after the date a Notice and Questionnaire is delivered, (i) if required by applicable law, file with the SEC a post-effective amendment to the Shelf Registration Statement or prepare and, if required by applicable law, file a supplement to the related Prospectus or a supplement or amendment to any document incorporated therein by reference or file any other document required by the SEC so that the Holder delivering such Notice and Questionnaire is named as a selling securityholder in the Shelf Registration Statement and the related Prospectus in such a manner as to permit such Holder to deliver such Prospectus

to purchasers of the Registrable Securities in accordance with applicable law (other than laws not generally applicable to all Holders of Registrable Securities wishing to sell Registrable Securities pursuant to the Shelf Registration Statement and related Prospectus) and, if the Issuers shall file a post-effective amendment to the Shelf Registration Statement, use reasonable efforts to cause such post-effective amendment to be declared effective under the Securities Act as promptly as is reasonably practicable; (ii) provide such Holder copies of any documents filed pursuant to Section 2(d)(i); and (iii) notify such Holder as promptly as is reasonably practicable after the effectiveness under the Securities Act of any post-effective amendment filed pursuant to Section 2(d)(i); provided that if such Notice and Questionnaire is delivered during a Deferral Period, the Company shall so inform the Holder delivering such Notice and Questionnaire and shall take the actions set forth in clauses (i), (ii) and (iii) above upon expiration of the Deferral Period in accordance with Section 3(i), provided further that if under applicable law the Issuers have more than one option as to the type or manner of making any such filing, it will make the required filing or filings in the manner or of a type that the Issuers reasonably expect will result in the earliest availability of the Prospectus for effecting resales of Registrable Securities. Notwithstanding anything contained herein to the contrary, the Issuers shall be under no obligation to name any Holder that is not a Notice Holder as a selling securityholder in any Registration Statement or related Prospectus; provided, however, that any Holder that becomes a Notice Holder pursuant to the provisions of Section 2(d) of this Agreement (whether or not such Holder was a Notice Holder at the time the Registration Statement was initially declared effective) shall be named as a selling securityholder in the Registration Statement or related Prospectus subject to and in accordance with the requirements of this Section 2(d).

(e) The parties hereto agree that the Holders of Registrable Securities will suffer damages, and that it would not be feasible to ascertain the extent of such damages with precision, if (i) the Initial Shelf Registration Statement has not been filed on or prior to the Filing Deadline Date, (ii) the Initial Shelf Registration Statement has not been declared effective under the Securities Act on or prior to the Effectiveness Deadline Date, or (iii) the aggregate duration of Deferral Periods in any period exceeds the number of days permitted in respect of such period pursuant to Section 3(i) hereof (each of the events of a type described in any of the foregoing clauses (i) through (iii) is individually referred to herein as an "Event," and the Filing Deadline Date in the case of clause (i), the Effectiveness Deadline Date in the case of clause (ii), and the date on which the aggregate duration of Deferral Periods in any period exceeds the number of days permitted by Section 3(i) hereof in the case of clause (iii), being referred to herein as an "Event Date"). Events shall be deemed to continue until the "Event Termination Date," which shall be the following dates with respect to the respective types of Events: the date the Initial Shelf Registration Statement is filed in the case of an Event of the type described in clause (i), the date the Initial Shelf Registration Statement is declared effective under the Securities Act in the case of an Event of the type described in clause (ii), and termination of the Deferral Period that caused the limit on the aggregate duration of Deferral Periods in a period set forth in Section 3(i) to be exceeded in the case of the commencement of an Event of the type described in clause (iii).

Accordingly, commencing on (and including) any Event Date and ending on (but excluding) the Event Termination Date (a "Damages Accrual Period"), the Issuers agree to pay, as liquidated damages and not as a penalty, an amount (the "Liquidated Damages

Amount") equal to 0.25% per annum for the first 90-day period from the Event Date, and thereafter at a rate per annum equal to 0.50% of the aggregate principal amount of such Notes determined as of the Business Day immediately preceding the next Damages Payment Date.

The Liquidated Damages Amount shall be payable on the Damages Payment Dates to Record Holders of then outstanding Notes that are Registrable Securities accruing, for each portion of such Damages Accrual Period beginning on and including a Damages Payment Date (or, in respect of the first time that the Liquidation Damages Amount is to be paid to Holders on a Damages Payment Date as a result of the occurrence of any particular Event, from the Event Date) and ending on but excluding the first to occur of (A) the date of the end of the Damages Accrual Period or (B) the next Damages Payment Date; provided that any Liquidated Damages Amount accrued with respect to any Note or portion thereof called for redemption on a redemption date or converted into Underlying Common Stock on a conversion date prior to the Damages Payment Date shall, in any such event, be paid instead to the Holder who submitted such Note or portion thereof for redemption or conversion on the applicable redemption date or conversion date, as the case may be, on such date (or promptly following the conversion date, in the case of conversion). Notwithstanding the foregoing, no Liquidated Damages Amounts shall accrue as to any Registrable Security from and after the earlier of (x) the date such security is no longer a Registrable Security and (y) expiration of the Effectiveness Period.

The rate of accrual of the Liquidated Damages Amount with respect to any period shall not exceed the rate provided for in this Section 2(e) notwithstanding the occurrence of multiple concurrent Events. Following the cure of all Events requiring the payment by the Issuers of Liquidated Damages Amounts to the Holders of Registrable Securities pursuant to this Section 2(e), the accrual of Liquidated Damages Amounts will cease (without in any way limiting the effect of any subsequent Event requiring the payment of the Liquidated Damages Amount by the Issuers).

The Trustee, subject to the applicable provisions of the Indenture, shall be entitled, on behalf of Holders of Notes or Underlying Common Stock, to seek any available remedy for the enforcement of this Agreement, including for the payment of any Liquidated Damages Amount. Notwithstanding the foregoing, the parties agree that the sole monetary damages payable for a violation of the terms of this Agreement with respect to which liquidated damages are expressly provided shall be such liquidated damages. Nothing shall preclude a Notice Holder or Holder of Registrable Securities from pursuing or obtaining specific performance or other equitable relief with respect to this Agreement.

The parties hereto agree that the liquidated damages provided for in this Section 2(e) constitute a reasonable estimate of the damages that may be incurred by Holders of Registrable Securities by reason of the failure of the Shelf Registration Statement to be filed or declared effective or available for effecting resales of Registrable Securities in accordance with the provisions hereof.

SECTION 3. Registration Procedures. In connection with the registration obligations of the Issuers under Section 2 hereof, during the Effectiveness Period the Issuers shall:

(a) Before filing any Registration Statement or Prospectus or any amendments or supplements (other than supplements that do nothing more substantive than name one or more Notice Holders as selling securityholders) thereto with the SEC, furnish to the Initial Purchaser copies of all such documents proposed to be filed and use reasonable efforts to reflect in each such document when so filed with the SEC such comments as the Initial Purchaser reasonably shall propose within three (3) Business Days of the delivery of such copies to the Initial Purchaser.

(b) Subject to Section 3(i), prepare and file with the SEC such amendments and post-effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable period specified in Section 2(a); cause the related Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) under the Securities Act; and use reasonable efforts to comply with the provisions of the Securities Act applicable to it with respect to the disposition of all securities covered by such Registration Statement during the Effectiveness Period in accordance with the intended methods of disposition by the sellers thereof set forth in such Registration Statement as so amended or such Prospectus as so supplemented.

(c) As promptly as reasonably practicable give notice to the Notice Holders and the Initial Purchaser (i) when any Prospectus, Prospectus supplement, Registration Statement or post-effective amendment to a Registration Statement has been filed with the SEC and, with respect to a Registration Statement or any post-effective amendment, when the same has been declared effective (provided, however, that the Issuers shall not be required by this clause (i) to notify (A) the Initial Purchaser of the filing of a Prospectus supplement that does nothing more substantive than name one or more Notice Holders as selling securityholders or (B) any Notice Holder of the filing of a Prospectus supplement that does nothing more substantive than name one or more other Notice Holders as selling securityholders), (ii) of any request, following the effectiveness of the Initial Shelf Registration Statement under the Securities Act, by the SEC or any other federal or state governmental authority for amendments or supplements to any Registration Statement or related Prospectus or for additional information, (iii) of the issuance by the SEC or any other federal or state governmental authority of any stop order or injunction suspending or enjoining the use of any Prospectus or the effectiveness of any Registration Statement or the initiation or threatening of any proceedings for that purpose, (iv) of the receipt by the Issuers of any notification with respect to the suspension of the qualification or exemption from qualification of any of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, (v) of the occurrence of (but not the nature of or details concerning) a Material Event (provided, however, that no notice by the Issuers shall be required pursuant to this clause (v) in the event that the Issuers either promptly file a Prospectus supplement to update the Prospectus or a Current Report on Form 8-K or other appropriate Exchange Act report that is incorporated by reference into the Registration Statement, which, in either case, contains the requisite information with respect

to such Material Event that results in such Registration Statement no longer containing any untrue statement of material fact or omitting to state a material fact necessary to make the statements contained therein not misleading) and (vi) of the determination by the Issuers that a post-effective amendment to a Registration Statement will be filed with the SEC, which notice may, at the discretion of the Issuers (or as required pursuant to Section 3(i)), state that it constitutes a Deferral Notice, in which event the provisions of Section 3(i) shall apply.

(d) Use reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of a Registration Statement or the lifting of any suspension of the qualification (or exemption from qualification) of any of the Registrable Securities for sale in any jurisdiction in which they have been qualified for sale, in either case at the earliest possible moment or, if any such order or suspension is made effective during any Deferral Period, at the earliest possible moment after the expiration of such Deferral Period.

(e) If reasonably requested by the Initial Purchaser or any Notice Holder, as promptly as reasonably practicable incorporate in a Prospectus supplement or post-effective amendment to a Registration Statement such information as the Initial Purchaser or such Notice Holder shall have so requested to the extent the Issuers do not reasonably object thereto.

(f) As promptly as reasonably practicable after the filing of such documents with the SEC, furnish to each Notice Holder and the Initial Purchaser, upon their request and without charge, at least one conformed copy of the Registration Statement and any amendment thereto, including financial statements, but excluding schedules, all documents incorporated or deemed to be incorporated therein by reference and all exhibits (unless requested in writing to the Issuers by such Notice Holder or the Initial Purchaser, as the case may be).

(g) During the Effectiveness Period, deliver to each Notice Holder in connection with any sale of Registrable Securities pursuant to a Registration Statement, without charge, as many copies of the Prospectus or Prospectuses relating to such Registrable Securities (including each preliminary prospectus) and any amendment or supplement thereto as such Notice Holder may reasonably request; and the Issuers hereby consent (except during such periods that a Deferral Notice is outstanding and has not been revoked) to the use of such Prospectus or each amendment or supplement thereto by each Notice Holder in connection with any offering and sale of the Registrable Securities covered by such Prospectus or any amendment or supplement thereto in the manner set forth therein.

(h) Subject to Section 3(i), prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use reasonable efforts to register or qualify or cooperate with the Notice Holders in connection with the registration or qualification (or exemption from such registration or qualification) of such Registrable Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions within the United States as any Notice Holder reasonably requests in writing (which request may be included in the Notice and Questionnaire), it being agreed that no such registration or qualification will be made unless so requested; prior to any public offering of the Registrable Securities pursuant to the Shelf Registration Statement, use reasonable efforts to keep each

such registration or qualification (or exemption therefrom) effective during the Effectiveness Period in connection with such Notice Holder's offer and sale of Registrable Securities pursuant to such registration or qualification (or exemption therefrom) and do any and all other acts or things reasonably necessary to enable the disposition in such jurisdictions of such Registrable Securities in the manner set forth in the relevant Registration Statement and the related Prospectus; provided that the Issuers will not be required to (i) qualify as a foreign corporation or as a dealer in securities in any jurisdiction where it is not otherwise qualified or (ii) take any action that would subject it to general service of process in suits or to taxation in any such jurisdiction where it is not then so subject.

(i) Upon (A) the issuance by the SEC of a stop order suspending the effectiveness of the Shelf Registration Statement or the initiation of proceedings with respect to the Shelf Registration Statement under Section 8(d) or 8(e) of the Securities Act, (B) the occurrence of any event or the existence of any fact (a "Material Event") as a result of which any Registration Statement shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or any Prospectus shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (including, in any such case, as a result of the non-availability of financial statements), or (C) the occurrence or existence of any pending corporate development that, in the discretion of the Issuers, makes it appropriate to suspend the availability of the Shelf Registration Statement and the related Prospectus, (i) in the case of clause (B) above, subject to the next sentence, as promptly as practicable prepare and file a post-effective amendment to such Registration Statement or a supplement to the related Prospectus or any document incorporated therein by reference or file any other required document that would be incorporated by reference into such Registration Statement and Prospectus so that such Registration Statement does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and such Prospectus does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as thereafter delivered to the purchasers of the Registrable Securities being sold thereunder, and, in the case of a post-effective amendment to a Registration Statement, subject to the next sentence, use reasonable efforts to cause it to be declared effective as promptly as is reasonably practicable, and (ii) give notice to the Notice Holders that the availability of the Shelf Registration Statement is suspended (a "Deferral Notice") and, upon receipt of any Deferral Notice, each Notice Holder agrees not to sell any Registrable Securities pursuant to the Registration Statement until such Notice Holder's receipt of copies of the supplemented or amended Prospectus provided for in clause (i) above, or until it is advised in writing by the Issuers that the Prospectus may be used, and has received copies of any additional or supplemental filings that are incorporated or deemed incorporated by reference in such Prospectus. The Issuers will use reasonable efforts to ensure that the use of the Prospectus may be resumed (x) in the case of clause (A) above, as promptly as is practicable, and (y) in the case of clauses (B) and (C) above, as soon as, in the sole judgment of the Issuers, public disclosure of such Material Event or pending corporate development would not be prejudicial to or contrary to the interests of the Issuers or, if necessary to avoid

unreasonable burden or expense, as soon as reasonably practicable thereafter. So long as the period during which the availability of the Registration Statement and any Prospectus is suspended (the "Deferral Period") does not exceed forty-five (45) days during any three (3) month period or one hundred and twenty (120) days during any twelve (12) month period, the Issuers shall not incur any obligation to pay liquidated damages pursuant to Section 2(e).

(j) In connection with a disposition of Registrable Securities pursuant to a Registration Statement, make reasonably available for inspection at reasonable times by one or more representatives of the Notice Holders, and any broker-dealer, attorneys or accountants retained by such Notice Holders, all financial and other records, pertinent corporate documents and properties of the Issuers as shall be reasonably necessary to enable them to exercise any applicable due diligence responsibilities as are customary, and cause the Issuers' officers, directors and employees to supply all information reasonably requested by any such representative or representatives of the Notice Holders, broker-dealers, attorneys or accountants in connection with the Self Registration Statement after the filing thereof and before its effectiveness; provided, however, that such persons shall first agree in writing with the Issuers that any information that is reasonably designated by the Issuers in writing as confidential at the time of delivery of such information shall be kept confidential by such persons and shall be used solely for the purposes of exercising rights under this Agreement; and provided further that, if the foregoing inspection and information gathering would otherwise disrupt the Issuers' conduct of business, such inspection and information gathering shall, to the greatest extent possible, be coordinated on behalf of the Notice Holders and the other parties entitled thereto by one counsel designated by and on behalf of Notice Holders and the other parties and reasonably acceptable to the Issuers.

(k) Comply with all applicable rules and regulations of the SEC and make generally available to its security holders earning statements (which need not be audited) satisfying the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder (or any similar rule promulgated under the Securities Act) no later than the time period prescribed by the SEC for filing a Form 10-Q after the end of any 12-month period (or the time period prescribed by the SEC for filing a Form 10-K after the end of any 12-month period if such period is a fiscal year) commencing on the first day of the first fiscal quarter of the Issuers commencing after the effective date of a Registration Statement, which statements shall cover said 12-month periods.

(l) Cooperate with each Notice Holder to facilitate the timely preparation and delivery of certificates representing Registrable Securities sold pursuant to a Registration Statement, and cause such Registrable Securities to be in such denominations as are permitted by the Indenture and registered in such names as such Notice Holder may request in writing at least two Business Days prior to any sale of such Registrable Securities.

(m) Provide a CUSIP number for all Registrable Securities covered by each Registration Statement not later than the effective date of such Registration Statement and provide the Trustee for the Notes and the transfer agent for the Common Stock with certificates for the Registrable Securities that are in a form eligible for deposit with The Depository Trust Company.

(n) Make reasonable effort to provide such information as is required for any filings required to be made with the National Association of Securities Dealers, Inc.

(o) Upon (i) the filing of the Initial Shelf Registration Statement and (ii) the effectiveness of the Initial Shelf Registration Statement, announce the same, in each case by release to Businesswire, Reuters Economic Services, Bloomberg Business News or any other means of dissemination reasonably expected to make such information known publicly.

(p) Take all actions necessary, or reasonably requested by the holders of a majority of the Registrable Securities being sold, in order to expedite or facilitate disposition of such Registrable Securities; provided that in no event will such actions take the form of an underwritten offering of the Registrable Securities without the prior agreement of the Issuers.

(q) Cause the Indenture to be qualified under the TIA not later than the effective date of any Registration Statement; and in connection therewith, cooperate with the Trustee to effect such changes to the Indenture as may be required for the Indenture to be so qualified in accordance with the terms of the TIA and execute, and use reasonable efforts to cause the Trustee to execute, all documents as may be required to effect such changes, and all other forms and documents required to be filed with the SEC to enable the Indenture to be so qualified in a timely manner.

SECTION 4. Holder's Obligations. Each Holder agrees, by acquisition of the Registrable Securities, that no Holder of Registrable Securities shall be entitled to sell any of such Registrable Securities pursuant to a Registration Statement or to receive a Prospectus relating thereto, unless such Holder has furnished the Issuers with a Notice and Questionnaire as required pursuant to Section 2(d) hereof (including the information required to be included in such Notice and Questionnaire) and the information set forth in the next sentence. Each Notice Holder agrees promptly to furnish to the Issuers all information required to be disclosed in order to make the information previously furnished to the Issuers by such Notice Holder not misleading, any other information regarding such Notice Holder and the distribution of such Registrable Securities as may be required to be disclosed in the Registration Statement under applicable law or pursuant to SEC comments and any information otherwise required by the Issuers to comply with applicable law or regulations. Each Holder further agrees, following termination of the Effectiveness Period, to notify the Issuers, within ten Business Days of a request, of the amount of Registrable Securities sold pursuant to the Registration Statement and, in the absence of a response, the Issuers may assume that all of the Holder's Registrable Securities were so sold.

SECTION 5. Registration Expenses. The Issuers shall bear all fees and expenses incurred in connection with the performance by the Company of its obligations under Sections 2 and 3 of this Agreement whether or not any of the Registration Statements are declared effective. Such fees and expenses shall include, without limitation, (i) all registration and filing fees (including, without limitation, fees and expenses (x) with respect to filings required to be made with the National Association of Securities Dealers, Inc. and (y) of compliance with federal and state securities or Blue Sky laws to the extent such filings or compliance are required pursuant to this Agreement (including, without limitation,

reasonable fees and disbursements of the counsel specified in the next sentence in connection with Blue Sky qualifications of the Registrable Securities under the laws of such jurisdictions as the Notice Holders of a majority of the Registrable Securities being sold pursuant to a Registration Statement may designate)), (ii) printing expenses (including, without limitation, expenses of printing certificates for Registrable Securities in a form eligible for deposit with The Depository Trust Company), (iii) duplication expenses relating to copies of any Registration Statement or Prospectus delivered to any Holders hereunder, (iv) fees and disbursements of counsel for the Issuers in connection with the Shelf Registration Statement, and (v) reasonable fees and disbursements of the Trustee and its counsel and of the registrar and transfer agent for the Common Stock. In addition, the Issuers shall bear or reimburse the Notice Holders for the fees and disbursements of one firm of legal counsel retained by the Holders, which shall, upon the written consent of the Initial Purchaser (which shall not be unreasonably withheld), be another nationally recognized law firm experienced in securities law matters designated by the Issuers. In addition, the Issuers shall pay the internal expenses of the Issuers (including, without limitation, all salaries and expenses of officers and employees performing legal or accounting duties), the expense of any annual audit, the fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange on which the same securities of the Issuers are then listed and the fees and expenses of any person, including special experts, retained by the Issuers. Each Notice Holder shall pay all underwriting discounts, commissions and transfer taxes, if any, relating to the sale or disposition of such Notice Holder's Registrable Securities pursuant to the Shelf Registration Statement.

SECTION 6. Indemnification; Contribution.

(a) The Issuers agree, jointly and severally, to indemnify and hold harmless the Initial Purchaser and each holder of Registrable Securities and each person who controls the Initial Purchaser or any holder of Registrable Securities within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act, or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or in any amendment thereof, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or arise out of or are based upon any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus or in any amendment thereof or supplement thereto, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and, in each case, agrees to reimburse each such indemnified party for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that (i) the Company will not be liable in any such case to the extent that any such loss, claim, damage, or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon, and

in conformity with, written information relating to the Initial Purchaser furnished to the Company by or the Initial Purchaser specifically for use in connection with the preparation of the Registration Statement or any amendment thereof, or any preliminary prospectus or the Prospectus or in any amendment thereof or supplement thereto, (ii) the foregoing indemnity agreement, with respect to any preliminary prospectus, shall not inure to the benefit of any holder of Registrable Securities (or any person controlling such holder of Registrable Securities) as to whom it shall be established did not send or deliver to the person asserting any such loss, claim, damage or liability and who purchased Securities which are the subject thereof a copy of the Prospectus as amended or supplemented (exclusive of material incorporated by reference) at or prior to the written confirmation of the sale of such Securities in any case where such delivery is required by the Securities Act, and the untrue statement or omission of a material fact contained in such preliminary prospectus was corrected in the Prospectus as amended or supplemented and the Company had previously furnished copies thereof to the Initial Purchaser, and (iii) the Company will not be liable for any loss, liability or expense of any settlement or compromise of, or consent to entry of judgment with respect to, any pending or threatened litigation or any pending or threatened governmental agency investigation or proceeding if such settlement or compromise of or consent to entry of judgment with respect thereto is effected without the prior written consent of the Company, except to the extent that such consent is not required pursuant to Section 6(d) hereof; and provided further that this indemnity agreement shall not apply to any such loss, claim, damage or liability arising from an offer or sale of Registrable Securities occurring during a Deferral Period, if a Deferral Notice was given to such Notice Holder in accordance with Section 8(c). This indemnity agreement will be in addition to any liability that the Company may otherwise have.

(b) In connection with any Registration Statement in which a Holder, including, without limitation, the Initial Purchaser, of Registrable Securities is participating, is furnishing information relating to such Holder of Registrable Securities to the Issuers in writing expressly for use in such Registration Statement, any preliminary prospectus, the Prospectus or any amendments or supplements thereto, the Holders of such Registrable Securities agree, severally and not jointly, to indemnify and hold harmless the Initial Purchaser and each person, if any, who controls the Initial Purchaser within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act and the Issuers, and each person, if any, who controls the Issuers within the meaning of either such Section, against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Issuers by or on behalf of such holder of Registrable Securities (which also acknowledges the indemnity provisions herein) or any person, if any, who controls any such holder of Registrable Securities specifically for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto). This indemnity agreement will be in addition to any liability that any Holder of such Registrable Securities may otherwise have.

The Initial Purchaser agrees to indemnify and hold harmless the Issuers or any Holders of Registrable Securities and each person who controls an Issuer or any Holders of Registrable Securities, as the case may be, within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act, against any and all losses, claims, damages, liabilities and expenses described in the indemnity contained in Section 6(a), but only with respect to untrue statements or alleged untrue statements or omissions or alleged omissions made in the Registration Statement (or any amendment thereto) or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information relating to the Initial Purchaser furnished to the Company by the Initial Purchaser specifically for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto). This indemnity agreement will be in addition to any liability that the Initial Purchaser may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 6 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 6, notify the indemnifying party or parties in writing of the commencement thereof; but the omission so to notify the indemnifying party or parties will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 6. In case any such action is brought against any indemnified party and it notifies the indemnifying party or parties of the commencement thereof, the indemnifying party or parties will be entitled to participate therein, and to the extent that it may elect, by written notice delivered to such indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel satisfactory to such indemnified party; provided, however, that if, in the reasonable judgment of such indemnified party, a conflict of interest exists where it is advisable for such indemnified party to be represented by separate counsel, the indemnified party shall have the right to employ separate counsel in any such action, in which event the fees and expenses of such separate counsel shall be borne by the indemnifying party or parties. Upon receipt of notice from the indemnifying party or parties to such indemnified party of the election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party or parties will not be liable to such indemnified party under this Section 6 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof unless (i) the indemnified party shall have employed separate counsel in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party or parties shall not be liable for the expenses of more than one such separate counsel representing the indemnified parties under subparagraph (a) of this Section 6 who are parties to such action), (ii) the indemnifying party or parties shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party or parties have authorized the employment of counsel for the indemnified party at the expense of the indemnifying party or parties; and except that, if clause (i) or (iii) is applicable, such liability shall be only in respect of the counsel referred to in such clause (i) or (iii). It is understood that all such fees and expenses of counsel for the indemnified party for which the indemnifying party is liable shall be reimbursed as they are incurred. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be

unreasonably withheld), effect any settlement or compromise of, or consent to entry of judgment with respect to, any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement or compromise of, or consent to entry of judgment with respect thereto includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding and does not include a statement as to or an admission of fault, culpability or failure to act by or on behalf of any indemnified party.

(d) If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel payable pursuant to this Section 6, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid notice of request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into, and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

(e) If the indemnification provided for in paragraph (a) or (b) of this Section 6 is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, (i) in such proportion as is appropriate to reflect the relative fault of the indemnifying party or parties on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations. The relative fault of the Issuers on the one hand and the Holders of Registrable Securities or the Initial Purchaser on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Holder of Registrable Securities or the Initial Purchaser and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Issuers and the Initial Purchaser agree that it would not be just and equitable if contribution pursuant to this Section were determined by pro rata allocation (even if the Initial Purchaser and the Holders of Registrable Securities were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section.

(f) The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any such action or claim. Notwithstanding the provisions of this Section, no Holder of Registrable Securities nor the Initial Purchaser shall be required to contribute any amount in excess of the amount by which the total price at which the Registrable Securities sold by such Holder of Registrable Securities or by the

Initial Purchaser, as the case may be, exceeds the amount of any damages that such Holder of Registrable Securities or the Initial Purchaser has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section, each person, if any, who controls the Initial Purchaser or any Holder of Registrable Securities within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Initial Purchaser or such Holder, and each director of the Issuers, each officer of the Issuers, and each person, if any, who controls an Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act shall have the same rights to contribution as the Issuers.

SECTION 7. Information Requirements. The Issuers covenant that, if at any time before the end of the Effectiveness Period the Issuers are not subject to the reporting requirements of the Exchange Act, they will cooperate with any Holder of Registrable Securities and take such further reasonable action as any Holder of Registrable Securities may reasonably request in writing (including, without limitation, making such reasonable representations as any such Holder may reasonably request), all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitations of Rule 144 and Rule 144A under the Securities Act and customarily taken in connection with sales pursuant to such exemptions. Upon the written request of any Holder of Registrable Securities, the Issuers shall deliver to such Holder a written statement as to whether it has complied with such filing requirements, unless such a statement has been included in the Issuers' most recent report required to be filed and filed pursuant to Section 13 or Section 15(d) of the Exchange Act. Notwithstanding the foregoing, nothing in this Section 7 shall be deemed to require the Issuers to register any of its securities under any section of the Exchange Act.

SECTION 8. Miscellaneous

(a) No Conflicting Agreements. The Issuers are not, as of the date hereof, a party to, nor shall it, on or after the date of this Agreement, enter into, any agreement with respect to the Issuers' securities that conflicts in any material respect with the rights granted to the Holders of Registrable Securities in this Agreement. The Issuers represent and warrant that the rights granted to the Holders of Registrable Securities hereunder do not conflict with the rights granted to the holders of the Issuers' securities under any other agreements.

(b) Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Issuers have obtained the written consent of Holders of a majority of the then outstanding Underlying Common Stock constituting Registrable Securities (with Holders of Notes, for purposes of this Section, of the number of outstanding shares of Underlying Common Stock into which such Notes would be convertible or exchangeable as of the date on which such consent is requested). Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders of

Registrable Securities whose securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders of Registrable Securities may be given by Holders of at least a majority of the Registrable Securities being sold by such Holders pursuant to such Registration Statement; provided that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the immediately preceding sentence. Each Holder of Registrable Securities outstanding at the time of any such amendment, modification, supplement, waiver or consent or thereafter shall be bound by any such amendment, modification, supplement, waiver or consent effected pursuant to this Section 8(b), whether or not any notice, writing or marking indicating such amendment, modification, supplement, waiver or consent appears on the Registrable Securities or is delivered to such Holder.

(c) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand delivery, by telecopier, by courier guaranteeing overnight delivery or by first-class mail, return receipt requested, and shall be deemed given (i) when made, if made by hand delivery, (ii) upon confirmation, if made by telecopier, (iii) one (1) Business Day after being deposited with such courier, if made by overnight courier, or (iv) on the date indicated on the notice of receipt, if made by first-class mail, to the parties as follows:

if to a Holder of Registrable Securities that is not a Notice Holder, at the address for such Holder then appearing in the Registrar (as defined in the Indenture);

if to a Notice Holder, at the most current address given by such Holder to the Company in a Notice and Questionnaire or any amendment thereto;

if to the Issuers, to:

AMR Corporation
P.O. Box 619616
Dallas/Fort Worth Airport, Texas 75261-9616
Telephone No. (817) 931-3458
Facsimile No. (817) 967-2199
Attention: Treasurer

with a copy to:

Debevoise & Plimpton
919 Third Avenue
New York, New York 10022
Telephone No. (212) 909-6351
Facsimile No. (212) 909-6836
Attention: John T. Curry, III, Esq.

and

if to the Initial Purchaser, to:

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
Attention: General Counsel
Telecopier: (212) 816-7912

with a copy to:

Shearman & Sterling LLP
599 Lexington Avenue
New York, New York 10022
Attention: Rohan S. Weerasinghe, Esq.
Telecopier: (212) 848-7088

or to such other address as such person may have furnished to the other persons identified in this Section 8(c) in writing in accordance herewith.

(d) Approval of Holders. Whenever the consent or approval of Holders of a specified percentage of Registrable Securities is required hereunder, Registrable Securities held by the Issuers or their Affiliates (other than the Initial Purchaser or subsequent Holders of Registrable Securities if such subsequent Holders are deemed to be such affiliates solely by reason of their holdings of such Registrable Securities) shall not be counted in determining whether such consent or approval was given by the Holders of such required percentage.

(e) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties hereto and, without limitation of the foregoing and without requiring an express assignment, subsequent Holders of Registrable Securities; provided, however, that (i) this Agreement shall not inure to the benefit of or be binding upon a successor or assign of a Holder unless and to the extent such successor or assign acquired Registrable Securities from such Holder and (ii) nothing contained herein shall be deemed to permit any assignment, transfer or other disposition of Registrable Securities in violation of the terms of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Registrable Securities, in any manner, whether by operation of law or otherwise, such Registrable Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Registrable Securities such person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement applicable to such Holder.

(f) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be original and all of which taken together shall constitute one and the same agreement.

(g) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(h) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES THEREOF.

(i) Severability. If any term, provision, covenant or restriction of this Agreement is held to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, and the parties hereto shall use their best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction, it being intended that all of the rights and privileges of the parties hereto shall be enforceable to the fullest extent permitted by law.

(j) Entire Agreement. This Agreement is intended by the parties hereto as a final expression of their agreement and is intended to be a complete and exclusive statement of the agreement and understanding of the parties hereto in respect of the subject matter contained herein and the registration rights granted by the Issuers with respect to the Registrable Securities. Except as provided in the Purchase Agreement, there are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein, with respect to the registration rights granted by the Issuers with respect to the Registrable Securities. This Agreement supersedes all prior agreements and undertakings among the parties hereto with respect to such registration rights.

(k) Termination. This Agreement and the obligations of the parties hereunder shall terminate upon the end of the Effectiveness Period, except for any liabilities or obligations under Section 4, 5 or 6 hereof and the obligations to make payments of and provide for liquidated damages under Section 2(e) hereof to the extent such damages accrue prior to the end of the Effectiveness Period, each of which shall remain in effect in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this
Registration Rights Agreement as of the date first written above.

Very truly yours,

AMR CORPORATION

By: /s/ JEFFREY C. CAMPBELL

Name: Jeffrey C. Campbell
Title: Senior Vice President and
Chief Financial Officer

AMERICAN AIRLINES, INC.

By: /s/ JEFFREY C. CAMPBELL

Name: Jeffrey C. Campbell
Title: Senior Vice President and
Chief Financial Officer

Accepted as of the date
first above written:

CITIGROUP GLOBAL MARKETS INC.

By: /s/ JEFFREY J. SINGER

Name: Jeffrey J. Singer
Title: Director

AMR CORPORATION,
AMERICAN AIRLINES, INC., as Guarantor
AND
WILMINGTON TRUST COMPANY, as Trustee
4.25% Senior Convertible Notes
due 2023

INDENTURE
Dated as of September 23, 2003

CROSS-REFERENCE TABLE*

TIA SECTION	INDENTURE SECTION
310 (a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(b)	7.08; 7.10
(c)	N.A.
311 (a)	7.11
(b)	7.11
(c)	N.A.
312 (a)	2.05
(b)	13.03
(c)	13.03
313 (a)	7.06
(b)(1)	N.A.
(b)(2)	7.06
(c)	13.02
(d)	7.06
314 (a)	4.02; 4.03; 13.02
(b)	N.A.
(c)(1)	13.04
(c)(2)	13.14
(c)(3)	N.A.
(d)	N.A.
(e)	13.05
(f)	N.A.
315 (a)	7.01
(b)	7.05; 13.02
(c)	7.01
(d)	7.01
(e)	6.11
316 (a) (last sentence)	2.08
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
317 (a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318 (a)	13.01

- - - - -
N.A. means Not Applicable

Note: This Cross-Reference Table shall not, for any purpose, be deemed to be a part of the Indenture.

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INDENTURE, dated as of September 23, 2003, among AMR CORPORATION, a Delaware corporation (the "Company"), AMERICAN AIRLINES, INC., a Delaware corporation (the "Guarantor"), and WILMINGTON TRUST COMPANY, a Delaware banking corporation (the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the creation of an issue of 4.25% Senior Convertible Notes due 2023 (the "Securities") having the terms, tenor, amount and other provisions hereinafter set forth, and, to provide therefor, the Company has duly authorized the execution and delivery of this Indenture.

All things necessary to make the Securities, when the Securities are duly executed by the Company and authenticated and delivered hereunder and duly issued by the Company, the valid obligations of the Company, and to make this Indenture a valid and binding agreement of the Company and the Guarantor, in accordance with their and its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities, as follows:

ARTICLE 1

DEFINITIONS AND INCORPORATION BY REFERENCE

SECTION 1.01 Definitions.

"144A Global Security" means a permanent Global Security in the form of the Security attached hereto as Exhibit A-1, and that is deposited with and registered in the name of the Depository, representing Securities sold in reliance on Rule 144A under the Securities Act.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any specified person means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Applicable Procedures" means, with respect to any transfer or transaction involving a Global Security or beneficial interest therein, the rules and procedures of the Depositary for such Security, in each case to the extent applicable to such transaction and as in effect from time to time.

"Average Sale Price" means the average of the Sale Prices of the Common Stock for the shortest of:

(i) 30 consecutive trading days ending on the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated, or

(ii) the period (x) commencing on the date next succeeding the first public announcement of (a) the issuance of rights, warrants or options or (b) the distribution, in each case, in respect of which the Average Sale Price is being calculated and (y) proceeding through the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not trading days), or

(iii) the period, if any, (x) commencing on the date next succeeding the Ex-Dividend Time with respect to the next preceding (a) issuance of rights, warrants or options or (b) distribution, in each case, for which an adjustment is required by the provisions of Sections 10.06(c), 10.07 or 10.08 and (y) proceeding through the last full trading day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not trading days).

In the event that the Ex-Dividend Time (or in the case of a subdivision, combination or reclassification, the effective date with respect thereto) with respect to a dividend, subdivision, combination or reclassification to which Section 10.06(a), (b), (d) or (e) applies occurs during the period applicable for calculating "Average Sale Price" pursuant to the definition in the preceding sentence, "Average Sale Price" shall be calculated for such period in a manner determined by the Board of Directors to reflect the impact of such dividend, subdivision, combination or reclassification on the Sale Price of the Common Stock during such period.

"Board of Directors" means either the board of directors of the Company, the Executive Committee or any other duly authorized committee of such board.

"Business Day" means each day of the year other than a Saturday or a Sunday or other day on which banking institutions in The City of New York are required or authorized to close.

"Capital Stock" for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock or other equity issued by that corporation.

"Common Stock" shall mean the shares of Common Stock, \$1.00 par value per share, of the Company as it exists on the date of this Indenture or any other shares of Capital Stock of the Company into which the Common Stock shall be reclassified or changed.

"Company" means the party named as the "Company" in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

"Company Order" and "Company Request" mean, respectively, a written order or request signed in the name of the Company by the Chairman of the Board, the Vice Chairman, the President, any Executive Vice President or any Senior Vice President, signing alone, or by any Vice President signing together with the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary of the Company.

"Conversion Price" means, as of any date of determination, \$1,000 divided by the Conversion Rate in effect on such date.

"Corporate Trust Office" means an office of the Trustee at which at any time its corporate trust business shall be administered, which office at the date hereof is located at Rodney Square North, 1100 North Market Street, 9th Floor, Wilmington, DE 19890 or such other address as the Trustee may designate from time to time by notice to the Company, or the principal corporate trust office of any successor Trustee (or such other address as a successor Trustee may designate from time to time by notice to the Company).

"Debt" means with respect to the Company or the Guarantor, as applicable, at any date, without duplication, indebtedness for borrowed money.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Depository" means DTC, its nominees and their respective successors and assigns, or such other depository institution hereinafter appointed by the Company.

"DTC" means The Depository Trust Company, a New York corporation, and any successors and assigns.

"Employee Benefit Plan" means any "employee benefit plan" (as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended) and any Person holding common equity of the Company or the Guarantor pursuant to the terms of any such employee benefit plan.

"Ex-Dividend Time" means the time immediately prior to the commencement of "ex-dividend" trading for such rights, warrants or options or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Common Stock is then listed or quoted.

"Global Securities" means any of the Securities that are in the form of the Security attached hereto as Exhibit A-1 that bear the Legend set forth in Section 2.01(c), and to the extent that such Securities are required to bear the Legend required by Section 2.06, such Securities will be in the form of a 144A Global Security.

"Guarantee" means the guarantee of the Securities by the Guarantor in accordance with the provisions of Article 12.

"Guarantor" means the party named as the "Guarantor" in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

"Holder" or "Securityholder" means a person in whose name a Security is registered on the Registrar's books.

"Indenture" means this Indenture, as amended or supplemented from time to time in accordance with the terms hereof, including the provisions of the TIA that are deemed to be a part hereof.

"Interest Payment Date" means March 23 and September 23 of each year during the term of the Securities.

"Issue Date" of any Security means the date on which the Security was originally issued or deemed issued as set forth on the face of the Security.

"Non-Global Securities" means any Securities that are not Global Securities.

"Officer" means the Chairman of the Board, the Vice Chairman, the Chief Executive Officer, the President, any Executive Vice President, any Senior Vice

President, any Vice President, the Treasurer or the Secretary or any Assistant Treasurer or Assistant Secretary of the Company or the Guarantor, as applicable.

"Officers' Certificate" means a written certificate containing the information specified in Sections 13.04 and 13.05, signed in the name of the Company by any Officer, and delivered to the Trustee. An Officers' Certificate given pursuant to Section 4.03 shall be signed by the principal executive, financial or accounting Officer of the Company but need not contain the information specified in Sections 13.04 and 13.05.

"Opinion of Counsel" means a written opinion from legal counsel who may be (i) the senior attorney employed by the Company, (ii) Debevoise & Plimpton or (iii) any other counsel designated by the Company and who is reasonably acceptable to the Trustee.

"person" or "Person" means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof.

"Redemption Date" or "redemption date" means the date specified for redemption of the Securities in accordance with the terms of the Securities and this Indenture.

"Redemption Price" or "redemption price" shall have the meaning set forth in paragraph 5 of the Securities.

"Responsible Officer" means, when used with respect to the Trustee, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such person's knowledge of and familiarity with the particular subject and who, in each case, shall have direct responsibility for the administration of this Indenture.

"Restricted Security" means a Security required to bear the restrictive legend set forth in the form of Security set forth in Exhibit A-1 of this Indenture.

"Rule 144" means Rule 144 under the Securities Act (or any successor rule having substantially similar provisions), as it may be amended from time to time.

"Rule 144A" means Rule 144A under the Securities Act (or any successor rule having substantially similar provisions), as it may be amended from time to time.

"Sale Price" of Capital Stock on any trading day means (a) the closing per share sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date as reported on the New York Stock Exchange or such other United States national securities exchange on which the Capital Stock is listed or, if the Capital Stock is not listed on a United States national securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or (b) in the absence of such quotation, such price as the Company shall determine on the basis of such quotations as the Company considers appropriate.

"SEC" means the United States Securities and Exchange Commission.

"Securities" or "Notes" means any of the Company's 4.25% Senior Convertible Notes due 2023, as amended or supplemented from time to time, issued under this Indenture.

"Securityholder" or "Holder" means a person in whose name a Security is registered on the Registrar's books.

"Special Record Date" means, with respect to the payment of any Defaulted Interest, the date fixed by the Trustee pursuant to Section 11.02.

"Stated Maturity", when used with respect to any Security, means the date specified in such Security as the fixed date on which final payment of the principal amount of such Security is due and payable.

"Subsidiary" means (i) a corporation, a majority of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is, at the date of determination, directly or indirectly owned by the Company, by one or more Subsidiaries of the Company or by the Company and one or more Subsidiaries of the Company, (ii) a partnership in which the Company or a Subsidiary of the Company holds a majority interest in the equity capital or profits of such partnership, or (iii) any other person (other than a corporation or a partnership) in which the Company, a Subsidiary of the Company or the Company and one or more Subsidiaries of the Company, directly or indirectly, at the date of determination, have (x) at least a majority ownership interest or (y) the power to elect or direct the election of a majority of the directors or other governing body of such person.

"TIA" means the Trust Indenture Act of 1939 as in effect on the date of this Indenture, provided, however, that in the event the TIA is amended after such date, TIA means, to the extent that any such amendment requires that the TIA, as so amended, apply to trust indentures entered into prior to the effective date of such amendment, the TIA as so amended.

"Time of Determination" means the time and date of the earlier of (i) the determination of stockholders entitled to receive rights, warrants or options or a distribution, in each case, to which Section 10.07 or 10.08 applies and (ii) the Ex-Dividend Time.

"Trading Day" or "trading day" means any day on which the New York Stock Exchange is open for trading or, if the Common Stock is admitted for trading or quoted on the National Association of Securities Dealers Automated Quotation System, a day on which trades may be made on such market, or if the Common Stock is not so listed, admitted for trading or quoted, any Business Day.

"Trustee" means the party named as the "Trustee" in the first paragraph of this Indenture until a successor replaces it pursuant to the applicable provisions of this Indenture and, thereafter, shall mean such successor. The foregoing sentence shall likewise apply to any subsequent such successor or successors.

SECTION 1.02 Other Definitions.

Term - - - - -	Defined in Section -----
"Act".....	1.05(a)
"Agent Members".....	2.12(f)
"Bankruptcy Law".....	6.01
"beneficial owner".....	3.09(a)
"cash".....	3.08(b)
"Change in Control".....	3.09(a)
"Change in Control Company Notice".....	3.09(b)
"Change in Control Notice Date".....	3.09(b)
"Change in Control Purchase Date".....	3.09(a)
"Change in Control Purchase Notice".....	3.09(c)
"Change in Control Purchase Price".....	3.09(a)
"Company Notice".....	3.08(e)
"Company Notice Date".....	3.08(e)
"Conversion Agent".....	2.03
"Conversion Date".....	10.02
"Conversion Rate".....	10.01
"Custodian".....	6.01
"Defaulted Interest".....	11.02
"Event of Default".....	6.01
"Exchange Act".....	3.08(d)
"Expiration Date".....	1.05(e)
"Expiration Time".....	10.08
"Institutional Accredited Investors".....	2.01(b)

Term -----	Defined in Section -----
"Legal Holiday".....	13.09
"Legend".....	2.06(f)
"Market Price".....	3.08(d)
"Notice of Default".....	6.01
"Paying Agent".....	2.03
"Protected Purchaser".....	2.07
"Purchase Date".....	3.08(a)
"Purchase Notice".....	3.08(a)
"Purchase Option".....	2.02
"Purchase Price".....	3.08(a)
"Purchased Shares".....	10.08
"QIBs".....	2.01(a)
"Registrar".....	2.03
"Regular Record Date".....	11.01
"Rights".....	10.19
"Rights Agreement".....	10.19
"Rule 144A Information".....	4.06
"Securities Act".....	3.08(d)
"Special Record Date".....	11.02

SECTION 1.03 Incorporation by Reference of Trust Indenture Act. Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. The following TIA terms used in this Indenture have the following meanings:

"Commission" means the SEC.

All other TIA terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule have the meanings assigned to them by such definitions.

SECTION 1.04 Rules of Construction. Unless the context otherwise requires:

- (1) a defined term has the meaning assigned to it;
- (2) an accounting term not otherwise defined has the meaning assigned to it in accordance with United States generally accepted accounting principles as in effect from time to time;
- (3) "or" is not exclusive;

(4) "including" means including, without limitation; and

(5) words in the singular include the plural, and words in the plural include the singular.

SECTION 1.05 Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments (which may take the form of an electronic writing or messaging or otherwise be in accordance with customary procedures of the Depositary or the Trustee) of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing (which may be in electronic form); and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, when it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent (either of which may be in electronic form) shall be sufficient for any purpose of this Indenture and conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution (or electronic delivery) or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing or delivering such instrument or writing acknowledged to such officer the execution (or electronic delivery) thereof. When such execution is by a signer acting in a capacity other than such signer's individual capacity, such certificate or affidavit shall also constitute sufficient proof of such signer's authority. The fact and date of the execution of any such instrument or writing (electronic or otherwise), or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The ownership of Securities shall be proved by the register maintained by the Registrar.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Security.

(e) If the Company shall solicit from the Holders any request, demand, authorization, direction, notice, consent, waiver or other Act, the Company may, at its option, fix in advance a record date for the determination of Holders entitled to give such request, demand, authorization, direction, notice, consent, waiver or other Act, but the Company shall have no obligation to do so. If such a record date is fixed, such request, demand, authorization, direction, notice, consent, waiver or other Act may be given before or after such record date, but only the Holders of record at the close of business on such record date shall be deemed to be Holders for the purposes of determining whether Holders of the requisite proportion of outstanding Securities have authorized or agreed or consented to such request, demand, authorization, direction, notice, consent, waiver or other Act, and for that purpose the outstanding Securities shall be computed as of such record date; provided that no such authorization, agreement or consent by the Holders on such record date shall be deemed effective unless taken on or prior to the applicable Expiration Date (as defined below) by Holders of the requisite amount of outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Company from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite amount of outstanding Securities on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities in the manner set forth in Section 13.02.

With respect to any record date set pursuant to this Section 1.05, the Company may designate any date as the "Expiration Date" and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the Trustee, and to each Holder in the manner set forth in Section 13.02 on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date pursuant to this Section, the Company shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

(f) Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents, each of which may do so pursuant to such appointment with regard to all or any part of such principal amount.

ARTICLE 2

THE SECURITIES

SECTION 2.01 Form and Dating. The Securities and the

Trustee's certificate of authentication shall be substantially in the form of Exhibit A-1, which is a part of this Indenture. The Securities may have notations, legends or endorsements required by law, stock exchange rule or usage (provided that any such notation, legend or endorsement required by usage is in a form acceptable to the Company). The Company shall provide any such notations, legends or endorsements to the Trustee in writing. Each Security shall be dated the date of its authentication.

(a) 144A Global Securities. Securities offered and sold within the United States to "qualified institutional buyers" as defined in Rule 144A ("QIBs") in reliance on Rule 144A shall be issued initially in the form of a 144A Global Security, which shall be deposited with the Trustee at its Corporate Trust Office, as custodian for the Depositary, and registered in the name of the Depositary, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The aggregate principal amount of the 144A Global Securities may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary as hereinafter provided.

(b) Global Securities in General. Except as provided in this Section 2.01 or Section 2.06 or 2.12, owners of beneficial interests in Global Securities will not be entitled to receive physical delivery of Non-Global Securities in certificated form and must exercise any rights in respect of their interests, including any right to convert or require purchase of their interests in the Securities, in accordance with the Applicable Procedures. Each Global Security shall represent such of the outstanding Securities as shall be specified therein and each shall provide that it shall represent the aggregate principal amount of outstanding Securities from time to time endorsed thereon and that the aggregate principal amount of outstanding Securities represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions, transfers, and conversions.

Any adjustment of the aggregate principal amount of a Global Security to reflect the amount of any increase or decrease in the principal amount of outstanding Securities represented thereby shall be made by the Trustee in accordance with instructions given by the Holder thereof as required by Section 2.12 hereof and shall be made on the records of the Trustee and the Depositary.

(c) Book-Entry Provisions. This Section 2.01(c) shall apply only to Global Securities deposited with or on behalf of the Depositary.

The Company shall execute and the Trustee shall, in accordance with Section 2.02, authenticate and deliver initially one or more Global Securities that (a) shall be registered in the name of the Depository, (b) shall be delivered by the Trustee to the Depository or pursuant to the Depository's instructions or held by the Trustee as custodian for such Depository and (c) shall bear legends substantially to the following effect:

"UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS, IN WHOLE BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO IN THIS GLOBAL SECURITY."

(d) Non-Global Securities. Non-Global Securities will be issued in certificated form substantially in the form of Exhibit A-1 attached hereto but without the Legend set forth in Section 2.01(c).

(e) U.S. Tax Legend. All Securities shall bear the following legend:

"THIS SECURITY WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR PURPOSES OF

SECTIONS 1272, 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED. FOR SUCH PURPOSES, THE ISSUE PRICE OF THIS SECURITY IS \$980 PER \$1,000 OF PRINCIPAL AMOUNT; THE AMOUNT OF OID IS \$20 PER \$1,000 OF PRINCIPAL AMOUNT; THE ISSUE DATE IS SEPTEMBER 23, 2003; THE MATURITY DATE IS CONSIDERED TO BE SEPTEMBER 23, 2008; AND THE YIELD TO MATURITY THROUGH SEPTEMBER 23, 2008 IS 4.70% PER ANNUM, CALCULATED ON A SEMIANNUAL BOND EQUIVALENT BASIS."

(f) ERISA Legend. All Securities shall bear the following

Legend:

"ANY PERSON ACQUIRING OR ACCEPTING A SECURITY OR AN INTEREST THEREIN WILL, BY SUCH ACQUISITION OR ACCEPTANCE, BE DEEMED TO REPRESENT AND WARRANT TO THE COMPANY AND THE TRUSTEE THAT EITHER: (I) NO ASSETS OF AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR OF AN EMPLOYEE BENEFIT PLAN OR AN INDIVIDUAL RETIREMENT ACCOUNT SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL OR CHURCH PLAN, OR ANY TRUST ESTABLISHED UNDER SUCH PLAN OR ACCOUNT, HAVE BEEN USED TO PURCHASE A SECURITY OR AN INTEREST THEREIN, OR (II) THE PURCHASE AND HOLDING OF SECURITIES OR INTERESTS THEREIN BY SUCH PERSON IS EXEMPT FROM THE PROHIBITED TRANSACTION RESTRICTIONS OF ERISA AND THE CODE OR ANY PROVISIONS OF STATE OR FEDERAL LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE FOREGOING PROVISIONS OF ERISA AND THE CODE, AS APPLICABLE, PURSUANT TO ONE OR MORE PROHIBITED TRANSACTION STATUTORY OR ADMINISTRATIVE EXEMPTIONS."

SECTION 2.02 Execution and Authentication. The Securities shall be executed on behalf of the Company by any Officer. The signature of the Officer on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signatures of an individual who was at the time of the execution of the Securities the proper Officer of the Company shall bind the Company, notwithstanding that such individual has ceased to hold such office prior to the authentication and delivery of such Securities or did not hold such office at the date of authentication of such Securities.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein duly executed by the Trustee by manual signature of an authorized signatory of the Trustee and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder.

The Trustee shall authenticate and deliver Securities for original issue in an aggregate principal amount of up to \$300,000,000.00 upon a Company Order without any further action by the Company, provided that, if the Company sells any Securities pursuant to the purchase option (the "Purchase Option") granted pursuant to Section 2(b) of the Purchase Agreement, dated September 17, 2003, among the Company and Citigroup Global Markets Inc., the Trustee shall authenticate and deliver Securities for original issue in an aggregate principal amount of up to \$300,000,000.00 plus up to \$50,000,000.00 aggregate principal amount of Securities sold pursuant to the Purchase Option, in each case, if relevant, upon a Company Order without any further action by the Company. The aggregate principal amount of Securities outstanding at any time may not exceed the amount set forth in the foregoing sentence, except as provided in Section 2.07.

The Securities shall be issued only in registered form without coupons and only in principal denominations of \$1,000 and any integral multiple thereof.

SECTION 2.03 Registrar, Paying Agent and Conversion Agent. The Company shall maintain an office or agency where Securities may be presented for registration of transfer or for exchange ("Registrar"), an office or agency where Securities may be presented for purchase or payment ("Paying Agent") and an office or agency where Securities may be presented for conversion ("Conversion Agent"). The Registrar shall keep a register of the Securities and of their transfer and exchange. The Company may have one or more co-registrars, one or more additional paying agents and one or more additional conversion agents. The term "Paying Agent" includes any additional paying agent, including any named pursuant to Section 4.05. The term "Conversion Agent" includes any additional conversion agent, including any named pursuant to Section 4.05.

The Company shall enter into an appropriate agency agreement with any Registrar or co-registrar, Paying Agent or Conversion Agent (that is not also the Trustee). The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee of the name and address of any such agent. If the Company fails to maintain a Registrar, Paying Agent or Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 7.07. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent, Registrar, Conversion Agent or co-registrar.

The Company initially appoints the Trustee as Registrar, Conversion Agent and Paying Agent in connection with the Securities.

SECTION 2.04 Paying Agent to Hold Money and Securities in Trust. Except as otherwise provided herein, not later than 11:30 a.m., New York City time, on each due date of payments in respect of any Security, the Company shall deposit with the Paying Agent a sum of money (in immediately available funds if deposited on the due date) or Common Stock sufficient to make such payments when so becoming due. The Company shall require each Paying Agent (that is not also the Trustee) to agree in writing that such Paying Agent shall hold in trust for the benefit of Securityholders or the Trustee all money and Common Stock held by such Paying Agent for the making of payments in respect of the Securities and shall notify the Trustee of any default by the Company in making any such payment. At any time during the continuance of any such default, the Paying Agent shall, upon the written request of the Trustee, forthwith pay to the Trustee all money and Common Stock so held in trust. If the Company, a Subsidiary or an Affiliate of either of them acts as Paying Agent, it shall segregate the money and Common Stock held by it as Paying Agent and hold it as a separate trust fund. The Company at any time may require a Paying Agent to pay all money and Common Stock held by it to the Trustee and to account for any funds and Common Stock disbursed by it. Upon doing so, such Paying Agent shall have no further liability for such money or Common Stock.

SECTION 2.05 Securityholder Lists. The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of Securityholders. If the Trustee is not the Registrar, the Company shall cause to be furnished to the Trustee at least semiannually on June 1 and December 1 a listing of Securityholders dated within 15 days of the date on which the list is furnished and at such other times as the Trustee may request in writing a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of Securityholders.

Every Holder, by receiving and holding the same, agrees with the Company and the Trustee that none of the Company, any other obligor, the Trustee and any agent of any of them shall be held accountable by reason of the disclosure of any

such list of the names and addresses of Securityholders, regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under TIA Section 312(b).

SECTION 2.06 Transfer and Exchange. Subject to Section

2.12 hereof,

(a) Upon surrender for registration of transfer of any Security, together with a written instrument of transfer satisfactory to the Registrar duly executed by the Securityholder or such Securityholder's attorney duly authorized in writing, at the office or agency of the Company designated as Registrar or co-registrar pursuant to Section 2.03 and satisfaction of the applicable requirements set forth in Section 2.12(b), the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of any authorized denomination or denominations, of a like aggregate principal amount. The Company shall not charge a service charge for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to pay all taxes, assessments or other governmental charges that may be imposed in connection with the registration of transfer or exchange of the Securities from the Securityholder requesting such registration of transfer or exchange.

At the option of the Holder, Non-Global Securities may be exchanged for other Securities of any authorized denomination or denominations, of a like aggregate principal amount, and upon surrender of the Securities to be exchanged and satisfaction of the requirements set forth in Section 2.12(b)(3), the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

(b) The Company shall not be required to make, and the Registrar need not register, transfers or exchanges of Securities selected for redemption (except, in the case of Securities to be redeemed in part, the portion thereof not to be redeemed) or any Securities in respect of which a Purchase Notice or Change in Control Purchase Notice has been given and not withdrawn by the Holder thereof in accordance with the terms of this Indenture (except, in the case of Securities to be purchased in part, the portion thereof not to be purchased) or any Securities for a period of 15 days before the mailing of a notice of redemption of Securities to be redeemed.

(c) Successive registrations and registrations of transfers and exchanges as aforesaid may be made from time to time as desired, and each such registration shall be noted on the register for the Securities.

(d) Any Registrar appointed pursuant to Section 2.03 hereof shall provide to the Trustee such information as the Trustee may reasonably require in

connection with the delivery by such Registrar of Securities upon registration of transfer or exchange of Securities.

(e) No Registrar shall be required to make registrations of transfer or exchange of Securities during any periods designated in the text of the Securities or in this Indenture as periods during which such registration of transfers and exchanges need not be made.

(f) (x) If Securities are issued upon the registration of transfer, exchange or replacement of Securities subject to restrictions on transfer and bearing the legends set forth on the form of Security attached hereto as Exhibit A-1 setting forth such restrictions (collectively, the "Legend"), the Securities so issued shall bear the Legend, or (y) if a request is made to remove the Legend on a Security, the Legend shall not be removed, as the case may be, unless in each case there is delivered to the Company and the Registrar such satisfactory evidence, which shall include an opinion of counsel, which counsel is reasonably satisfactory to the Company and the Registrar, as may be reasonably required by the Company and the Registrar, that neither the Legend nor the restrictions on transfer set forth therein are required to ensure that transfers thereof comply with the provisions of Rule 144A or Rule 144 or that such Securities are not "restricted" within the meaning of Rule 144. Upon (i) provision of such satisfactory evidence, or (ii) notification by the Company to the Trustee and Registrar of the sale of such Security pursuant to a registration statement that is effective at the time of such sale, the Trustee shall authenticate and deliver a Security that does not bear the Legend. If the Legend is removed from the face of a Security and the Security is subsequently held by an Affiliate of the Company, the Company shall use its reasonable best efforts to reinstate the Legend.

The Trustee and the Registrar shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Security (including any transfers between or among Depositary participants or beneficial owners of interests in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 2.07 Replacement Securities. If (a) any mutilated Security is surrendered to the Trustee, or (b) the Company, the Guarantor and the Trustee receive evidence to their satisfaction of the destruction, loss or theft of any Security, and there is delivered to the Company, the Guarantor and the Trustee such security or indemnity as may be required by them to save each of them harmless, then, in the absence of written notice to the Company or the Trustee that such Security has been acquired by a protected

purchaser within the meaning of Article 8 of the Uniform Commercial Code (a "Protected Purchaser"), the Company shall execute and the Trustee shall authenticate and deliver, in exchange for any such mutilated Security or in lieu of any such destroyed, lost or stolen Security, a new Security of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, or is about to be purchased by the Company pursuant to Article 3 hereof, the Company in its discretion may, instead of issuing a new Security, pay or purchase such Security, as the case may be.

Upon the issuance of any new Securities under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee, its agents and counsel) connected therewith.

Every new Security issued pursuant to this Section in lieu of any mutilated, destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all benefits of this Indenture equally and proportionately with any and all other Securities duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 2.08 Outstanding Securities; Determinations of Holders' Action. Securities outstanding at any time are all the Securities authenticated by the Trustee, except for those cancelled by it, those paid pursuant to Section 2.07 and delivered to it for cancellation, and those described in this Section 2.08 as not outstanding. A Security does not cease to be outstanding because the Company or an Affiliate thereof holds the Security; provided, however, that in determining whether the Holders of the requisite principal amount of Securities have given or concurred in any request, demand, authorization, direction, notice, consent or waiver hereunder, Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or such other obligor shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which a Responsible Officer of the Trustee actually knows to be so owned shall be so disregarded. Subject to the foregoing, only Securities outstanding at the time of such determination shall be considered in any such determination (including, without limitation, determinations pursuant to Articles 6 and 9).

If a Security is replaced pursuant to Section 2.07, the replaced Security ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to each of them that the replaced Security is held by a Protected Purchaser unaware that such Security has been replaced, in which case the replacement security shall be deemed not to be outstanding.

If the Paying Agent holds, in accordance with this Indenture, on a Redemption Date, or on the Business Day following the Purchase Date or a Change in Control Purchase Date, or on Stated Maturity, money or securities (including Common Stock), if permitted hereunder, sufficient to pay Securities payable on that date, then immediately after such Redemption Date, Purchase Date, Change in Control Purchase Date or Stated Maturity, as the case may be, such Securities shall cease to be outstanding, interest on such Securities shall cease to accrue and all other rights of the Holder shall terminate other than the right of such Holder to receive payment for such Security upon delivery of such Security in accordance with the terms of this Indenture; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture.

If a Security is converted in accordance with Article 10, then from and after the time of conversion on the Conversion Date, such Security shall cease to be outstanding and interest shall cease to accrue on such Security.

SECTION 2.09 Temporary Securities. Pending the preparation of definitive Securities, the Company may execute, and the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as conclusively evidenced by their execution of such Securities.

If temporary Securities are issued, the Company will cause definitive Securities to be prepared without unreasonable delay. After the preparation of definitive Securities, the temporary Securities shall be exchangeable for definitive Securities upon surrender of the temporary Securities at the office or agency of the Company designated for such purpose pursuant to Section 2.03, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of authorized denominations. Until so exchanged the temporary Securities shall in all respects be entitled to the same benefits under this Indenture as definitive Securities.

SECTION 2.10 Cancellation. All Securities surrendered for payment, purchase by the Company pursuant to Article 3, conversion, redemption or registration of

transfer or exchange shall, if surrendered to the Company or any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and all Securities so delivered shall be promptly cancelled by the Trustee. The Company may not issue new Securities to replace Securities it has paid or delivered to the Trustee for cancellation or that any Holder has converted pursuant to Article 10. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section 2.10, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be disposed of by the Trustee.

SECTION 2.11 Persons Deemed Owners. Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of the Security or the payment of any Redemption Price, Purchase Price or Change in Control Purchase Price in respect thereof or interest thereon, for the purpose of conversion and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

Neither the Company nor the Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in the Global Securities held by the Depository, or for maintaining, supervising, or reviewing any records relating to such beneficial ownership interests or for the performance by the Depository or any direct or indirect participant of the Depository of their respective obligations under the rules, regulations, and procedures creating and affecting the Depository and its operations or any other statutory, regulatory, contractual, or customary procedures governing their operations.

SECTION 2.12 Transfer of Securities.

(a) Notwithstanding any other provisions of this Indenture or the Securities, (A) transfers of a Global Security, in whole or in part, shall be made only in accordance with Section 2.06 and Section 2.12(b)(1), (B) transfer of a beneficial interest in a Global Security for a Non-Global Security shall comply with Section 2.06 and Section 2.12(b)(2) below, (C) transfers of a Non-Global Security shall comply with Section 2.06 and Section 2.12(b)(3), (D) transfers of a Non-Global Security for a beneficial interest in a Global Security shall comply with Section 2.06 and Section 2.12(b)(4) below and (E) transfers of beneficial interests in Global Securities shall be made in accordance with Section 2.12(b)(5) below.

No transfer of a Security to any Person shall be effective under this Indenture or the Securities unless and until such Security has been registered in the name of such Person.

(b) Transfer Requirements.

(1) Restrictions on Transfers of Global Securities. A Global Security may not be transferred, in whole or in part, to any Person other than the Depositary, and no such transfer to any such other Person may be registered; provided that this Section 2.12(b)(1) shall not prohibit any transfer of a Security that is issued in exchange for a Global Security but is not itself a Global Security. Nothing in this Section 2.12(b)(1) shall prohibit or render ineffective any transfer of a beneficial interest in a Global Security effected in accordance with the other provisions of this Section 2.12(b).

(2) Restrictions on Transfer of a Beneficial Interest in a Global Security for a Non-Global Security. A beneficial interest in a Global Security may not be exchanged for a Non-Global Security except pursuant to Section 2.12(f)(1)(ii) and (iii) and upon satisfaction of the requirements set forth below. Upon receipt by the Trustee of a request for transfer of a beneficial interest in a Global Security in accordance with Applicable Procedures for a Non-Global Security in the form satisfactory to the Trustee, together with:

(i) so long as the Securities are Restricted Securities, certification, in the form set forth in Exhibit B;

(ii) written instructions to the Trustee to make, or direct the Registrar to make, an adjustment on its books and records with respect to such Global Security to reflect a decrease in the aggregate principal amount of the Securities represented by the Global Security, such instructions to contain information regarding the Depositary account to be credited with such decrease; and

(iii) if the Company or Registrar so requests, an opinion of counsel, which counsel is reasonably acceptable to the Company and the Registrar, or other evidence reasonably satisfactory to them as to the compliance with the restrictions set forth in the Legend,

then the Trustee shall cause, or direct the Registrar to cause, in accordance with the standing instructions and procedures existing between the Depositary and the Registrar, the aggregate principal amount of Securities represented by the Global Security to be decreased by the aggregate principal amount of the Non-Global Security to be issued, shall authenticate and deliver such Non-Global Security and

shall instruct the Depositary to debit or cause to be debited to the account of the Person specified in such instructions a beneficial interest in the Global Security equal to the principal amount of the Non-Global Security so issued.

(3) Transfer and Exchange of Non-Global Securities. When Non-Global Securities are presented to the Registrar with a request:

(x) to register the transfer of such Non-Global Securities; or

(y) to exchange such Non-Global Securities for an equal principal amount of Non-Global Securities of other authorized denominations,

the Registrar shall register the transfer or make the exchange as requested if its reasonable requirements for such transaction are met; provided, however, that the Non-Global Securities surrendered for registration of transfer or exchange:

(i) shall be duly endorsed or accompanied by a written instrument of transfer in form reasonably satisfactory to the Company and the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing; and

(ii) so long as such Securities are Restricted Securities, such Securities are being transferred or exchanged pursuant to an effective registration statement under the Securities Act or, if being transferred pursuant to clause (A), (B) or (C) below, are accompanied by the additional information and documents specified in each clause, as applicable:

(A) if such Non-Global Securities are being delivered to the Registrar by a Holder for registration in the name of such Holder, without transfer, a certification from such Holder to that effect; or

(B) if such Non-Global Securities are being transferred to the Company, a certification to that effect; or

(C) if such Non-Global Securities are being transferred pursuant to an exemption from registration (i) a certification to that effect (in the form set forth in Exhibit B, if applicable) and (ii) if the Company or Registrar so requests, an opinion of counsel, which counsel is reasonably acceptable to the Company and the Registrar, or other evidence reasonably satisfactory to them as to the compliance with the restrictions set forth in the Legend.

(4) Restrictions on Transfer of a Non-Global Security for a Beneficial Interest in a Global Security. A Non-Global Security may not be exchanged for a beneficial interest in a Global Security except upon satisfaction of the requirements set forth below. Upon receipt by the Trustee of a Non-Global Security, duly endorsed or accompanied by appropriate instruments of transfer, in form satisfactory to the Trustee, together with:

(i) so long as the Securities are Restricted Securities, certification, in the form set forth in Exhibit B, that such Non-Global Security is being transferred to a QIB in accordance with Rule 144A; and

(ii) written instructions directing the Trustee to make, or to direct the Registrar to make, an adjustment on its books and records with respect to such Global Security to reflect an increase in the aggregate principal amount of the Securities represented by the Global Security, such instructions to contain information regarding the Depository account to be credited with such increase,

then the Trustee shall cancel such Non-Global Security and cause, or direct the Registrar to cause, in accordance with the standing instructions and procedures existing between the Depository and the Registrar, the aggregate principal amount of Securities represented by the Global Security to be increased by the aggregate principal amount of the Non-Global Security to be exchanged, and shall instruct the Depository to credit or cause to be credited to the account of the Person specified in such instructions a beneficial interest in the Global Security equal to the principal amount of the Non-Global Security so cancelled. If no Global Securities are then outstanding, the Company shall issue and the Trustee shall authenticate a new Global Security in the appropriate principal amount.

(5) Restrictions on Transfer of a Beneficial Interest in a Global Security. Transfers of beneficial interests in a Global Security shall only be effected through the Depository in accordance with this Indenture and the Applicable Procedures therefor.

(c) Subject to the succeeding Section 2.12(d), every Security shall be subject to the restrictions on transfer provided in the Legend including the requirement of the delivery of an opinion of counsel, if so provided. Whenever any Restricted Security is presented or surrendered for registration of transfer or for exchange for a Security registered in a name other than that of the Holder, such Security must be accompanied by a certificate in substantially the form set forth in Exhibit B, dated the date of such surrender and signed by the Holder of such Security, as to compliance with such restrictions on transfer. The Registrar shall not be required to accept for such registration

of transfer or exchange any Security not so accompanied by a properly completed certificate.

(d) The restrictions imposed by the Legend upon the transferability of any Security shall cease and terminate when such Security has been sold pursuant to an effective registration statement under the Securities Act or transferred in compliance with Rule 144 or, if earlier, upon the expiration of the holding period applicable to transfers thereof under paragraph (k) of Rule 144. Any Security as to which such restrictions on transfer shall have expired in accordance with their terms or shall have terminated may, upon a surrender of such Security for exchange to the Registrar in accordance with the provisions of this Section 2.12 (accompanied, in the event that such restrictions on transfer have terminated by reason of a transfer in compliance with Rule 144, by an opinion of counsel having substantial experience in practice under the Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company, the Trustee and the Registrar and in form acceptable to the Company, to the effect that the transfer of such Security has been made in compliance with Rule 144), be exchanged for a new Security, of like tenor and aggregate principal amount, which shall not bear the restrictive Legend. The Company shall inform the Trustee of the effective date of any registration statement registering the Securities under the Securities Act. The Trustee and the Registrar shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the aforementioned opinion of counsel or registration statement.

(e) As used in Section 2.12, the term "transfer" encompasses any sale, pledge, transfer, hypothecation or other disposition of any Security.

(f) The provisions of clauses (1), (2), (3), (4) and (5) below shall apply only to Global Securities:

(1) Notwithstanding any other provisions of this Indenture or the Securities, except as provided in Section 2.12(b)(1), a Global Security shall not be exchanged in whole or in part for a Security registered in the name of any Person other than the Depositary, provided that a Global Security may be exchanged for Securities registered in the names of any Person designated by the Depositary in the event that (i) the Depositary has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or such Depositary has ceased to be a "clearing agency" registered under the Exchange Act, and a successor Depositary is not appointed by the Company within 90 days, (ii) the Company elects to discontinue use of the system of book-entry transfer through DTC (or any successor depositary), or (iii) an Event of Default has occurred and is continuing. Any Global Security exchanged pursuant to subclause (i) of this clause (1) shall be so exchanged in whole and not in part, and any Global Security exchanged pursuant to subclause (ii) of this clause (1) may be exchanged in whole or from time to time in part as directed by the Depositary. Any Security issued in

exchange for a Global Security or any portion thereof shall be a Global Security; provided that any such Security so issued that is registered in the name of a person other than the Depositary or a nominee thereof shall not be a Global Security.

(2) Securities issued in exchange for a Global Security or any portion thereof shall be issued in definitive, fully registered form, without interest coupons, shall have an aggregate principal amount equal to that of such Global Security or portion thereof to be so exchanged, shall be registered in such names and be in such authorized denominations as the Depositary shall designate and shall bear the applicable legends provided for herein. Any Global Security to be exchanged in whole shall be surrendered by the Depositary to the Trustee, as Registrar. With regard to any Global Security to be exchanged in part, either such Global Security shall be so surrendered for exchange or, if the Trustee is acting as custodian for the Depositary or its nominee with respect to such Global Security, the principal amount thereof shall be reduced, by an amount equal to the portion thereof to be so exchanged, by means of an appropriate adjustment made on the records of the Trustee. Upon any such surrender or adjustment, the Trustee shall authenticate and deliver the Security issuable on such exchange to or upon the order of the Depositary or an authorized representative thereof.

(3) Subject to the provisions of clause (5) below, the registered Holder may grant proxies and otherwise authorize any Person, including Agent Members (as defined below) and persons that may hold interests through Agent Members, to take any action which a holder is entitled to take under this Indenture or the Securities.

(4) In the event of the occurrence of any of the events specified in clause (1)(ii) or (iii) above, the Company will promptly make available to the Trustee a reasonable supply of Non-Global Securities in definitive, fully registered form, without interest coupons.

(5) Neither any members of, or participants in, the Depositary (collectively, the "Agent Members") nor any other Persons on whose behalf Agent Members may act shall have any rights under this Indenture with respect to any Global Security registered in the name of the Depositary or under any such Global Security, and the Depositary may be treated by the Company, the Trustee, the Registrar, the Paying Agent and any agent of the Company, the Trustee, the Registrar or the Paying Agent as the absolute owner and holder of such Global Security for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Company, the Guarantor or the Trustee or any agent of the Company, the Guarantor or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depositary, or impair,

as between the Depository, its Agent Members and any other Person on whose behalf an Agent Member may act, the operation of customary practices of such Persons governing the exercise of the rights of a holder of any Security.

SECTION 2.13 CUSIP Numbers. The Company in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee of any change in the CUSIP numbers known to an Officer of the Company.

ARTICLE 3

REDEMPTION AND PURCHASES

SECTION 3.01 Right to Redeem; Notices to Trustee. The Company, at its option, may redeem the Securities in accordance with the provisions of paragraphs 5 and 7 of the Securities. Prior to September 23, 2008, the Company cannot redeem the Securities. Beginning on September 23, 2008, the Company may redeem the Securities for cash in whole at any time, or in part from time to time. If the Company elects to redeem Securities pursuant to paragraph 5 of the Securities, it shall notify the Trustee in writing of the Redemption Date and the principal amount of Securities to be redeemed and the amount of accrued and unpaid interest, if any, payable on the Redemption Date.

The Company shall give the notice to the Trustee provided for in this Section 3.01, at least 45 days but not more than 60 days before the Redemption Date (unless a shorter notice shall be satisfactory to the Trustee). If fewer than all the Securities are to be redeemed, the record date relating to such redemption shall be selected by the Company and given to the Trustee, which record date shall not be less than ten days after the date of notice to the Trustee.

SECTION 3.02 Selection of Securities to Be Redeemed. If less than all the Securities are to be redeemed, the Trustee shall select the Securities to be redeemed pro rata or by lot or by any other method the Trustee considers fair and appropriate (so long as such method is not prohibited by the rules of any stock exchange on which the Securities are then listed). The Trustee shall make the selection at least 30 days but not more than 60 days before the Redemption Date from outstanding Securities not previously called for redemption. The Trustee may select for redemption portions of the principal amount of Securities that have denominations larger than \$1,000.

Securities and portions of them the Trustee selects shall be in principal amounts of \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to Securities called for redemption also apply to portions of Securities called for redemption. The Trustee shall notify the Company promptly of the Securities or portions of Securities to be redeemed.

If any Security selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Security so selected, the converted portion of such Security shall be deemed (so far as may be) to be the portion selected for redemption. Securities which have been converted during a selection of Securities to be redeemed may be treated by the Trustee as outstanding for the purpose of such selection.

SECTION 3.03 Notice of Redemption. At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to each Holder of Securities to be redeemed.

The notice shall identify the Securities to be redeemed and shall state:

- (1) the Redemption Date;
- (2) the Redemption Price and accrued and unpaid interest, if any, payable on the Redemption Date;
- (3) the Conversion Rate;
- (4) the name and address of the Paying Agent and Conversion Agent;
- (5) that Securities called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date, even if not otherwise convertible at such time;
- (6) that Holders who want to convert Securities must satisfy the requirements set forth in paragraph 8 of the Securities;
- (7) that Securities called for redemption must be surrendered to the Paying Agent to collect the Redemption Price and accrued and unpaid interest, if any;
- (8) if fewer than all the outstanding Securities are to be redeemed, the certificate number and principal amounts of the particular Securities to be redeemed;

(9) that, unless the Company defaults in making payment of such Redemption Price and any interest which is due and payable, interest will cease to accrue on and after the Redemption Date;

(10) the CUSIP number of the Securities; and

(11) any other information the Company wants to present.

At the Company's request, the Trustee shall give the notice of redemption to Holders in the Company's name and at the Company's expense, provided that the Company makes such request at least five Business Days (unless a shorter period shall be reasonably satisfactory to the Trustee) prior to the date such notice of redemption must be mailed.

SECTION 3.04 Effect of Notice of Redemption. Once notice of redemption is given, Securities called for redemption become due and payable on the Redemption Date and at the Redemption Price (together with accrued and unpaid interest, if any, to but not including the date of redemption) stated in the notice except for Securities which are converted in accordance with the terms of this Indenture. Upon the later of the Redemption Date and surrender to the Paying Agent, such Securities shall be paid at the Redemption Price (together with accrued and unpaid interest, if any, to but not including the date of redemption) stated in the notice.

SECTION 3.05 Deposit of Redemption Price. Prior to 11:30 a.m. (New York City time) on any Redemption Date, the Company shall deposit with the Paying Agent (or if the Company or a Subsidiary or an Affiliate of either of them is the Paying Agent, shall segregate and hold in trust) money sufficient to pay the Redemption Price of, and any accrued and unpaid interest to but not including the date of redemption with respect to, all Securities to be redeemed on that date other than Securities or portions of Securities called for redemption which on or prior thereto have been delivered by the Company to the Trustee for cancellation or have been converted in accordance with this Indenture. The Paying Agent shall as promptly as practicable return to the Company any money not required for that purpose because of conversion of Securities pursuant to Article 10. If such money is then held by the Company or a Subsidiary or an Affiliate of either of them in trust and is not required for such purpose it shall be discharged from such trust.

SECTION 3.06 Securities Redeemed in Part. Upon surrender of a Security that is redeemed in part, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Security in an authorized denomination equal in principal amount to the unredeemed portion of the Security surrendered.

SECTION 3.07 Conversion Arrangement on Call for Redemption. In connection with any redemption of Securities, the Company may arrange for the purchase and conversion of any Securities called for redemption by an agreement with one or more investment banks or other purchasers to purchase such Securities by paying to the Trustee in trust for the Securityholders, on or prior to 11:30 a.m. New York City time on the Redemption Date, an amount that, together with any amounts deposited with the Trustee by the Company for the redemption of such Securities, is not less than the Redemption Price of, and any accrued and unpaid interest with respect to, such Securities. Notwithstanding anything to the contrary contained in this Article 3, the obligation of the Company to pay the Redemption Prices of such Securities shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers. If such an agreement is entered into, any Securities not duly surrendered for conversion by the Holders thereof may, at the option of the Company, be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and (notwithstanding anything to the contrary contained in Article 10) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the Business Day prior to the Redemption Date, subject to payment of the above amount as aforesaid. The Trustee shall hold and pay to the Holders whose Securities are selected for redemption any such amount paid to it for purchase and conversion in the same manner as it would moneys deposited with it by the Company for the redemption of Securities. Without the Trustee's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Securities shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee as set forth in this Indenture, and the Company agrees to indemnify the Trustee from, and hold it harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of any Securities between the Company and such purchasers, including the costs and expenses incurred by the Trustee in the defense of any claim or liability arising out of or in connection with the exercise or performance of any of its powers, duties, responsibilities or obligations under this Indenture.

SECTION 3.08 Purchase of Securities at Option of the Holder.

(a) General. Securities shall be purchased by the Company pursuant to paragraph 6 of the Securities as of each September 23, 2008, 2013 and 2018 (each, a "Purchase Date"), at a purchase price equal to the principal amount thereof plus accrued and unpaid interest, if any, to the Purchase Date (the "Purchase Price"), at the option of the Holder thereof, upon the satisfaction of all of the following:

(1) delivery to the Paying Agent by the Holder of a written notice of purchase (a "Purchase Notice") at any time from the opening of business on the date that is 20 Business Days prior to a Purchase Date until the close of business on the second Business Day immediately preceding such Purchase Date stating:

(A) if certificated shares have been issued, the certificate number of the Security which the Holder will deliver to be purchased,

(B) the portion of the principal amount of the Security which the Holder will deliver to be purchased, which portion must be a principal amount of \$1,000 or an integral multiple thereof,

(C) that such Security shall be purchased as of the Purchase Date pursuant to the terms and conditions specified in paragraph 6 of the Securities and in this Indenture, and

(D) in the event the Company elects, pursuant to Section 3.08(b), to pay the Purchase Price to be paid as of such Purchase Date, in whole or in part, in shares of Common Stock but such portion of the Purchase Price shall ultimately be payable to such Holder entirely in cash because any of the conditions to payment of the Purchase Price in Common Stock, as set forth in Section 3.08(d), is not satisfied prior to the close of business on such Purchase Date, whether such Holder elects (i) to withdraw such Purchase Notice as to some or all of the Securities to which such Purchase Notice relates (stating the principal amount and certificate numbers of the Securities as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Purchase Price for all Securities (or portions thereof) to which such Purchase Notice relates; and

(2) delivery or book entry transfer of such Security to the Paying Agent prior to, on or after the Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Purchase Price therefor; provided, however, that such Purchase Price shall be so paid pursuant to this Section 3.08 only if the Security so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Purchase Notice, as determined by the Company.

If a Holder, in such Holder's Purchase Notice and in any written notice of withdrawal delivered by such Holder pursuant to the terms of Section 3.10, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 3.08(a)(1), such Holder shall be deemed to have elected to receive cash in respect of the Purchase Price for all Securities subject to such Purchase Notice in the circumstances set forth in such clause (D).

The Company shall purchase from the Holder thereof, pursuant to this Section 3.08, a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a Security also apply to the purchase of such portion of such Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.08 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Purchase Date and the time of delivery of the Security to the Paying Agent in accordance with this Section 3.08.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Purchase Notice contemplated by this Section 3.08(a) shall have the right to withdraw such Purchase Notice at any time prior to the close of business on the Business Day prior to the Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.10.

The Paying Agent shall promptly notify the Company of the receipt by it of any Purchase Notice or written notice of withdrawal thereof.

(b) Company's Right to Elect Manner of Payment of Purchase Price. The Securities to be purchased pursuant to Section 3.08(a) may be paid for, at the election of the Company, in U.S. legal tender ("cash") or Common Stock, or in any combination of cash and Common Stock, subject to the conditions set forth in Sections 3.08(c) and (d), as applicable. The Company shall designate, in the Company Notice delivered pursuant to Section 3.08(e), whether the Company will purchase the Securities for cash or Common Stock, or, if a combination thereof, the percentages or amounts of the Purchase Price of Securities in respect of which it will pay in cash or Common Stock; provided that the Company will pay cash for fractional interests in Common Stock. For purposes of determining the existence of potential fractional interests, all Securities subject to purchase by the Company held by a Holder shall be considered together (no matter how many separate certificates are to be presented). Each Holder whose Securities are purchased pursuant to this Section 3.08 shall receive the same percentage of cash or Common Stock in payment of the Purchase Price for such Securities, except (i) as provided in Section 3.08(d) with regard to the payment of cash in lieu of fractional shares of Common Stock and (ii) in the event that the Company is unable to purchase the Securities of a Holder or Holders of Common Stock because any necessary qualifications or registrations of the Common Stock under applicable state securities laws cannot be obtained, the Company may purchase the Securities of such Holder or Holders for cash. The Company may not change its election with respect to the consideration (or components or percentages of components thereof) to be paid once the Company has given its Company Notice to Securityholders except pursuant to this Section 3.08(b) or pursuant to Section 3.08(d) in the event of a failure to satisfy, prior to the close of business on the Purchase Date, any condition to the payment of the Purchase Price, in whole or in part, in Common Stock.

At least three Business Days before the Company Notice Date, the Company shall deliver an Officers' Certificate to the Trustee specifying:

(1) the manner of payment selected by the Company,

(2) the information required by Section 3.08(e),

(3) if the Company elects to pay the Purchase Price, or a specified percentage thereof, in Common Stock, that the conditions to such manner of payment set forth in Section 3.08(d) have been or will be complied with, and

(4) whether the Company desires the Trustee to give the Company Notice required by Section 3.08(e).

(c) Purchase with Cash. On each Purchase Date, at the option of the Company, the Purchase Price of Securities in respect of which a Purchase Notice pursuant to Section 3.08(a) has been given and not withdrawn, or a specified percentage thereof, may be paid by the Company with cash equal to the aggregate Purchase Price of such Securities.

(d) Payment by Issuance of Common Stock. On each Purchase Date, at the option of the Company, the Purchase Price of Securities in respect of which a Purchase Notice pursuant to Section 3.08(a) has been given, or a specified percentage thereof, may be paid by the Company by the issuance of a number of shares of Common Stock equal to the quotient obtained by dividing (i) the amount of cash to which the Securityholders would have been entitled had the Company elected to pay all or such specified percentage, as the case may be, of the Purchase Price of such Securities in cash by (ii) the Market Price of a share of Common Stock, subject to the next succeeding paragraph.

The Company will not issue a fractional share of Common Stock in payment of the Purchase Price. Instead the Company will pay cash for the current market value of the fractional share. The current market value of a fraction of a share shall be determined by multiplying the Market Price by such fraction and rounding the product to the nearest whole cent. If a Holder elects to have more than one Security purchased, the number of shares of Common Stock shall be based on the aggregate amount of Securities to be purchased.

Upon a payment by Common Stock pursuant to the terms hereof, that portion of accrued and unpaid interest, if any, attributable to the period from the Issue Date to the Purchase Date with respect to the purchased Security shall not be cancelled, extinguished or forfeited but rather shall be deemed paid in full to the Holder through the delivery of the Common Stock in exchange for the Security being purchased pursuant to the terms hereof, and the fair market value of such Common Stock (together with any cash payments in lieu of fractional shares of Common Stock) shall be treated as issued, to the extent thereof, first in exchange for the accrued and unpaid interest, if any, through

the Purchase Date, and the balance, if any, of the fair market value of such shares of Common Stock shall be treated as issued in exchange for the principal amount of the Security being purchased pursuant to the provisions hereof.

The Company's right to exercise its election to purchase the Securities pursuant to this Section 3.08 through the issuance of shares of Common Stock shall be conditioned upon:

(1) the Company's not having given its Company Notice of an election to pay entirely in cash and its giving of timely Company Notice of election to purchase all or a specified percentage of the Securities with Common Stock as provided herein;

(2) the shares of Common Stock having been admitted for listing or admitted for listing subject to notice of issuance on the New York Stock Exchange or if the Common Stock is not then listed on the New York Stock Exchange, on such other United States securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a United States securities exchange, as quoted on the National Association of Securities Dealers Automated Quotation System;

(3) the registration of the shares of Common Stock to be issued in respect of the payment of the Purchase Price under the Securities Act of 1933, as amended (the "Securities Act"), or the Securities Exchange Act of 1934, as amended (the "Exchange Act"), in each case, if required;

(4) any necessary qualification or registration under applicable state securities laws or the availability of an exemption from such qualification and registration; and

(5) the receipt by the Trustee of (A) an Officers' Certificate stating that the terms of the issuance of the Common Stock are in conformity with this Indenture and that conditions (1), (2), (3) and (4) above and the condition set forth in the second succeeding sentence have been satisfied and (B) an Opinion of Counsel to the effect that the shares of Common Stock to be issued by the Company in payment of the Purchase Price in respect of Securities have been duly authorized and, when issued and delivered pursuant to the terms of this Indenture in payment of the Purchase Price in respect of the Securities, will be validly issued, fully paid and non-assessable and, to the best of such counsel's knowledge, free from preemptive rights under applicable state law or material contracts.

Such Officers' Certificate shall also set forth the number of shares of Common Stock to be issued for each \$1,000 principal amount of Securities and the Sale Price of a share of Common Stock on each trading day during the period for which the Market Price is calculated. The Company may pay the Purchase Price (or any portion thereof) in Common Stock only if the information necessary to calculate the Market Price is published in a daily newspaper of national circulation. If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Purchase Date and the Company has elected to purchase the Securities pursuant to this Section 3.08 through the issuance of shares of Common Stock, the Company shall pay the entire Purchase Price of the Securities of such Holder or Holders in cash.

The "Market Price" of the Common Stock means the average of the Sale Prices of the Common Stock for the five trading day period ending on the third Business Day (if the third Business Day prior to the applicable Purchase Date (or Change in Control Purchase Date, as applicable) is a trading day or, if not, then on the last trading day prior to such third Business Day) prior to the applicable Purchase Date (or Change in Control Purchase Date, as applicable), appropriately adjusted to take into account the occurrence, during the period commencing on the first of such trading days during such five trading day period and ending on such Purchase Date (or Change in Control Purchase Date, as applicable), of any event described in Section 10.06, 10.07 or 10.08; subject, however, to the conditions set forth in Sections 10.09 and 10.10.

(e) Notice of Election. The Company's notice of election to purchase with cash or Common Stock or any combination thereof (the "Company Notice") shall be sent to the Holders (and to beneficial owners as required by applicable law) in the manner provided in Section 13.02 no later than 20 days prior to the Purchase Date (the "Company Notice Date"). Such Company Notice shall state the manner of payment elected and shall contain the following information:

In the event the Company has elected to pay the Purchase Price (or a specified percentage thereof) with Common Stock, the Company Notice shall:

(1) state that each Holder will receive Common Stock with a Market Price determined as of a specified date prior to the Purchase Date equal to such specified percentage of the Purchase Price of the Securities held by such Holder (except any cash amount to be paid in lieu of fractional shares);

(2) set forth the method of calculating the Market Price of the Common Stock; and

(3) state that because the Market Price of Common Stock will be determined prior to the Purchase Date, Holders will bear the market risk with

respect to the value of the Common Stock to be received from the date such Market Price is determined to the Purchase Date.

In any case, each Company Notice shall include a form of Purchase Notice to be completed by a Securityholder and shall state:

- (i) the Purchase Price and the Conversion Rate;
- (ii) whether the Company will pay the Purchase Price in cash or in Common Stock or any combination thereof, specifying the percentage of each;
- (iii) the name and address of the Paying Agent and the Conversion Agent;
- (iv) that Securities as to which a Purchase Notice has been given may be converted pursuant to Article 10 hereof only if the applicable Purchase Notice has been withdrawn in accordance with the terms of this Indenture;
- (v) that Securities must be surrendered to the Paying Agent to collect payment of the Purchase Price;
- (vi) that the Purchase Price for any Security as to which a Purchase Notice has been given and not withdrawn will be paid promptly following the later of the Purchase Date and the time of surrender of such Security as described in (v);
- (vii) the procedures the Holder must follow to exercise rights under Section 3.08 and a brief description of those rights;
- (viii) briefly, the conversion rights of the Securities and that Holders who want to convert Securities must satisfy the requirements set forth in paragraph 8 of the Securities;
- (ix) the procedures for withdrawing a Purchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 3.08(a)(1)(D) or Section 3.10);
- (x) that, unless the Company defaults in making payment of such Purchase Price, interest on Securities surrendered for purchase will cease to accrue on and after the Purchase Date; and
- (xi) the CUSIP number of the Securities.

At the Company's request, the Trustee shall give such Company Notice in the Company's name and at the Company's expense; provided, however, that, in all cases, the text of such Company Notice shall be prepared by the Company.

Upon determination of the actual number of shares of Common Stock to be issued for each \$1,000 principal amount of Securities, the Company will issue a press release through Dow Jones & Company, Inc. or Bloomberg Business News containing this information and publish such determination on the Company's web site on the World Wide Web or through such other public medium as the Company may use at that time.

(f) Covenants of the Company. All shares of Common Stock delivered upon purchase of the Securities shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim created by the Company.

(g) Procedure upon Purchase. The Company shall deposit cash (in respect of a cash purchase under Section 3.08(c) or for fractional interests as applicable) or shares of Common Stock, or a combination thereof, as applicable, at the time and in the manner as provided in Section 3.11, sufficient to pay the aggregate Purchase Price of all Securities to be purchased pursuant to this Section 3.08. As soon as practicable after the Purchase Date, the Company shall deliver to each Holder entitled to receive Common Stock through the Paying Agent, a certificate for the number of full shares of Common Stock issuable in payment of the Purchase Price and cash in lieu of any fractional interests. The person in whose name the certificate for Common Stock is registered shall be treated as a holder of record of shares of Common Stock on the Business Day following the Purchase Date. Subject to Section 3.08(d), no payment or adjustment will be made for dividends on the Common Stock the record date for which occurred on or prior to the Purchase Date.

(h) Taxes. If a Holder of a Security is paid in Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of shares of Common Stock. However, the Holder shall pay any such tax which is due because the Holder requests the shares of Common Stock to be issued in a name other than the Holder's name. The Paying Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Paying Agent receives a sum sufficient to pay any tax which will be due because the shares of Common Stock are to be issued in a name other than the Holder's name. Nothing herein shall preclude any income tax withholding required by law or regulations.

SECTION 3.09 Purchase of Securities at Option of the Holder upon Change in Control.

(a) If there shall have occurred a Change in Control as defined below, Securities shall be purchased by the Company, at the option of the Holder thereof, at a purchase price equal to the principal amount thereof, plus accrued and unpaid interest, if any (the "Change in Control Purchase Price"), as of the date selected by the Company that is no later than 30 Business Days after the occurrence of the Change in Control but in no event prior to the date on which such Change in Control occurs (the "Change in Control Purchase Date"), subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 3.09(c).

A "Change in Control" means the occurrence of any of the following after the Securities are originally issued pursuant to this Indenture:

(1) any "person" or "group" within the meaning of Section 13(d) of the Exchange Act other than the Company, any subsidiary of the Company or the Guarantor, or any Employee Benefit Plan of the Company, the Guarantor, or any of their respective subsidiaries, files a Schedule TO or any schedule, form or report under the Exchange Act disclosing that such person or group has become the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of the Company's common equity representing more than 50% of the voting power of the Company's common equity entitled to vote generally in the election of directors;

(2) any "person" or "group" within the meaning of Section 13(d) of the Exchange Act other than the Company, any subsidiary of the Company or the Guarantor, or any Employee Benefit Plan of the Company, the Guarantor or any of their respective subsidiaries, becomes (whether by purchase, share exchange, consolidation, merger or otherwise) the direct or indirect ultimate "beneficial owner," as defined in Rule 13d-3 under the Exchange Act, of the Guarantor's common equity representing more than 50% of the voting power of the Guarantor's common equity entitled to vote generally in the election of directors; provided, however, that if such person or group became such a direct or indirect "beneficial owner" of the Guarantor's common equity as a result of a transaction involving the Company that does not otherwise constitute a change in control under this provision, then any beneficial ownership of the Guarantor's common stock by such person or group shall not be a change in control under this clause (2);

(3) consummation of any share exchange, consolidation or merger of the Company pursuant to which the Company's Common Stock will be converted into cash, securities or other property or any sale, lease or other transfer in one

transaction or a series of transactions of all or substantially all of the consolidated assets of either the Company and its subsidiaries, taken as a whole, or the Guarantor and its subsidiaries, taken as a whole, to any person other than the Company, the Guarantor or one or more of subsidiaries of the Company or the Guarantor; provided, however, that a transaction where the holders of the Company's or the Guarantor's common equity immediately prior to such transaction have, directly or indirectly, more than 50% of the aggregate voting power of all classes of common equity of the continuing or surviving corporation or transferee entitled to vote generally in the election of directors immediately after such event shall not be a change in control;

(4) during any period of 12 consecutive months, individuals who at the beginning of such period constitute the Company's Board of Directors (together with any new director whose election by the Company's Board of Directors or whose nomination for election by the Company's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously approved) cease for any reason (other than death or disability) to constitute a majority of the directors then in office; or

(5) during any period of 12 consecutive months, individuals who at the beginning of such period constitute the Guarantor's Board of Directors (together with any new director whose election by the Guarantor's Board of Directors or whose nomination for election by the Guarantor's stockholders was approved by a vote of at least a majority of the directors then still in office who either were directors at the beginning of such period or whose election or nomination for election was previously approved) cease for any reason (other than death or disability) to constitute a majority of the directors then in office.

A Change in Control will not be deemed to have occurred in respect of any of the foregoing, however, if either:

(i) the Sale Price of the Common Stock of the Company for any five Trading Days within the 10 consecutive Trading Days ending immediately before the later of the Change in Control or the public announcement thereof equals or exceeds 105% of the Conversion Price of the Securities in effect immediately before the Change in Control or the public announcement thereof; or

(ii) at least 90% of the consideration, excluding cash payments for fractional shares, in the transaction or transactions constituting the Change in Control consists of shares of capital stock traded on a national securities exchange or quoted on the Nasdaq National Market or which will be so traded or quoted when issued or exchanged in connection with a change in control (these securities

being referred to as "publicly traded securities") and as a result of this transaction or transactions the Securities become convertible into such publicly traded securities, excluding cash payments for fractional shares.

For purposes of the above paragraph, the term capital stock of any person means any and all shares (including ordinary shares or American Depositary Shares), interests, participations or other equivalents however designated of corporate stock or other equity participations, including partnership interests, whether general or limited, of such person and any rights (other than debt securities convertible or exchangeable into an equity interest), warrants or options to acquire an equity interest in such person.

(b) Change in Control Company Notice. Within 15 Business Days after the occurrence of a Change in Control (the "Change in Control Notice Date"), the Company shall mail a written notice of Change in Control (the "Change in Control Company Notice") by first-class mail to the Trustee and to each Holder (and to beneficial owners as required by applicable law). The notice shall include a form of Change in Control Purchase Notice to be completed by the Securityholder and shall state:

(1) briefly, the events causing a Change in Control and the date of such Change in Control;

(2) the date by which the Change in Control Purchase Notice pursuant to this Section 3.09 must be given;

(3) the Change in Control Purchase Date;

(4) the Change in Control Purchase Price;

(5) whether the Company will pay the Change in Control Purchase Price in cash or in Common Stock or any combination thereof, specifying the percentage of each;

(6) if the Company will pay the Change in Control Purchase Price (or a specified percentage thereof) with Common Stock, the method of calculating the Market Price of the Common Stock;

(7) if the Company will pay the Change in Control Purchase Price with Common Stock, that because the Market Price of Common Stock will be determined prior to the Change in Control Purchase Date, Holders will bear the market risk with respect to the value of Common Stock to be received from the date such Market Price is determined to the Change in Control Purchase Date;

(8) the name and address of the Paying Agent and the Conversion Agent;

(9) the Conversion Rate and any adjustments thereto resulting from the Change in Control;

(10) that Securities as to which a Change in Control Purchase Notice has been given may be converted pursuant to Article 10 hereof only if the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(11) that Securities must be surrendered to the Paying Agent to collect payment of the Change in Control Purchase Price;

(12) that the Change in Control Purchase Price for any Security as to which a Change in Control Purchase Notice has been duly given and not withdrawn, will be paid promptly following the later of the Change in Control Purchase Date and the time of surrender of such Security as described in (11);

(13) briefly, the procedures the Holder must follow to exercise rights under this Section 3.09;

(14) briefly, the conversion rights of the Securities;

(15) the procedures for withdrawing a Change in Control Purchase Notice;

(16) that, unless the Company defaults in making payment of such Change in Control Purchase Price on Securities surrendered for purchase, interest on Securities surrendered for purchase will cease to accrue on and after the Change in Control Purchase Date; and

(17) the CUSIP number of the Securities.

(c) Change in Control Purchase Notice. A Holder may exercise its rights specified in Section 3.09(a) upon satisfaction of the following:

(1) delivery of a written notice of purchase (a "Change in Control Purchase Notice") to the Paying Agent at any time prior to the close of business on the second business day prior to the Change in Control Purchase Date, stating:

(A) if certificated Securities have been issued, the certificate number of the Security which the Holder will deliver to be purchased;

(B) the portion of the principal amount of the Security which the Holder will deliver to be purchased, which portion must be \$1,000 or an integral multiple thereof;

(C) that such Security shall be purchased pursuant to the terms and conditions specified in paragraph 6 of the Securities and in this Indenture; and

(D) in the event the Company elects, pursuant to Section 3.09(f), to pay the Change in Control Purchase Price to be paid as of such Change in Control Purchase Date, in whole or in part, in shares of Common Stock but such portion of the Change in Control Purchase Price shall ultimately be payable to such Holder entirely in cash because any of the conditions to payment of the Change in Control Purchase Price in Common Stock, as set forth in Section 3.09(d), is not satisfied prior to the close of business on such Change in Control Purchase Date, whether such Holder elects (i) to withdraw such Change in Control Purchase Notice as to some or all of the Securities to which such Purchase Notice relates (stating the principal amount and certificate numbers of the Securities as to which such withdrawal shall relate), or (ii) to receive cash in respect of the entire Change in Control Purchase Price for all Securities (or portions thereof) to which such Change in Control Purchase Notice relates; and

(2) the delivery of such Security to the Paying Agent prior to, on or after the Change in Control Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to the receipt by the Holder of the Change in Control Purchase Price therefor; provided, however, that such Change in Control Purchase Price shall be so paid pursuant to this Section 3.09 only if the Security so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Change in Control Purchase Notice, as determined by the Company.

If a Holder, in such Holder's Change in Control Purchase Notice and in any written notice of withdrawal delivered by such Holder pursuant to the terms of Section 3.10, fails to indicate such Holder's choice with respect to the election set forth in clause (D) of Section 3.09(c)(1), such Holder shall be deemed to have elected to receive cash in respect of the Change in Control Purchase Price for all Securities subject to such Change in Control Purchase Notice in the circumstances set forth in such clause (D).

The Company shall purchase from the Holder thereof, pursuant to this Section 3.09, a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to the purchase of all of a Security also apply to the purchase of such portion of such Security.

Any purchase by the Company contemplated pursuant to the provisions of this Section 3.09 shall be consummated by the delivery of the consideration to be received by the Holder promptly following the later of the Change in Control Purchase

Date and the time of delivery of the Security to the Paying Agent in accordance with this Section 3.09.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Purchase Notice contemplated by this Section 3.09(c) shall have the right to withdraw such Change in Control Purchase Notice at any time prior to the close of business on the Business Day prior to the Change in Control Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 3.10.

The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice or written withdrawal thereof.

The Company shall not be required to comply with this Section 3.09 if a third party mails a written notice of Change in Control in the manner, at the times and otherwise in compliance with this Section 3.09 and repurchases all Securities for which a Change in Control Purchase Notice shall be delivered and not withdrawn.

(d) Company's Right to Elect Manner of Payment of Change in Control Purchase Price. The Securities to be purchased pursuant to Section 3.09(a) may be paid for, at the election of the Company, in cash or Common Stock, or in any combination of cash and Common Stock, subject to the conditions set forth in Sections 3.09(e) and (f), as applicable. The Company shall designate, in the Change in Control Company Notice delivered pursuant to Section 3.09(b), whether the Company will purchase the Securities for cash or Common Stock, or, if a combination thereof, the percentages or amounts of the Change in Control Purchase Price of Securities in respect of which it will pay in cash or Common Stock; provided that the Company will pay cash for fractional interests in Common Stock. For purposes of determining the existence of potential fractional interests, all Securities subject to purchase by the Company held by a Holder shall be considered together (no matter how many separate certificates are to be presented). Each Holder whose Securities are purchased pursuant to this Section 3.09 shall receive the same percentage of cash or Common Stock in payment of the Change in Control Purchase Price for such Securities, except (i) as provided in Section 3.09(f) with regard to the payment of cash in lieu of fractional shares of Common Stock and (ii) in the event that the Company is unable to purchase the Securities of a Holder or Holders of Common Stock because any necessary qualifications or registrations of the Common Stock under applicable state securities laws cannot be obtained, the Company may purchase the Securities of such Holder or Holders for cash. The Company may not change its election with respect to the consideration (or components or percentages of components thereof) to be paid once the Company has given its Change in Control Company Notice to Securityholders except pursuant to this Section 3.09 or pursuant to Section 3.09(f) in the event of a failure to satisfy, prior to the close of business on the

Purchase Date, any condition to the payment of the Purchase Price, in whole or in part, in Common Stock.

At least three Business Days before the Change in Control Company Notice Date, the Company shall deliver an Officers' Certificate to the Trustee specifying:

(1) the manner of payment selected by the Company,

(2) the information required by this Section 3.09(b),

(3) if the Company elects to pay the Change in Control Purchase Price, or a specified percentage thereof, in Common Stock, that the conditions to such manner of payment set forth in this Section 3.09 have been or will be complied with, and

(4) whether the Company desires the Trustee to give the Change in Control Company Notice required by Section 3.09(b).

(e) Purchase with Cash. On each Change in Control Purchase Date, at the option of the Company, the Change in Control Purchase Price of Securities in respect of which a Change in Control Purchase Notice pursuant to Section 3.09(c) has been given and not withdrawn, or a specified percentage thereof, may be paid by the Company with cash equal to the aggregate Change in Control Purchase Price of such Securities.

(f) Payment by Issuance of Common Stock. On each Change in Control Purchase Date, at the option of the Company, the Change in Control Purchase Price of Securities in respect of which a Change in Control Purchase Notice pursuant to Section 3.09(c) has been given, or a specified percentage thereof, may be paid by the Company by the issuance of a number of shares of Common Stock equal to the quotient obtained in dividing (i) the Change in Control Purchase Price (less any amounts paid in cash) by (ii) 97 1/2% of the Market Price of a share of Common Stock, subject to the next succeeding paragraph.

The Company will not issue a fractional share of Common Stock in payment of the Change in Control Purchase Price. Instead the Company will pay cash for the current market value of the fractional share. The current market value of a fraction of a share shall be determined by multiplying the Market Price by such fraction and rounding the product to the nearest whole cent. It is understood that if a Holder elects to have more than one Security purchased, the number of shares of Common Stock shall be based on the aggregate amount of Securities to be purchased.

Upon a payment by Common Stock pursuant to the terms hereof, that portion of accrued and unpaid interest, if any, attributable to the period from the Issue Date to the Change in Control Purchase Date with respect to the purchased Security shall

not be cancelled, extinguished or forfeited but rather shall be deemed paid in full to the Holder through the delivery of the Common Stock in exchange for the Security being purchased pursuant to the terms hereof, and the fair market value of such Common Stock (together with any cash payments in lieu of fractional shares of Common Stock) shall be treated as issued, to the extent thereof, first in exchange for the accrued and unpaid interest, if any, through the Change in Control Purchase Date, and the balance, if any, of the fair market value of such shares of Common Stock shall be treated as issued in exchange for the principal amount of the Security being purchased pursuant to the provisions hereof.

The Company's right to exercise its election to purchase the Securities pursuant to this Section 3.09 through the issuance of shares of Common Stock shall be conditioned upon:

(1) the Company's not having given its Change in Control Company Notice of an election to pay entirely in cash and its giving of timely Change in Control Company Notice of election to purchase all or a specified percentage of the Securities with Common Stock as provided herein;

(2) the shares of Common Stock having been admitted for listing or admitted for listing subject to notice of issuance on the New York Stock Exchange or if the Common Stock is not then listed on the New York Stock Exchange, on such other United States securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a United States securities exchange, as quoted on the National Association of Securities Dealers Automated Quotation System;

(3) the registration of the shares of Common Stock to be issued in respect of the payment of the Change in Control Purchase Price under the Securities Act or the Exchange Act, in each case, if required;

(4) any necessary qualification or registration under applicable state securities laws or the availability of an exemption from such qualification and registration; and

(5) the receipt by the Trustee of (A) an Officers' Certificate stating that the terms of the issuance of the Common Stock are in conformity with this Indenture and that conditions (1), (2), (3) and (4) above and the condition set forth in the second succeeding sentence have been satisfied and (B) an Opinion of Counsel to the effect that the shares of Common Stock to be issued by the Company in payment of the Change in Control Purchase Price in respect of Securities have been duly authorized and, when issued and delivered pursuant to the terms of this Indenture in payment of the Change in Control Purchase Price in

respect of the Securities, will be validly issued, fully paid and non-assessable and, to the best of such counsel's knowledge, free from preemptive rights under applicable state law or material contracts, and, in the case of such Officers' Certificate, stating that conditions to the issuance of shares of Common Stock have been satisfied.

Such Officers' Certificate shall also set forth the number of shares of Common Stock to be issued for each \$1,000 principal amount of Securities and the Sale Price of a share of Common Stock on each trading day during the period for which the Market Price is calculated. The Company may pay the Change in Control Purchase Price (or any portion thereof) in Common Stock only if the information necessary to calculate the Market Price is published in a daily newspaper of national circulation. If the foregoing conditions are not satisfied with respect to a Holder or Holders prior to the close of business on the Change in Control Purchase Date and the Company has elected to purchase the Securities pursuant to this Section 3.09 through the issuance of shares of Common Stock, the Company shall pay the entire Change in Control Purchase Price of the Securities of such Holder or Holders in cash.

(g) Taxes. If a Holder of a Security is paid in Common Stock, the Company shall pay any documentary, stamp or similar issue or transfer tax due on such issue of shares of Common Stock. However, the Holder shall pay any such tax which is due because the Holder requests the shares of Common Stock to be issued in a name other than the Holder's name. The Paying Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holders' name until the Paying Agent receives a sum sufficient to pay any tax which will be due because the shares of Common Stock are to be issued in a name other than the Holder's name. Nothing herein shall preclude any income tax withholding required by law or regulations.

SECTION 3.10 Effect of Purchase Notice or Change in

Control Purchase Notice. Upon receipt by the Paying Agent of the Purchase Notice or Change in Control Purchase Notice specified in Section 3.08(a) or Section 3.09(c), as applicable, the Holder of the Security in respect of which such Purchase Notice or Change in Control Purchase Notice, as the case may be, was given shall (unless such Purchase Notice or Change in Control Purchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Purchase Price or Change in Control Purchase Price, as the case may be, with respect to such Security. Such Purchase Price or Change in Control Purchase Price shall be paid to such Holder, subject to receipt of funds and/or securities by the Paying Agent, promptly following the later of (x) the Purchase Date or the Change in Control Purchase Date, as the case may be, with respect to such Security (provided the conditions in Section 3.08(a) or Section 3.09(c), as applicable, have been satisfied) and (y) the time of delivery of such Security to the Paying Agent by the Holder thereof in the manner required by Section 3.08(a) or Section 3.09(c), as applicable. Securities in respect of which a Purchase Notice or

Change in Control Purchase Notice, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article 10 hereof on or after the date of the delivery of such Purchase Notice or Change in Control Purchase Notice, as the case may be, unless such Purchase Notice or Change in Control Purchase Notice, as the case may be, has first been validly withdrawn as specified in the following two paragraphs.

A Purchase Notice or Change in Control Purchase Notice, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Purchase Notice or Change in Control Purchase Notice, as the case may be, at any time prior to the close of business on the Business Day prior to the Purchase Date or the Change in Control Purchase Date, as the case may be, specifying:

(1) if certificated Securities have been issued, the certificate number of the Security in respect of which such notice of withdrawal is being submitted,

(2) the principal amount of the Security with respect to which such notice of withdrawal is being submitted, and

(3) the principal amount, if any, of such Security which remains subject to the original Purchase Notice or Change in Control Purchase Notice, as the case may be, and which has been or will be delivered for purchase by the Company.

A written notice of withdrawal of a Purchase Notice or Change in Control Purchase Notice may be in the form set forth in the preceding paragraph or may be in the form of (i) a conditional withdrawal contained in a Purchase Notice pursuant to the terms of Section 3.08(a)(1)(D) and Section 3.09(c)(1)(D) or (ii) a conditional withdrawal containing the information set forth in Section 3.08(a)(1)(D) and Section 3.09(c)(1)(D) and the preceding paragraph and contained in a written notice of withdrawal delivered to the Paying Agent as set forth in the preceding paragraph.

There shall be no purchase of any Securities pursuant to Section 3.08 or 3.09 (other than through the issuance of Common Stock in payment of the Purchase Price or Change in Control Purchase Price, as the case may be, including cash in lieu of fractional shares) if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Securities, of the required Purchase Notice or Change in Control Purchase Notice, as the case may be) and is continuing an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, with respect to such Securities). The Paying Agent will promptly return to the respective Holders thereof any Securities (x) with respect to which a Purchase Notice or Change in Control Purchase Notice, as the case may be, has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of

an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid interest with respect to such Securities) in which case, upon such return, the Purchase Notice or Change in Control Purchase Notice with respect thereto shall be deemed to have been withdrawn.

SECTION 3.11 Deposit of Purchase Price or Change in Control Purchase Price. Prior to 11:30 a.m., New York City time, on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent (or, if the Company or a Subsidiary or an Affiliate of either of them is acting as the Paying Agent, shall segregate and hold in trust as provided in Section 2.04) an amount of money (in immediately available funds if deposited on such Business Day) or Common Stock, if permitted hereunder, sufficient to pay the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of all the Securities or portions thereof which are to be purchased as of the Purchase Date or Change in Control Purchase Date, as the case may be. If the Paying Agent holds money or Common Stock sufficient to pay the Purchase Price or Change in Control Purchase Price, as applicable, of such Security or portion thereof on the Business Day following the Purchase Date or Change in Control Purchase Date, as applicable, in accordance with the terms of the Indenture, then at the close of business on the Purchase Date or Change in Control Purchase Date, as applicable, such Security or portion thereof will cease to be outstanding and interest on such Security or portion thereof will cease to accrue, whether or not such Security or portion thereof is delivered to the Paying Agent. Thereafter, all other rights of the Holder shall terminate, other than the right to receive the Purchase Price or Change in Control Purchase Price upon delivery of such Security.

SECTION 3.12 Securities Purchased in Part. Any Security which is to be purchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Security, without service charge, a new Security or Securities, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Security so surrendered which is not purchased.

SECTION 3.13 Repayment to the Company. The Trustee and the Paying Agent shall promptly return to the Company any cash or shares of Common Stock that remain unclaimed as provided in paragraph 13 of the Securities, together with interest or dividends, if any, thereon (subject to the provisions of Section 7.01(f)), held by them for the payment of the Purchase Price or Change in Control Purchase Price, as the case may be; provided, however, that to the extent that the aggregate amount of cash or shares of Common Stock deposited by the Company pursuant to Section 3.11 exceeds the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of the Securities or portions thereof which the Company is obligated to purchase as of the Purchase Date or Change in Control Purchase Date, as the case may be, whether as a result of withdrawal or otherwise, then promptly after the Business Day following the Purchase Date or Change in Control Purchase Date, as the case may be, the Trustee shall return any such excess to the Company together with interest or dividends, if any, thereon (subject to the provisions of Section 7.01(f)).

SECTION 3.14 Termination of Right to Pay in Common Stock. Notwithstanding anything to the contrary in the Securities or the Indenture or otherwise, the Company in its sole discretion may elect to terminate its right to pay in Common Stock, in whole or in part, with respect to any purchase, repurchase or redemption of any Security (or portion thereof) by providing a notice to the Trustee of such election.

ARTICLE 4

COVENANTS

SECTION 4.01 Payment of Securities. The Company shall promptly make all payments in respect of the Securities on the dates and in the manner provided in the Securities or pursuant to this Indenture. Any amounts to be given to the Trustee or Paying Agent, shall be deposited with the Trustee or Paying Agent by 11:30 a.m., New York City time on the payment date, by the Company. Principal, interest, Redemption Price, Purchase Price and Change in Control Purchase Price shall be considered paid on the applicable date due if on such date (or, in the case of a Purchase Price or Change in Control Purchase Price, on the Business Day following the applicable Purchase Date or Change in Control Purchase Date, as the case may be) the Trustee or the Paying Agent holds, in accordance with this Indenture, money or securities, if permitted hereunder, sufficient to pay all such amounts then due.

The Company shall, to the extent permitted by law, pay interest on overdue amounts at the rate per annum set forth in paragraph 1 of the Securities, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable on demand.

SECTION 4.02 SEC and Other Reports. The Company shall deliver to the Trustee, within 30 days after it files the same with the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act. The Company also shall comply with the provisions of TIA Section 314(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of the same shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

SECTION 4.03 Compliance Certificate. The Company shall deliver to the Trustee within 120 days after the end of each calendar year of the Company (beginning with the calendar year ending on December 31, 2003) an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

SECTION 4.04 Further Instruments and Acts. Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

SECTION 4.05 Maintenance of Office or Agency. The Company will maintain in the Borough of Manhattan, The City of New York, an office or agency of the Trustee, Registrar, Paying Agent and Conversion Agent where Securities may be presented or surrendered for payment, where Securities may be surrendered for registration of transfer, exchange, purchase, redemption or conversion and where notices and demands to or upon the Company in respect of the Securities and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and of any change in the location, of any such office or agency (other than a change in the location of the office of the Trustee). If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the address of the Trustee set forth in Section 13.02.

The Company may also from time to time designate one or more other offices or agencies where the Securities may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its

obligation to maintain an office or agency in the Borough of Manhattan, The City of New York, for such purposes.

SECTION 4.06 Delivery of Certain Information. At any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act, upon the request of a Holder or any beneficial holder of Securities or shares of Common Stock which are restricted securities issued upon conversion thereof, the Company will promptly furnish or cause to be furnished Rule 144A Information (as defined below) to such Holder or any beneficial holder of Securities or holder of shares of Common Stock issued upon conversion of Securities, or to a prospective purchaser of any such security designated by any such holder, as the case may be, to the extent required to permit compliance by such Holder or holder with Rule 144A under the Securities Act in connection with the resale of any such security. "Rule 144A Information" shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act.

SECTION 4.07 Covenant to Comply with Securities Laws upon Purchase of Securities. In connection with any offer to purchase or purchase of Securities under Section 3.08 or 3.09 hereof (provided that such offer or purchase constitutes an "Issuer Tender Offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall to the extent applicable (i) comply with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act, and (iii) otherwise comply with all Federal and state securities laws so as to permit the rights and obligations under Sections 3.08 and 3.09 to be exercised in the time and in the manner specified in Sections 3.08 and 3.09.

ARTICLE 5

SUCCESSOR CORPORATION

SECTION 5.01 Consolidation, Merger or Sale of Assets

Permitted. The Company covenants that it will not merge or consolidate with or into any other Person or sell, convey, transfer or otherwise dispose of all or substantially all of its assets to any Person, unless:

(a) the successor (if other than the Company) formed by such consolidation or into which the Company is merged or to which all or substantially all of the assets of the Company are sold, conveyed or transferred (A) shall be a Person organized and existing under the laws of the United States of America, any state thereof or the District of Columbia, and (B) shall expressly assume by supplemental indenture executed and delivered to the Trustee the due and punctual payment of all amounts with respect to the Securities, according to

their tenor, and the due and punctual performance and observance of all of the covenants and obligations of the Company under the Securities and this Indenture; and

(b) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(c) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, sale, conveyance, transfer and, if a supplemental indenture is required under clause (a)(B) above in connection with such transaction, such supplemental indenture, comply with this Article 5 and that all conditions precedent herein provided for relating to such transaction have been satisfied.

SECTION 5.02 Succession by Successor Corporation. In case of any such merger, consolidation, sale, conveyance or other disposition and upon any such assumption of the obligations of the Company by a successor as provided in Section 5.01, such successor shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture and the Securities with the same effect as if such successor had been named as the Company herein; and thereafter, the Company shall be discharged from all obligations and covenants under this Indenture and the Securities. Subject to Section 9.06, the Company, the Guarantor, the Trustee and the successor Person shall enter into a supplemental indenture to evidence the succession and substitution of such successor Person and such discharge and release of the Company.

SECTION 5.03 Evidence to be Furnished Trustee. The Trustee may receive an Officers' Certificate and an Opinion of Counsel as conclusive evidence that any such consolidation, merger, sale or conveyance, and any such assumption, complies with the provisions of this Article 5.

SECTION 5.04 Merger or Consolidation of Guarantor. The Guarantor shall not consolidate with or merge into any Person or sell, convey, or transfer its properties and assets substantially as an entirety to another Person unless the surviving Person assumes the obligation of the Guarantor and the surviving Person is organized and existing under the laws of the United States, any state thereof or the District of Columbia. In the event of the assumption by a successor Person of the obligations of the Guarantor as provided in the immediately preceding sentence, such successor Person shall succeed to and be substituted for the Guarantor hereunder and under the Guarantee and all obligations of the Guarantor under the Indenture and the Guarantee shall terminate.

ARTICLE 6

DEFAULTS AND REMEDIES

SECTION 6.01 Events of Default. An "Event of Default" occurs

if:

(1) the Company defaults in payment of any interest when due under the Securities and such default continues for 30 days;

(2) the Company defaults in the payment of the principal amount at the Stated Maturity, Redemption Price, Purchase Price or Change in Control Purchase Price on any Security, in each case when the same becomes due and payable;

(3) the Company fails to comply with any of its agreements in the Securities or this Indenture (other than those referred to in clauses (1) and (2) above) and the Company fails to cure (or obtain a waiver of) such failure for 60 days after receipt by the Company of a Notice of Default as set forth in the last paragraph of this Section 6.01;

(4) default by the Company or the Guarantor with respect to any Debt, whether such Debt now exists or is created later, which default results in such Debt becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, and the aggregate principal amount of such Debt so accelerated exceeds \$50,000,000, and such acceleration has not been rescinded or annulled within a period of 10 days after receipt by the Company of a Notice of Default as set forth in the last paragraph of this Section 6.01; provided, however, that if any such default shall be cured, waived, rescinded or annulled, then the Event of Default by reason thereof shall be deemed not to have occurred;

(5) the Guarantee ceases to be in full force and effect or is declared null and void or the Guarantor denies that it has any further liability under the Guarantee, or gives notice to such effect (other than by reason of the termination of this Indenture or the release of any such Guarantee in accordance with this Indenture) and such condition shall have continued for a period of 30 days after written notice of such failure requiring the Guarantor and the Company to remedy the same shall have been given (x) to the Company by the Trustee or (y) to the Company and the Trustee by the holders of 25% in aggregate principal amount of the Securities then outstanding;

(6) the Company or the Guarantor pursuant to or under or within the meaning of any Bankruptcy Law:

(A) commences a voluntary case or proceeding;

(B) consents to the entry of an order for relief against it in an involuntary case or proceeding or the commencement of any case against it;

(C) consents to the appointment of a Custodian of it or for all or substantially all of its property; or

(D) makes a general assignment for the benefit of its creditors.

(7) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or the Guarantor in an involuntary case or proceeding, or adjudicates the Company or the Guarantor insolvent or bankrupt;

(B) appoints a Custodian of the Company or the Guarantor or for all or substantially all of its respective property; or

(C) orders the winding up or liquidation of the Company or the Guarantor;

and the order or decree remains unstayed and in effect for 90 days.

"Bankruptcy Law" means Title 11, United States Code, or any similar Federal or state law for the relief of debtors.

"Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

A Default under clause (3) or clause (4) above is not an Event of Default until the Trustee notifies the Company, or the Holders of at least 25% in aggregate principal amount of the Securities at the time outstanding notify the Company and the Trustee, of the Default and the Company does not cure such Default (and such Default is not waived) within the time specified in clause (3) or clause (4) above after actual receipt of such notice. Any such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default".

SECTION 6.02 Acceleration. If an Event of Default (other than an Event of Default specified in Section 6.01(6) or (7) in respect of the Company or the Guarantor) occurs and is continuing, either the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate principal amount of the Securities at the time

outstanding by notice to the Company and the Trustee, may declare the principal amount and all accrued and unpaid interest, if any, through the date of declaration on all the Securities to be immediately due and payable. Upon such a declaration, such principal amount, and such accrued and unpaid interest, if any, shall be due and payable immediately. If an Event of Default specified in Section 6.01(6) or (7) occurs in respect of the Company or the Guarantor and is continuing, the principal amount, and accrued and unpaid interest, if any, on all the Securities shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Securityholders. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding, by notice to the Trustee (and without notice to any other Securityholder), may rescind any acceleration of the Securities and its consequences if the rescission would not conflict with any judgment or decree of any court of competent jurisdiction and if all existing Events of Default have been cured or waived except nonpayment of the principal amount, and accrued and unpaid interest, if any, that have become due solely as a result of acceleration and if all amounts due to the Trustee under Section 7.07 have been paid. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 6.03 Other Remedies. If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of the principal amount, and accrued and unpaid interest, if any, on the Securities or to enforce the performance of any provision of the Securities or this Indenture.

The Trustee may maintain a proceeding even if the Trustee does not possess any of the Securities or does not produce any of the Securities in the proceeding. A delay or omission by the Trustee or any Securityholder in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of, or acquiescence in, the Event of Default. Except as set forth in Section 2.07 hereof, no remedy is exclusive of any other remedy. To the extent permitted by applicable law, all available remedies are cumulative.

SECTION 6.04 Waiver of Past Defaults. Subject to Section 6.02, the Holders of a majority in aggregate principal amount of the Securities at the time outstanding, by notice to the Trustee (and without notice to any other Securityholder), may waive an existing Default and its consequences except (1) an Event of Default described in Section 6.01(1) or (2), (2) a Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Securityholder affected or (3) a Default which constitutes a failure to convert any Security in accordance with the terms of Article 10. When a Default is waived, it is deemed cured and shall cease to exist, but no such waiver shall extend to any subsequent or other Default or impair any consequent right. This Section 6.04 shall be in lieu of Section 316(a)(1)(B) of the TIA and such Section 316(a)(1)(B) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.05 Control by Majority. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines in good faith is unduly prejudicial to the rights of other Securityholders or would involve the Trustee in personal liability unless the Trustee is offered indemnity satisfactory to it. This Section 6.05 shall be in lieu of Section 316(a)(1)(A) of the TIA and such Section 316(a)(1)(A) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.06 Limitation on Suits. A Securityholder may not pursue any remedy with respect to this Indenture or the Securities unless:

(1) the Holder gives to the Trustee written notice stating that an Event of Default is continuing;

(2) the Holders of at least 25% in aggregate principal amount of the Securities at the time outstanding make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with the request within 60 days after receipt of such notice, request and offer of security or indemnity; and

(5) the Holders of a majority in aggregate principal amount of the Securities at the time outstanding do not give the Trustee a direction inconsistent with the request during such 60-day period.

A Securityholder may not use this Indenture to prejudice the rights of any other Securityholder or to obtain a preference or priority over any other Securityholder.

SECTION 6.07 Rights of Holders to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of the principal, interest, Redemption Price, Purchase Price or Change in Control Purchase Price in respect of the Securities held by such Holder, on or after the respective due dates expressed in the Securities or any Redemption Date, and to convert the Securities in accordance with Article 10, or to bring suit for the enforcement of any such payment on or after such respective dates or the right to convert, shall not be impaired or affected adversely without the consent of such Holder.

SECTION 6.08 Collection Suit by Trustee. If an Event of Default described in Section 6.01(1) or (2) occurs and is continuing, the Trustee may recover judgment in its own name and as trustee of an express trust against the Company for the whole amount owing with respect to the Securities and the amounts provided for in Section 7.07.

SECTION 6.09 Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, to the extent permitted by applicable law, the Trustee (irrespective of whether the principal amount, interest, Redemption Price, Purchase Price or Change in Control Purchase Price shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of any such amount) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(a) to file and prove a claim for the whole amount of the principal, interest, Redemption Price, Purchase Price or Change in Control Purchase Price, as the case may be, and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel or any other amounts due the Trustee under Section 7.07) and of the Holders allowed in such judicial proceeding, and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

SECTION 6.10 Priorities. If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

FIRST: to the Trustee for amounts due under Section 7.07;

SECOND: to Securityholders for amounts due and unpaid on the Securities for the principal, interest, Redemption Price, Purchase Price or Change in Control Purchase Price, as the case may be, ratably, without preference or priority of any kind, according to such amounts due and payable on the Securities; and

THIRD: the balance, if any, to the Company or, to the extent the Trustee has collected any amounts pursuant to the Guarantee from the Guarantor, to the Guarantor.

The Trustee may fix a record date and payment date for any payment to Securityholders pursuant to this Section 6.10. At least 15 days before such record date, the Trustee shall mail to each Securityholder and the Company a notice that states the record date, the payment date and the amount to be paid.

SECTION 6.11 Undertaking for Costs. In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as Trustee, a court in its discretion may require the filing by any party litigant (other than the Trustee) in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees and expenses, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 or a suit by Holders of more than 10% in aggregate principal amount of the Securities at the time outstanding. This Section 6.11 shall be in lieu of Section 315(e) of the TIA and such Section 315(e) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 6.12 Waiver of Stay, Extension or Usury Laws. Each of the Company and the Guarantor covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law or any usury or other law wherever enacted, now or at any time hereafter in force, which would prohibit or forgive the Company or the Guarantor from paying all or any portion of the principal, interest, Redemption Price, Purchase Price or Change in Control Purchase Price, as contemplated herein, or which may affect the covenants or the performance of this Indenture; and each of the Company and the Guarantor (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE 7

TRUSTEE

SECTION 7.01 Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise the rights and powers vested in it by this Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the Trustee need perform only those duties that are specifically set forth in this Indenture and no others; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture, but in case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture, but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein.

This Section 7.01(b) shall be in lieu of Section 315(a) of the TIA and such Section 315(a) is hereby expressly excluded from this Indenture, as permitted by the TIA.

(c) The Trustee may not be relieved from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that:

(1) this paragraph (c) does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05.

Subparagraphs (c)(1), (2) and (3) shall be in lieu of Sections 315(d)(1), 315(d)(2) and 315(d)(3) of the TIA and such Sections 315(d)(1), 315(d)(2) and 315(d)(3) are hereby expressly excluded from this Indenture, as permitted by the TIA.

(d) Every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), (c) and (e) of this Section 7.01.

(e) The Trustee may refuse to perform any duty or exercise any right or power or extend or risk its own funds or otherwise incur any financial liability unless it receives indemnity satisfactory to it against any loss, liability or expense.

(f) Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee (acting in any capacity hereunder) shall be under no liability for interest on any money received by it hereunder unless otherwise agreed in writing with the Company.

SECTION 7.02 Rights of Trustee. Subject to its duties and responsibilities under the provisions of Section 7.01, and, except as expressly excluded from this Indenture pursuant to said Section 7.01, subject also to its duties and responsibilities under the TIA:

(a) the Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, conclusively rely upon an Officers' Certificate;

(c) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(d) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith which it believes to be authorized or within its rights or powers conferred under this Indenture;

(e) the Trustee may consult with counsel selected by it and any advice or opinion of such counsel shall be full and complete authorization and protection

in respect of any action taken or suffered or omitted by it hereunder in good faith and in accordance with such advice or opinion of such counsel;

(f) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Holders, pursuant to the provisions of this Indenture, unless such Holders shall have offered to the Trustee security or indemnity satisfactory to it against any costs, expenses and liabilities which may be incurred therein or thereby;

(g) any request or direction of the Company mentioned herein may be sufficiently evidenced by a Company Request or Company Order and any resolution of the Board of Directors may be sufficiently evidenced by a resolution of the Board of Directors;

(h) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit;

(i) the Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture;

(j) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and to each agent, custodian and other Person employed to act hereunder; and

(k) the Trustee may request that the Company deliver an Officers' Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officers' Certificate may be signed by any person authorized to sign an Officers' Certificate, including any person specified as so authorized in any such certificate previously delivered and not superseded.

SECTION 7.03 Individual Rights of Trustee. The Trustee in its individual or any other capacity may become the owner or pledgee of Securities and may otherwise deal with the Company or its Affiliates with the same rights it would have if it

were not Trustee. Any Paying Agent, Registrar, Conversion Agent or co-registrar may do the same with like rights. However, the Trustee must comply with Sections 7.10 and 7.11.

SECTION 7.04 Trustee's Disclaimer. The Trustee makes no representation as to the validity or adequacy of this Indenture or the Securities, it shall not be accountable for the Company's use or application of the proceeds from the Securities, it shall not be responsible for any statement in the registration statement for the Securities under the Securities Act or in the Indenture or the Securities (other than its certificate of authentication), or the determination as to which beneficial owners are entitled to receive any notices hereunder.

SECTION 7.05 Notice of Defaults. If a Default or Event of Default occurs and is continuing and if it is known to a Responsible Officer of the Trustee, the Trustee shall give to each Securityholder notice of the Default or Event of Default, as applicable, within 90 days after such Responsible Officer obtains knowledge of such Default or Event of Default, as applicable, unless such Default or Event of Default, as applicable, shall have been cured or waived before the giving of such notice. Except in the case of a Default or Event of Default, as applicable, described in Section 6.01(1) or (2), the Trustee may withhold the notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of Securityholders. The second sentence of this Section 7.05 shall be in lieu of the proviso to Section 315(b) of the TIA and such proviso is hereby expressly excluded from this Indenture, as permitted by the TIA. The Trustee shall not be deemed to have knowledge of a Default unless a Responsible Officer of the Trustee has received written notice of such Default.

SECTION 7.06 Reports by Trustee to Holders. Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, the Trustee shall mail to each Securityholder a brief report dated as of such May 15 that complies with TIA Section 313(a), if required to do so by such Section 313(a). The Trustee also shall comply with TIA Section 313(b).

A copy of each report at the time of its mailing to Securityholders shall be filed with the SEC and each securities exchange, if any, on which the Securities are listed. The Company agrees to promptly notify the Trustee whenever the Securities become listed on any securities exchange and of any delisting thereof.

SECTION 7.07 Compensation and Indemnity. The Company agrees:

(a) to pay to the Trustee from time to time such reasonable compensation as the Company and the Trustee shall from time to time agree in writing for all services rendered by it hereunder (which compensation shall not be

limited (to the extent permitted by law) by any provision of law in regard to the compensation of a trustee of an express trust);

(b) to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses, advances and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(c) to indemnify the Trustee or any predecessor, Trustee and their agents for, and to hold them harmless against, any loss, damage, claim, liability, cost or expense (including reasonable attorney's fees and expenses and taxes (other than taxes based upon, measured by or determined by the income of the Trustee)) incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this trust, including the reasonable costs and expenses of defending itself against any claim (whether asserted by any Holder or any other Person (other than the Company)) or liability in connection with the exercise or performance of any of its powers or duties hereunder.

To secure the Company's payment obligations in this Section 7.07, the Holders shall have been deemed to have granted to the Trustee a lien prior to the Securities on all money or property held or collected by the Trustee, except that held in trust to pay the principal, interest, Redemption Price, Purchase Price or Change in Control Purchase Price, as the case may be, on particular Securities.

The Company's payment obligations pursuant to this Section 7.07 shall survive the discharge of this Indenture and the resignation or removal of the Trustee. When the Trustee incurs expenses after the occurrence of a Default specified in Section 6.01(6) or(7), the expenses including the reasonable charges and expenses of its counsel, are intended to constitute expenses of administration under any Bankruptcy Law.

SECTION 7.08 Replacement of Trustee. The Trustee may resign by so notifying the Company; provided, however, no such resignation shall be effective until a successor Trustee has accepted its appointment pursuant to this Section 7.08. The Holders of a majority in aggregate principal amount of the Securities at the time outstanding may remove the Trustee by so notifying the Trustee and the Company. The Company shall remove the Trustee if:

(a) the Trustee fails to comply with Section 7.10;

(b) the Trustee is adjudged bankrupt or insolvent;

(c) a receiver or public officer takes charge of the Trustee or its property; or

(d) the Trustee otherwise becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint, by resolution of its Board of Directors, a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company satisfactory in form and substance to the retiring Trustee and the Company. Thereupon the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Securityholders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee, subject to the lien provided for in Section 7.07.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee, the Company or the Holders of a majority in aggregate principal amount of the Securities at the time outstanding may petition any court of competent jurisdiction at the expense of the Company for the appointment of a successor Trustee.

If the Trustee fails to comply with Section 7.10, any Securityholder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

SECTION 7.09 Successor Trustee by Merger. If the Trustee consolidates with, merges or converts into, or transfers all or substantially all its corporate trust business or assets to, another Person, the resulting, surviving or transferee Person without any further act shall be the successor Trustee.

SECTION 7.10 Eligibility; Disqualification. The Trustee shall at all times satisfy the requirements of TIA Sections 310(a)(1) and 310(b). The Trustee (or its parent holding company) shall have a combined capital and surplus of at least \$50,000,000 as set forth in its most recent published annual report of condition. Nothing herein contained shall prevent the Trustee from filing with the Commission the application referred to in the penultimate paragraph of TIA Section 310(b).

SECTION 7.11 Preferential Collection of Claims Against Company. The Trustee shall comply with TIA Section 311(a), excluding any creditor relationship

listed in TIA Section 311(b). A Trustee who has resigned or been removed shall be subject to TIA Section 311(a) to the extent indicated therein.

ARTICLE 8

DISCHARGE OF INDENTURE

SECTION 8.01 Discharge of Liability on Securities. When (i) the Company delivers to the Trustee all outstanding Securities (other than Securities replaced pursuant to Section 2.07) for cancellation or (ii) all outstanding Securities have become due and payable and the Company or the Guarantor irrevocably deposits with the Trustee, the Paying Agent (if the Paying Agent is not the Company or any of its Affiliates) or the Conversion Agent cash or, if expressly permitted by the terms of the Securities or the Indenture, Common Stock sufficient to pay all amounts due and owing on all outstanding Securities (other than Securities replaced pursuant to Section 2.07), and if in either case the Company or the Guarantor pays all other sums payable hereunder by the Company, then this Indenture shall, subject to Section 7.07, cease to be of further effect. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Indenture on demand of the Company accompanied by an Officers' Certificate and Opinion of Counsel and at the cost and expense of the Company.

SECTION 8.02 Repayment to the Company or the Guarantor. The Trustee, the Paying Agent and the Conversion Agent shall return to the Company, or to the extent the Trustee collects any amount pursuant to the Guarantee from the Guarantor, to the Guarantor upon written request any money or securities held by them for the payment of any amount with respect to the Securities that remains unclaimed for two years, subject to applicable unclaimed property law. After return to the Company or the Guarantor, as the case may be, Holders entitled to the money or securities must look to the Company or the Guarantor for payment as general creditors unless an applicable abandoned property law designates another person and the Trustee, the Paying Agent and the Conversion Agent shall have no further liability to the Securityholders with respect to such money or securities for that period commencing after the return thereof.

ARTICLE 9

AMENDMENTS

SECTION 9.01 Without Consent of Holders. The Company, the Guarantor and the Trustee may amend this Indenture or the Securities without the consent of any Securityholder:

(1) to cure any ambiguity, omission, defect or inconsistency in the Securities or this Indenture;

(2) to evidence a successor to the Company or the Guarantor, and the assumption by that successor of the Company's or the Guarantor's obligations under the Indenture, the Securities or the Guarantee, as applicable, or otherwise to comply with Article 5 or Section 10.14;

(3) to secure the Company's obligations under the Securities and this Indenture;

(4) to add any additional Events of Default;

(5) to increase the Conversion Rate;

(6) to add to the Company's covenants for the benefit of the Securityholders or to surrender any right or power conferred upon the Company;

(7) to make any change to comply with the TIA, or any amendment thereto, or to comply with any requirement of the SEC in connection with the qualification of the Indenture under the TIA, or as necessary in connection with the registration of the Securities and the shares of Common Stock issuable upon conversion of the Securities under the Securities Act;

(8) to make any change that does not materially adversely affect the rights of any Holders (it being understood that any amendment described in clause (1) above made solely to conform this Indenture to the final offering memorandum provided to investors in connection with the initial offering of the Securities will be deemed not to materially adversely affect the rights or interests of Holders);

(9) to add or change any provisions to such extent as is necessary to permit or facilitate the issuance and trading of global securities;

(10) to evidence and provide for the acceptance of the appointment under this Indenture of separate or successor Trustees;

(11) to make any change that would provide any additional rights or benefits to Securityholders; or

(12) to modify the restrictions on, and procedures for, resale and other transfers of the Securities or the shares of Common Stock issuable upon conversion of the Securities pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally.

SECTION 9.02 With Consent of Holders. With the written consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time outstanding, the Company, the Guarantor and the Trustee may amend this Indenture or the Securities. However, without the consent of each Securityholder affected, an amendment to this Indenture or the Securities may not:

(1) reduce the percentage in principal amount of Securities whose Holders must consent to an amendment or modification of this Indenture, waiver of compliance with certain provisions of this Indenture or waiver of Defaults;

(2) alter the rate or manner of calculation of interest referred to in Article 11 and paragraph 1 of the Securities or alter the time of payment of interest on any Security;

(3) reduce the principal amount with respect to any Security, or change the Stated Maturity of any Security;

(4) reduce the Redemption Price, Purchase Price or Change in Control Purchase Price of any Security;

(5) make any Security payable in money or securities other than as stated in the Security;

(6) make any change to this Section 9.02;

(7) make any change that adversely affects the right of a Securityholder to convert any Security;

(8) make any change that adversely affects the right of a Securityholder to require the Company to purchase the Securities in accordance with the terms thereof and of this Indenture;

(9) impair the right to institute suit for the enforcement of any payment with respect to the Securities or under the Guarantee of the Guarantor, or with respect to the conversion of the Securities; or

(10) release the Guarantor from any of its obligations under its Guarantee other than in accordance with the terms of this Indenture.

It shall not be necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, but it shall be sufficient if such consent approves the substance thereof.

After an amendment under this Section 9.02 becomes effective, the Company shall mail to each Holder a notice briefly describing the amendment.

SECTION 9.03 Compliance with Trust Indenture Act. Every supplemental indenture executed pursuant to this Article shall comply with the TIA.

SECTION 9.04 Revocation and Effect of Consents, Waivers and Actions. Until an amendment, consent, waiver or other action by Holders becomes effective, a consent thereto by a Holder of a Security hereunder is a continuing consent by the Holder and every subsequent Holder of that Security or portion of the Security that evidences the same obligation as the consenting Holder's Security, even if notation of the amendment, consent, waiver or other action is not made on the Security. However, any such Holder or subsequent Holder may revoke the consent as to such Holder's Security or portion of the Security if the Trustee receives the notice of revocation before the date as of which the amendment, consent, waiver or action is made effective. After an amendment, consent, waiver or action becomes effective, it shall bind every Securityholder.

SECTION 9.05 Notation on or Exchange of Securities. Securities authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities so modified as to conform, as confirmed in a Company Order, to any such supplemental indenture may be prepared and executed by the Company and, if so prepared and executed, shall be authenticated and delivered by the Trustee in exchange for outstanding Securities.

SECTION 9.06 Trustee to Sign Supplemental Indentures. The Trustee shall sign any supplemental indenture authorized pursuant to this Article 9 if the amendment contained therein does not adversely affect the rights, duties, liabilities or immunities of the Trustee. If it does, the Trustee may, but need not, sign such supplemental indenture. In signing such supplemental indenture the Trustee shall receive, and (subject to the provisions of Section 7.01) shall be fully protected in relying upon, in addition to the documents required by Section 13.04, an Officers' Certificate and an Opinion of Counsel stating that such amendment is authorized or permitted by this Indenture.

SECTION 9.07 Effect of Supplemental Indentures. Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

ARTICLE 10

CONVERSION

SECTION 10.01 Conversion Privilege. A Holder of a Security may convert such Security into Common Stock at any time during the periods and subject to the conditions stated in paragraph 8 of the Securities, subject to the provisions of this Article 10. The number of shares of Common Stock issuable upon conversion of a Security per \$1,000 of principal amount thereof (the "Conversion Rate") shall be determined in accordance with the provisions of paragraph 8 of the Securities. The initial number of shares of Common Stock issuable upon conversion of a Security per \$1,000 of principal amount thereof shall equal 57.61, subject to adjustment.

A Holder may convert a portion of the principal amount of a Security if the portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Indenture that apply to conversion of all of a Security also apply to conversion of a portion of a Security.

The Trustee (or other Conversion Agent appointed by the Company) shall, on behalf of the Company, determine on a daily basis whether the Securities shall be convertible as a result of the occurrence of an event specified in paragraph 8 of the Securities and, if the Securities shall be convertible, the Trustee (or other Conversion Agent appointed by the Company) shall promptly deliver to the Company and the Trustee (if the Trustee is not the Conversion Agent) written notice thereof. Whenever the Securities shall become convertible pursuant to the foregoing condition, the Company or, at the Company's request, the Trustee in the name and at the expense of the Company, shall promptly notify the Holders of the event triggering such convertibility in the manner provided under the Indenture, and the Company shall use its reasonable best efforts to publish such information on the Company's website and publicly announce such information through Dow Jones & Company, Inc. or Bloomberg Business News. Any notice so given shall be conclusively presumed to have been duly given, whether or not the Holder receives such notice.

SECTION 10.02 Conversion Procedure. To convert a Security, a Holder must satisfy the requirements in paragraph 8 of the Securities. The date on which the Holder satisfies all those requirements is the conversion date (the "Conversion Date").

Subject to and in accordance with Section 10.20, the Company shall deliver to the Holder, through the Conversion Agent, a certificate for the number of full shares of Common Stock issuable upon the conversion and cash in lieu of any fractional share determined pursuant to Section 10.03. The Company shall determine the number of shares and the amounts of cash (including with respect to any fractional share)

determined as described in Section 10.03 and 10.20 and shall set forth such information in an Officers' Certificate delivered to the Conversion Agent. The Conversion Agent shall have no duties under this paragraph unless and until it has received such certificate.

The person in whose name the certificate is registered shall be treated as a stockholder of record on and after the Conversion Date; provided, however, that no surrender of a Security on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such conversion shall be at the Conversion Rate in effect on the date that such Security shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of a Security, such Person shall no longer be a Holder of such Security.

Holders may surrender a Security for conversion by means of a book-entry delivery in accordance with paragraph 8 of the Security and the regulations of the applicable book-entry facility.

No payment or adjustment will be made for dividends on, or other distributions with respect to, any Common Stock except as provided in this Article 10. On conversion of a Security, that portion of accrued and unpaid interest, if any, attributable to the period from the Issue Date of the Security through the Conversion Date with respect to the converted Security shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock or cash, or combination thereof (together with the cash payment, if any, in lieu of fractional shares) in exchange for the Security being converted pursuant to the provisions hereof; and the fair market value of such shares of Common Stock (together with any such cash payment including cash in lieu of fractional shares) shall be treated as issued, to the extent thereof, first in exchange for the accrued and unpaid interest through the Conversion Date, and the balance, if any, of such fair market value of such Common Stock (and any such cash payment) shall be treated as issued in exchange for the principal amount of the Security being converted pursuant to the provisions hereof.

If the Holder converts more than one Security at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the aggregate principal amount of the Securities converted.

Subject to the provisions of Article 10 and paragraph 8 of the Securities, a Security surrendered for conversion based on (a) the Common Stock price (in accordance with paragraph 8(a) of the Securities), may be surrendered for conversion after

September 30, 2003 until the close of business on September 17, 2023, (b) the Security being called for redemption (in accordance with paragraph 8(c) of the Securities), may be surrendered for conversion at any time prior to the close of business on the second Business Day immediately preceding the Redemption Date, even if it is not otherwise convertible at such time, and (c) the occurrence of certain corporate transactions (in accordance with paragraph 8(e) of the Security) may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of such transaction until 15 days after the actual date of such transaction, and if such day is not a Business Day, the next occurring Business Day following such day.

Upon surrender of a Security that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new Security in an authorized denomination equal in principal amount to the unconverted portion of the Security surrendered.

Securityholders of Securities surrendered for conversion during the period from the close of business on any Regular Record Date next preceding any Interest Payment Date to the opening of business of such Interest Payment Date will receive the semiannual interest payable on such Securities on the corresponding Interest Payment Date notwithstanding the conversion at any time after the close of business on such Regular Record Date. Securities surrendered for conversion by a Securityholder during the period from the close of business on any Regular Record Date to the opening of business on the next Interest Payment Date, except for Securities to be redeemed within this period, must be accompanied by payment of an amount equal to the interest that the Securityholder is to receive on the Securities so converted.

SECTION 10.03 Fractional Shares. The Company will not issue a fractional share of Common Stock upon conversion of a Security. Instead, the Company will deliver cash for the current market value of the fractional share. The current market value of a fractional share shall be determined, to the nearest 1/1,000th of a share, by multiplying the per share Sale Price of the Common Stock, on the last Trading Day prior to the Conversion Date, by the fractional amount and rounding the product to the nearest whole cent.

SECTION 10.04 Taxes on Conversion. If a Holder converts a Security, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon the conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name.

Nothing herein shall preclude the Company from any tax withholding or directing the withholding of any tax required by law or regulations.

SECTION 10.05 Company to Provide Stock. The Company shall, prior to issuance of any Securities under this Article 10, and from time to time as may be necessary, reserve out of its authorized but unissued Common Stock a sufficient number of shares of Common Stock to permit the conversion of the Securities.

All shares of Common Stock delivered upon conversion of the Securities shall be newly issued shares or treasury shares, shall be duly and validly issued and fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim created by the Company.

The Company will endeavor promptly to comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Securities, if any, and will list or cause to have quoted such shares of Common Stock on the New York Stock Exchange or, if shares of Common Stock are then not listed on the New York Stock Exchange, on such other United States securities exchange or United States over-the-counter market on which the Common Stock is then principally listed or quoted.

SECTION 10.06 Adjustment for Change in Capital Stock. Except as set forth in Section 10.14, if, after the Issue Date of the Securities, the Company:

(a) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock;

(b) subdivides its outstanding shares of Common Stock into a greater number of shares;

(c) pays a dividend or makes a distribution on its Common Stock in shares of its Capital Stock (other than Common Stock or rights, warrants or options for its Capital Stock);

(d) combines its outstanding shares of Common Stock into a smaller number of shares; or

(e) issues by reclassification of its Common Stock any shares of its Capital Stock (other than rights, warrants or options for its Capital Stock),

then the conversion privilege and the Conversion Rate in effect immediately prior to such action shall be adjusted so that the Holder of a Security thereafter converted may receive the number of shares or other units of Capital Stock of the Company which such Holder

would have owned immediately following such action if such Holder had converted the Security immediately prior to such action.

The adjustment shall become effective immediately after the record date in the case of a dividend or distribution and immediately after the effective date in the case of a subdivision, combination or reclassification.

SECTION 10.07 Adjustment for Rights Issue. Except as set forth in Sections 10.14 and 10.19, if after the Issue Date of the Securities, the Company distributes any rights, warrants or options to all holders of its Common Stock entitling them, for a period expiring within 60 days after the record date for such distribution, to purchase shares of Common Stock at a price per share less than the Sale Price of the Common Stock as of the Time of Determination, the Conversion Rate shall be adjusted in accordance with the formula below; provided that if such rights are exercisable only upon the occurrence of a triggering event, then the Conversion Rate will not be adjusted until such triggering event occurs:

$$R' = \frac{R(O + N)}{O + [(N \times P)/M]}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

O = the number of shares of Common Stock outstanding on the record date for the distribution to which this Section 10.07 is being applied.

N = the number of additional shares of Common Stock offered pursuant to the distribution.

P = the offering price per share of the additional shares.

M = the Average Sale Price, minus, in the case of (i) a distribution to which Section 10.06(c) applies or (ii) a distribution to which Section 10.08 applies, for which, in each case, (x) the record date shall occur on or before the record date for the distribution to which this Section 10.07 applies and (y) the Ex-Dividend Time shall occur on or after the date of the Time of Determination for the distribution to which this Section 10.07 applies, the fair market value (on the record date for the distribution to which this Section 10.07 applies) of:

(1) the Capital Stock of the Company distributed in respect of each share of Common Stock in such Section 10.06(c) distribution and

(2) assets of the Company or debt securities or any rights, warrants or options to purchase securities of the Company distributed in respect of each share of Common Stock in such Section 10.08 distribution.

The Board of Directors shall determine fair market values for the purposes of this Section 10.07.

The adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive the rights, warrants or options to which this Section 10.07 applies. If any shares of Common Stock subject to such rights, warrants or options have not been issued when such rights, warrants or options expire (or to the extent such rights, warrants or options are redeemed by the Company, or otherwise cease to be convertible into, to be exchangeable for or to carry any such right to purchase shares), then the Conversion Rate shall promptly be readjusted to the Conversion Rate which would then be in effect had the adjustment upon the issuance of such rights, warrants or options been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights, warrants or options.

No adjustment shall be made under this Section 10.07 if the application of the formula stated above in this Section 10.07 would result in a value of R' that is equal to or less than the value of R.

SECTION 10.08 Adjustment for Other Distributions.

(a) If, after the Issue Date of the Securities, the Company distributes to all holders of its Common Stock any cash, assets (excluding any Capital Stock of a Subsidiary or business unit) or evidence of indebtedness but excluding any dividends and distributions referred to in Section 10.06 and 10.07, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = \frac{R \times M}{M - F}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the Average Sale Price, minus, in the case of a distribution to which Section 10.06(c) applies, for which (i) the record date shall occur on or before the record date for the distribution to which this Section 10.08 applies and (ii) the Ex-Dividend Time shall occur on or after the date of the Time of Determination for the distribution to which this Section 10.08 applies, the fair market value (on the record date for the distribution to which this Section 10.08 applies) of any Capital Stock of the Company

distributed in respect of each share of Common Stock in such Section 10.06(c) distribution.

F = the fair market value (on the record date for the distribution to which this Section 10.08 applies) of the assets, securities, rights, warrants or options to be distributed in respect of each share of Common Stock in the distribution to which this Section 10.08 is being applied (including, in the case of cash dividends or other cash distributions giving rise to an adjustment, all such cash distributed concurrently).

(b) If, after the Issue Date of the Securities, the Company pays a dividend or makes a distribution to all holders of its Common Stock consisting of Capital Stock of any class or series, or similar equity interests, of or relating to a Subsidiary or other business unit of the Company, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \times (1 + F/M)$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the average of the Sale Prices of the Common Stock for the ten (10) trading days commencing on and including the fifth trading day after the date on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which such securities are then listed or quoted (the "Ex-Dividend Date").

F = the fair market value of the securities distributed in respect of each share of Common Stock for which this Section 10.08(b) applies shall mean the number of securities distributed in respect of each share of Common Stock multiplied by the average of the Sale Prices of those securities distributed for the ten (10) trading days commencing on and including the fifth trading day after the Ex-Dividend Date.

(c) In the case of a tender or exchange offer (but not including any purchases pursuant to a stock buy-back program) made by the Company or any Subsidiary for all or any portion of the Common Stock (excluding any transactions solely involving odd lots of shares of Common Stock) that has expired and such tender or exchange offer (as amended upon the expiration thereof) requires the payment to stockholders of consideration per share of Common Stock having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive and described in a resolution of the Board of Directors) that as of the Expiration Time exceeds the Sale Price per share of Common Stock on the Trading Day next succeeding

the Expiration Time, the Conversion Rate shall be increased so that the Conversion Rate shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the Expiration Time by a fraction:

(1) the numerator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Expiration Time (the shares deemed so accepted up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the Sale Price per share of Common Stock on the Trading Day next succeeding the Expiration Time, and

(2) the denominator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares (including Purchased Shares)) at the Expiration Time multiplied by the Sale Price per share of Common Stock on the Trading Day next succeeding the Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. "Expiration Time" with respect to a tender offer or exchange offer, means the last date on which tenders or exchanges may be made pursuant to such tender or exchange offer. Notwithstanding the foregoing, if the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer had not been made.

(d) For purposes of this Section 10.08:

(1) the Board of Directors shall determine fair market values for the purposes of this Section 10.08;

(2) the adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive the distribution to which this Section 10.08 applies; and

(3) in the event that, with respect to any distribution to which this Section 10.08 otherwise apply, the difference "M-F" as defined in the above formula is less than \$1.00 or "F" is greater than "M", then the adjustment

provided by this Section 10.08 shall not be made and in lieu thereof the provisions of the last paragraph of Section 10.14 shall apply to such distribution.

SECTION 10.09 When Adjustment May Be Deferred. No adjustment in the Conversion Rate need be made unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate. Any adjustments that are not made shall be carried forward and taken into account in any subsequent adjustment and all adjustments that are made and carried forward shall be taken in the aggregate in order to determine if the 1% threshold is met.

All calculations under this Article 10 shall be made to the nearest cent or to the nearest 1/1,000th of a share, as the case may be.

SECTION 10.10 When No Adjustment Required. For the avoidance of doubt, the Conversion Rate shall only be subject to adjustment for the circumstances and in the manner set forth in Sections 10.06, 10.07, 10.08 and 10.12 and for no other event or circumstance.

No adjustment need be made for a transaction referred to in Section 10.06, 10.07, 10.08 or 10.14 if Securityholders are to participate in the transaction on a basis and with notice that the Board of Directors determines to be fair and appropriate in light of the basis and notice on which holders of Common Stock participate in the transaction. Such participation by Securityholders may include participation upon conversion provided that an adjustment shall be made at such time as the Securityholders are no longer entitled to participate.

No adjustment need be made for rights to purchase Common Stock pursuant to a Company plan for reinvestment of dividends or interest.

No adjustment need be made for a change in the par value or no par value of the Common Stock.

To the extent the Securities become convertible pursuant to this Article 10 into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

No adjustment will be made pursuant to this Article 10 that would result, through the application of two or more provisions hereof, in the duplication of any adjustment.

SECTION 10.11 Notice of Adjustment. Whenever the Conversion Rate is adjusted, the Company shall promptly mail to Securityholders a notice of the adjustment. The Company shall file with the Trustee and the Conversion Agent such notice and a certificate from the Company's independent public accountants briefly

stating the facts requiring the adjustment and the manner of computing it. Upon receipt by it of such notice, and at the written request of the Company, the Conversion Agent will promptly mail such notice to Securityholders at the Company's expense. The certificate shall be conclusive evidence that the adjustment is correct. Neither the Trustee nor any Conversion Agent shall be under any duty or responsibility with respect to any such certificate except to exhibit the same to any Holder desiring inspection thereof.

SECTION 10.12 Voluntary Increase. The Company from time to time may increase the Conversion Rate by any amount for any period of time. Whenever the Conversion Rate is increased, the Company shall file with the Trustee and the Conversion Agent a notice of the increase, and the Conversion Agent will mail such notice to the Securityholders, at the Company's expense. The Company shall mail the notice at least 15 days before the date the increased Conversion Rate takes effect. The notice shall state the increased Conversion Rate and the period it will be in effect.

A voluntary increase of the Conversion Rate does not change or adjust the Conversion Rate otherwise in effect for purposes of Section 10.06, 10.07 or 10.08.

SECTION 10.13 Notice of Certain Transactions. If:

(a) the Company takes any action that would require an adjustment in the Conversion Rate pursuant to Section 10.06, 10.07 or 10.08 (unless no adjustment is to occur pursuant to Section 10.09 or 10.10); or

(b) the Company takes any action that would require a supplemental indenture pursuant to Section 10.14; or

(c) there is a liquidation or dissolution of the Company;

then the Company shall mail to Securityholders and file with the Trustee and the Conversion Agent a notice stating the proposed record date for a dividend or distribution or the proposed effective date of a subdivision, combination, reclassification, consolidation, merger, binding share exchange, transfer, liquidation or dissolution. The Company shall file and mail the notice at least 15 days before such date. Failure to file or mail the notice or any defect in it shall not affect the validity of the transaction.

SECTION 10.14 Reorganization of Company; Special Distributions. If the Company is a party to a transaction subject to Section 5.01 (other than a sale of all or substantially all of the assets of the Company in a transaction in which the holders of Common Stock immediately prior to such transaction do not receive securities, cash, property or other assets of the Company or any other Person) or a merger or binding share exchange which reclassifies or changes its outstanding Common Stock, the Person, if other than the Company, obligated to deliver securities, cash or other assets upon conversion of Securities shall enter into a supplemental indenture. If the issuer of

securities deliverable upon conversion of Securities is an Affiliate of the successor company, that issuer shall join in the supplemental indenture.

The supplemental indenture shall provide that the Holder's right to convert its Security into Common Stock shall be changed into a right to convert such Security into the kind and amount of securities, cash or other assets which such Holder would have received immediately after the consolidation, merger, binding share exchange or transfer if such Holder had converted the Security immediately before the effective date of the transaction, assuming (to the extent applicable) that such Holder (i) was not a constituent Person or an Affiliate of a constituent Person to such transaction; (ii) made no election with respect thereto; and (iii) was treated alike with the plurality of non-electing Holders. The supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practical to the adjustments provided for in this Article 10. The successor company shall mail to Securityholders a notice briefly describing the supplemental indenture.

If this Section applies, neither Section 10.06 nor 10.07 applies.

If the Company makes a distribution to all holders of its Common Stock of any of its assets, or debt securities or any rights, warrants or options to purchase securities of the Company that but for the provisions of the last paragraph of 10.08 would otherwise result in an adjustment in the Conversion Rate pursuant to the provisions of Section 10.08, then, from and after the record date for determining the holders of Common Stock entitled to receive the distribution, a Holder of a Security that converts such Security in accordance with the provisions of this Indenture shall upon such conversion be entitled to receive, in addition to the shares of Common Stock into which the Security is convertible, the kind and amount of securities, cash or other assets comprising the distribution that such Holder would have received if such Holder had converted the Security immediately prior to the record date for determining the holders of Common Stock entitled to receive the distribution.

SECTION 10.15 Company Determination Final. Any determination that the Company or the Board of Directors must make pursuant to Section 10.03, 10.06, 10.07, 10.08, 10.09, 10.10 or 10.14 is conclusive.

SECTION 10.16 Trustee's Adjustment Disclaimer. Except as provided in last paragraph of Section 10.01, the Trustee has no duty to determine when an adjustment under this Article 10 should be made, how it should be made or what it should be. The Trustee has no duty to determine whether a supplemental indenture under Section 10.14 need be entered into or whether any provisions of any supplemental indenture are correct. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of Securities. The Trustee shall not be responsible for the Company's failure

to comply with this Article 10. Each Conversion Agent (other than the Company or an Affiliate of the Company) shall have the same protection under this Section 10.16 as the Trustee.

SECTION 10.17 Simultaneous Adjustments. In the event that this Article 10 requires adjustments to the Conversion Rate under more than one of Sections 10.06, 10.07 or 10.08, and the record dates for the distributions giving rise to such adjustments shall occur on the same date, then such adjustments shall be made by applying, first, the provisions of Section 10.06, second, the provisions of Section 10.08 and, third, the provisions of Section 10.07.

SECTION 10.18 Successive Adjustments. After an adjustment to the Conversion Rate under this Article 10, any subsequent event requiring an adjustment under this Article 10 shall cause an adjustment to the Conversion Rate as so adjusted.

SECTION 10.19 Rights Issued in Respect of Common Stock Issued upon Conversion. Each share of Common Stock issued upon conversion of Securities pursuant to this Article 10 shall be entitled to receive the appropriate number of common stock or preferred stock purchase rights, as the case may be (the "Rights"), if any, that all shares of Common Stock are entitled to receive and the certificates representing the Common Stock issued upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any shareholder rights agreement adopted by the Company, as the same may be amended from time to time (in each case, a "Rights Agreement"), whether or not such rights have separated from the Common Stock at the time of such conversion. Provided that such Rights Agreement requires that each share of Common Stock issued by the Company (including those that might be issued upon conversion of Securities) at any time prior to the distribution of separate certificates representing the Rights be entitled to receive such Rights, then, notwithstanding anything else to the contrary in the Securities or this Article 10, there shall not be any adjustment to the conversion privilege or Conversion Rate or any other term or provision of the Securities as a result of the issuance of Rights, the distribution of separate certificates representing the Rights, the exercise or redemption of such Rights in accordance with any such Rights Agreement, or the termination or invalidation of such Rights. Notwithstanding anything to the contrary herein, nothing in this provision is intended to confer on the Common Stock issuable upon conversion of Securities any right that is different than the rights to which all shares of Common Stock of the Company are entitled to receive.

SECTION 10.20 Company's Right to Elect to Pay Cash or Common Stock. In lieu of delivery of Common Stock upon notice of conversion of any Securities (for all or any portion of the Securities), the Company may elect to pay Holders surrendering Securities an amount in cash for each \$1,000 principal amount equal to the average of the Sale Price of Common Stock for the five consecutive trading days

immediately following either (a) the date of notice of election to deliver cash as described below if the Company has not given notice of redemption pursuant to Section 3.03, or (b) the conversion date if the Company has given notice of redemption specifying that the Company intends to deliver cash upon conversion, in either case such average Sales Price multiplied by the Conversion Rate in effect on that date. The Company will inform the Holders through the Trustee no later than two Business Days following the date it receives a conversion notice as set forth in paragraph 8(f) of the Securities, of the Company's election to deliver shares of Common Stock or to pay cash in lieu of delivery of Common Stock, unless the Company has already informed Holders of its election in connection with its optional redemption of the Securities pursuant to Section 3.01 herein. If the Company elects to deliver all of such payment in Common Stock, the Common Stock will be delivered by the Company through the Conversion Agent no later than the fifth Business Day following the Conversion Date. If the Company elects to pay all or a portion of such payment in cash, the payment, including any delivery of Common Stock, will be made to Holders surrendering Securities no later than the tenth Business Day following the applicable conversion date. If an Event of Default (other than a default in a cash payment upon conversion of the Securities) has occurred and is continuing, the Company may not pay cash upon conversion of any Security or portion of a Security (other than cash for fractional shares).

ARTICLE 11

PAYMENT OF INTEREST

SECTION 11.01 Interest Payments. Interest on any Security that is payable, and is punctually paid or duly provided for, on any applicable payment date shall be paid to the person in whose name that Security is registered at the close of business each March 8 and September 8 (each a "Regular Record Date") at the office or agency of the Company maintained for such purpose. Each installment of interest on any Security shall be paid in same-day funds by transfer to an account maintained by the payee located inside the United States, if the Trustee shall have received proper wire transfer instructions from such payee not later than the related Regular Record Date. If no such instructions have been received or if the payee is a Holder of less than 1,000,000 aggregate principal amount of the Securities, the Company may elect to pay the installment of interest by check drawn on a bank in New York City mailed to the payee at its address set forth on the Registrar's books. In the case of a permanent Global Security, interest payable on any applicable payment date will be paid to the Depositary, with respect to that portion of such permanent Global Security held for its account by Cede & Co. for the purpose of permitting such party to credit the interest received by it in respect of such permanent Global Security to the accounts of the beneficial owners thereof.

SECTION 11.02 Defaulted Interest. Except as otherwise specified with respect to the Securities, any interest on any Security that is payable, but is not punctually

paid or duly provided for, within 30 days following any applicable payment date (herein called "Defaulted Interest", which term shall include any accrued and unpaid interest that has accrued on such defaulted amount in accordance with paragraph 1 of the Securities), shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the persons in whose names the Securities are registered at the close of business on a special record date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security and the date of the proposed payment (which shall not be less than 20 days after such notice is received by the Trustee), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a special record date (the "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities at his address as it appears on the list of Securityholders maintained pursuant to Section 2.05 not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the persons in whose names the Securities are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

SECTION 11.03 Interest Rights Preserved. Subject to the foregoing provisions of this Article 11 and Section 2.06, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue interest, which were carried by such other Security.

ARTICLE 12

GUARANTEE

SECTION 12.01 Guarantee. The Guarantor hereby unconditionally guarantees, on an unsecured basis, to each Holder of a Security authenticated and delivered by the Trustee in accordance with the terms hereof, and to the Trustee on behalf of such Holder, (i) (x) the due and punctual payment of the principal of, and interest on, such Security, when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, redemption or otherwise, (y) the due and punctual payment of interest on the overdue principal and interest, if any, on such Security, to the extent lawful, and (z) the faithful performance of all other obligations of the Company to the Holders or the Trustee under such Security and this Indenture and (ii) in case of any extension of time of payment or renewal of any Securities or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

The Guarantor hereby agrees that its obligations hereunder shall be unconditional, irrespective of (to the extent permitted by law) the validity, regularity or enforceability of the Securities or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of the Guarantor.

The Guarantor hereby waives (to the extent permitted by law) the benefits of diligence, presentment, demand for payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company or any other Person, protest, notice and all demands whatsoever and covenants that the Guarantee shall not be discharged as to any Security except by complete performance of the obligations contained in such Security, and this Indenture and the Guarantee (to the extent that any obligations under this Indenture and the Guarantee relate to and are outstanding with respect to such Security). The Guarantor acknowledges that the Guarantee is a guarantee of payment and not of collection.

The Guarantor hereby agrees that, in the event of a default in payment of principal or interest on such Security, whether at its Stated Maturity, by acceleration,

redemption, purchase or otherwise, legal proceedings may be instituted by the Trustee on behalf of, or by, the Holder of such Security, subject to the terms and conditions set forth in this Indenture, directly against the Guarantor to enforce the Guarantee without first proceeding against the Company. The Guarantor agrees that if, after the occurrence and during the continuance of an Event of Default, the Trustee or any of the Holders are prevented by applicable law from exercising their respective rights to accelerate the maturity of the Securities, to collect interest on the Securities, or to enforce or exercise any other right or remedy with respect to the Securities, the Guarantor shall pay to the Trustee for the account of the Holder, upon demand therefor, the amount that would otherwise have been due and payable had such rights and remedies been permitted to be exercised by the Trustee or any of the Holders.

The Guarantor hereby agrees to pay any and all costs and expenses incurred by the Trustee or the Holders in enforcing their respective rights under the Guarantee.

The Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation, reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's assets.

SECTION 12.02 Severability. In case any provision of the Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 12.03 Limitation of Guarantor's Liability. Any term or provision of this Indenture notwithstanding, the Guarantee shall not exceed the maximum amount that can be guaranteed by the Guarantor without rendering the Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

SECTION 12.04 Subrogation. The Guarantor shall be subrogated to all rights of Holders against the Company in respect of any amounts paid by the Guarantor pursuant to the provisions of Section 12.01; provided, however, that, if an Event of Default has occurred and is continuing, the Guarantor shall not be entitled to enforce or receive any payments arising out of, or based upon, such right of subrogation until all amounts then due and payable by the Company under this Indenture or the Securities shall have been paid in full.

SECTION 12.05 Reinstatement. The Guarantor hereby agrees that the Guarantee provided for in Section 12.01 shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, made by or on behalf of the

Company or the Guarantor in respect of any of the obligations under the Securities or the Indenture is rescinded or must otherwise be restored or returned by any Holder or the Trustee for any reason whatsoever, whether upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Company, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for the Company or any substantial part of its properties, or otherwise, all as though such payment had not been made.

SECTION 12.06 Benefits Acknowledged. The Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Indenture and that its guarantee and waivers pursuant to its Guarantee are knowingly made in contemplation of such benefits.

SECTION 12.07 Authentication Required. The Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Securities shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized signatories.

SECTION 12.08 Release of the Guarantor. Concurrently with the discharge of the Securities under Section 8.01, the Guarantor shall be released from its obligations under the Guarantee.

ARTICLE 13

MISCELLANEOUS

SECTION 13.01 Trust Indenture Act Controls. This Indenture is subject to the TIA and if any provision hereof limits, qualifies or conflicts with a provision of the TIA that is required by the TIA to be a part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the TIA that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified, or to be excluded, as the case may be, whether or not such provision of this Indenture refers expressly to such provision of the TIA.

SECTION 13.02 Notices.

(a) Unless provided otherwise in this Indenture, any request, demand, authorization, direction, notice, consent, waiver or Act of Securityholders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Securityholder or by the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing

to or with the Trustee at its Corporate Trust Office, Attention:
Roseline Maney, or

(2) the Company by the Trustee or by any Securityholder shall be sufficient for every purpose hereunder if in writing and mailed, first-class postage prepaid, to the Company addressed to it at AMR Corporation, P.O. Box 619616, Dallas/Fort Worth Airport, Texas 75261-9616, Attention: Treasurer, or at any other address previously furnished in writing to the Trustee by the Company.

(b) Any notice or communication given to a Securityholder shall be mailed to the Securityholder, by first-class mail, postage prepaid, at the Securityholder's address as it appears on the registration books of the Registrar and shall be sufficiently given (unless otherwise herein expressly provided) if so mailed within the time prescribed.

Failure to mail a notice or communication to a Securityholder or any defect in it shall not affect its sufficiency with respect to other Securityholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not received by the addressee.

If by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice as provided above, then such notification as shall be made with the approval of the Trustee (such approval not to be unreasonably withheld) shall constitute a sufficient notification for every purpose hereunder. If it is impossible or, in the opinion of Trustee, impracticable to give any notice by publication in the manner herein required, then such publication in lieu thereof as shall be made with the approval of the Trustee will constitute a sufficient publication of such notice.

Any request, demand, authorization, direction, notice, consent or waiver required or permitted under this Indenture shall be in the English language.

Where this indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be equivalent of such notice. Waiver of notice by Securityholders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(c) If the Company mails a notice or communication to the Securityholders, it shall mail a copy to the Trustee and each Registrar, Paying Agent, Conversion Agent or co-registrar. The Trustee shall promptly furnish the Company with a copy of any report, demand, notice or written communication received by the Trustee hereunder from, or sent or furnished by the Trustee hereunder to, any Securityholder.

SECTION 13.03 Communication by Holders with Other Holders.

Securityholders may communicate pursuant to TIA Section 312(b) with other Securityholders with respect to their rights under this Indenture or the Securities. The Company, the Trustee, the Registrar, the Paying Agent, the Conversion Agent and anyone else shall have the protection of TIA Section 312(c).

SECTION 13.04 Certificate and Opinion as to Conditions

Precedent. Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee if reasonably requested:

(a) an Officers' Certificate stating that, in the opinion of the signers, all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with; and

(b) an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with;

provided that, in the case of any such request or application as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular request or application, no additional certificate or opinion need be furnished.

SECTION 13.05 Statements Required in Certificate or Opinion.

(a) Each Officers' Certificate or Opinion of Counsel with respect to compliance with a covenant or condition provided for in this Indenture shall include to the extent required by the Trustee:

(1) a statement that each person making such Officers' Certificate or Opinion of Counsel has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such Officers' Certificate or Opinion of Counsel are based;

(3) a statement that, in the opinion of each such person, he has made such examination or investigation as is necessary to enable such person to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement that, in the opinion of such person, such covenant or condition has been complied with.

(b) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an Officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such Officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Officer or Officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations as to such matters are erroneous.

Any certificate or opinion of an Officer of the Company or of counsel may be based, insofar as it relates to accounting matters, upon a certificate or opinion of or representations by an accountant or firm of accountants in the employ of the Company, unless such officer or counsel, as the case may be, knows, or in the exercise of reasonable care should know, that the certificate or opinions or representations as to such accounting matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 13.06 Separability Clause. In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 13.07 Rules by Trustee, Paying Agent, Conversion Agent and Registrar. The Company and the Trustee may make reasonable rules for action by or a meeting of Securityholders. The Registrar, Conversion Agent and the Paying Agent may make reasonable rules for their functions.

SECTION 13.08 Calculations. The calculation of the Purchase Price, Change in Control Purchase Price, Conversion Rate, Market Price, Sale Price of the Common Stock and each other calculation to be made hereunder shall be the obligation

of the Company. All such calculations made by the Company shall be final and binding on the Company and the Holders absent manifest error. The Trustee, Paying Agent and Conversion Agent shall not be obligated to recalculate, recompute or confirm any such calculations.

SECTION 13.09 Legal Holidays. A "Legal Holiday" is any day other than a Business Day. If any specified date (including a date for giving notice) is a Legal Holiday, the action shall be taken on the next succeeding day that is not a Legal Holiday with the same force and effect as if made on such specified date, and, if the action to be taken on such date is a payment in respect of the Securities, no interest, if any, shall accrue for the intervening period.

SECTION 13.10 Governing Law. THIS INDENTURE, THE SECURITIES AND THE GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE APPLICABLE TO AGREEMENTS MADE OR INSTRUMENTS ENTERED INTO, AND, IN EACH CASE, PERFORMED IN SUCH STATE.

SECTION 13.11 No Recourse Against Others. No past, present or future director, officer, employee, agent, representative, member, manager, trustee, stockholder or other equity holder, as such, of the Company, the Guarantor or any successor Person or any Affiliate of any thereof shall have any liability for any obligations of the Company, the Guarantor or any successor Person or any Affiliate of any thereof, either directly or through the Company, the Guarantor or any successor Person or any Affiliate of any thereof, under the Securities, this Indenture or the Guarantee or for any claim based on, in respect of or by reason of such obligations or their creation, whether by virtue of any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise. By accepting a Security, each Securityholder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Securities.

SECTION 13.12 Successors. All agreements of the Company and the Guarantor in this Indenture and the Securities shall bind its respective successor. All agreements of the Trustee in this Indenture shall bind its successor.

Any act or proceeding that is required or permitted by any provision of this Indenture and that is authorized or required to be done or performed by any board, committee or Officer of the Company or the Guarantor shall and may be done and performed with like force and effect by the like board, committee or officer of any corporation that shall at the time be the successor or assign of the Company or the Guarantor.

SECTION 13.13 Multiple Originals. The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. One originally signed copy is enough to prove this Indenture.

SECTION 13.14 Benefits of Indenture. Nothing in this Indenture, the Guarantee or in the Securities, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 13.15 Headings and Table of Contents. The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

IN WITNESS WHEREOF, the undersigned, being duly authorized, have executed this Indenture on behalf of the respective parties hereto as of the date first above written.

AMR CORPORATION

By: /s/ JEFFREY C. CAMPBELL

Name: Jeffrey C. Campbell
Title: Senior Vice President and
Chief Financial Officer

AMERICAN AIRLINES, INC.

By: /s/ JEFFREY C. CAMPBELL

Name: Jeffrey C. Campbell
Title: Senior Vice President and
Chief Financial Officer

WILMINGTON TRUST COMPANY

By: /s/ ROSELINE K. MANEY

Name: Roseline K. Maney
Title: Vice President

[FORM OF FACE OF GLOBAL SECURITY AND OF NON-GLOBAL SECURITY]

THIS SECURITY AND THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER JURISDICTION. NEITHER THIS SECURITY, THE SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN OR THEREIN, MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO SUCH REGISTRATION.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES FOR THE BENEFIT OF AMR CORPORATION TO OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER THIS SECURITY AND ANY SHARES OF COMMON STOCK ISSUABLE UPON CONVERSION OF THIS SECURITY PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS THE LATER OF TWO YEARS AFTER THE ORIGINAL ISSUE DATE OF THE SECURITIES AND THREE MONTHS AFTER SUCH HOLDER CEASES TO BE AN AFFILIATE (WITHIN THE MEANING OF RULE 144 ADOPTED UNDER THE SECURITIES ACT) OF AMR CORPORATION, ONLY (1)(A) TO AMR CORPORATION OR ANY SUBSIDIARY THEREOF, (B) FOR SO LONG AS THE SECURITIES OR SUCH SHARES OF COMMON STOCK ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHICH NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (C) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, OR (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, SUBJECT TO AMR CORPORATION'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE, PLEDGE OR OTHER TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM, AND (2) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS. IN EACH OF THE FOREGOING CASES, A

CERTIFICATE OF TRANSFER IN THE FORM ATTACHED AS EXHIBIT B TO THE INDENTURE REFERRED TO BELOW MUST BE COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE.

THE FOREGOING LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE AND ON SATISFACTION OF THE CONDITIONS SPECIFIED IN THE INDENTURE.

THIS SECURITY WAS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED. FOR SUCH PURPOSES, THE ISSUE PRICE OF THIS SECURITY IS \$980 PER \$1,000 OF PRINCIPAL AMOUNT; THE AMOUNT OF OID IS \$20 PER \$1,000 OF PRINCIPAL AMOUNT; THE ISSUE DATE IS SEPTEMBER 23, 2003; THE MATURITY DATE IS CONSIDERED TO BE SEPTEMBER 23, 2008; AND THE YIELD TO MATURITY THROUGH SEPTEMBER 23, 2008 IS 4.70% PER ANNUM, CALCULATED ON A SEMIANNUAL BOND EQUIVALENT BASIS.

ANY PERSON ACQUIRING OR ACCEPTING A SECURITY OR AN INTEREST THEREIN WILL, BY SUCH ACQUISITION OR ACCEPTANCE, BE DEEMED TO REPRESENT AND WARRANT TO THE COMPANY AND THE TRUSTEE THAT EITHER: (I) NO ASSETS OF AN EMPLOYEE BENEFIT PLAN SUBJECT TO TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), OR OF AN EMPLOYEE BENEFIT PLAN OR AN INDIVIDUAL RETIREMENT ACCOUNT SUBJECT TO SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), OR A GOVERNMENTAL OR CHURCH PLAN, OR ANY TRUST ESTABLISHED UNDER SUCH PLAN OR ACCOUNT, HAVE BEEN USED TO PURCHASE A SECURITY OR AN INTEREST THEREIN, OR (II) THE PURCHASE AND HOLDING OF SECURITIES OR INTERESTS THEREIN BY SUCH PERSON IS EXEMPT FROM THE PROHIBITED TRANSACTION RESTRICTIONS OF ERISA AND THE CODE OR ANY PROVISIONS OF STATE OR FEDERAL LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE FOREGOING PROVISIONS OF ERISA AND THE CODE, AS APPLICABLE, PURSUANT TO ONE OR MORE PROHIBITED TRANSACTION STATUTORY OR ADMINISTRATIVE EXEMPTIONS.

[FOR SO LONG AS THIS SECURITY IS A GLOBAL SECURITY DEPOSITED WITH OR ON BEHALF OF THE DEPOSITORY TRUST COMPANY, IT SHALL BEAR THE FOLLOWING LEGEND:]

"UNLESS THIS SECURITY IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS, IN WHOLE BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO IN THIS GLOBAL SECURITY."

AMR CORPORATION
4.25% Senior Convertible Note due 2023

No. A-1
Issue Date: September 23, 2003

Principal Amount \$300,000,000
CUSIP: 001765 AZ 9

AMR CORPORATION, a Delaware corporation, promises to pay to Cede & Co. or registered assigns the principal sum of THREE HUNDRED MILLION DOLLARS (\$300,000,000) on September 23, 2023.

Interest Payment Dates: March 23 and September 23

Record Dates: March 8 and September 8

This Security is convertible as specified in the additional provisions of this Security set forth below.

Additional provisions of this Security are as set forth below.

Dated: September 23, 2003

AMR CORPORATION

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

WILMINGTON TRUST COMPANY,
as Trustee, certifies that this
is one of the Securities referred
to in the within-mentioned Indenture.

By: _____
Authorized Officer

Dated: _____

1. Interest.

The Company promises to pay interest on the principal amount of this Security at the rate per annum of 4.25% from the Issue Date, or from the most recent date to which interest has been paid or provided for. During such period, the Company will pay interest semiannually in arrears on March 23 and September 23 of each year, commencing on March 23, 2004 (each an "Interest Payment Date"), to Holders of record at the close of business on each March 8 and September 8 (whether or not a business day) (each a "Regular Record Date") immediately preceding such Interest Payment Date. Interest on the Securities will accrue from the most recent date to which interest has been paid or duly provided or, if no interest has been paid, from the Issue Date. Interest will be computed on the basis of a 360-day year of twelve 30-day months.

If the principal amount hereof or any portion of such principal amount is not paid when due (whether upon acceleration pursuant to Section 6.02 of the Indenture, upon the date set for payment of the Redemption Price pursuant to paragraph 5 hereof, upon the date set for payment of the Purchase Price or Change in Control Purchase Price pursuant to paragraph 6 hereof or upon the Stated Maturity of this Security) or if interest due hereon or any portion of such interest is not paid when due in accordance with paragraph 5 or 10 hereof, then in each such case the overdue amount shall, to the extent permitted by law, bear interest at the rate of 4.25% per annum, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable on demand.

2. Method of Payment.

Subject to the terms and conditions of the Indenture, the Company will make payments in respect of Redemption Price, Purchase Price and Change in Control Purchase Price and at Stated Maturity to Holders who surrender Securities to a Paying Agent to collect such payments in respect of the Securities. The Company will pay any cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Company may make such cash payments by check payable in such money or by wire transfer.

3. Paying Agent, Conversion Agent and Registrar.

Initially, Wilmington Trust Company, a Delaware banking corporation (the "Trustee"), will act as Paying Agent, Conversion Agent and Registrar. The Company may appoint and change any Paying Agent, Conversion Agent, Registrar or co-registrar without notice, other than notice to the Trustee except that the Company will

maintain at least one Paying Agent in the State of New York, City of New York, Borough of Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Registrar or co-registrar.

4. Indenture.

The Company issued and the Guarantor has guaranteed the Securities pursuant to an Indenture, dated as of September 23, 2003 (the "Indenture"), among the Company, the Guarantor and the Trustee. Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The terms of the Securities include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Securities are subject to all such terms, and Securityholders are referred to the Indenture and the TIA for a statement of those terms.

The Securities and the Guarantee are general unsecured and unsubordinated obligations of the Company and the Guarantor, respectively, limited to \$300,000,000 aggregate principal amount (subject to Sections 2.02 and 2.07 of the Indenture). The Indenture does not limit other indebtedness of the Company or the Guarantor secured or unsecured.

5. Redemption at the Option of the Company.

No sinking fund is provided for the Securities. The Securities are redeemable as a whole, or from time to time in part, at any time at the option of the Company in accordance with the Indenture at a price equal to the principal amount of the Securities (the "Redemption Price") together with accrued and unpaid interest, if any, provided that the Securities are not redeemable prior to September 23, 2008.

6. Purchase by the Company at the Option of the Holder.

Subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase, at the option of the Holder, the Securities held by such Holder on each of September 23, 2008, 2013 and 2018 (each a "Purchase Date") at a price equal to the principal amount of the Securities plus accrued and unpaid interest, if any (the "Purchase Price"), upon delivery of a Purchase Notice containing the information set forth in the Indenture, at any time from the opening of business on the date that is 20 Business Days prior to such Purchase Date until the close of business on the second Business Day immediately preceding such Purchase Date and upon delivery of the Securities to the Paying Agent by the Holder as set forth in the Indenture.

The Purchase Price may be paid, at the option of the Company, in cash or by the issuance and delivery of shares of Common Stock of the Company, or in any combination thereof in accordance with the Indenture. If the Company elects to pay any

portion of the Purchase Price in its Common Stock, the Company shall issue a number of shares of its Common Stock equal to such portion of the Purchase Price to be paid in Common Stock divided by the Market Price of a share of Common Stock.

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase the Securities held by such Holder on a date selected by the Company no later than 30 Business Days after the occurrence of a Change in Control for a Change in Control Purchase Price equal to the principal amount of the Securities plus accrued and unpaid interest, if any, to but not including the Change in Control Purchase Date.

The Change in Control Purchase Price may be paid (at the option of the Company) in cash or by the issuance and delivery of shares of Common Stock of the Company, or in any combination thereof in accordance with the Indenture. If the Company elects to pay any portion of the Change in Control Purchase Price in its Common Stock, the Company shall issue a number of shares of its Common Stock equal to such portion of the Change in Control Purchase Price to be paid in Common Stock divided by 97 1/2% of the Market Price of a share of Common Stock.

A third party may make the offer and purchase of the Securities in lieu of the Company in accordance with the Indenture.

Holders have the right to withdraw any Purchase Notice or Change in Control Purchase Notice, as the case may be, by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash (and/or Common Stock if permitted under the Indenture) sufficient to pay the Purchase Price or Change in Control Purchase Price, as the case may be, of all Securities or portions thereof to be purchased as of the Purchase Date or the Change in Control Purchase Date, as the case may be, is deposited with the Paying Agent on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, interest shall cease to accrue on such Securities (or portions thereof) at the close of business on such Purchase Date or Change in Control Purchase Date, as the case may be, and the Holder thereof shall have no other rights as such (other than the right to receive the Purchase Price or Change in Control Purchase Price, as the case may be, if any, upon surrender of such Security).

7. Notice of Redemption.

Notice of redemption will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Securities to be redeemed at the Holder's registered address. If money sufficient to pay the Redemption Price of, and accrued and unpaid interest, if any, with respect to all Securities (or portions thereof) to

be redeemed on the Redemption Date is deposited with the Paying Agent prior to or on the Redemption Date, on such Redemption Date, interest shall cease to accrue on such Securities or portions thereof. Securities in principal denominations larger than \$1,000 of principal amount may be redeemed in part but only in integral multiples of \$1,000 of principal.

8. Conversion.

(a) Conversion Based on Common Stock Price. Subject to the provisions of this paragraph 8 and the Indenture but notwithstanding the fact that any other condition to conversion in paragraph 8(b), (c), (d) or (e) has not been satisfied, Holders may surrender the Securities for conversion into Common Stock on a Conversion Date in any calendar quarter commencing after September 30, 2003, if the Sale Price of the Common Stock for at least 20 trading days in a period of 30 consecutive trading days ending on the last trading day of the preceding calendar quarter is greater than 120% of the Conversion Price per share of Common Stock on the last trading day of such preceding calendar quarter. If the foregoing condition is satisfied, then the Securities will be convertible at any time thereafter by the Holder, through the maturity of the Securities.

(b) Conversion Based on Trading Price of the Securities. Subject to the provisions of this paragraph 8 and the Indenture but notwithstanding the fact that any other condition to conversion in paragraph 8(a), (c), (d) or (e) has not been satisfied, the Securities may be surrendered for conversion prior to maturity at any time during the five Business Day period after any five consecutive trading day period in which the trading price per \$1,000 principal amount of the Securities for that five trading-day period was less than 98% of the product of the Sale Price for the Common Stock and the Conversion Rate.

If on the date of any conversion pursuant to this paragraph 8(b), the Sale Price of our Common Stock is greater than the Conversion Price, then Securityholders will receive, in lieu of Common Stock based on the Conversion Price, cash or Common Stock or a combination of cash and Common Stock, at the Company's option, with a value equal to the principal amount of such Securities, plus the accrued and unpaid interest, if any, as of the Conversion Date ("Principal Value Conversion"). The Company will notify Securityholders that surrender their Securities for conversion, if it is a Principal Value Conversion, by the second trading day following the date of conversion, whether the Company will pay them all or a portion of the principal amount of such Securities, plus accrued and unpaid interest, if any, in cash, Common Stock or a combination of cash and Common Stock, and in what percentage. Any Common Stock delivered upon a Principal Value Conversion will be valued at the greater of the Conversion Price on the Conversion Date and the applicable stock price as of the Conversion Date. The Company will pay such Securityholders any portion of the principal amount of such Securities, plus accrued and unpaid interest, if any, to be paid in

cash and deliver Common Stock with respect to any portion of the principal amount of such Securities, plus accrued and unpaid interest, if any, to be paid in Common Stock no later than the third Business Day following the determination of the applicable stock price.

The "applicable stock price" means, in respect of a date of determination, the average of the Sale Price per share of Common Stock over the five-trading day period starting the third trading day following such date of determination.

The "trading price" of the Securities on any date of determination means the average of the secondary market bid quotations obtained by the Trustee for \$5 million principal amount of the Securities at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers the Company selects; provided that if three such bids cannot reasonably be obtained by the Trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Trustee, that one bid shall be used. If the Trustee cannot reasonably obtain at least one bid for \$5 million principal amount of the Securities from a nationally recognized securities dealer, then the trading price per \$1,000 principal amount of Securities will be deemed to be less than 98% of the product of the Sale Price of the Common Stock and the Conversion Rate.

In connection with any conversion upon satisfaction of the above trading pricing condition, the Trustee shall have no obligation to determine the trading price of the Securities unless the Company has requested such determination; and the Company shall have no obligation to make such request unless a Holder of the Securities provides the Company with reasonable evidence that the trading price per \$1,000 principal amount of Securities would be less than 98% of the product of the Sale Price of our Common Stock and the Conversion Rate. At such time, the Company shall instruct the Trustee to determine the trading price of the Securities beginning on the next trading day and on each successive trading day until the trading price per \$1,000 principal amount of the Securities is greater than 98% of the product of the Sale Price of the Company's Common Stock and the Conversion Rate.

(c) Conversion upon Redemption. Subject to the provisions of this paragraph 8 and the Indenture but notwithstanding the fact that any other condition to conversion in paragraph 8(a), (b), (d) or (e) has not been satisfied, a Holder may surrender for conversion into Common Stock a Security or portion of a Security which has been called for redemption pursuant to paragraph 5 hereof, but such Securities may be surrendered for conversion until the close of business on the second Business Day immediately preceding the Redemption Date.

(d) Conversion upon Certain Distributions. Subject to the provisions of this paragraph 8 and the Indenture but notwithstanding the fact that any other condition to

conversion in paragraph (a), (b), (c) or (e) has not been satisfied, in the event that the Company declares a dividend or distribution described in Section 10.07 of the Indenture, or a dividend or a distribution described in Section 10.08(a) or 10.08(b) of the Indenture where in the case of a dividend or distribution pursuant to 10.08(a) or 10.08(b), the fair market value, per share, of such dividend or distribution per share of Common Stock, as determined in the Indenture, exceeds 15% of the Sale Price of the Common Stock on the Business Day immediately preceding the date of declaration for such dividend or distribution, then the Securities may be surrendered for conversion beginning on the date the Company gives notice to the Holders of such right, which shall not be less than 20 days prior to the date for such dividend or distribution, and Securities may be surrendered for conversion at any time thereafter until the close of business on the Business Day prior to the date of distribution or until the Company announces that such dividend or distribution will not take place.

(e) Conversion upon the Occurrence of Certain Corporate Transactions. Subject to the provisions of this paragraph 8 and the Indenture but notwithstanding the fact that any other condition to conversion in paragraph (a), (b), (c) or (d) has not been satisfied, in the event the Company is a party to a transaction described in the first paragraph of Section 10.14 of the Indenture, the Securities may be surrendered for conversion at any time from and after the date which is 15 days prior to the date the Company announces the anticipated effective date until 15 days after the actual effective date of such transaction, and at the effective time of such transaction, the right to convert a Security into Common Stock will be deemed to have changed into a right to convert it into the kind and amount of cash, securities or other assets of the Company or other Person which the holder would have received if the holder had converted its Security immediately prior to the applicable record date for the transaction.

(f) General Provisions. A Security in respect of which a Holder has delivered a Purchase Notice or Change in Control Purchase Notice exercising the option of such Holder to require the Company to purchase such Security may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture.

The initial Conversion Rate is 57.61 shares of Common Stock per \$1,000 principal amount, subject to adjustment in certain events described in the Indenture. The Company will pay cash in lieu of any fractional share of Common Stock.

The Company may elect to pay cash in lieu of delivering Common Stock upon notice of conversion in accordance with Section 10.20 of the Indenture.

To convert a Security, a Holder must (1) complete and manually sign the conversion notice below (or complete and manually sign a facsimile of such notice) and deliver such notice to the Conversion Agent, (2) surrender the Security to the Conversion Agent, (3) furnish appropriate endorsements and transfer documents if required by the

Conversion Agent, the Company or the Trustee and (4) pay any transfer or similar tax, if required.

A Holder may convert a portion of a Security if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. No payment or adjustment will be made for dividends on the Common Stock except as provided in the Indenture. On conversion of a Security, the accrued and unpaid interest, if any, with respect to the converted Security shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through the delivery of the Common Stock or cash, or combination thereof (together with the cash payment, if any, in lieu of fractional shares), in exchange for the Security being converted pursuant to the terms hereof; and the fair market value of such shares of Common Stock or cash, or combination thereof (together with any such cash payment in lieu of fractional shares), shall be treated as issued, to the extent thereof, first in exchange for the accrued and unpaid interest, if any, through the Conversion Date and the balance, if any, of such fair market value of such Common Stock or cash, or combination thereof (and any such cash payment), shall be treated as issued in exchange for the principal amount of the Security being converted pursuant to the provisions hereof.

In accordance with Sections 10.06, 10.07 and 10.08 of the Indenture, the Conversion Rate will be adjusted, as further provided in the Indenture, for dividends or distributions on Common Stock payable in Common Stock or other Capital Stock; subdivisions, combinations or certain reclassifications of Common Stock; distributions to all holders of Common Stock of certain rights to purchase Common Stock for a period expiring within 60 days of the record date for such distribution at a price per share of Common Stock less than the Sale Price of the Common Stock at the Time of Determination; distributions to all holders of Common Stock of cash, assets or evidence of indebtedness of the Company (including shares of Capital Stock of a Subsidiary); and for the purchase of Common Stock pursuant to a tender offer or exchange offer for Common Stock (excluding odd lots of Common Stock) made by the Company or any Subsidiary. However, no adjustment need be made if Securityholders may participate in the transaction or in certain other cases specified in the Indenture. The Company from time to time may voluntarily increase the Conversion Rate.

If the Company is a party to a consolidation, merger or binding share exchange or a transfer of all or substantially all of its assets, or upon certain distributions described in the Indenture, the right to convert a Security into Common Stock may be changed into a right to convert it into securities, cash or other assets of the Company or another person in the circumstances described in the Indenture.

9. Conversion Arrangement on Call for Redemption.

Any Securities called for redemption, unless surrendered for conversion before the close of business on the Redemption Date, may be deemed to be purchased from the Holders of such Securities at an amount not less than the Redemption Price, by one or more investment bankers or other purchasers who may agree with the Company to purchase such Securities from the Holders, to convert them into Common Stock of the Company and to make payment for such Securities to the Trustee in trust for such Holders.

10. Defaulted Interest.

Except as otherwise specified with respect to the Securities, any Defaulted Interest on any Security shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company as provided for in Section 11.02 of the Indenture.

11. Denominations; Transfer; Exchange.

The Securities are in fully registered form, without coupons, in principal denominations of \$1,000 and integral multiples of \$1,000. A Holder may transfer or exchange Securities in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Securities selected for redemption (except, in the case of a Security to be redeemed in part, the portion of the Security not to be redeemed) or any Securities in respect of which a Purchase Notice or Change in Control Purchase Notice has been given and not withdrawn (except, in the case of a Security to be purchased in part, the portion of the Security not to be purchased) or any Securities for a period of 15 days before the mailing of a notice of redemption of Securities to be redeemed.

12. Persons Deemed Owners.

The registered Holder of this Security may be treated as the owner of this Security for all purposes.

13. Unclaimed Money or Securities.

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Securities that remains unclaimed for two years, subject to applicable unclaimed property laws. After return to the Company, Holders entitled to the money or

securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person.

14. Amendment; Waiver.

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Securities may be amended with the written consent of the Holders of at least a majority in aggregate principal amount of the Securities at the time outstanding and (ii) certain Defaults may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Securities at the time outstanding. Subject to certain exceptions set forth in the Indenture, without the consent of any Securityholder, the Company and the Trustee may amend the Indenture or the Securities to cure any ambiguity, omission, defect or inconsistency in this Securities or in the Indenture, or to comply with Article 5 or Section 10.14 of the Indenture, to secure the Company's obligations under this Security or the Indenture, to add additional Events of Default, to increase the Conversion Rate, to add to the Company's covenants for the benefit of the Securityholders or to surrender any right or power conferred on the Company, to comply with any requirement of the SEC in connection with the qualification of the Indenture under the TIA, or as necessary in connection with the registration of the Securities under the Securities Act, to make any change that does not materially adversely affect the rights of any Holders, to add or change provisions as necessary to permit or facilitate the issuance of the Global Security, to evidence and provide for the acceptance of the appointment under the Indenture of a separate or successor Trustee, to provide additional rights or benefits to Holders, or to modify the restrictions on, and procedures for, resale and other transfers of this Security pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally.

15. Defaults and Remedies.

Events of Default are as set forth in Section 6.01 of the Indenture.

Securityholders may not enforce the Indenture or the Securities except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Securities unless it receives indemnity or security satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby. Subject to certain limitations, Holders of a majority in aggregate principal amount of the Securities at the time outstanding may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Securityholders notice of any continuing Default or Event of Default (except a Default or Event of Default in payment of amounts specified in Section 6.01(1) or (2) of the Indenture above) if a committee of its Responsible Officers determines in good faith that withholding notice is in the interests of the Securityholders.

16. Trustee Dealings with the Company.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

17. No Recourse Against Others.

No past, present or future director, officer, employee, agent, representative, member, manager, trustee, stockholder or other equity holder, as such, of the Company, the Guarantor or any successor Person or any Affiliate of any thereof shall have any liability for any obligations of the Company, the Guarantor or any successor Person or any Affiliate of any thereof, either directly or through the Company, the Guarantor or any successor Person or any Affiliate of any thereof, under the Securities, the Indenture or the Guarantee or for any claim based on, in respect of or by reason of such obligations or their creation, whether by virtue of any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise. By accepting a Security, each Securityholder shall waive and release all such liability. The waiver and release shall be part of the consideration for the issue of the Securities.

18. Authentication.

This Security shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Security.

19. Abbreviations.

Customary abbreviations may be used in the name of a Securityholder or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

20. GOVERNING LAW.

THIS SECURITY, THE INDENTURE AND THE GUARANTEE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, APPLICABLE TO AGREEMENTS MADE OR INSTRUMENTS ENTERED INTO, AND IN EACH CASE, PERFORMED IN SUCH STATE.

The Company will furnish to any Securityholder upon written request and without charge a copy of the Indenture which has in it the text of this Security in larger type. Requests may be made to:

AMR Corporation
4333 Amon Carter Boulevard
Dallas, Texas 76155
Attention: Corporate Secretary

A-1-15

ASSIGNMENT FORM

To assign this Security, fill in the form below:

I or we assign and transfer this Security to

(Insert assignee's soc. sec. or tax ID no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint

_____ agent to transfer this Security on the books of the Company. The agent may substitute another to act for him.

CONVERSION NOTICE

To convert this Security into Common Stock of the Company, check the box:

[]

To convert only part of this Security, state the principal amount to be converted (which must be \$1,000 or an integral multiple of \$1,000):

\$ _____

If you want the stock certificate made out in another person's name, fill in the form below:

(Insert other person's soc. sec. or tax ID no.)

(Print or type other person's name, address and zip code)

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the other side of this Security)

[FORM OF GUARANTEE]

The Guarantor (as defined in the Indenture and which term includes any successor person under the Indenture), subject in every respect to the terms and conditions set forth in the Indenture, hereby unconditionally guarantees, on an unsecured basis (the "Guarantee"), to each Holder of a Security authenticated and delivered by the Trustee in accordance with the terms of the Indenture, and to the Trustee on behalf of such Holder, (i) (x) the due and punctual payment of the principal of, and interest on, such Security, when and as the same shall become due and payable, whether at Stated Maturity, by acceleration, redemption or otherwise, (y) the due and punctual payment of interest on the overdue principal and interest, if any, on such Security, to the extent lawful, and (z) the faithful performance of all other obligations of the Company to the Holders or the Trustee under such Security and the Indenture, in each case as set forth in Article 12 of the Indenture and (ii) in case of any extension of time of payment or renewal of any Securities or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

The Guarantor hereby agrees to pay any and all costs and expenses incurred by the Trustee or the Holders in enforcing their respective rights under the Guarantee.

Any term or provision of the Guarantee or the Indenture notwithstanding, the Guarantee shall not exceed the maximum amount that can be guaranteed by the Guarantor without rendering the Guarantee voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting the rights of creditors generally.

The obligations of the undersigned to the Holders of the Securities and to the Trustee pursuant to this Guarantee and in the Indenture are expressly set forth in the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee and all of the other provisions of the Indenture to which this Guarantee relates. In the event of the assumption by a successor Person of the obligations of the Guarantor as provided in Section 5.04 of the Indenture, such successor Person shall succeed to and be substituted for the Guarantor hereunder and under the Indenture and all such obligations of the Guarantor under the Indenture and the Guarantee shall terminate.

No past, present or future director, officer, employee, agent, representative member, manager, trustee, stockholder or other equity holder, as such, of the Guarantor or any successor Person or any Affiliate of the Guarantor shall have any liability for any

obligations of the Guarantor or any successor Person or any Affiliate of the Guarantor, either directly or through the Guarantor or any successor Person or any Affiliate of the Guarantor, under this Guarantee or for any claim based on, in respect of or by reason of such obligations or their creation, whether by virtue of any rule of law, statute or constitutional provision or by the enforcement of any assessment or by any legal or equitable proceeding or otherwise.

The Guarantee shall not be valid or obligatory for any purpose until the certificate of authentication on the Securities shall have been executed by the Trustee under the Indenture by the manual signature of one of its authorized signatories.

The Guarantee shall be governed by and construed in accordance with the law of the State of New York, including all matters of construction, validity and performance, applicable to agreements made or instruments entered into and, in each case, performed in such state.

IN WITNESS WHEREOF, the Guarantor has caused this instrument to be duly executed.

AMERICAN AIRLINES, INC.

By: _____
Name:
Title:

A-2-3

EXHIBIT B

FORM OF TRANSFER CERTIFICATE

Re: 4.25% Senior Convertible Notes due 2023 of AMR Corporation (the "Company")

In connection with any transfer of any of the Securities within the period prior to the expiration of the holding period applicable to the sales thereof under Rule 144(k) (or any successor provision) under the Securities Act of 1933, as amended (the "Securities Act"), the undersigned registered owner of this Security hereby certifies with respect to \$_____ principal amount of the above-captioned securities presented or surrendered on the date hereof (the "Surrendered Securities") for registration of transfer, or for exchange or conversion where the securities issuable upon such exchange or conversion are to be registered in a name other than that of the undersigned registered owner (each such transaction being a "transfer"), that such transfer complies with the restrictive legend set forth on the face of the Surrendered Securities for the reason checked below:

- The transfer of the Surrendered Securities is made to the Company or any of its subsidiaries; or
- The transfer of the Surrendered Securities complies with Rule 144A under the Securities Act; or
- The transfer of the Surrendered Securities is pursuant to an effective registration statement under the Securities Act; or
- The transfer of the Surrendered Securities is pursuant to an exemption from registration in accordance with Rule 144 under the Securities Act (and subject to the Company's and the Trustee's rights, prior to such transfer, to require the delivery of an opinion of counsel, further certification and/or other information satisfactory to the Company and the Trustee, respectively);

and unless the box below is checked, the undersigned confirms that, to the undersigned's knowledge, such Securities are not being transferred to an "affiliate" of the Company as defined in Rule 144 under the Securities Act (an "Affiliate").

- The transferee is an Affiliate of the Company.

The Company and the Trustee are entitled to rely upon this Certificate and are irrevocably authorized to produce this Certificate or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

DATE: _____

[INSERT NAME OF TRANSFEROR]

signature

October 24, 2003

AMR Corporation
American Airlines, Inc.
4333 Amon Carter Blvd.
Fort Worth, TX 76155

Registration Statement on Form S-3 of
AMR Corporation and American Airlines, Inc.

Ladies and Gentlemen:

We have acted as special counsel to AMR Corporation, a Delaware corporation (the "Company"), and to American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company (the "Guarantor"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), of the Registration Statement on Form S-3 of the Company and the Guarantor (the "Registration Statement") relating to the resale by certain selling securityholders of (a) up to \$300,000,000 aggregate principal amount of the Company's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (b) such indeterminate number of shares of the Company's common stock, par value \$1.00 per share (the "Shares"), as may be issuable upon conversion of the Notes. The Notes were issued under an indenture dated as of September 23, 2003 (the "Indenture"), among the Company, the Guarantor and Wilmington Trust Company, as trustee (the "Trustee"). The obligations of the Company under the Notes are guaranteed pursuant to the Guarantee, dated as of September 23, 2003, of the Guarantor in favor of the Trustee (the "Guarantee").

In connection with this opinion, we have examined the form of the Notes, the Indenture, the Guarantee, and a form of the share certificate for the Shares. We also have examined originals or certified, conformed or reproduction copies of such agreements, instruments, documents and records of the Company and the Guarantor, such certificates of public officials, and such other documents, and have made such investigations of law, as we have deemed necessary or appropriate for the purposes of this opinion. In all such examinations, we have assumed the legal capacity of all natural persons executing documents, the genuineness of all signatures on original or certified copies, the authenticity of all original or certified copies and the conformity to original or certified documents of all copies submitted to us as conformed or reproduction copies. We have relied as to factual matters upon, and have assumed the accuracy of, the statements made in the certificates of officers of the Company and the Guarantor delivered to us, and

certificates and other statements or information of or from public officials and officers and representatives of the Company and the Guarantor.

In rendering the opinions expressed below, we have assumed that the Trustee had and has the power and authority to enter into and perform its obligations under the Indenture, and the Indenture has been duly authorized, executed and delivered by the Trustee and is valid, legally binding and enforceable against the Trustee in accordance with its terms. We also have assumed that the Notes have been duly authenticated by the Trustee in the manner provided in the Indenture.

Based on the foregoing, and subject to the qualifications set forth herein, we are of the opinion that:

1. The Notes have been duly authorized and executed by the Company and constitute valid and binding obligations of the Company.

2. The Guarantee has been duly authorized by the Guarantor and constitutes the valid and binding obligation of the Guarantor.

3. The Shares issuable upon conversion of the Notes at the initial conversion rate have been duly authorized and reserved for issuance upon such conversion by all necessary corporate action on the part of the Company, and such Shares, when issued upon such conversion in accordance with the terms of the Notes and the Indenture, will be validly issued, fully paid and non-assessable.

The opinions expressed above are limited to the laws of the State of New York and the General Corporation Law of the State of Delaware, including the applicable provisions of the Delaware Constitution and the reported cases interpreting those laws, as currently in effect, and we do not express any opinion herein concerning any other laws.

The opinions expressed above are limited by and subject to the effects of (1) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization and moratorium laws and other similar laws relating to or affecting enforcement of creditors' rights or remedies generally, (2) general principles of equity, whether such principles are considered in a proceeding at law or equity, including, without limitation, the discretion of the court before which any proceeding may be brought, concepts of good faith, reasonableness and fair dealing, and standards of materiality and (3) in the case of provisions in the Notes or the Guarantee providing for indemnification, exculpation or contribution, limitations arising under applicable law or public policy.

October 24, 2003

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the heading "Legal Opinion" in the prospectus included in the Registration Statement. In giving such consent, we do not thereby concede that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Debevoise & Plimpton

October 24, 2003

AMR Corporation
American Airlines, Inc.
4333 Amon Carter Blvd.
Fort Worth, TX 76155

Registration Statement on Form S-3 of
AMR Corporation and American Airlines, Inc.

Ladies and Gentlemen:

We have acted as special counsel to AMR Corporation, a Delaware corporation (the "Company"), and to American Airlines, Inc., a Delaware corporation and a wholly-owned subsidiary of the Company (the "Guarantor"), in connection with the preparation and filing with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), of the Registration Statement on Form S-3 of the Company and the Guarantor (the "Registration Statement") relating to the resale by certain selling securityholders of (a) up to \$300,000,000 aggregate principal amount of the Company's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (b) such indeterminate number of shares of the Company's common stock, par value \$1.00 per share (the "Shares"), as may be issuable upon conversion of the Notes. The Notes were issued under an indenture dated as of September 23, 2003 (the "Indenture"), among the Company, the Guarantor and Wilmington Trust Company, as trustee (the "Trustee"). The obligations of the Company under the Notes are guaranteed pursuant to the Guarantee, dated as of September 23, 2003, of the Guarantor in favor of the Trustee (the "Guarantee").

In connection with this opinion, we have examined the form of the Notes, the Indenture, the Guarantee and a form of the share certificate for the Shares. We also have examined originals or certified, conformed or reproduction copies of such agreements, instruments, documents and records of the Company and the Guarantor, such certificates of public officials, and such other documents, and have made such investigations of law, as we have deemed necessary or appropriate for the purposes of this opinion. In all such examinations, we have assumed the legal capacity of all natural persons executing documents, the genuineness of all signatures on original or certified copies, the authenticity of all original or certified copies and the conformity to original or certified documents of all copies submitted to us as conformed or reproduction copies. We have relied as to factual matters upon, and have assumed the accuracy of, the statements

October 24, 2003

made in the certificates of officers of the Company and the Guarantor delivered to us, and certificates and other statements or information of or from public officials and officers and representatives of the Company and the Guarantor.

Based on and subject to the foregoing and subject to the further assumptions and qualifications set forth below, we are of the opinion that the statements in the prospectus under the heading "Certain United States Federal Income Tax Considerations," insofar as such statements constitute a summary of the United States federal income tax laws referred to therein, accurately summarize in all material respects the United States federal income tax laws referred to therein.

Our opinion expressed above is limited to the federal income tax laws of the United States of America. This opinion letter is limited to the matters stated, and no opinion is implied or may be inferred beyond the matters expressly stated herein. The opinion expressed herein is rendered only as of the date hereof and we assume no responsibility to advise you of changes in law, facts, circumstances, events or developments which hereafter may be brought to our attention and which may alter or modify the opinion expressed herein.

We hereby consent to the use of this opinion as Exhibit 8.1 to the Registration Statement and to the reference to our name under the caption "Legal Opinion" in the prospectus. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules or regulations of the Commission thereunder.

Very truly yours,

/s/ Debevoise & Plimpton

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement (Form S-3) and related Prospectus of AMR Corporation and American Airlines, Inc. for the registration of \$300,000,000 of 4.25% Senior Convertible Notes due 2023 of AMR Corporation and 17,283,000 shares of AMR Corporation common stock and to the incorporation by reference therein of our report dated March 31, 2003, with respect to the consolidated financial statements and schedules of AMR Corporation and American Airlines, Inc. included in its Annual Report (Form 10-K) for the year ended December 31, 2002, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Dallas, Texas
October 21, 2003

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Roger T. Staubach

Roger T. Staubach

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ John W. Bachmann

John W. Bachmann

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ David L. Boren

David L. Boren

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Edward A. Brennan

Edward A. Brennan

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Armando M. Codina

Armando M. Codina

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 21st day of October, 2003.

\s\ Earl G. Graves

Earl G. Graves

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as her true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in her name and on her behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as her own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Ann McLaughlin Korologos

Ann McLaughlin Korologos

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Michael A. Miles

Michael A. Miles

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 20th day of October, 2003.

\s\ Philip J. Purcell

Philip J. Purcell

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Joe M. Rodgers

Joe M. Rodgers

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as her true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in her name and on her behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as her own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Judith Rodin

Judith Rodin

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of AMR Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of the Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes") and (2) 17,283,000 shares of the Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Gerard J. Arpey

Gerard J. Arpey

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of AMR Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes"), (2) the full and unconditional guarantee of the Notes by the Corporation (the "Guarantee") and (3) 17,283,000 shares of AMR Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes, the related Guarantee and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Roger T. Staubach

Roger T. Staubach

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of AMR Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes"), (2) the full and unconditional guarantee of the Notes by the Corporation (the "Guarantee") and (3) 17,283,000 shares of AMR Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes, the related Guarantee and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ John W. Bachmann

John W. Bachmann

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of AMR Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes"), (2) the full and unconditional guarantee of the Notes by the Corporation (the "Guarantee") and (3) 17,283,000 shares of AMR Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

(b) any and all supplements and amendments (including, without limitation, post-effective amendments) to such Registration Statements;

and any and all other documents and instruments in connection with the issuance of the Notes, the related Guarantee and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ David L. Boren

David L. Boren

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

(a) one or more Registration Statements of the Corporation on an appropriate form proposed to be filed with the Securities and Exchange Commission (the "SEC") for the purpose of registering for resale under the Securities Act of 1933, as amended (the "Securities Act"), (1) \$300,000,000 in aggregate principal amount of AMR Corporation's 4.25% Senior Convertible Notes due 2023 (the "Notes"), (2) the full and unconditional guarantee of the Notes by the Corporation (the "Guarantee") and (3) 17,283,000 shares of AMR Corporation's common stock, par value \$1.00 per share (the "Common Stock") issuable upon conversion of the Notes; and

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and any and all other documents and instruments in connection with the issuance of the Notes, the related Guarantee and the Common Stock issuable upon conversion of the Notes that such attorneys-in-fact and agents, or any one of them, deem necessary or advisable to enable the Corporation to comply with (i) the Securities Act, the Securities Exchange Act of 1934, as amended, and the other federal securities laws of the United States of America and the rules, regulations and requirements of the SEC in respect of any thereof, (ii) the securities or Blue Sky laws of any state or other governmental subdivision of the United States of America and (iii) the securities or similar applicable laws of Canada, Mexico and any other foreign jurisdiction; and to file the same, with all exhibits thereto, and other documents in connection therewith, with the SEC and any other regulatory authority; and the undersigned does hereby ratify and confirm as his own acts and deeds all that such attorneys-in-fact and agents, and each of them, shall do or cause to be done by virtue hereof. Each one of such attorneys-in-fact and agents shall have, and may exercise, all of the powers hereby conferred.

IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Edward A. Brennan

Edward A. Brennan

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Armando M. Codina

Armando M. Codina

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 21st day of October, 2003.

\s\ Earl G. Graves

Earl G. Graves

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as her true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in her name and on her behalf:

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Ann McLaughlin Korologos

Ann McLaughlin Korologos

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Michael A. Miles

Michael A. Miles

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 20th day of October, 2003.

\s\ Philip J. Purcell

Philip J. Purcell

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Joe M. Rodgers

Joe M. Rodgers

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Judith Rodin

Judith Rodin

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

POWER OF ATTORNEY

The undersigned, a Director of American Airlines, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint Jeffrey C. Campbell, Gary F. Kennedy and Charles D. Marlett, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution, to execute and deliver in his name and on his behalf:

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IN WITNESS WHEREOF, the undersigned has hereunto subscribed this power of attorney this 22nd day of October, 2003.

\s\ Gerard J. Arpey

Gerard J. Arpey

Witness:

\s\ Charles D. MarLett

Charles D. MarLett

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM T-1

STATEMENT OF ELIGIBILITY UNDER
THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE
Check if an Application to Determine Eligibility of
a Trustee Pursuant to Section 305(b)(2)

WILMINGTON TRUST COMPANY
(Exact name of Trustee as specified in its charter)

DELAWARE 51-0055023
(State or other jurisdiction or (I.R.S. Employer Identification No.)
incorporation or organization)

RODNEY SQUARE NORTH
1100 NORTH MARKET STREET
WILMINGTON, DELAWARE 19890
(Address of principal executive offices)

CYNTHIA L. CORLISS
VICE PRESIDENT AND TRUST COUNSEL
WILMINGTON TRUST COMPANY
RODNEY SQUARE NORTH
WILMINGTON, DELAWARE 19890
(302) 651-8516
(Name, address and telephone number of agent of service)

AMR CORPORATION AMERICAN AIRLINES, INC.
(Exact name of registrants as specified in their charters)

DELAWARE DELAWARE
(State or other jurisdiction of incorporation or organization)
75-1825172 13-1502798
(I.R.S. Employer Identification Number)

P.O. BOX 619616
DALLAS/FORT WORTH AIRPORT, TEXAS 75261-9616
(817) 963-1234

(Address, including zip code, and telephone number, including area code, of
registrants' principal executive offices)

4.25% SENIOR CONVERTIBLE NOTES DUE 2023 OF AMR CORPORATION
GUARANTEED BY AMERICAN AIRLINES, INC.
(Title of the Indenture Securities)

ITEM 1. GENERAL INFORMATION.

Furnish the following information as to the trustee:

- (a) Name and address of each examining or supervising authority to which it is subject.

Federal Deposit Insurance Co. State Bank Commissioner
 Five Penn Center Dover, Delaware
 Suite #2901
 Philadelphia, PA

- (b) Whether it is authorized to exercise corporate trust powers.
 The trustee is authorized to exercise corporate trust powers.

ITEM 2. AFFILIATIONS WITH THE OBLIGOR.

If the obligor is an affiliate of the trustee, describe each affiliation:

Based upon an examination of the books and records of the trustee and upon information furnished by the obligor, the obligor is not an affiliate of the trustee.

ITEM 16. LIST OF EXHIBITS.

List below all exhibits filed as part of this Statement of Eligibility and Qualification.

- A. Copy of the Charter of Wilmington Trust Company, which includes the certificate of authority of Wilmington Trust Company to commence business and the authorization of Wilmington Trust Company to exercise corporate trust powers.
- B. Copy of By-Laws of Wilmington Trust Company.
- C. Consent of Wilmington Trust Company required by Section 321(b) of Trust Indenture Act.
- D. Copy of most recent Report of Condition of Wilmington Trust Company.

Pursuant to the requirements of the Trust Indenture Act of 1939, as amended, the trustee, Wilmington Trust Company, a corporation organized and existing under the laws of Delaware, has duly caused this Statement of Eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in the City of Wilmington and State of Delaware on the 21st day of October, 2003.

WILMINGTON TRUST COMPANY

[SEAL]

Attest: /s/ Mary Kay Pupillo

By: /s/ Roseline K. Maney

Assistant Secretary

Name: Roseline K. Maney
Title: Vice President

EXHIBIT A
AMENDED CHARTER
WILMINGTON TRUST COMPANY
WILMINGTON, DELAWARE
AS EXISTING ON MAY 9, 1987

AMENDED CHARTER
OR
ACT OF INCORPORATION
OF
WILMINGTON TRUST COMPANY

WILMINGTON TRUST COMPANY, originally incorporated by an Act of the General Assembly of the State of Delaware, entitled "An Act to Incorporate the Delaware Guarantee and Trust Company", approved March 2, A.D. 1901, and the name of which company was changed to "WILMINGTON TRUST COMPANY" by an amendment filed in the Office of the Secretary of State on March 18, A.D. 1903, and the Charter or Act of Incorporation of which company has been from time to time amended and changed by merger agreements pursuant to the corporation law for state banks and trust companies of the State of Delaware, does hereby alter and amend its Charter or Act of Incorporation so that the same as so altered and amended shall in its entirety read as follows:

FIRST: - The name of this corporation is WILMINGTON TRUST COMPANY.

SECOND: - The location of its principal office in the State of Delaware is at Rodney Square North, in the City of Wilmington, County of New Castle; the name of its resident agent is WILMINGTON TRUST COMPANY whose address is Rodney Square North, in said City. In addition to such principal office, the said corporation maintains and operates branch offices in the City of Newark, New Castle County, Delaware, the Town of Newport, New Castle County, Delaware, at Claymont, New Castle County, Delaware, at Greenville, New Castle County Delaware, and at Milford Cross Roads, New Castle County, Delaware, and shall be empowered to open, maintain and operate branch offices at Ninth and Shipley Streets, 418 Delaware Avenue, 2120 Market Street, and 3605 Market Street, all in the City of Wilmington, New Castle County, Delaware, and such other branch offices or places of business as may be authorized from time to time by the agency or agencies of the government of the State of Delaware empowered to confer such authority.

THIRD: - (a) The nature of the business and the objects and purposes proposed to be transacted, promoted or carried on by this Corporation are to do any or all of the things herein mentioned as fully and to the same extent as natural persons might or could do and in any part of the world, viz.:

(1) To sue and be sued, complain and defend in any Court of law or equity and to make and use a common seal, and alter the seal at pleasure, to hold, purchase, convey, mortgage or otherwise deal in real and personal estate and property, and to appoint such officers and agents as the business of the Corporation shall require, to make by-laws not inconsistent with the Constitution or laws of the United States or of this State, to discount bills, notes or other evidences of debt, to receive deposits of money, or securities for money, to buy

gold and silver bullion and foreign coins, to buy and sell bills of exchange, and generally to use, exercise and enjoy all the powers, rights, privileges and franchises incident to a corporation which are proper or necessary for the transaction of the business of the Corporation hereby created.

(2) To insure titles to real and personal property, or any estate or interests therein, and to guarantee the holder of such property, real or personal, against any claim or claims, adverse to his interest therein, and to prepare and give certificates of title for any lands or premises in the State of Delaware, or elsewhere.

(3) To act as factor, agent, broker or attorney in the receipt, collection, custody, investment and management of funds, and the purchase, sale, management and disposal of property of all descriptions, and to prepare and execute all papers which may be necessary or proper in such business.

(4) To prepare and draw agreements, contracts, deeds, leases, conveyances, mortgages, bonds and legal papers of every description, and to carry on the business of conveyancing in all its branches.

(5) To receive upon deposit for safekeeping money, jewelry, plate, deeds, bonds and any and all other personal property of every sort and kind, from executors, administrators, guardians, public officers, courts, receivers, assignees, trustees, and from all fiduciaries, and from all other persons and individuals, and from all corporations whether state, municipal, corporate or private, and to rent boxes, safes, vaults and other receptacles for such property.

(6) To act as agent or otherwise for the purpose of registering, issuing, certificating, countersigning, transferring or underwriting the stock, bonds or other obligations of any corporation, association, state or municipality, and may receive and manage any sinking fund therefor on such terms as may be agreed upon between the two parties, and in like manner may act as Treasurer of any corporation or municipality.

(7) To act as Trustee under any deed of trust, mortgage, bond or other instrument issued by any state, municipality, body politic, corporation, association or person, either alone or in conjunction with any other person or persons, corporation or corporations.

(8) To guarantee the validity, performance or effect of any contract or agreement, and the fidelity of persons holding places of responsibility or trust; to become surety for any person, or persons, for the faithful performance of any trust, office, duty, contract or agreement, either by itself or in conjunction with any other person, or persons, corporation, or corporations, or in like manner become surety upon any bond,

recognizance, obligation, judgment, suit, order, or decree to be entered in any court of record within the State of Delaware or elsewhere, or which may now or hereafter be required by any law, judge, officer or court in the State of Delaware or elsewhere.

(9) To act by any and every method of appointment as trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian, bailee, or in any other trust capacity in the receiving, holding, managing, and disposing of any and all estates and property, real, personal or mixed, and to be appointed as such trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian or bailee by any persons, corporations, court, officer, or authority, in the State of Delaware or elsewhere; and whenever this Corporation is so appointed by any person, corporation, court, officer or authority such trustee, trustee in bankruptcy, receiver, assignee, assignee in bankruptcy, executor, administrator, guardian, bailee, or in any other trust capacity, it shall not be required to give bond with surety, but its capital stock shall be taken and held as security for the performance of the duties devolving upon it by such appointment.

(10) And for its care, management and trouble, and the exercise of any of its powers hereby given, or for the performance of any of the duties which it may undertake or be called upon to perform, or for the assumption of any responsibility the said Corporation may be entitled to receive a proper compensation.

(11) To purchase, receive, hold and own bonds, mortgages, debentures, shares of capital stock, and other securities, obligations, contracts and evidences of indebtedness, of any private, public or municipal corporation within and without the State of Delaware, or of the Government of the United States, or of any state, territory, colony, or possession thereof, or of any foreign government or country; to receive, collect, receipt for, and dispose of interest, dividends and income upon and from any of the bonds, mortgages, debentures, notes, shares of capital stock, securities, obligations, contracts, evidences of indebtedness and other property held and owned by it, and to exercise in respect of all such bonds, mortgages, debentures, notes, shares of capital stock, securities, obligations, contracts, evidences of indebtedness and other property, any and all the rights, powers and privileges of individual owners thereof, including the right to vote thereon; to invest and deal in and with any of the moneys of the Corporation upon such securities and in such manner as it may think fit and proper, and from time to time to vary or realize such investments; to issue bonds and secure the same by pledges or deeds of trust or mortgages of or upon the whole or any part of the property held or owned by the Corporation, and to sell and pledge such bonds, as and when the Board of Directors shall determine, and in the promotion of its said corporate business of investment and to the extent authorized by law, to lease, purchase, hold, sell, assign, transfer, pledge, mortgage and convey real

and personal property of any name and nature and any estate or interest therein.

(b) In furtherance of, and not in limitation, of the powers conferred by the laws of the State of Delaware, it is hereby expressly provided that the said Corporation shall also have the following powers:

(1) To do any or all of the things herein set forth, to the same extent as natural persons might or could do, and in any part of the world.

(2) To acquire the good will, rights, property and franchises and to undertake the whole or any part of the assets and liabilities of any person, firm, association or corporation, and to pay for the same in cash, stock of this Corporation, bonds or otherwise; to hold or in any manner to dispose of the whole or any part of the property so purchased; to conduct in any lawful manner the whole or any part of any business so acquired, and to exercise all the powers necessary or convenient in and about the conduct and management of such business.

(3) To take, hold, own, deal in, mortgage or otherwise lien, and to lease, sell, exchange, transfer, or in any manner whatever dispose of property, real, personal or mixed, wherever situated.

(4) To enter into, make, perform and carry out contracts of every kind with any person, firm, association or corporation, and, without limit as to amount, to draw, make, accept, endorse, discount, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures, and other negotiable or transferable instruments.

(5) To have one or more offices, to carry on all or any of its operations and businesses, without restriction to the same extent as natural persons might or could do, to purchase or otherwise acquire, to hold, own, to mortgage, sell, convey or otherwise dispose of, real and personal property, of every class and description, in any State, District, Territory or Colony of the United States, and in any foreign country or place.

(6) It is the intention that the objects, purposes and powers specified and clauses contained in this paragraph shall (except where otherwise expressed in said paragraph) be nowise limited or restricted by reference to or inference from the terms of any other clause of this or any other paragraph in this charter, but that the objects, purposes and powers specified in each of the clauses of this paragraph shall be regarded as independent objects, purposes and powers.

FOURTH: - (a) The total number of shares of all classes of stock which the Corporation shall

have authority to issue is forty-one million (41,000,000) shares, consisting of:

(1) One million (1,000,000) shares of Preferred stock, par value \$10.00 per share (hereinafter referred to as "Preferred Stock"); and

(2) Forty million (40,000,000) shares of Common Stock, par value \$1.00 per share (hereinafter referred to as "Common Stock").

(b) Shares of Preferred Stock may be issued from time to time in one or more series as may from time to time be determined by the Board of Directors each of said series to be distinctly designated. All shares of any one series of Preferred Stock shall be alike in every particular, except that there may be different dates from which dividends, if any, thereon shall be cumulative, if made cumulative. The voting powers and the preferences and relative, participating, optional and other special rights of each such series, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding; and, subject to the provisions of subparagraph 1 of Paragraph (c) of this Article FOURTH, the Board of Directors of the Corporation is hereby expressly granted authority to fix by resolution or resolutions adopted prior to the issuance of any shares of a particular series of Preferred Stock, the voting powers and the designations, preferences and relative, optional and other special rights, and the qualifications, limitations and restrictions of such series, including, but without limiting the generality of the foregoing, the following:

(1) The distinctive designation of, and the number of shares of Preferred Stock which shall constitute such series, which number may be increased (except where otherwise provided by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by like action of the Board of Directors;

(2) The rate and times at which, and the terms and conditions on which, dividends, if any, on Preferred Stock of such series shall be paid, the extent of the preference or relation, if any, of such dividends to the dividends payable on any other class or classes, or series of the same or other class of stock and whether such dividends shall be cumulative or non-cumulative;

(3) The right, if any, of the holders of Preferred Stock of such series to convert the same into or exchange the same for, shares of any other class or classes or of any series of the same or any other class or classes of stock of the Corporation and the terms and conditions of such conversion or exchange;

(4) Whether or not Preferred Stock of such series shall be subject to redemption, and the redemption price or prices and the time or times at which, and the terms and

conditions on which, Preferred Stock of such series may be redeemed.

(5) The rights, if any, of the holders of Preferred Stock of such series upon the voluntary or involuntary liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding-up, of the Corporation.

(6) The terms of the sinking fund or redemption or purchase account, if any, to be provided for the Preferred Stock of such series; and

(7) The voting powers, if any, of the holders of such series of Preferred Stock which may, without limiting the generality of the foregoing include the right, voting as a series or by itself or together with other series of Preferred Stock or all series of Preferred Stock as a class, to elect one or more directors of the Corporation if there shall have been a default in the payment of dividends on any one or more series of Preferred Stock or under such circumstances and on such conditions as the Board of Directors may determine.

(c) (1) After the requirements with respect to preferential dividends on the Preferred Stock (fixed in accordance with the provisions of section (b) of this Article FOURTH), if any, shall have been met and after the Corporation shall have complied with all the requirements, if any, with respect to the setting aside of sums as sinking funds or redemption or purchase accounts (fixed in accordance with the provisions of section (b) of this Article FOURTH), and subject further to any conditions which may be fixed in accordance with the provisions of section (b) of this Article FOURTH, then and not otherwise the holders of Common Stock shall be entitled to receive such dividends as may be declared from time to time by the Board of Directors.

(2) After distribution in full of the preferential amount, if any, (fixed in accordance with the provisions of section (b) of this Article FOURTH), to be distributed to the holders of Preferred Stock in the event of voluntary or involuntary liquidation, distribution or sale of assets, dissolution or winding-up, of the Corporation, the holders of the Common Stock shall be entitled to receive all of the remaining assets of the Corporation, tangible and intangible, of whatever kind available for distribution to stockholders ratably in proportion to the number of shares of Common Stock held by them respectively.

(3) Except as may otherwise be required by law or by the provisions of such resolution or resolutions as may be adopted by the Board of Directors pursuant to section (b) of this Article FOURTH, each holder of Common Stock shall have one vote in respect of each share of Common Stock held on all matters voted upon by the stockholders.

(d) No holder of any of the shares of any class or series of stock or of options, warrants or other rights to purchase shares of any class or series of stock or of other securities of the Corporation shall have any preemptive right to purchase or subscribe for any unissued stock of any class or series or any additional shares of any class or series to be issued by reason of any increase of the authorized capital stock of the Corporation of any class or series, or bonds, certificates of indebtedness, debentures or other securities convertible into or exchangeable for stock of the Corporation of any class or series, or carrying any right to purchase stock of any class or series, but any such unissued stock, additional authorized issue of shares of any class or series of stock or securities convertible into or exchangeable for stock, or carrying any right to purchase stock, may be issued and disposed of pursuant to resolution of the Board of Directors to such persons, firms, corporations or associations, whether such holders or others, and upon such terms as may be deemed advisable by the Board of Directors in the exercise of its sole discretion.

(e) The relative powers, preferences and rights of each series of Preferred Stock in relation to the relative powers, preferences and rights of each other series of Preferred Stock shall, in each case, be as fixed from time to time by the Board of Directors in the resolution or resolutions adopted pursuant to authority granted in section (b) of this Article FOURTH and the consent, by class or series vote or otherwise, of the holders of such of the series of Preferred Stock as are from time to time outstanding shall not be required for the issuance by the Board of Directors of any other series of Preferred Stock whether or not the powers, preferences and rights of such other series shall be fixed by the Board of Directors as senior to, or on a parity with, the powers, preferences and rights of such outstanding series, or any of them; provided, however, that the Board of Directors may provide in the resolution or resolutions as to any series of Preferred Stock adopted pursuant to section (b) of this Article FOURTH that the consent of the holders of a majority (or such greater proportion as shall be therein fixed) of the outstanding shares of such series voting thereon shall be required for the issuance of any or all other series of Preferred Stock.

(f) Subject to the provisions of section (e), shares of any series of Preferred Stock may be issued from time to time as the Board of Directors of the Corporation shall determine and on such terms and for such consideration as shall be fixed by the Board of Directors.

(g) Shares of Common Stock may be issued from time to time as the Board of Directors of the Corporation shall determine and on such terms and for such consideration as shall be fixed by the Board of Directors.

(h) The authorized amount of shares of Common Stock and of Preferred Stock may, without a class or series vote, be increased or decreased from time to time by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote thereon.

FIFTH: - (a) The business and affairs of the Corporation shall be conducted and managed by a Board of Directors. The number of directors constituting the entire Board shall be not less than five nor more than twenty-five as fixed from time to time by vote of a majority of the whole Board, provided, however, that the number of directors shall not be reduced so as to shorten the term of any director at the time in office, and provided further, that the number of directors constituting the whole Board shall be twenty-four until otherwise fixed by a majority of the whole Board.

(b) The Board of Directors shall be divided into three classes, as nearly equal in number as the then total number of directors constituting the whole Board permits, with the term of office of one class expiring each year. At the annual meeting of stockholders in 1982, directors of the first class shall be elected to hold office for a term expiring at the next succeeding annual meeting, directors of the second class shall be elected to hold office for a term expiring at the second succeeding annual meeting and directors of the third class shall be elected to hold office for a term expiring at the third succeeding annual meeting. Any vacancies in the Board of Directors for any reason, and any newly created directorships resulting from any increase in the directors, may be filled by the Board of Directors, acting by a majority of the directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next annual election of directors. At such election, the stockholders shall elect a successor to such director to hold office until the next election of the class for which such director shall have been chosen and until his successor shall be elected and qualified. No decrease in the number of directors shall shorten the term of any incumbent director.

(c) Notwithstanding any other provisions of this Charter or Act of Incorporation or the By-Laws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, this Charter or Act of Incorporation or the By-Laws of the Corporation), any director or the entire Board of Directors of the Corporation may be removed at any time without cause, but only by the affirmative vote of the holders of two-thirds or more of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the stockholders called for that purpose.

(d) Nominations for the election of directors may be made by the Board of Directors or by any stockholder entitled to vote for the election of directors. Such nominations shall be made by notice in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Corporation not less than 14 days nor more than 50 days prior to any meeting of the stockholders called for the election of directors; provided, however, that if less than 21 days' notice of the meeting is given to stockholders, such written notice shall be delivered or mailed, as prescribed, to the Secretary of the Corporation not later than the close of the seventh day following the day on which notice of the meeting was mailed to

stockholders. Notice of nominations which are proposed by the Board of Directors shall be given by the Chairman on behalf of the Board.

(e) Each notice under subsection (d) shall set forth (i) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of such nominee and (iii) the number of shares of stock of the Corporation which are beneficially owned by each such nominee.

(f) The Chairman of the meeting may, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

(g) No action required to be taken or which may be taken at any annual or special meeting of stockholders of the Corporation may be taken without a meeting, and the power of stockholders to consent in writing, without a meeting, to the taking of any action is specifically denied.

SIXTH: - The Directors shall choose such officers, agents and servants as may be provided in the By-Laws as they may from time to time find necessary or proper.

SEVENTH: - The Corporation hereby created is hereby given the same powers, rights and privileges as may be conferred upon corporations organized under the Act entitled "An Act Providing a General Corporation Law", approved March 10, 1899, as from time to time amended.

EIGHTH: - This Act shall be deemed and taken to be a private Act.

NINTH: - This Corporation is to have perpetual existence.

TENTH: - The Board of Directors, by resolution passed by a majority of the whole Board, may designate any of their number to constitute an Executive Committee, which Committee, to the extent provided in said resolution, or in the By-Laws of the Company, shall have and may exercise all of the powers of the Board of Directors in the management of the business and affairs of the Corporation, and shall have power to authorize the seal of the Corporation to be affixed to all papers which may require it.

ELEVENTH: - The private property of the stockholders shall not be liable for the payment of corporate debts to any extent whatever.

TWELFTH: - The Corporation may transact business in any part of the world.

THIRTEENTH: - The Board of Directors of the Corporation is expressly authorized to make, alter or repeal the By-Laws of the Corporation by a vote of the majority of the entire Board. The stockholders may make, alter or repeal any By-Law whether or not adopted by them, provided however, that any such additional By-Laws, alterations or repeal may be adopted only by the affirmative vote of the holders of two-thirds or more of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class).

FOURTEENTH: - Meetings of the Directors may be held outside of the State of Delaware at such places as may be from time to time designated by the Board, and the Directors may keep the books of the Company outside of the State of Delaware at such places as may be from time to time designated by them.

FIFTEENTH: - (a) (1) In addition to any affirmative vote required by law, and except as otherwise expressly provided in sections (b) and (c) of this Article FIFTEENTH:

(A) any merger or consolidation of the Corporation or any Subsidiary (as hereinafter defined) with or into (i) any Interested Stockholder (as hereinafter defined) or (ii) any other corporation (whether or not itself an Interested Stockholder), which, after such merger or consolidation, would be an Affiliate (as hereinafter defined) of an Interested Stockholder, or

(B) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of related transactions) to or with any Interested Stockholder or any Affiliate of any Interested Stockholder of any assets of the Corporation or any Subsidiary having an aggregate fair market value of \$1,000,000 or more, or

(C) the issuance or transfer by the Corporation or any Subsidiary (in one transaction or a series of related transactions) of any securities of the Corporation or any Subsidiary to any Interested Stockholder or any Affiliate of any Interested Stockholder in exchange for cash, securities or other property (or a combination thereof) having an aggregate fair market value of \$1,000,000 or more, or

(D) the adoption of any plan or proposal for the liquidation or dissolution of the Corporation, or

(E) any reclassification of securities (including any reverse stock split), or recapitalization of the Corporation, or any merger or consolidation of the Corporation with any of its Subsidiaries or any similar transaction (whether or not with or into or otherwise involving an Interested Stockholder) which has the effect, directly or

indirectly, of increasing the proportionate share of the outstanding shares of any class of equity or convertible securities of the Corporation or any Subsidiary which is directly or indirectly owned by any Interested Stockholder, or any Affiliate of any Interested Stockholder,

shall require the affirmative vote of the holders of at least two-thirds of the outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, considered for the purpose of this Article FIFTEENTH as one class ("Voting Shares"). Such affirmative vote shall be required notwithstanding the fact that no vote may be required, or that some lesser percentage may be specified, by law or in any agreement with any national securities exchange or otherwise.

(2) The term "business combination" as used in this Article FIFTEENTH shall mean any transaction which is referred to in any one or more of clauses (A) through (E) of paragraph 1 of the section (a).

(b) The provisions of section (a) of this Article FIFTEENTH shall not be applicable to any particular business combination and such business combination shall require only such affirmative vote as is required by law and any other provisions of the Charter or Act of Incorporation or By-Laws if such business combination has been approved by a majority of the whole Board.

(c) For the purposes of this Article FIFTEENTH:

(1) A "person" shall mean any individual, firm, corporation or other entity.

(2) "Interested Stockholder" shall mean, in respect of any business combination, any person (other than the Corporation or any Subsidiary) who or which as of the record date for the determination of stockholders entitled to notice of and to vote on such business combination, or immediately prior to the consummation of any such transaction:

(A) is the beneficial owner, directly or indirectly, of more than 10% of the Voting Shares, or

(B) is an Affiliate of the Corporation and at any time within two years prior thereto was the beneficial owner, directly or indirectly, of not less than 10% of the then outstanding voting Shares, or

(C) is an assignee of or has otherwise succeeded in any share of capital stock of the Corporation which were at any time within two years prior thereto beneficially owned by any Interested Stockholder, and such assignment or succession shall have occurred in the course of a transaction or series of transactions not involving a public offering

within the meaning of the Securities Act of 1933.

(3) A person shall be the "beneficial owner" of any Voting Shares:

(A) which such person or any of its Affiliates and Associates (as hereafter defined) beneficially own, directly or indirectly, or

(B) which such person or any of its Affiliates or Associates has (i) the right to acquire (whether such right is exercisable immediately or only after the passage of time), pursuant to any agreement, arrangement or understanding or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise, or (ii) the right to vote pursuant to any agreement, arrangement or understanding, or

(C) which are beneficially owned, directly or indirectly, by any other person with which such first mentioned person or any of its Affiliates or Associates has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of any shares of capital stock of the Corporation.

(4) The outstanding Voting Shares shall include shares deemed owned through application of paragraph (3) above but shall not include any other Voting Shares which may be issuable pursuant to any agreement, or upon exercise of conversion rights, warrants or options or otherwise.

(5) "Affiliate" and "Associate" shall have the respective meanings given those terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on December 31, 1981.

(6) "Subsidiary" shall mean any corporation of which a majority of any class of equity security (as defined in Rule 3a11-1 of the General Rules and Regulations under the Securities Exchange Act of 1934, as in effect on December 31, 1981) is owned, directly or indirectly, by the Corporation; provided, however, that for the purposes of the definition of Investment Stockholder set forth in paragraph (2) of this section (c), the term "Subsidiary" shall mean only a corporation of which a majority of each class of equity security is owned, directly or indirectly, by the Corporation.

(d) majority of the directors shall have the power and duty to determine for the purposes of this Article FIFTEENTH on the basis of information known to them, (1) the number of Voting Shares beneficially owned by any person (2) whether a person is an Affiliate or Associate of another, (3) whether a person has an agreement, arrangement or understanding with another as to the matters referred to in paragraph (3) of section (c), or (4) whether the assets subject to any business combination or the consideration

received for the issuance or transfer of securities by the Corporation, or any Subsidiary has an aggregate fair market value of \$1,000,000 or more.

(e) Nothing contained in this Article FIFTEENTH shall be construed to relieve any Interested Stockholder from any fiduciary obligation imposed by law.

SIXTEENTH: Notwithstanding any other provision of this Charter or Act of Incorporation or the By-Laws of the Corporation (and in addition to any other vote that may be required by law, this Charter or Act of Incorporation by the By-Laws), the affirmative vote of the holders of at least two-thirds of the outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter or repeal any provision of Articles FIFTH, THIRTEENTH, FIFTEENTH or SIXTEENTH of this Charter or Act of Incorporation.

SEVENTEENTH: (a) a Director of this Corporation shall not be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a Director, except to the extent such exemption from liability or limitation thereof is not permitted under the Delaware General Corporation Laws as the same exists or may hereafter be amended.

(b) Any repeal or modification of the foregoing paragraph shall not adversely affect any right or protection of a Director of the Corporation existing hereunder with respect to any act or omission occurring prior to the time of such repeal or modification."

EXHIBIT B

BY-LAWS

WILMINGTON TRUST COMPANY

WILMINGTON, DELAWARE

AS EXISTING ON JANUARY 16, 2003

BY-LAWS OF WILMINGTON TRUST COMPANY

ARTICLE I

STOCKHOLDERS' MEETINGS

Section 1. Annual Meeting. The annual meeting of stockholders shall be held on the third Thursday in April each year at the principal office at the Company or at such other date, time or place as may be designated by resolution by the Board of Directors.

Section 2. Special Meetings. Special meetings of stockholders may be called at any time by the Board of Directors, the Chairman of the Board, the Chief Executive Officer or the President.

Section 3. Notice. Notice of all meetings of the stockholders shall be given by mailing to each stockholder at least ten (10) days before said meeting, at his last known address, a written or printed notice fixing the time and place of such meeting.

Section 4. Quorum. A majority in the amount of the capital stock of the Company issued and outstanding on the record date, as herein determined, shall constitute a quorum at all meetings of stockholders for the transaction of any business, but the holders of a smaller number of shares may adjourn from time to time, without further notice, until a quorum is secured. At each annual or special meeting of stockholders, each stockholder shall be entitled to one vote, either in person or by proxy, for each share of stock registered in the stockholder's name on the books of the Company on the record date for any such meeting as determined herein.

ARTICLE 2

DIRECTORS

Section 1. Management. The affairs and business of the Company shall be managed by or under the direction of the Board of Directors.

Section 2. Number. The authorized number of directors that shall constitute the Board of Directors shall be fixed from time to time by or pursuant to a resolution passed by a majority of the Board of Directors within the parameters set by the Charter of the Company. No more than two directors may also be employees of the Company or any affiliate thereof.

Section 3. Qualification. In addition to any other provisions of these Bylaws, to be qualified for nomination for election or appointment to the Board of Directors, a person must have not attained the age of sixty-nine years at the time of such election or appointment, provided however, the Nominating and Corporate Governance Committee may waive such qualification as to a particular candidate otherwise

qualified to serve as a director upon a good faith determination by such committee that such a waiver is in the best interests of the Company and its stockholders. The Chairman of the Board and the Chief Executive Officer shall not be qualified to continue to serve as directors upon the termination of their service in those offices for any reason.

Section 4. Meetings. The Board of Directors shall meet at the principal office of the Company or elsewhere in its discretion at such times to be determined by a majority of its members, or at the call of the Chairman of the Board of Directors, the Chief Executive Officer or the President.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called at any time by the Chairman of the Board, the Chief Executive Officer or the President, and shall be called upon the written request of a majority of the directors.

Section 6. Quorum. A majority of the directors elected and qualified shall be necessary to constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Notice. Written notice shall be sent by mail to each director of any special meeting of the Board of Directors, and of any change in the time or place of any regular meeting, stating the time and place of such meeting, which shall be mailed not less than two days before the time of holding such meeting.

Section 8. Vacancies. In the event of the death, resignation, removal, inability to act or disqualification of any director, the Board of Directors, although less than a quorum, shall have the right to elect the successor who shall hold office for the remainder of the full term of the class of directors in which the vacancy occurred, and until such director's successor shall have been duly elected and qualified.

Section 9. Organization Meeting. The Board of Directors at its first meeting after its election by the stockholders shall appoint an Executive Committee, an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee, and shall elect from its own members a Chairman of the Board, a Chief Executive Officer and a President, who may be the same person. The Board of Directors shall also elect at such meeting a Secretary and a Chief Financial Officer, who may be the same person, and may appoint at any time such committees as it may deem advisable. The Board of Directors may also elect at such meeting one or more Associate Directors. The Board of Directors, the Executive Committee or another committee designated by the Board of Directors may elect or appoint such other officers as they may deem advisable.

Section 10. Removal. The Board of Directors may at any time remove, with or without cause, any member of any committee appointed by it or any associate director or officer elected by it and may appoint or elect his successor.

Section 11. Responsibility of Officers. The Board of Directors may designate an officer to be in charge of such departments or divisions of the Company as it may deem advisable.

Section 12. Participation in Meetings. The Board of Directors or any committee of the Board of Directors may participate in a meeting of the Board of Directors or such committee, as the case may be, by conference telephone, video facilities or other communications equipment. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all of the members of the Board of Directors or the committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the Board of Directors or such committee.

ARTICLE 3

COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. Executive Committee.

(A) The Executive Committee shall be composed of not more than nine (9) members, who shall be selected by the Board of Directors from its own members, and who shall hold office at the pleasure of the Board of Directors.

(B) The Executive Committee shall have and may exercise, to the fullest extent permitted by law, all of the powers of the Board of Directors when it is not in session to transact all business for and on behalf of the Company that may be brought before it.

(C) The Executive Committee shall meet at the principal office of the Company or elsewhere in its discretion at such times to be determined by a majority of its members, or at the call of the Chairman of the Executive Committee, the Chairman of the Board, the Chief Executive Officer or the President. The majority of its members shall be necessary to constitute a quorum for the transaction of business. Special meetings of the Executive Committee may be held at any time when a quorum is present.

(D) Minutes of each meeting of the Executive Committee shall be kept and submitted to the Board of Directors at its next meeting.

(E) In the event of an emergency of sufficient severity to prevent the conduct and management of the affairs and business of the Company by its directors and officers as contemplated by these Bylaws, any two available members of the Executive Committee as constituted immediately prior to such emergency shall constitute a quorum of that Committee for the full conduct and management of the affairs and business of the Company in accordance with the provisions of Article 3 of these Bylaws. In the event of the unavailability, at such time, of a minimum of two members of the Executive Committee, any three available directors shall constitute the Executive Committee for the full conduct and management of the

affairs and business of the Company in accordance with the foregoing provisions of this Section. This Bylaw shall be subject to implementation by resolutions of the Board of Directors presently existing or hereafter passed from time to time for that purpose, and any provisions of these Bylaws (other than this Section) and any resolutions which are contrary to the provisions of this Section or to the provisions of any such implementing resolutions shall be suspended during such a disaster period until it shall be determined by any interim Executive Committee acting under this Section that it shall be to the advantage of the Company to resume the conduct and management of its affairs and business under all of the other provisions of these Bylaws.

Section 2. Audit Committee.

(A) The Audit Committee shall be composed of not more than five (5) members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board.

(B) The Audit Committee shall have general supervision over the Audit Services Division in all matters however subject to the approval of the Board of Directors; it shall consider all matters brought to its attention by the officer in charge of the Audit Services Division, review all reports of examination of the Company made by any governmental agency or such independent auditor employed for that purpose, and make such recommendations to the Board of Directors with respect thereto or with respect to any other matters pertaining to auditing the Company as it shall deem desirable.

(C) The Audit Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President or a majority of the Committee's members shall deem it to be proper for the transaction of its business. A majority of the Committee's members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at which a quorum is present shall constitute action by the Committee.

Section 3. Compensation Committee.

(A) The Compensation Committee shall be composed of not more than five (5) members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board of Directors.

(B) The Compensation Committee shall in general advise upon all matters of policy concerning compensation, including salaries and employee benefits.

(C) The Compensation Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President or a majority of the Committee's members shall deem it to be proper for the transaction of its business. A majority of the Committee's members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at

which a quorum is present shall constitute action by the Committee.

SECTION 4. NOMINATING AND CORPORATE GOVERNANCE COMMITTEE.

(A) The Nominating and Corporate Governance Committee shall be composed of not more than five members, who shall be selected by the Board of Directors from its own members, none of whom shall be an officer or employee of the Company, and shall hold office at the pleasure of the Board of Directors.

(B) The Nominating and Corporate Governance Committee shall provide counsel and make recommendations to the Chairman of the Board and the full Board with respect to the performance of the Chairman of the Board and the Chief Executive Officer, candidates for membership on the Board of Directors and its committees, matters of corporate governance, succession planning for the Company's executive management and significant shareholder relations issues.

(C) The Nominating and Corporate Governance Committee shall meet whenever and wherever its Chairperson, the Chairman of the Board, the Chief Executive Officer, the President, or a majority of the Committee's members shall deem it to be proper for the transaction of its business. A majority of the Committee's members shall constitute a quorum for the transaction of business. The acts of the majority at a meeting at which a quorum is present shall constitute action by the Committee.

Section 5. Other Committees. The Company may have such other committees with such powers as the Board may designate from time to time by resolution or by an amendment to these Bylaws.

Section 6. Associate Directors.

(A) Any person who has served as a director may be elected by the Board of Directors as an associate director, to serve at the pleasure of the Board of Directors.

(B) Associate directors shall be entitled to attend all meetings of directors and participate in the discussion of all matters brought to the Board of Directors, but will not have a right to vote.

Section 7. Absence or Disqualification of Any Member of a Committee. In the absence or disqualification of any member of any committee created under Article III of these Bylaws, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

ARTICLE 4

OFFICERS

Section 1. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and shall have such further authority and powers and shall perform such duties the Board of Directors may assign to him from time to time.

Section 2. Chief Executive Officer. The Chief Executive Officer shall have the powers and duties pertaining to the office of Chief Executive Officer conferred or imposed upon him by statute, incident to his office or as the Board of Directors may assign to him from time to time. In the absence of the Chairman of the Board, the Chief Executive Officer shall have the powers and duties of the Chairman of the Board.

Section 3. President. The President shall have the powers and duties pertaining to the office of the President conferred or imposed upon him by statute, incident to his office or as the Board of Directors may assign to him from time to time. In the absence of the Chairman of the Board and the Chief Executive Officer, the President shall have the powers and duties of the Chairman of the Board.

Section 4. Duties. The Chairman of the Board, the Chief Executive Officer or the President, as designated by the Board of Directors, shall carry into effect all legal directions of the Executive Committee and of the Board of Directors and shall at all times exercise general supervision over the interest, affairs and operations of the Company and perform all duties incident to his office.

Section 5. Vice Presidents. There may be one or more Vice Presidents, however denominated by the Board of Directors, who may at any time perform all of the duties of the Chairman of the Board, the Chief Executive Officer and/or the President and such other powers and duties incident to their respective offices or as the Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or the President or the officer in charge of the department or division to which they are assigned may assign to them from time to time.

Section 6. Secretary. The Secretary shall attend to the giving of notice of meetings of the stockholders and the Board of Directors, as well as the committees thereof, to the keeping of accurate minutes of all such meetings, recording the same in the minute books of the Company and in general notifying the Board of Directors of material matters affecting the Company on a timely basis. In addition to the other notice requirements of these Bylaws and as may be practicable under the circumstances, all such notices shall be in writing and mailed well in advance of the scheduled date of any such meeting. He shall have custody of the corporate seal, affix the same to any documents requiring such corporate seal, attest the same and perform other duties incident to his office.

Section 7. Chief Financial Officer. The Chief Financial Officer shall have general supervision over all assets and liabilities of the Company. He shall be custodian of and responsible for all monies, funds and valuables of the Company and for the keeping of proper records of the evidence of property or indebtedness and of all transactions of the Company. He shall have general supervision of the expenditures of the Company and periodically shall report to the Board of Directors the condition of the Company, and

perform such other duties incident to his office or as the Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or the President may assign to him from time to time.

Section 8. Controller. There may be a Controller who shall exercise general supervision over the internal operations of the Company, including accounting, and shall render to the Board of Directors or the Audit Committee at appropriate times a report relating to the general condition and internal operations of the Company and perform other duties incident to his office.

There may be one or more subordinate accounting or controller officers however denominated, who may perform the duties of the Controller and such duties as may be prescribed by the Controller.

Section 9. Audit Officers. The officer designated by the Board of Directors to be in charge of the Audit Services Division of the Company, with such title as the Board of Directors shall prescribe, shall report to and be directly responsible to the Audit Committee and the Board of Directors.

There shall be an Auditor and there may be one or more Audit Officers, however denominated, who may perform all the duties of the Auditor and such duties as may be prescribed by the officer in charge of the Audit Services Division.

Section 10. Other Officers. There may be one or more officers, subordinate in rank to all Vice Presidents with such functional titles as shall be determined from time to time by the Board of Directors, who shall ex officio hold the office of Assistant Secretary of the Company and who may perform such duties as may be prescribed by the officer in charge of the department or division to which they are assigned.

Section 11. Powers and Duties of Other Officers. The powers and duties of all other officers of the Company shall be those usually pertaining to their respective offices, subject to the direction of the Board of Directors, the Executive Committee, the Chairman of the Board, the Chief Executive Officer or the President and the officer in charge of the department or division to which they are assigned.

Section 12. Number of Offices. Any one or more offices of the Company may be held by the same person, except that (A) no individual may hold more than one of the offices of Chief Financial Officer, Controller or Audit Officer and (B) none of the Chairman of the Board, the Chief Executive Officer or the President may hold any office mentioned in Section 12(A).

ARTICLE 5

STOCK AND STOCK CERTIFICATES

Section 1. Transfer. Shares of stock shall be transferable on the books of the Company and a transfer book shall be kept in which all transfers of stock shall be recorded.

Section 2. Certificates. Every holder of stock shall be entitled to have a certificate signed by or in the name of the Company by the Chairman of the Board, the Chief Executive Officer or the President or a Vice President, and by the Secretary or an Assistant Secretary, of the Company, certifying the number of shares owned by him in the Company. The corporate seal affixed thereto, and any of or all the signatures on the certificate, may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer, transfer agent or registrar at the date of issue. Duplicate certificates of stock shall be issued only upon giving such security as may be satisfactory to the Board of Directors or the Executive Committee.

Section 3. Record Date. The Board of Directors is authorized to fix in advance a record date for the determination of the stockholders entitled to notice of, and to vote at, any meeting of stockholders and any adjournment thereof, or entitled to receive payment of any dividend, or to any allotment of rights, or to exercise any rights in respect of any change, conversion or exchange of capital stock, or in connection with obtaining the consent of stockholders for any purpose, which record date shall not be more than 60 nor less than 10 days preceding the date of any meeting of stockholders or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent.

ARTICLE 6

SEAL

The corporate seal of the Company shall be in the following form:

Between two concentric circles the words "Wilmington Trust Company" within the inner circle the words "Wilmington, Delaware."

ARTICLE 7

FISCAL YEAR

The fiscal year of the Company shall be the calendar year.

ARTICLE 8

EXECUTION OF INSTRUMENTS OF THE COMPANY

The Chairman of the Board, the Chief Executive Officer, the President or any Vice President, however denominated by the Board of Directors, shall have full power and authority to enter into, make,

sign, execute, acknowledge and/or deliver and the Secretary or any Assistant Secretary shall have full power and authority to attest and affix the corporate seal of the Company to any and all deeds, conveyances, assignments, releases, contracts, agreements, bonds, notes, mortgages and all other instruments incident to the business of this Company or in acting as executor, administrator, guardian, trustee, agent or in any other fiduciary or representative capacity by any and every method of appointment or by whatever person, corporation, court officer or authority in the State of Delaware, or elsewhere, without any specific authority, ratification, approval or confirmation by the Board of Directors or the Executive Committee, and any and all such instruments shall have the same force and validity as though expressly authorized by the Board of Directors and/or the Executive Committee.

ARTICLE 9

COMPENSATION OF DIRECTORS AND MEMBERS OF COMMITTEES

Directors and associate directors of the Company, other than salaried officers of the Company, shall be paid such reasonable honoraria or fees for attending meetings of the Board of Directors as the Board of Directors may from time to time determine. Directors and associate directors who serve as members of committees, other than salaried employees of the Company, shall be paid such reasonable honoraria or fees for services as members of committees as the Board of Directors shall from time to time determine and directors and associate directors may be authorized by the Company to perform such special services as the Board of Directors may from time to time determine in accordance with any guidelines the Board of Directors may adopt for such services, and shall be paid for such special services so performed reasonable compensation as may be determined by the Board of Directors.

ARTICLE 10

INDEMNIFICATION

Section 1. Persons Covered. The Company shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding") by reason of the fact that he, or a person for whom he is the legal representative, is or was a director of the Company or is or was serving at the request of the Company as a director, officer, employee, fiduciary or agent of another corporation, partnership, limited liability company, joint venture, trust, enterprise or non-profit entity that is not a subsidiary or affiliate of the Company, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person. The Company shall be required to indemnify such a person in connection with a proceeding initiated by such person only if the proceeding was authorized by the Board of Directors.

The Company may indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or threatened to be made a party or is otherwise involved in any proceeding by reason of the fact that he, or a person for whom he is the legal representative, is or was an officer, employee or agent of the Company or a director, officer, employee or agent of a subsidiary or affiliate of the Company, against all liability and loss suffered and expenses reasonably incurred by such person. The Company may indemnify any such person in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors.

Section 2. Advance of Expenses. The Company shall pay the expenses incurred in defending any proceeding involving a person who is or may be indemnified pursuant to Section 1 in advance of its final disposition, provided, however, that the payment of expenses incurred by such a person in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by that person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under this Article 10 or otherwise.

Section 3. Certain Rights. If a claim under this Article 10 for (A) payment of expenses or (B) indemnification by a director or person who is or was serving at the request of the Company as a director, officer, employee, fiduciary or agent of another corporation, partnership, limited liability company, joint venture, trust, enterprise or nonprofit entity that is not a subsidiary or affiliate of the Company, including service with respect to employee benefit plans, is not paid in full within sixty days after a written claim therefor has been received by the Company, the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action, the Company shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

Section 4. Non-Exclusive. The rights conferred on any person by this Article 10 shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the Charter or Act of Incorporation, these Bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 5. Reduction of Amount. The Company's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or nonprofit entity.

Section 6. Effect of Modification. Any amendment, repeal or modification of the foregoing provisions of this Article 10 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such amendment, repeal or modification.

ARTICLE 11

AMENDMENTS TO THE BYLAWS

These Bylaws may be altered, amended or repealed, in whole or in part, and any new Bylaw or Bylaws adopted at any regular or special meeting of the Board of Directors by a vote of a majority of all the members of the Board of Directors then in office.

ARTICLE 12

MISCELLANEOUS

Whenever used in these Bylaws, the singular shall include the plural, the plural shall include the singular unless the context requires otherwise and the use of either gender shall include both genders.

EXHIBIT C

SECTION 321(b) CONSENT

Pursuant to Section 321(b) of the Trust Indenture Act of 1939, as amended, Wilmington Trust Company hereby consents that reports of examinations by Federal, State, Territorial or District authorities may be furnished by such authorities to the Securities and Exchange Commission upon requests therefor.

WILMINGTON TRUST COMPANY

Dated: October 21, 2003

By: /s/ Roseline K. Maney

Name: Vice President
Title: Vice President

EXHIBIT D

NOTICE

This form is intended to assist state nonmember banks and savings banks with state publication requirements. It has not been approved by any state banking authorities. Refer to your appropriate state banking authorities for your state publication requirements.

R E P O R T O F C O N D I T I O N

Consolidating domestic subsidiaries of the

WILMINGTON TRUST COMPANY of WILMINGTON
Name of Bank City

in the State of DELAWARE, at the close of business on June 30, 2003.

ASSETS

Thousands of dollars

Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coins.....	221,573
Interest-bearing balances	0
Held-to-maturity securities	3,777
Available-for-sale securities.....	1,684,467
Federal funds sold in domestic offices.....	465,275
Securities purchased under agreements to resell.....	18,800
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	5,598,733
LESS: Allowance for loan and lease losses	77,873
Loans and leases, net of unearned income, allowance, and reserve.....	5,520,860
Assets held in trading accounts.....	0
Premises and fixed assets (including capitalized leases).....	142,672
Other real estate owned	2,986
Investments in unconsolidated subsidiaries and associated companies.....	2,496
Customers' liability to this bank on acceptances outstanding.....	0
Intangible assets:	
a. Goodwill	157
b. Other intangible assets	11,897
Other assets	171,667
Total assets.....	8,246,627

CONTINUED ON NEXT PAGE

LIABILITIES

Deposits:	
In domestic offices.....	6,415,199
Noninterest-bearing	1,011,850
Interest-bearing	5,403,349
Federal funds purchased in domestic offices.....	286,799
Securities sold under agreements to repurchase.....	207,308
Trading liabilities (from Schedule RC-D).....	0
Other borrowed money (includes mortgage indebtedness and obligations under capitalized leases:.....)	597,518
Bank's liability on acceptances executed and outstanding.....	0
Subordinated notes and debentures.....	0
Other liabilities (from Schedule RC-G).....	98,337
Total liabilities.....	7,605,161

EQUITY CAPITAL

Perpetual preferred stock and related surplus.....	0
Common Stock.....	500
Surplus (exclude all surplus related to preferred stock).....	112,358
a. Retained earnings.....	526,582
b. Accumulated other comprehensive income.....	2,026
Total equity capital.....	641,466
Total liabilities, limited-life preferred stock, and equity capital.....	8,246,627